



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board**  
**16000 N. Civic Center Plaza**  
**Surprise, AZ 85374**

Wednesday, December 6, 2023 @ 4:00 PM  
**COUNCIL CHAMBERS OVERFLOW ROOM**

- A. Call To Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Current Events and Reports
- E. Staff Reports
- F. Health Benefits Trust Fund Board Agenda

**CALL TO THE PUBLIC:**

**INSTRUCTIONS:** In order to address the Board\Commission, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the Secretary before the meeting begins.

Note: A.R.S. 38-431.01(H) - During this time members of the public may address the Board\Commission only on issues within the jurisdiction of the Board\Commission which are not an item on the agenda. At the conclusion of the open call, the Board\Commission may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

**CONSENT AGENDA:**

- 1. Citywide Consideration and action pertaining to approval of the August 23, 2023 Health Benefits Trust Fund Board meeting minutes. Andrea Davis  
Finance

**REGULAR AGENDA ITEM - NON-PUBLIC HEARING:**

- 2. Citywide Presentation and discussion pertaining to CBIZ Consulting FY2024 1st Quarter Report. None  
  
Donna Meuse  
Finance
- 3. Citywide Presentation and discussion pertaining to the City's unaudited Employee Healthcare and Workers' Compensation Self Insurance Funds Financial Report for FY2023 4th Quarter and FY2024 1st Quarter. None  
  
Andrea Davis  
Finance
- 4. Citywide Consideration and action pertaining to the Health Benefit Trust Fund Board Annual Calendar for 2024. Andrea Davis  
Finance
- 5. Internal Consideration and action to elect a Chairperson and Vice-Chairperson for the Health Benefits Trust Fund Board. Andrea Davis  
Finance

- G. Other Business and Future Agenda Items
- H. Executive Session

For information purposes: Upon a public majority vote of a quorum ("Commission"), the Commission may hold an executive session, which will not be open to the public, but for only the following purposes: discussion or consideration of records exempt by law from public inspection (A.R.S. §38-431.03(A)(2));

or discussion or consultation for legal advice with the attorney or attorneys of the public body (A.R.S. §38-431.03(A)(3)).

Confidentiality Requirements: Pursuant to A.R.S. §38-431.03(C)(D), any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney or by agreement of the Commission, or as otherwise ordered by a court of competent jurisdiction.

The Commission may vote to hold an executive session for the purpose of obtaining legal advice from the Commission's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

I. Adjournment

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KRISTI PASSARELLI, CITY CLERK

POSTED: Monday, December 4, 2023 @ 11:45 AM

**SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.**



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board**

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Council Meeting Date: December 6, 2023

Contact Person: Andrea Davis, DIRECTOR - FINANCE

Submitting Department: Finance

District: Citywide

Staff Recommendations:

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Consent: Yes

Regular: No

Public Hearing: No

Report/Discussion: No

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**Agenda Wording:**

Consideration and action pertaining to approval of the August 23, 2023 Health Benefits Trust Fund Board meeting minutes.

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**Motion:**

I move to approve the August 23, 2023 Health Benefits Trust Fund Board meeting minutes.

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**Background:**

Attached are the minutes from the August 23, 2023 meeting.

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**Objective Analysis:**

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**Policy Compliant:**

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**Financial Impact:**

No financial impact.

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**Budget Impact:**

Not budget impact.

**FTE Impact:**

No FTE impact.

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**ATTACHMENTS:**

1. HBTF MINUTES 08.23.23 DRAFT
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## **CITY OF SURPRISE**

### **HEALTH BENEFITS TRUST FUND BOARD 16000 North Civic Center Plaza Surprise, AZ 85374**

**August 23, 2023**

## **MEETING MINUTES**

### **CALL TO ORDER**

Chairperson Renee Pastor called the Health Benefits Trust Fund Meeting to order at 4:04 p.m. at Surprise City Hall, 16000 North Civic Center Plaza, Surprise, Arizona 85374, on Wednesday, August 23, 2023.

### **ROLL CALL**

In attendance were Chairperson Renee Pastor, Vice Chair William Coniam, and Board Member Andrea Davis. Board Member Barb Minick and Board Member Candice Rachal were absent (excused).

### **STAFF PRESENT:**

Donna Meuse, Human Resources Director; Paige Gearheart, Human Resources Manager; Lindsey Steinhoff, Human Resources Business Partner; Digger Oster, Risk Manager – Senior; Jenna Garcia, Financial Analyst – Senior; Erick Martin, Assistant Director – Finance; Sandy Simmons, Budget Manager; Robert Wingo, City Attorney; Laura Roybal, Administrative Services Assistant.

### **PLEDGE OF ALLEGIANCE**

### **CURRENT EVENTS REPORT**

None

### **STAFF REPORT**

None

### **CALL TO THE PUBLIC**

None

### **CONSENT AGENDA**

#### **Item 1: Consideration and action pertaining to the approval of the May 24, 2023 Health Benefits Trust Fund Board Meeting Minutes.**

- Vice Chair Coniam made a motion to approve the minutes for the May 24, 2023 meeting. Board Member Andrea Davis seconded the motion. Motion passed.

## **REGULAR AGENDA ITEMS NOT REQUIRING A PUBLIC HEARING**

### **Item 2: Presentation and discussion pertaining to CBIZ Consulting FY2023 4<sup>th</sup> Quarter Report.**

- Melissa Barbakoff and Branson Cobb presented CBIZ Consulting's FY2023 4<sup>th</sup> Quarter Report, as well the city's pharmacy spend and rebate summary.

### **Item 3: Presentation and discussion of the City of Surprise Workers' Compensation actuarial review process.**

- Keith Hein gave an overview and answered questions regarding the Workers' Compensation actuarial review process.

### **Item 4: Consideration and action pertaining to approval of a settlement in the amount of \$233,244.56, which includes loss of earning capacity and Medicare set-aside fully funded and self-administered, in exchange for, and subject to, waiver of any and all Workers' Compensation claims and benefits to the extent allowed by law.**

- Board Member Davis made a motion to approve a settlement in the amount of \$233,244.56, which includes loss of earning capacity and Medicare set-aside fully funded and self-administered, in exchange for, and subject to, waiver of any and all Workers' Compensation claims and benefits to the extent allowed by law. Vice Chair Coniam seconded the motion. Motion passed.

## **OTHER BUSINESS**

Board Member Davis stated that we will have items at the next meeting to vote on Chair and Vice Chair for the current fiscal year, as well as an item to approve the meeting calendar for the upcoming calendar year.

## **EXECUTIVE SESSION**

No executive session was held.

## **ADJOURNMENT**

Vice Chair Coniam made a motion to adjourn the meeting. Board Member Davis seconded the motion. Motion passed. Hearing no further business, Chairperson Pastor adjourned the Health Benefits Trust Fund meeting at 4:59 p.m.

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Renee Pastor, Chair  
Health Benefits Trust Fund Board



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board**

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Council Meeting Date: December 6, 2023

Contact Person: Donna Meuse, Human Resources Director

Submitting Department: Finance

District: Citywide

Staff Recommendations: None

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Consent: No

Regular: No

Public Hearing: No

Report/Discussion: No

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**Agenda Wording:**

Presentation and discussion pertaining to CBIZ Consulting FY2024 1st Quarter Report.

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**Motion:**

None: Discussion Only

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**Background:**

CBIZ Consulting will present the 1st Quarter self-funded medical, dental, and vision report for plan year FY2024 for the City. This report contains financial information and claims activity.

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**Objective Analysis:**

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**Policy Compliant:**

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**Financial Impact:**

None at this time; however, topics in this presentation could lead to future actions which may have a fiscal impact on the fund's operation.

