

# Town of Prosper

A place where everyone matters.

## Firefighter Positions and SAFER Grant

- Amend budget to add General Fund expenditures for 6 firefighter positions at \$791,689 (includes \$38,912 one-time costs)
- Amend budget to add \$372,672 in General Fund revenue for SAFER Grant

### Compensation Increase (3-year vs 1-year)

<u>Fund</u>	<u>Year 1</u>	<u>Year 2 Cumulative</u>	<u>Year 3 Cumulative</u>	<u>Total</u>
Total general	\$ 127,672	\$ 255,334	\$ 383,006	
Fire SPD	\$ 9,555	\$ 19,110	\$ 28,665	
Police SPD	\$ 9,555	\$ 19,110	\$ 28,665	
Water	\$ 19,903	\$ 39,806	\$ 59,709	
Stormwater	\$ 360	\$ 720	\$ 1,080	
<b>Subtotal</b>	<b>\$ 167,045</b>	<b>\$ 334,080</b>	<b>\$ 501,125</b>	<b>\$ 1,002,250</b>
Total general	\$ 416,072	\$ 416,072	\$ 416,072	
Fire SPD	\$ 27,625	\$ 27,625	\$ 27,625	
Police SPD	\$ 28,506	\$ 28,506	\$ 28,506	
Water	\$ 61,233	\$ 61,233	\$ 61,233	
Stormwater	\$ 1,081	\$ 1,081	\$ 1,081	
<b>Subtotal</b>	<b>\$ 534,517</b>	<b>\$ 534,517</b>	<b>\$ 534,517</b>	<b>\$ 1,603,551</b>
<b>Net Difference</b>	<b>\$ 367,472</b>	<b>\$ 200,437</b>	<b>\$ 33,392</b>	<b>\$ 601,301</b>
<b>Net by Fund</b>				
Total general	\$ 288,400	\$ 160,738	\$ 33,066	
Fire SPD	\$ 18,070	\$ 8,515	\$ (1,040)	
Police SPD	\$ 18,951	\$ 9,396	\$ (159)	
Water	\$ 41,330	\$ 21,427	\$ 1,524	
Stormwater	\$ 721	\$ 361	\$ 1	
	<b>\$ 367,472</b>	<b>\$ 200,437</b>	<b>\$ 33,392</b>	<b>\$ 601,301</b>
<b>SAFER Revenue</b>	<b>\$ (372,672)</b>	<b>\$ (372,672)</b>	<b>\$ (173,914)</b>	<b>\$ (919,258)</b>
<b>Net Impact</b>	<b>\$ (5,200)</b>	<b>\$ (172,235)</b>	<b>\$ (140,522)</b>	<b>\$ (317,957)</b>

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## Compensation Increase (3-year vs 1-year) (General Fund Only)

	<u>Year 1</u>	<u>Year 2 Cumulative</u>	<u>Year 3 Cumulative</u>	<u>Total</u>
3- Year	\$ 127,672	\$ 255,334	\$ 383,006	
1-Year	\$ 416,072	\$ 416,072	\$ 416,072	
Increase	\$ 288,400	\$ 160,738	\$ 33,066	<b>\$ 482,204</b>
SAFER Revenue	\$ (372,672)	\$ (372,672)	\$ (173,914)	<b>\$ (919,258)</b>
Net Impact	\$ (84,272)	\$ (211,934)	\$ (140,848)	<b>\$ (437,054)</b>

# Town of Prosper

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## Fire Brush Truck Supplemental Request

- **Cost** - \$108,969
- **Purpose** - The purpose of the request is to fund the shortfall in the VERF to replace the brush truck three years prior to its original fifteen year cycle. The current price is \$167,000 and is expected to increase in the Fall to \$172,000. The price estimated includes the expected price increase in the Fall. The VERF shows \$63,031 as of September 2019.
- **Benefits** - We would avoid paying expensive repair bills. The main benefit would be to have a brush truck that is dependable without fear of failure of the pump. We have requested through the VERF to change the schedule to a ten year cycle instead of the fifteen previously setup based on repair costs and recommendations from the manufacturer.

