

Internal Service Funds

Internal Service Funds are used to account for operations serving other Funds or departments within the City on a cost reimbursement basis. The fund is segregated to ensure that the full cost of the service is covered by the charges. Internal Service Funds are considered Proprietary Funds.

Self-Insurance Activities

The City is self-insured for both healthcare and workers compensation costs. The City contracts directly with a third-party administrator to facilitate workers compensation and indirectly for health insurance through a pool. Self-insurance carries some level of risk, but it typically is less expensive than purchasing coverage through premiums. Stop loss coverage for both programs limit the level of risk.

Health Insurance Activities

The revenues for this activity are derived from City contributions and employee and retiree contributions. The contributions are designated to provide health insurance coverage for employees and their dependents. Retirees may continue insurance at full cost. These activities are separated to ensure that the contributions are sufficient to support the activity.

Worker's Compensation Insurance Activities

The revenues for this activity are derived solely from City contributions. Rather than pay premiums to an insurance company for coverage, the City pays the "premiums" to itself to fund this activity. Premiums are charged to each department based on the amount of wages paid within the department multiplied by the applicable rate of the workers compensation employee class code.

City of Batavia 2021 Annual Budget

Fund #15 — Health Insurance Summary

Description	Actual 2018	Actual 2019	Approved Budget 2020	Estimated 2020	Proposed Budget 2021
Surplus and Reserves	\$373,101	\$260,131		\$287,327	\$301,022
02 Contributions	\$4,215,092	\$4,803,777	\$4,600,390	\$4,596,496	\$4,786,385
06 Other Revenues	\$2,016	\$3,780	\$3,000	\$600	\$1,500
Total Revenue	\$4,217,108	\$4,807,557	\$4,603,390	\$4,597,096	\$4,787,885
Health Benefit Plan	\$4,330,078	\$4,780,361	\$4,613,474	\$4,583,401	\$4,737,000
Total Expense	\$4,330,078	\$4,780,361	\$4,613,474	\$4,583,401	\$4,737,000
Surplus/(Deficit)	(\$112,970)	\$27,196	(\$10,084)	\$13,695	\$50,885
Surplus and Reserves	\$260,131	\$287,327		\$301,022	\$351,907

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Revenues

Fund #15 — Health Insurance

Acct.	Description	Actual 2018	Actual 2019	Approved Budget 2020	Estimated 2020	Proposed Budget 2021
4419	Employee Flex Plan Contrib.	\$153,575	\$176,016	\$175,000	\$173,000	\$178,000
4420	City Self Insurance Transfer	\$3,248,115	\$3,736,832	\$3,540,765	\$3,533,351	\$3,682,785
4425	Employee Ins. Contribution	\$699,246	\$767,809	\$768,360	\$773,700	\$804,500
4430	Non-Employee Ins Premiums	\$114,156	\$123,120	\$116,265	\$116,445	\$121,100
	02 Contributions	\$4,215,092	\$4,803,777	\$4,600,390	\$4,596,496	\$4,786,385
5000	Investment Income	\$2,016	\$3,780	\$3,000	\$600	\$1,500
	06 Other Revenues	\$2,016	\$3,780	\$3,000	\$600	\$1,500
	Total Revenue	\$4,217,108	\$4,807,557	\$4,603,390	\$4,597,096	\$4,787,885

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Expenditures

Fund #15 — Health Insurance

Department #40 — Health Benefit Plan

Acct.	Description	Actual	Actual	Approved	Estimated	Proposed
		2018	2019	Budget	2020	Budget
				2020		2021
6131	Medical & Dental Insurance	\$4,125,886	\$4,553,345	\$4,366,474	\$4,379,401	\$4,520,000
6132	Well Vision Care	\$28,068	\$28,786	\$32,000	\$30,000	\$32,000
6133	Flex Plan Section 125	\$163,204	\$183,705	\$175,000	\$154,000	\$165,000
6136	Wellness Initiatives	\$12,920	\$14,525	\$40,000	\$20,000	\$20,000
	Health Benefit Plan	\$4,330,078	\$4,780,361	\$4,613,474	\$4,583,401	\$4,737,000

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Fund #20 — Worker's Compensation Insurance Summary

Description	Actual 2018	Actual 2019	Approved Budget 2020	Estimated 2020	Proposed Budget 2021
Surplus and Reserves	\$1,468,166	\$1,729,170		\$1,623,268	\$1,730,868
02 Contributions	\$377,875	\$377,875	\$382,600	\$382,600	\$342,600
06 Other Revenues	\$173,436	\$57,184	\$25,000	\$36,700	\$8,000
Total Revenue	\$551,311	\$435,059	\$407,600	\$419,300	\$350,600
Worker's Compensation	\$290,307	\$540,961	\$622,000	\$311,700	\$434,500
Total Expense	\$290,307	\$540,961	\$622,000	\$311,700	\$434,500
Surplus/(Deficit)	\$261,004	(\$105,902)	(\$214,400)	\$107,600	(\$83,900)
Surplus and Reserves	\$1,729,170	\$1,623,268		\$1,730,868	\$1,646,968

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Revenues

Fund #20 — Worker's Compensation Insurance

Acct.	Description	Actual 2018	Actual 2019	Approved Budget 2020	Estimated 2020	Proposed Budget 2021
4420	City Self Insurance Transfer	\$377,875	\$377,875	\$382,600	\$382,600	\$342,600
	02 Contributions	\$377,875	\$377,875	\$382,600	\$382,600	\$342,600
4399	Reimb/Misc Revenue	\$142,719	\$15,489	\$0	\$6,700	\$0
5000	Investment Income	\$30,717	\$41,695	\$25,000	\$30,000	\$8,000
	06 Other Revenues	\$173,436	\$57,184	\$25,000	\$36,700	\$8,000
	Total Revenue	\$551,311	\$435,059	\$407,600	\$419,300	\$350,600

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Expenditures

Fund #20 — Worker's Compensation Insurance Department #20 — Worker's Compensation

Acct.	Description	Actual 2018	Actual 2019	Approved Budget 2020	Estimated 2020	Proposed Budget 2021
6130	Workers Comp Ins Premiums	\$84,919	\$81,181	\$88,000	\$88,000	\$100,000
6146	Claims Paid - Medical & Indemnity	\$363,764	\$294,110	\$500,000	\$200,000	\$300,000
6150	Adjustment to Claims Reserve	\$-189,099	\$135,327	\$0	\$0	\$0
6203	Medical Exams & Testing	\$17,523	\$17,073	\$20,000	\$10,000	\$20,000
6355	Professional Services	\$13,200	\$13,270	\$14,000	\$13,700	\$14,500
	Worker's Compensation	\$290,307	\$540,961	\$622,000	\$311,700	\$434,500