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**Budget Impact:**

**FTE Impact:**

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**ATTACHMENTS:**

1. City of Surprise Medical Dental Vision Experience 09 23
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# *City of Surprise*

## **Medical, Pharmacy, Dental & Vision Experience**

**Plan Year: July 2023 – June 2024**

*Month End: September 2023*

**Presented by your CBIZ Team**

*Mike Barberio, Melissa Barbakoff, and Margaret Latham*



# Executive Summary

## Medical and Pharmacy

The 2023-2024 plan year is off to a good start financially. For the first quarter and year to date medical and pharmacy claims are 76.5% of expected claims (exclusive of pharmacy rebates and with claims lag) and 67.5% of contractual maximum liability. Pharmacy claims were 35.8% (not including rebates) of the plan's overall medical and pharmacy costs. Pharmacy rebates will continue to increase and will offset much of the increase in claims in this area. There are no large claims to date that have exceeded the \$100,000 reporting threshold.

On another positive note, medical runout claims for the prior plan year have been less than anticipated. This fact, coupled with the prior year's third quarter rebates (\$286,865) being received and runout out stop loss reimbursements of \$219,325, has resulted in plan 2022-2023 medical plan costs coming in at just over 1% higher than anticipated results. There will be additional runout claims to come, but they should be offset by the final pharmacy rebate for the past year.

### Spend & Loss Ratio by Plan Design:

- HMO-43% of total claims, 81.1% loss ratio
- PPO -38% of total claims, 80.7% loss ratio
- EPO-19% of total claims, 59% loss ratio

### Annual Cost Comparison

With only three months of lagged data, the early projection that the 2023-2024 plan costs will be essentially flat at -0.7% when compared to 2022-2023.

### Dental

Claims are over the annual projection at 113.7%, this is a very similar trend to past years. Expect claims to decrease and normalize as the year progresses.

### Vision

Claims are over the annual projection at 106.9%, this is a very similar trend to past years. Expect claims to decrease and normalize as the year progresses.



# City of Surprise

## Paid Claims and Administration

Plan Year: July 2023 to June 2024 (as of September 2023)

### Incurred and Paid

BlueCross BlueShield of Arizona & Optum Rx - PPO Plan										Loss Ratio		PEPM Costs			
Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims and Admin Fees	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Claims & Fees PEPM
Jul-23	330	\$ 468,637	\$ 548,919	\$ 101,707	\$ 127,151	\$ -	\$ 228,858	\$ 48,635	\$ 277,493	48.8%	41.7%	\$308.20	\$385.31	\$693.51	\$840.89
Aug-23	330	\$ 466,521	\$ 546,686	\$ 396,339	\$ 115,798	\$ -	\$ 512,137	\$ 48,635	\$ 560,772	109.8%	93.7%	\$1,201.03	\$350.90	\$1,551.93	\$1,699.31
Sep-23	332	\$ 469,247	\$ 549,892	\$ 294,432	\$ 97,331	\$ -	\$ 391,764	\$ 48,930	\$ 440,694	83.5%	71.2%	\$886.84	\$293.17	\$1,180.01	\$1,327.39
Oct-23															
Nov-23															
Dec-23															
Jan-24															
Feb-24															
Mar-24															
Apr-24															
May-24															
Jun-24															
<b>Total</b>	<b>992</b>	<b>\$ 1,404,406</b>	<b>\$ 1,645,497</b>	<b>\$ 792,478</b>	<b>\$ 340,280</b>	<b>\$ -</b>	<b>\$ 1,132,759</b>	<b>\$ 146,201</b>	<b>\$ 1,278,960</b>	<b>80.7%</b>	<b>68.8%</b>	<b>\$798.87</b>	<b>\$343.02</b>	<b>\$1,141.89</b>	<b>\$1,289.27</b>
<b>Avg</b>	<b>331</b>														

Administrative Fees	PPO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$57.44	\$57.44	\$57.44
Specific Stoploss 12/24 \$250,000 ISL	\$84.84	\$84.84	\$84.84
Aggregate Stoploss (125%)	\$5.10	\$5.10	\$5.10
<b>Total Admin Fees</b>	<b>\$147.38</b>	<b>\$147.38</b>	<b>\$147.38</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
<b>Expected Liability</b>	<b>\$607.20</b>	<b>\$1,362.86</b>	<b>\$1,967.40</b>
<b>Maximum Liability (ICAP)</b>	<b>\$805.70</b>	<b>\$1,602.99</b>	<b>\$2,240.82</b>

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	103	67	160	330
August	105	66	159	330
September	105	68	159	332
October	0	0	0	0
November	0	0	0	0
December	0	0	0	0
January	0	0	0	0
February	0	0	0	0
March	0	0	0	0
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
<b>Totals</b>	<b>313</b>	<b>201</b>	<b>478</b>	<b>992</b>

**City of Surprise**  
**Paid Claims and Administration**  
**Plan Year: July 2023 to June 2024 (as of September 2023)**  
**Incurred and Paid**

BlueCross BlueShield of Arizona & Optum Rx - HMO Plan										Loss Ratio		PEPM Costs			
Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims and Admin Fees	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Claims & Fees PEPM
Jul-23	333	\$ 526,803	\$ 595,517	\$ 122,296	\$ 103,842	\$ -	\$ 226,138	\$ 48,894	\$ 275,032	42.9%	38.0%	\$367.26	\$311.84	\$679.09	\$825.92
Aug-23	336	\$ 529,641	\$ 598,920	\$ 339,741	\$ 209,070	\$ -	\$ 548,811	\$ 49,335	\$ 598,146	103.6%	91.6%	\$1,011.13	\$622.23	\$1,633.37	\$1,780.20
Sep-23	337	\$ 531,682	\$ 601,180	\$ 348,394	\$ 164,075	\$ -	\$ 512,469	\$ 49,482	\$ 561,950	96.4%	85.2%	\$1,033.81	\$486.87	\$1,520.68	\$1,667.51
Oct-23															
Nov-23															
Dec-23															
Jan-24															
Feb-24															
Mar-24															
Apr-24															
May-24															
Jun-24															
<b>Total</b>	<b>1,006</b>	<b>\$ 1,588,126</b>	<b>\$ 1,795,616</b>	<b>\$ 810,431</b>	<b>\$ 476,986</b>	<b>\$ -</b>	<b>\$ 1,287,417</b>	<b>\$ 147,711</b>	<b>\$ 1,435,128</b>	<b>81.1%</b>	<b>71.7%</b>	<b>\$805.60</b>	<b>\$474.14</b>	<b>\$1,279.74</b>	<b>\$1,426.57</b>
<b>Avg</b>	<b>335</b>														

Administrative Fees	HMO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$57.44	\$57.44	\$57.44
Specific Stoploss 12/24 \$250,000 ISL	\$84.84	\$84.84	\$84.84
Aggregate Stoploss (125%)	\$4.55	\$4.55	\$4.55
<b>Total Admin Fees</b>	<b>\$146.83</b>	<b>\$146.83</b>	<b>\$146.83</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
<b>Expected Liability</b>	<b>\$633.61</b>	<b>\$1,415.31</b>	<b>\$2,040.69</b>
<b>Maximum Liability (ICAP)</b>	<b>\$812.58</b>	<b>\$1,616.85</b>	<b>\$2,260.28</b>

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	77	71	185	333
August	78	74	184	336
September	78	74	185	337
October	0	0	0	0
November	0	0	0	0
December	0	0	0	0
January	0	0	0	0
February	0	0	0	0
March	0	0	0	0
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
<b>Totals</b>	<b>233</b>	<b>219</b>	<b>554</b>	<b>1,006</b>

# City of Surprise

## Paid Claims and Administration

Plan Year: July 2023 to June 2024 (as of September 2023)