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## Fire Brush Truck Supplemental Request

- **Consequences** - Without replacing the truck we run the risk of having to take the brush truck out of service or sending the truck back to the manufacturer in Kansas to have a rear pump motor replaced. The estimated expense would be \$15-20,000. In addition, an engine leak was noticed by Bob Tomes Ford at a recent service visit. Two years ago a similar leak cost \$3,700. It would cost \$200-400 to diagnose due to the fact that much of the top motor components have to be removed to get to the motor.
- **VERF Policy**

In the event that a user department has not contributed enough over the life of an item to cover the cost of its replacement, the difference in funding may be derived from:

  - a. Savings on other items being replaced according to this policy in the same department; and/or
  - b. Funds available from total VERF balance of contributions made by the department, with the difference to be accounted for during the annual review; and/or
  - c. Funds available in the department's operating budget, which shall be transferred to the VERF to fund the entire replacement cost.

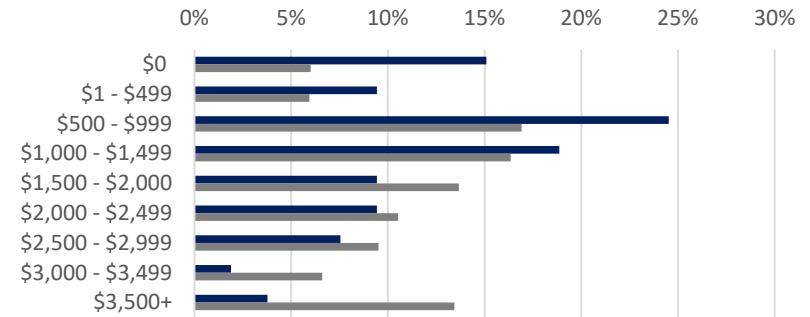


# Medical Plans

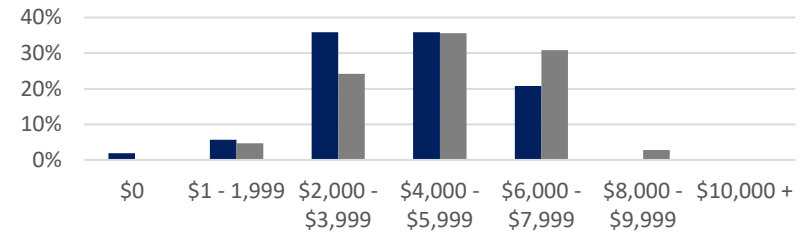
# PPO Plan Designs

	Prosper	Public Sector	All
<b>Enrollment</b>			
% offer a PPO	-	77%	67%
% of EE's Enrolled in a PPO	27%	64%	57%
<b>Benefits</b>			
Individual Deductible	\$1,500	\$1,500	\$1,500
Family Deductible	\$4,500	\$3,000	\$3,000
Individual MOOP	\$5,500	\$4,750	\$4,625
Family MOOP	\$10,200	\$10,000	\$10,000
Coinsurance	80%	80%	80%
PCP Visit Copay	\$30	\$25	\$25
Specialist Visit Copay	\$60	\$50	\$50
Emergency Room	\$200	\$250	\$250
Urgent Care	\$75	\$50	\$50
Rx copays	\$10   \$40   \$60   \$250	\$10   \$35   \$60   \$100	\$10   \$35   \$60   \$125
Mail Order	3x retail	2.5x retail	2.5x retail
<b>Actuarial Value</b>	-	<b>0.785</b>	<b>0.784</b>

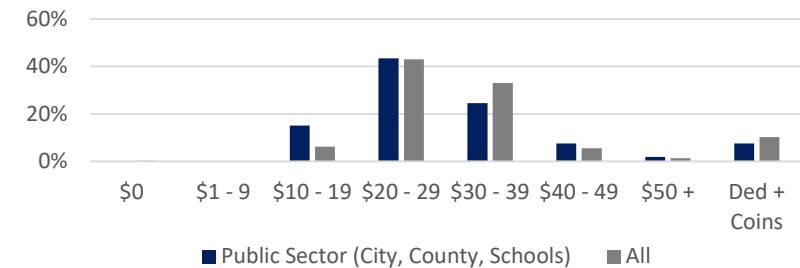
Individual In Network Deductible



Individual In Network Max OOP



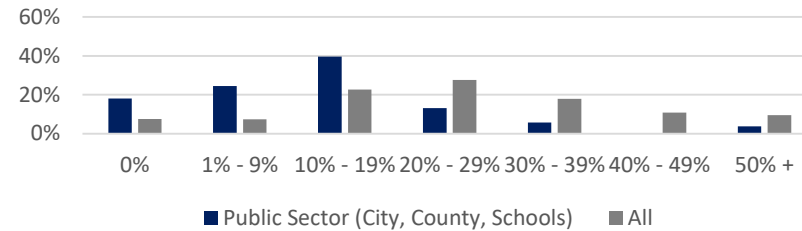
PCP Copay per Visit



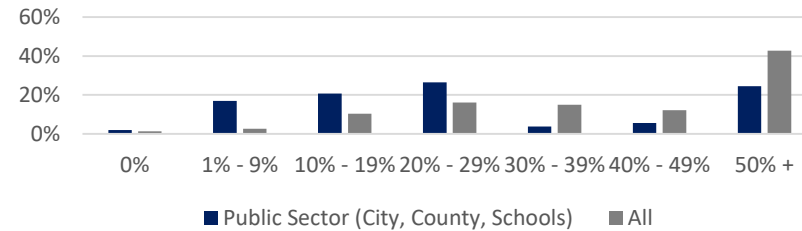
# PPO Plan Premium and Contributions

	Prosper	Public Sector	All
<b>Plan Cost</b>			
Average PEPY	\$12,248	\$12,774	\$10,999
<b>Plan Cost - Monthly Rate</b>			
Employee Only	\$577	\$673	\$600
Employee + Spouse	\$1,318	\$1,318	\$1,270
Employee + Children	\$1,033	\$1,235	\$1,110
Family	\$1,724	\$1,866	\$1,777
<b>Average Employee Cost - Monthly Contribution</b>			
Employee Only Contribution	\$92	\$104	\$155
Employee + Spouse Contribution	\$493	\$397	\$553
Employee + Children Contribution	\$341	\$335	\$463
Family Contribution	\$736	\$565	\$806
<b>Contribution % of Premium</b>			
Employee Only	16%	15%	26%
Employee + Spouse	37%	30%	43%
Employee + Children	33%	27%	42%
Family	43%	30%	45%
<b>% No Contribution Required - EE Only</b>			
	-	17%	8%

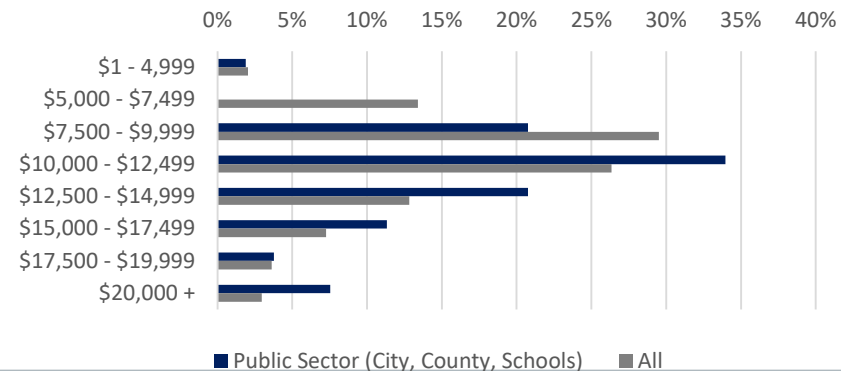
Cost for EE Only Coverage as a % of Premium