### Incurred and Paid

BlueCross BlueShield of Arizona & Optum Rx - EPO Plan										Loss Ratio		PEPM Costs			
Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims and Admin Fees	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Claims & Fees PEPM
Jul-23	251	\$ 307,535	\$ 331,815	\$ 61,087	\$ 77,598	\$ -	\$ 138,684	\$ 36,854	\$ 175,539	45.1%	41.8%	\$243.37	\$309.15	\$552.53	\$699.36
Aug-23	253	\$ 313,744	\$ 338,059	\$ 144,605	\$ 67,610	\$ -	\$ 212,215	\$ 37,148	\$ 249,363	67.6%	62.8%	\$571.56	\$267.23	\$838.79	\$985.62
Sep-23	261	\$ 322,037	\$ 347,189	\$ 101,901	\$ 104,058	\$ -	\$ 205,959	\$ 38,323	\$ 244,281	64.0%	59.3%	\$390.43	\$398.69	\$789.11	\$935.94
Oct-23															
Nov-23															
Dec-23															
Jan-24															
Feb-24															
Mar-24															
Apr-24															
May-24															
Jun-24															
<b>Total</b>	<b>765</b>	<b>\$ 943,316</b>	<b>\$ 1,017,063</b>	<b>\$ 307,592</b>	<b>\$ 249,265</b>	<b>\$ -</b>	<b>\$ 556,858</b>	<b>\$ 112,325</b>	<b>\$ 669,183</b>	<b>59.0%</b>	<b>54.8%</b>	<b>\$402.08</b>	<b>\$325.84</b>	<b>\$727.92</b>	<b>\$874.75</b>
<b>Avg</b>	<b>255</b>														

Administrative Fees	HMO Plan		
	Employee	Emp + 1 Dep	EE + Family
Administration	\$57.44	\$57.44	\$57.44
Specific Stoploss 12/24 \$250,000 ISL	\$84.84	\$84.84	\$84.84
Aggregate Stoploss (125%)	\$4.55	\$4.55	\$4.55
<b>Total Admin Fees</b>	<b>\$146.83</b>	<b>\$146.83</b>	<b>\$146.83</b>

Claim Expenses	Employee	Emp + 1 Dep	EE + Family
<b>Expected Liability</b>	<b>\$559.31</b>	<b>\$1,266.37</b>	<b>\$1,832.01</b>
<b>Maximum Liability (ICAP)</b>	<b>\$684.17</b>	<b>\$1,361.35</b>	<b>\$1,903.12</b>

Number of Enrollees by Month				
Month	EE	EE + 1	EE + Fam	Total
July	97	51	103	251
August	95	51	107	253
September	100	51	110	261
October	0	0	0	0
November	0	0	0	0
December	0	0	0	0
January	0	0	0	0
February	0	0	0	0
March	0	0	0	0
April	0	0	0	0
May	0	0	0	0
June	0	0	0	0
<b>Totals</b>	<b>292</b>	<b>153</b>	<b>320</b>	<b>765</b>

**City of Surprise**

**Paid Claims and Administration**

**Plan Year: July 2022 to June 2023 (as of September 2023)**

**Incurred and Paid**

BlueCross BlueShield of Arizona and Optum Rx- All Plans														Loss Ratio		PEPM Costs				
Paid Month	Subscribers	Expected Claims Liability	Maximum Claims Liability	Medical Paid Claims	Rx Paid Claims	Optum Rx Rebates & Performance Guarantees	Blue Card Claims Expense & Misc.	Capitation Fees	Value Based Services	Stop Loss Recovery	Total Paid Claims	Admin Fees	Total Paid Claims & Admin Fees	Actual Claims vs Expected Claims Liability	Actual Claims vs Maximum Claims Liability	Medical Claims Paid PEPM	Rx Claims Paid PEPM	Total Claims Paid PEPM	Total Paid Claims Net Stop Loss Reimbursement PEPM	Total Claims & Fees PEPM
Jul-22	835	\$ 1,068,539	\$ 1,308,684	\$ 442,434	\$ 238,089	\$ -	\$ (736)	\$ 7,205	\$ 1,525	\$ -	\$ 688,518	\$ 122,080	\$ 810,597	64.4%	52.6%	\$539.44	\$285.14	\$824.57	\$824.57	\$970.78
Aug-22	840	\$ 1,076,111	\$ 1,317,343	\$ 891,987	\$ 327,946	\$ -	\$ 2,215	\$ 7,214	\$ 1,593	\$ -	\$ 1,230,954	\$ 122,811	\$ 1,353,765	114.4%	93.4%	\$1,075.01	\$390.41	\$1,465.42	\$1,465.42	\$1,611.63
Sep-22	854	\$ 1,088,911	\$ 1,333,157	\$ 790,408	\$ 243,833	\$ -	\$ 1,843	\$ 7,266	\$ 1,579	\$ (8,989)	\$ 1,035,940	\$ 124,858	\$ 1,160,797	95.1%	77.7%	\$938.05	\$285.52	\$1,223.57	\$1,213.04	\$1,359.25
Oct-22	859	\$ 1,090,382	\$ 1,334,846	\$ 892,054	\$ 247,293	\$ -	\$ 2,516	\$ 7,281	\$ 1,548	\$ (559)	\$ 1,150,133	\$ 125,585	\$ 1,275,718	105.5%	86.2%	\$1,051.69	\$287.88	\$1,339.57	\$1,338.92	\$1,485.12
Nov-22	870	\$ 1,105,225	\$ 1,353,271	\$ 816,196	\$ 311,403	\$ -	\$ 1,832	\$ 7,384	\$ 1,491	\$ (392)	\$ 1,137,914	\$ 127,197	\$ 1,265,111	103.0%	84.1%	\$950.46	\$357.93	\$1,308.40	\$1,307.95	\$1,454.15
Dec-22	875	\$ 1,104,156	\$ 1,352,836	\$ 845,213	\$ 197,352	\$ -	\$ 2,497	\$ 7,360	\$ 1,596	\$ (13,320)	\$ 1,040,699	\$ 127,929	\$ 1,168,628	94.3%	76.9%	\$979.05	\$225.55	\$1,204.59	\$1,189.37	\$1,335.58
Jan-23	871	\$ 1,099,735	\$ 1,347,346	\$ 958,944	\$ 253,384	\$ (242,805)	\$ 3,842	\$ 7,304	\$ 1,639	\$ (2,390)	\$ 979,918	\$ 127,345	\$ 1,107,263	89.1%	72.7%	\$1,115.65	\$290.91	\$1,127.79	\$1,125.05	\$1,271.25
Feb-23	872	\$ 1,097,952	\$ 1,345,188	\$ 769,767	\$ 277,603	\$ -	\$ 2,544	\$ 7,304	\$ 1,622	\$ (50,383)	\$ 1,008,458	\$ 127,490	\$ 1,135,948	91.8%	75.0%	\$895.92	\$318.35	\$1,214.27	\$1,156.49	\$1,302.69
Mar-23	887	\$ 1,111,117	\$ 1,362,245	\$ 1,185,912	\$ 222,255	\$ -	\$ 2,662	\$ 7,375	\$ 1,581	\$ (3,119)	\$ 1,416,665	\$ 129,686	\$ 1,546,351	127.5%	104.0%	\$1,350.09	\$250.57	\$1,600.66	\$1,597.14	\$1,743.35
Apr-23	901	\$ 1,116,831	\$ 1,370,466	\$ 716,960	\$ 296,745	\$ (232,766)	\$ 2,162	\$ 7,351	\$ 1,485	\$ (82,061)	\$ 709,876	\$ 131,732	\$ 841,608	63.6%	51.8%	\$807.94	\$329.35	\$878.95	\$787.88	\$934.08
May-23	908	\$ 1,129,019	\$ 1,384,403	\$ 1,467,887	\$ 401,680	\$ -	\$ 2,361	\$ 7,501	\$ 1,415	\$ (275,216)	\$ 1,605,628	\$ 132,754	\$ 1,738,381	142.2%	116.0%	\$1,629.03	\$442.38	\$2,071.41	\$1,768.31	\$1,914.52
Jun-23	912	\$ 1,135,232	\$ 1,391,906	\$ 822,878	\$ 342,889	\$ -	\$ 5,811	\$ 7,513	\$ 1,494	\$ (97,844)	\$ 1,082,741	\$ 133,339	\$ 1,216,079	95.4%	77.8%	\$918.53	\$375.97	\$1,294.50	\$1,187.22	\$1,333.42
<b>Total</b>	<b>10,484</b>	<b>\$ 13,223,211</b>	<b>\$ 16,201,691</b>	<b>\$ 10,600,641</b>	<b>\$ 3,360,471</b>	<b>\$ (475,571)</b>	<b>\$ 29,549</b>	<b>\$ 88,058</b>	<b>\$ 18,568</b>	<b>\$ (534,273)</b>	<b>\$ 13,087,444</b>	<b>\$ 1,532,803</b>	<b>\$ 14,620,247</b>	<b>99.0%</b>	<b>80.8%</b>	<b>\$1,024.11</b>	<b>\$320.53</b>	<b>\$1,299.29</b>	<b>\$1,248.33</b>	<b>\$1,394.53</b>
<b>Avg</b>	<b>874</b>																			