Cost for Family Coverage as a % of Premium



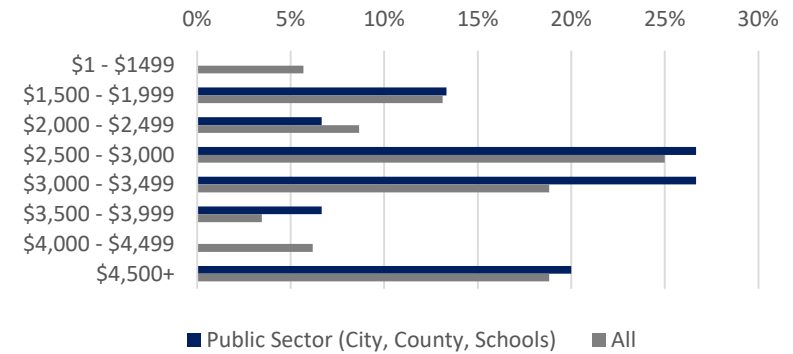
Average Plan Premium PEPY



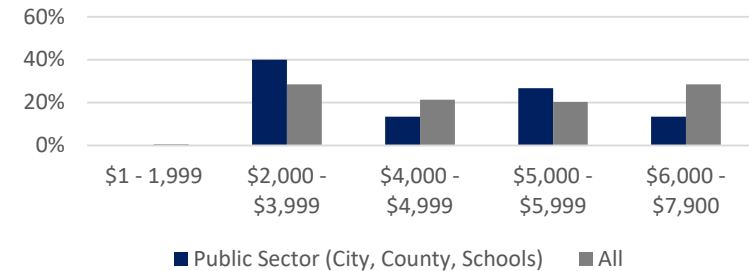
# HSA Plan Designs

	Prosper	Public Sector	All
<b>Enrollment</b>			
% of EE's enrolled in a CDHP	-	35%	46%
% of EE's enrolled in an HSA	73%	16%	21%
<b>Benefits</b>			
Individual Deductible	\$3,000	\$3,000	\$2,750
Family Deductible	\$6,000	\$6,000	\$5,550
Coinsurance	100%	100%	80%
Individual MOOP	\$3,000	\$4,000	\$4,700
Family MOOP	\$6,000	\$8,000	\$8,500
<b>HSA Funding</b>			
% Contributing	-	87%	55%
EE Account	\$750	\$750	\$500
Family Account	\$1,500	\$1,200	\$1,000
<b>Actuarial Value w/o funding</b>	-	<b>0.744</b>	<b>0.698</b>
<b>Actuarial Value w/ funding</b>	-	<b>0.921</b>	<b>0.846</b>