BCBS and Optum Rx Runout							
Month	Paid Medical	Paid Rx	Optum Rx Rebates*	Blue Card Claims Expense	Capitation (Chiro FFS Costs)	Stop Loss Recovery	Total Paid Claims
Jul-23	\$ 271,813	\$ 4,795	\$ (266,865)	\$ 1,242	\$ (44)	\$ (21,347)	\$ (10,405)
Aug-23	\$ 163,328	\$ 523	\$ -	\$ 60	\$ (50)	\$ (1,002)	\$ 162,860
Sep-23	\$ 307,172	\$ 7,367	\$ -	\$ 51	\$ (35)	\$ (196,977)	\$ 117,578
Oct-23							\$ -
Nov-23							\$ -
Dec-23							\$ -
Jan-24							\$ -
Feb-24							\$ -
Mar-24							\$ -
Apr-24							\$ -
May-24							\$ -
Jun-24							\$ -
<b>Total</b>	<b>\$ 742,313</b>	<b>\$ 12,686</b>	<b>\$ (266,865)</b>	<b>\$ 1,353</b>	<b>\$ (129)</b>	<b>\$ (219,325)</b>	<b>\$ 270,033</b>

**2022-2023 Medical Plan Costs with Runout**

Total Claims Incurred for Time Period	Total Stop Loss Recovery	Total Paid Claims Net Runout	Total Admin Fees	Total Paid Claims and Admin Costs	% Actual Claims vs. Expected	% Actual Claims vs. Maximum Claim Liability	Total Paid Claims & Admin Costs PEPM
\$ 14,111,074	\$ (753,598)	\$ 13,357,476	\$ 1,532,803	\$ 14,890,280	101.0%	82.4%	\$ 1,420.29

# City of Surprise

Plan Year: July 2022 to June 2023 (as of September 2023)

## Annual Cost Comparison Analysis

Incurred and Paid - 2022/2023 vs. 2023/2024

Cost Categories	2022/2023 with Runout	PEPM Costs	2023/2024 Estimated Annual	PEPM Costs	% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change	PEPM Total Cost History		Increase/Decrease
Medical Claims Costs*	\$11,683,243	\$1,114.39	\$10,507,760	\$950.76	-10.06%	(\$1,175,484)	-14.7%	(\$163.63)	2014/2015	\$1,079.93	
Rx Claims Costs	\$3,373,157	\$321.74	\$4,266,127	\$386.00	26.47%	\$892,970	20.0%	\$64.26	2015/2016	\$1,160.82	7.5%
Rx Rebates	(\$989,915)	(\$94.42)	(\$843,783)	(\$76.35)	-14.76%	\$146,131	-19.1%	\$18.07	2016/2017	\$1,202.07	3.6%
Blue Card, Capitation Expenses, Misc and Value Based Services	\$137,399	\$13.11	\$136,930	\$12.39	-0.34%	(\$469)	-5.5%	(\$0.72)	2017/2018	\$1,151.77	-4.2%
Stop Loss Recoveries***	(\$753,598)	(\$71.88)	\$0	\$0.00	n/a	\$753,598	n/a	\$71.88	2018/2019	\$1,200.23	4.2%
Admin Fees	\$1,532,803	\$146.20	\$1,624,948	\$147.03	6.01%	\$92,144	0.6%	\$0.82	2019/2020	\$1,201.50	0.1%
<b>Total Costs</b>	<b>\$14,983,090</b>	<b>\$1,429.14</b>	<b>\$15,691,981</b>	<b>\$1,419.83</b>	<b>4.7%</b>	<b>\$708,891</b>	<b>-0.7%</b>	<b>(\$9.31)</b>	2020/2021	\$1,178.50	-1.9%
									2021/2022	\$1,289.40	9.4%
									2022/2023	\$1,429.14	10.8%
									2023/2024	\$1,419.83	-0.7%

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	10,484	11,052	5.42%	568

\*2022/2023 Medical Claims Costs includes an escalator load and 10% completion factor

\*\*\*Stop Loss Recoveries are not annualized

Incurred and Paid - 2021/2022 vs. 2022/2023

Cost Categories	2021/2022 with Runout	PEPM Costs	2022/2023 with Runout	PEPM Costs	% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
Medical Claims Costs*	\$9,207,920	\$945.66	\$11,683,243	\$1,114.39	26.88%	\$2,475,323	17.8%	\$168.73
Rx Claims Costs	\$2,740,965	\$281.50	\$3,373,157	\$321.74	23.06%	\$632,192	14.3%	\$40.24
Rx Rebates	(\$697,652)	(\$71.65)	(\$989,915)	(\$94.42)	41.89%	(\$292,263)	31.8%	(\$22.77)
Blue Card, Capitation Expenses, Misc and Value Based Services	\$120,601	\$12.39	\$137,399	\$13.11	13.93%	\$16,797	5.8%	\$0.72
Stop Loss Recoveries***	(\$154,266)	(\$15.84)	(\$753,598)	(\$71.88)	n/a	(\$599,331)	n/a	(\$56.04)
Admin Fees	\$1,337,272	\$137.34	\$1,532,803	\$146.20	14.62%	\$195,531	6.5%	\$8.86
<b>Total Costs</b>	<b>\$12,554,840</b>	<b>\$1,289.40</b>	<b>\$14,983,090</b>	<b>\$1,429.14</b>	<b>19.3%</b>	<b>\$2,428,250</b>	<b>10.8%</b>	<b>\$139.74</b>

	Annual	Annualized	% Enrollment Change	# Enrollment Change
Enrollment	9,737	10,484	7.67%	747

\*2022/2023 Medical Claims Costs includes a 3% completion factor

## City of Surprise

### Blue Cross Blue Shield - Large Claims over \$100k

Plan Year: July 2023 to June 2024 (as of September 2023)

Claimant	Unique ID	Prior Year Large Claimant (Y/N)	Enrollment Status	Plan	Medical Paid Claims	Rx Paid Claims	Current YTD Paid Claims through Month	Previous Month's YTD Paid Claims	Change from Prior Month's Claims	% of \$250K ISL Limit
No Claimants to Date							\$0		\$0	0.0%

Total	\$0	\$0	\$0	\$0	\$0
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Percentage of Large Claims vs. Medical & Rx Claims	0.0%
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# City of Surprise

## Blue Cross Blue Shield - Large Claims over \$100k

Plan Year: July 2022 to June 2023 (as of September 2023)

Claimant	Unique ID	Prior Year Large Claimant (Y/N)	Enrollment Status	Plan	Medical Paid Claims	Rx Paid Claims	Current YTD Paid Claims through Month	Previous Month's YTD Paid Claims	Change from Prior Month's Claims	% of \$250K ISL Limit	Stop Loss Reimbursement	Net Paid after SL Reimbursements
1	F005	N	Active	PPO	\$591,391	\$0	\$591,391	\$394,414	\$196,977	100.0%	(\$341,391)	\$250,000
2	E002	Y	Active	PPO	\$441,529	\$0	\$441,529	\$441,529	\$0	100.0%	(\$191,529)	\$250,000
3	F001	N	Active	HMO	\$364,896	\$0	\$364,896	\$364,896	\$0	100.0%	(\$114,896)	\$250,000
4	C014	Y	Active	HMO	\$0	\$307,280	\$307,280	\$307,280	\$0	100.0%	(\$57,280)	\$250,000
5	E014	Y	Active	PPO	\$293,439	\$814	\$294,254	\$294,254	\$0	100.0%	(\$44,254)	\$250,000
6	E015	Y	Termed	HMO	\$254,249	\$0	\$254,249	\$254,249	\$0	100.0%	(\$4,249)	\$250,000
7	C013	Y	Active	PPO	\$240,202	\$214	\$240,416	\$240,416	\$0	96.2%		\$240,416
8	F002	N	Active	HMO	\$207,944	\$111	\$208,055	\$208,055	\$0	83.2%		\$208,055
9	C006	Y	Active	EPO	\$492	\$182,934	\$183,426	\$183,426	\$0	73.4%		\$183,426
10	E004	Y	Active	PPO	\$9,176	\$155,003	\$164,179	\$164,179	\$0	65.7%		\$164,179
11	F003	N	Active	PPO	\$161,989	\$66	\$162,055	\$161,729	\$326	64.8%		\$162,055
12	E017	Y	Termed	PPO	\$154,232	\$156	\$154,388	\$154,388	\$0	61.8%		\$154,388
13	F006	N	Active	HMO	\$140,877	\$8,336	\$149,214	\$149,214	\$0	59.7%		\$149,214
14	E022	Y	Active	PPO	\$138,577	\$0	\$138,577	\$141,774	-\$3,197	55.4%		\$138,577
15	F009	N	Active	PPO	\$128,564	\$0	\$128,564		\$128,564	51.4%		\$128,564
16	F004	N	Active	HMO	\$7,729	\$103,387	\$111,117	\$111,117	\$0	44.4%		\$111,117
17	F007	N	Active	PPO	\$110,182	\$0	\$110,182	\$110,182	\$0	44.1%		\$110,182
18	F008	N	Active	PPO	\$105,808	\$55	\$105,863	\$105,863	\$0	42.3%		\$105,863

<b>Total</b>	<b>\$3,351,277</b>	<b>\$758,356</b>	<b>\$4,109,634</b>	<b>\$3,786,964</b>	<b>\$322,670</b>
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<b>(\$753,598)</b>	<b>\$3,356,036</b>
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<b>Percentage of Large Claims vs. Medical &amp; Rx Claims</b>	<b>27.9%</b>
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## City of Surprise PBM Summary

January 1, 2023 – September 30, 2023

### Per Member Per Month Actual Cost Versus Projection (Accrued Basis)

#### Prior Calendar Year – 2020

\$53.28 – Results thru March, 2020	(includes 1 <sup>st</sup> Q rebate of \$131,400)
\$56.32 – Results thru June, 2020	(includes 2 <sup>nd</sup> Q rebates of \$120,281)
\$87.82** – Results thru September, 2020	(includes 3 <sup>rd</sup> Q rebates of \$132,089)
\$74.55 – Results thru December, 2020	(includes 4 <sup>th</sup> Q rebates of \$125,975)

#### Prior Calendar Year – 2021

\$84.47 – Results thru March, 2021	(includes 1 <sup>st</sup> Q rebate of \$168,260)
\$83.48 – Results thru June, 2021	(includes 2 <sup>nd</sup> Q rebates of \$133,310)
\$86.83 – Results thru September, 2021	(includes 3 <sup>rd</sup> Q rebates of \$149,160)
\$93.08 – Results thru December, 2021	(includes 4 <sup>th</sup> Q rebates of \$152,930)

#### Prior Calendar Year – 2022

\$94.88 – Results thru March, 2022	(includes 1 <sup>st</sup> Q rebate of \$187,775)
\$106.93 – Results thru June, 2022	(includes 2 <sup>nd</sup> Q rebates of \$211,432)
\$109.29 – Results thru September, 2022	(includes 3 <sup>rd</sup> Q rebates of \$242,805)
\$100.68 – Results thru December, 2022	(includes 4 <sup>th</sup> Q rebates of \$236,690)

#### Current Calendar Year – 2023

\$100.35 – Results thru March, 2023	(includes 1 <sup>st</sup> Q Rebate of \$266,865)
\$136.15 – Results thru June, 2023	(includes 2 <sup>nd</sup> Q rebates of \$338,275)
\$138.85 – Results thru September, 2023	(includes estimated 3 <sup>rd</sup> Q rebates of \$300,000)

Your PMPM trend continues to be lower than the overall Optum book of business.

Projected Rebates (CY 23 - 12 months) - \$880,000

Projected Rebates Per Quarter (Per CBIZ Funding Projection) \$220,000 as of January 2023

*Changes in utilization that are unexpected may result in a variance against targets.*



# Dental Reports



**City of Surprise**  
**Delta Dental Self Funded Paid Claims**  
 Plan Year: July 2023 to June 2024 (as of September 2023)

Delta Dental						Loss Ratio	PEPM Costs	
Month	Enrollment	Estimated Claims Factor	Administrative Costs	Dental Paid Claims	Total Plan Costs	% Actual Claims vs. Estimated Claims Factor	Dental Paid Claims PEPM	Total Plan Costs PEPM
Jul-23	947	\$84,794	\$3,362	\$99,836	\$103,198	117.7%	\$105.42	\$108.97
Aug-23	951	\$85,153	\$3,376	\$111,176	\$114,552	130.6%	\$116.90	\$120.45
Sep-23	966	\$86,496	\$3,429	\$80,602	\$84,032	93.2%	\$83.44	\$86.99
Oct-23								
Nov-23								
Dec-23								
Jan-24								
Feb-24								
Mar-24								
Apr-24								
May-24								
Jun-24								
<b>Total</b>	<b>2,864</b>	<b>\$256,443</b>	<b>\$10,167</b>	<b>\$291,614</b>	<b>\$301,781</b>	<b>113.7%</b>	<b>\$101.82</b>	<b>\$105.37</b>
Avg PEPM Enrollment	<b>955</b>							

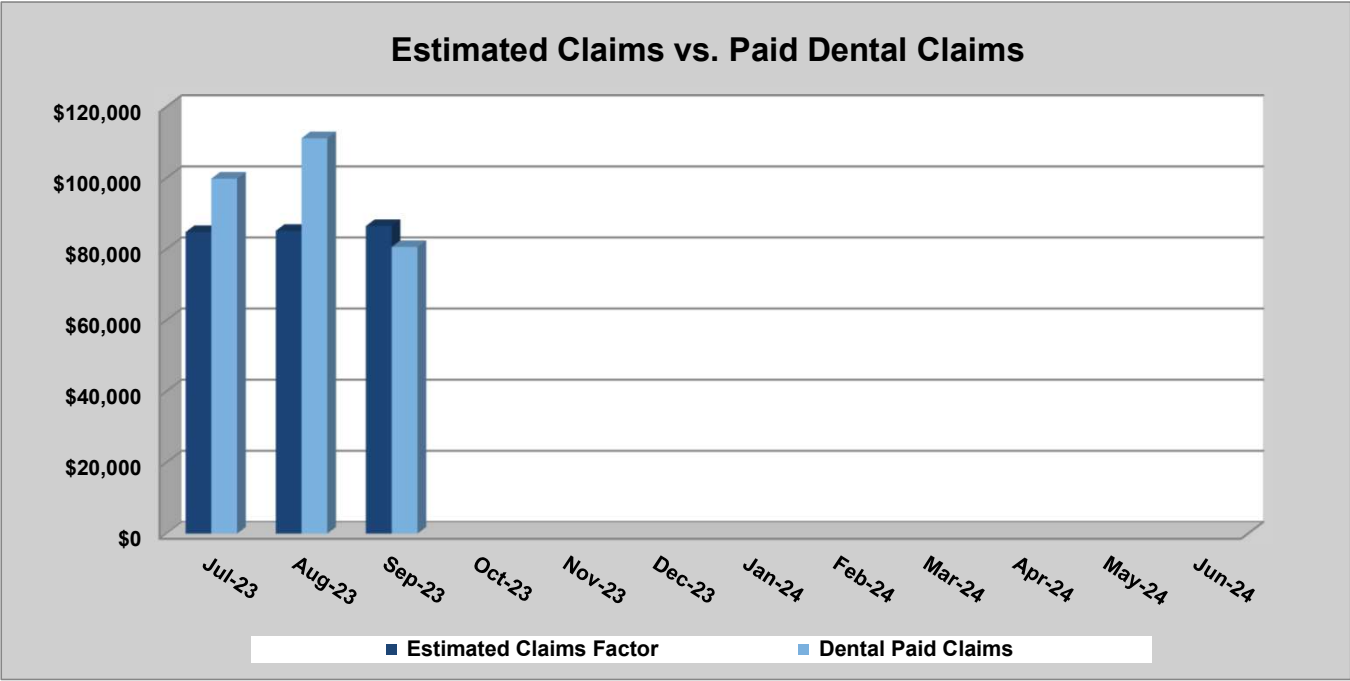
Admin Fees		Employee
Administration		\$3.55