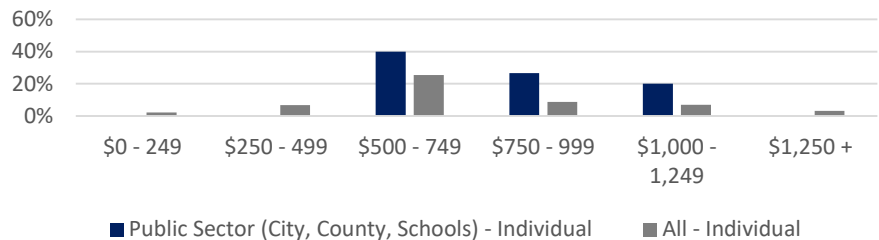
Individual In Network Deductible



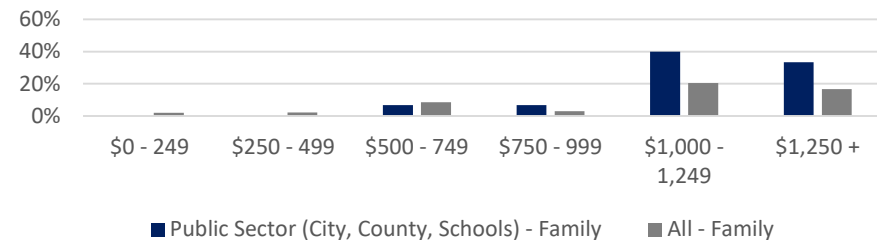
Individual In Network Max OOP



HSA Employer Funding - Individual



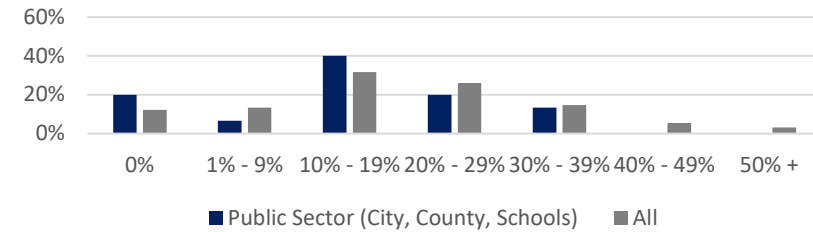
HSA Employer Funding - Family



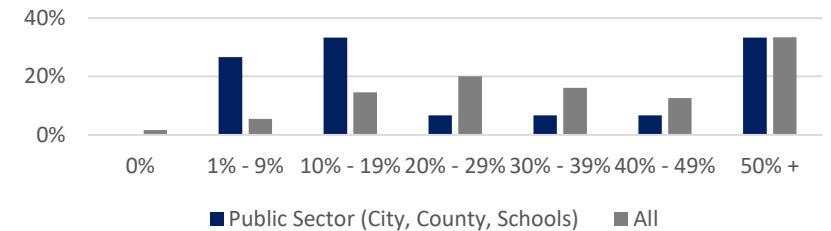
# HSA Plan Premium and Contributions

	Prosper	Public Sector	All
<b>Plan Cost</b>			
Average PEPY	\$9,605	\$10,363	\$9,591
<b>Plan Cost - Monthly Rate</b>			
Employee Only	\$558	\$582	\$500
Employee + Spouse	\$1,257	\$1,115	\$1,059
Employee + Children	\$988	\$968	\$912
Family	\$1,687	\$1,499	\$1,502
<b>Average Employee Cost - Monthly Contribution</b>			
Employee Only Contribution	\$39	\$78	\$96
Employee + Spouse Contribution	\$289	\$344	\$391
Employee + Children Contribution	\$193	\$276	\$306
Family Contribution	\$442	\$516	\$586
<b>Contribution % of Premium</b>			
Employee Only	8%	13%	19%
Employee + Spouse	30%	31%	37%
Employee + Children	24%	29%	34%
Family	36%	34%	39%
<b>% No Contribution Required - EE Only</b>			
	-	20%	12%

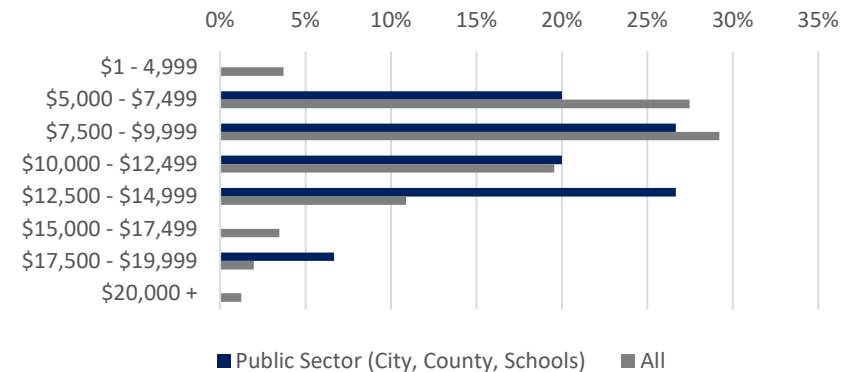
Cost for EE Only Coverage as a % of Premium



Cost for Family Coverage as a % of Premium



Average Plan Premium PEPY



# McGriff Benchmarking – Dallas Public Sector

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- 13 McGriff-Dallas Public Sector clients were reviewed.
- Reviewed all clients most recent 31 months of Med/Rx claims weighted average of \$899.53 PEPM for all clients combined on 2019 Calendar Year Projections.
  - › The PEPM ranged from \$668.08 to \$1,283.87
- Town of Prosper ranked the lowest of all clients reviewed at \$668.08 PEPM.
- Looking at Town of Prosper claims on most recent 12 months of claims for 2019 takes us to \$710.19 PEPM, still ranking us at the lower end on costs of the clients surveyed.
- The Town staff has budgeted a conservative \$753.03 PEPM for FY 2019-20. This is based on the most recent 12 months of claims.
  - › The FY 2019-20 budget has no increase for employee or Town contributions.

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