Claim Expenses	
Estimated Claim Factor	\$89.54

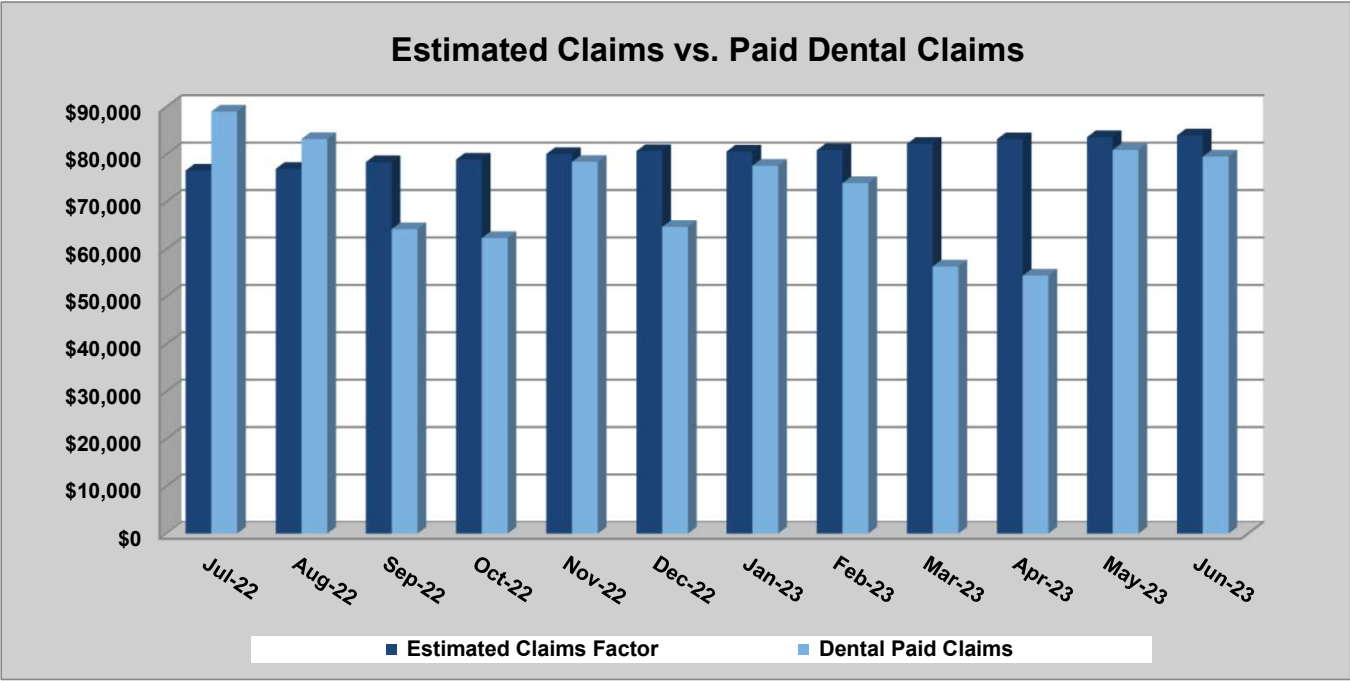
Premium Equivalent Rates		
EE	EE + 1	Family
\$39.40	\$79.28	\$129.84



**City of Surprise**  
**Delta Dental Self Funded Paid Claims**  
**Plan Year: July 2022 to June 2023 (as of June 2023)**

Delta Dental						Loss Ratio	PEPM Costs	
Month	Enrollment	Estimated Claims Factor	Administrative Costs	Dental Paid Claims	Total Plan Costs	% Actual Claims vs. Estimated Claims Factor	Dental Paid Claims PEPM	Total Plan Costs PEPM
Jul-22	857	\$76,582	\$3,042	\$89,024	\$92,066	116.2%	\$103.88	\$107.43
Aug-22	861	\$76,939	\$3,057	\$83,235	\$86,291	108.2%	\$96.67	\$100.22
Sep-22	877	\$78,369	\$3,113	\$64,218	\$67,332	81.9%	\$73.22	\$76.77
Oct-22	883	\$78,905	\$3,135	\$62,335	\$65,470	79.0%	\$70.59	\$74.14
Nov-22	896	\$80,067	\$3,181	\$78,415	\$81,595	97.9%	\$87.52	\$91.07
Dec-22	903	\$80,692	\$3,206	\$64,689	\$67,895	80.2%	\$71.64	\$75.19
Jan-23	902	\$80,603	\$3,202	\$77,596	\$80,798	96.3%	\$86.03	\$89.58
Feb-23	905	\$80,871	\$3,213	\$73,928	\$77,140	91.4%	\$81.69	\$85.24
Mar-23	920	\$82,211	\$3,266	\$56,353	\$59,619	68.5%	\$61.25	\$64.80
Apr-23	931	\$83,194	\$3,305	\$54,421	\$57,726	65.4%	\$58.45	\$62.00
May-23	936	\$83,641	\$3,326	\$80,923	\$84,250	96.8%	\$86.46	\$90.01
Jun-23	940	\$83,998	\$3,344	\$79,525	\$82,869	94.7%	\$84.60	\$88.16
<b>Total</b>	<b>10,811</b>	<b>\$966,071</b>	<b>\$38,390</b>	<b>\$864,661</b>	<b>\$903,051</b>	<b>89.5%</b>	<b>\$79.98</b>	<b>\$83.53</b>
Avg PEPM Enrollment	<b>901</b>							

Admin Fees		Employee
Administration		\$3.55
Claim Expenses		
Estimated Claim Factor		\$89.36
Premium Equivalent Rates		
EE	EE + 1	Family
\$37.80	\$75.10	\$121.94



# City of Surprise

## Delta Dental Dental Claims

Plan Year: July 2023 to June 2024 (as of September 2023)

### Annual Cost Comparison Analysis 2022/2023 vs. 2023/2024

Cost Categories	2022/2023 Estimated Annual Costs	PEPM Costs	2023/2024 Estimated Annual Costs	PEPM Costs
Dental Claims*	\$864,661	\$79.98	\$962,456	\$84.01
Admin Fees	\$38,390	\$3.55	\$40,669	\$3.55
<b>Total Costs</b>	<b>\$903,051</b>	<b>\$83.53</b>	<b>\$1,003,124</b>	<b>\$87.56</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
11.3%	\$97,794	5.0%	\$4.03
5.9%	\$2,279	0.0%	(\$0.00)
<b>11.1%</b>	<b>\$100,073</b>	<b>4.8%</b>	<b>\$4.03</b>

PEPM Total Cost History		Increase/ Decrease
2014/2015	\$75.97	
2015/2016	\$86.13	13.4%
2016/2017	\$85.96	-0.2%
2017/2018	\$86.59	0.7%
2018/2019	\$91.62	5.8%
2019/2020	\$68.78	-24.9%
2020/2021	\$86.85	26.3%
2021/2022	\$84.16	-3.1%
2022/2023	\$83.53	-0.7%
2023/2024	\$87.56	4.8%

	Annual
Enrollment	10,811

Annualized
11,456

% Enrollment Change	# Enrollment Change
6.0%	645

### Annual Cost Comparison Analysis 2021/2022 vs. 2022/2023

Cost Categories	2021/2022 Estimated Annual Costs	PEPM Costs	2022/2023 Estimated Annual Costs	PEPM Costs
Dental Claims*	\$807,999	\$80.61	\$864,661	\$79.98
Admin Fees	\$35,585	\$3.55	\$38,390	\$3.55
<b>Total Costs</b>	<b>\$843,584</b>	<b>\$84.16</b>	<b>\$903,051</b>	<b>\$83.53</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
7.0%	\$56,662	-0.8%	(\$0.63)
7.9%	\$2,804	0.0%	\$0.00
<b>7.0%</b>	<b>\$59,467</b>	<b>-0.7%</b>	<b>(\$0.63)</b>

	Annual
Enrollment	10,024

Annualized
10,811

% Enrollment Change	# Enrollment Change
7.9%	787



# Vision Reports



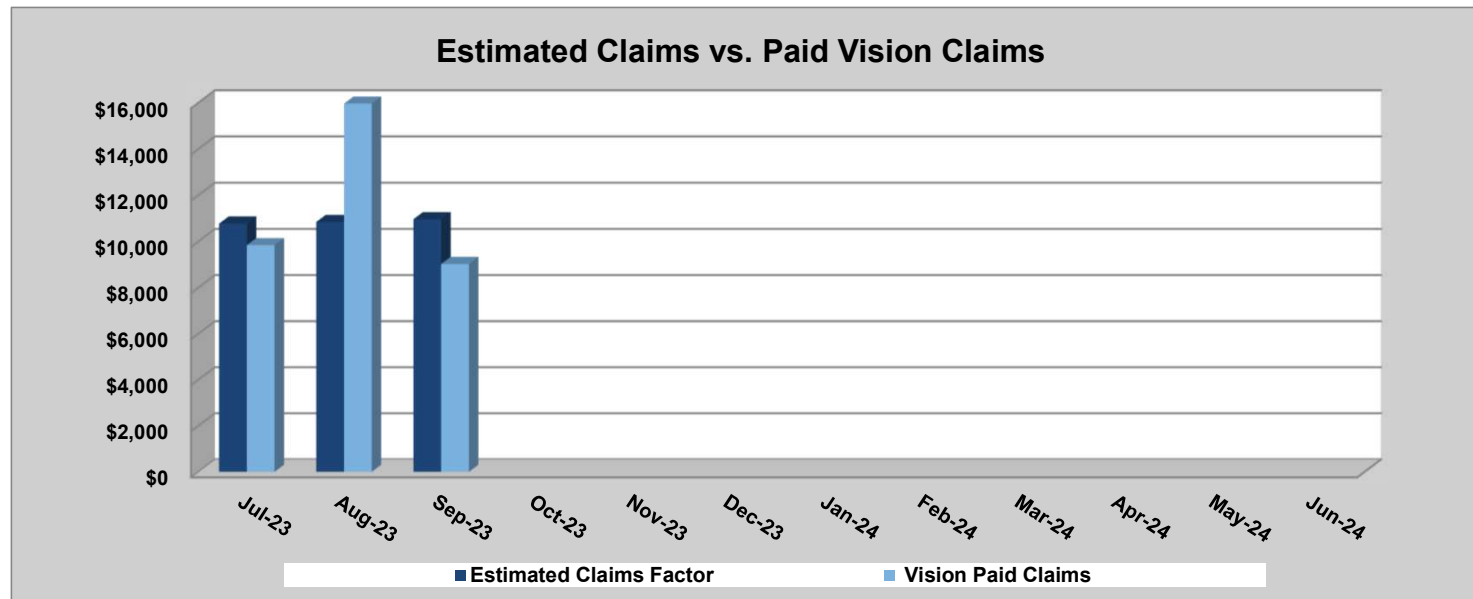
**City of Surprise**  
**Avesis Vision Self Funded Paid Claims**  
 Plan Year: July 2023 to June 2024 (as of September 2023)

Avesis Vision						Loss Ratio	PEPM Costs	
Month	Enrollment	Estimated Claims Factor	Administrative Costs	Vision Paid Claims	Total Plan Costs	% Actual Claims vs. Estimated Claims Factor	Vision Paid Claims PEPM	Total Plan Costs PEPM
Jul-23	909	\$10,772	\$864	\$9,840	\$10,704	91.4%	\$10.83	\$11.78
Aug-23	915	\$10,843	\$869	\$15,964	\$16,833	147.2%	\$17.45	\$18.40
Sep-23	925	\$10,961	\$879	\$9,026	\$9,905	82.3%	\$9.76	\$10.71
Oct-23								
Nov-23								
Dec-23								
Jan-24								
Feb-24								
Mar-24								
Apr-24								
May-24								
Jun-24								
<b>Total</b>	<b>2,749</b>	<b>\$32,576</b>	<b>\$2,612</b>	<b>\$34,830</b>	<b>\$37,441</b>	<b>106.9%</b>	<b>\$12.67</b>	<b>\$13.62</b>
Avg Enrollment	916							

Admin Fees	Employee
Administration	\$0.95

Claim Expenses	
Estimated Claim Factor	\$11.85

Premium Equivalent Rates	
EE	Family
\$5.04	\$14.30



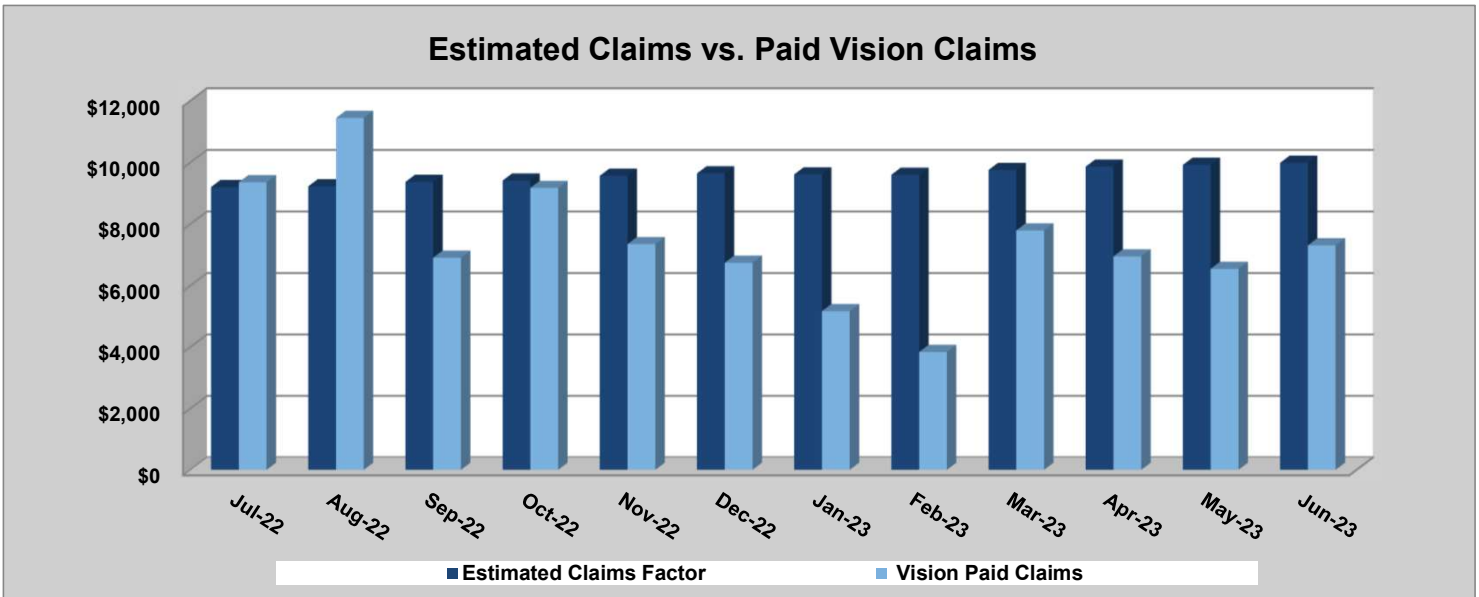
**City of Surprise**  
**Avesis Vision Self Funded Paid Claims**  
 Plan Year: July 2022 to June 2023 (as of June 2023)

Avesis Vision						Loss Ratio	PEPM Costs	
Month	Enrollment	Estimated Claims Factor	Administrative Costs	Vision Paid Claims	Total Plan Costs	% Actual Claims vs. Estimated Claims Factor	Vision Paid Claims PEPM	Total Plan Costs PEPM
Jul-22	832	\$9,202	\$790	\$9,359	\$10,149	101.7%	\$11.25	\$12.20
Aug-22	834	\$9,224	\$792	\$11,444	\$12,236	124.1%	\$13.72	\$14.67
Sep-22	847	\$9,368	\$805	\$6,909	\$7,713	73.7%	\$8.16	\$9.11
Oct-22	851	\$9,412	\$808	\$9,174	\$9,982	97.5%	\$10.78	\$11.73
Nov-22	865	\$9,567	\$822	\$7,350	\$8,172	76.8%	\$8.50	\$9.45
Dec-22	872	\$9,644	\$828	\$6,744	\$7,572	69.9%	\$7.73	\$8.68
Jan-23	869	\$9,611	\$826	\$5,171	\$5,996	53.8%	\$5.95	\$6.90
Feb-23	868	\$9,600	\$825	\$3,841	\$4,665	40.0%	\$4.42	\$5.37
Mar-23	882	\$9,755	\$838	\$7,794	\$8,631	79.9%	\$8.84	\$9.79
Apr-23	892	\$9,866	\$847	\$6,951	\$7,798	70.5%	\$7.79	\$8.74
May-23	897	\$9,921	\$852	\$6,546	\$7,398	66.0%	\$7.30	\$8.25
Jun-23	903	\$9,987	\$858	\$7,308	\$8,166	73.2%	\$8.09	\$9.04
<b>Total</b>	<b>10,412</b>	<b>\$115,157</b>	<b>\$9,891</b>	<b>\$88,588</b>	<b>\$98,479</b>	<b>76.9%</b>	<b>\$8.51</b>	<b>\$9.46</b>
Avg Enrollment	868							

Admin Fees	Employee
Administration	\$0.95

Claim Expenses	
Estimated Claim Factor	\$11.06

Premium Equivalent Rates	
EE	Family
\$5.04	\$14.30



# City of Surprise

## Avesis Vision Claims

Plan Year: July 2023 to June 2024 (as of September 2023)

Annual Cost Comparison Analysis 2022/2023 vs. 2023/2024

Cost Categories	2022/2023 Costs	PEPM Costs	2023/2024 Estimated Annual Costs	PEPM Costs
Vision Claims	\$88,588	\$8.51	\$97,319	\$8.85
Admin Fees	\$9,891	\$0.95	\$10,446	\$0.95
<b>Total Costs</b>	<b>\$98,479</b>	<b>\$9.46</b>	<b>\$107,765</b>	<b>\$9.80</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
9.9%	\$8,731	4.0%	\$0.34
5.6%	\$555	0.0%	\$0.00
<b>9.4%</b>	<b>\$9,286</b>	<b>3.6%</b>	<b>\$0.34</b>

PEPM Total Cost History		Increase/Decrease
2014/2015	\$9.09	
2015/2016	\$10.33	13.6%
2016/2017	\$10.42	0.9%
2017/2018	\$10.69	2.6%
2018/2019	\$10.81	1.1%
2019/2020	\$9.87	-8.7%
2020/2021	\$11.53	16.8%
2021/2022	\$11.54	0.1%
2022/2023	\$9.46	-18.1%
2023/2024	\$9.80	3.6%

	Annualized
Enrollment	10,412

	Annualized
Enrollment	10,996

% Enrollment Change	# Enrollment Change
5.6%	584

Annual Cost Comparison Analysis 2021/2022 vs. 2022/2023

Cost Categories	2021/2022 Costs	PEPM Costs	2022/2023 Costs	PEPM Costs
Vision Claims	\$103,227	\$10.59	\$88,588	\$8.51
Admin Fees	\$9,258	\$0.95	\$9,891	\$0.95
<b>Total Costs</b>	<b>\$112,484</b>	<b>\$11.54</b>	<b>\$98,479</b>	<b>\$9.46</b>

% Cost Change	\$ Cost Change	% PEPM Change	\$ PEPM Change
-14.2%	(\$14,639)	-19.7%	(\$2.08)
6.8%	\$634	0.0%	\$0.00
<b>-12.5%</b>	<b>(\$14,005)</b>	<b>-18.1%</b>	<b>(\$2.08)</b>

	Annual
Enrollment	9,745

	Annualized
Enrollment	10,412

% Enrollment Change	# Enrollment Change
6.8%	667



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board**

Council Meeting Date: December 6, 2023

Contact Person: Andrea Davis, DIRECTOR - FINANCE

Submitting Department: Finance

District: Citywide

Staff Recommendations: None

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Consent: No

Regular: Yes

Public Hearing: No

Report/Discussion: No

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**Agenda Wording:**

Presentation and discussion pertaining to the City's unaudited Employee Healthcare and Workers' Compensation Self Insurance Funds Financial Report for FY2023 4th Quarter and FY2024 1st Quarter.

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**Motion:**

None; Presentation and discussion only.

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**Background:**

Staff will be presenting the city's unaudited Employee Healthcare Self Insurance Fund and Workers' Compensation Fund financial report for FY2023 4th Quarter and FY2024 1st Quarter. This report contains unaudited financial activity through June 30, 2023 and September 30, 2023 for the Employee Healthcare Self Insurance Fund and the Workers' Compensation Fund.

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**Objective Analysis:**

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**Policy Compliant:**

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**Financial Impact:**

None at this time, however, topics covered in this presentation could lead to future actions which may have fiscal impact on the fund's operation.

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**Budget Impact:**

None at this time, however, topics covered in this presentation could lead to future actions which may have fiscal impact on the fund's operation.

**FTE Impact:**

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**ATTACHMENTS:**

1. 4th Quarter Self Insurance Fund
  2. 1st Quarter Self Insurance Fund
-



City of Surprise, Arizona  
Employee Healthcare Trust Fund and Workers' Compensation Fund  
June 30, 2023

	Employee Healthcare Trust Fund	Worker's Compensation Trust Fund
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 8,071,988	\$ 4,780,601
Other Receivables	495,555.00	-
Prepaid services	420	-
Total current assets	<u>8,567,963</u>	<u>4,780,601</u>
Noncurrent assets:		
Net OPEB asset	<u>3,853</u>	<u>3,356</u>
Total noncurrent assets	<u>3,853</u>	<u>3,356</u>
Total assets	<u>8,571,816</u>	<u>4,783,957</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources - pension related	20,557	17,904
Deferred outflows of resources - OPEB related	467	406
Total deferred outflows of resources	<u>21,024</u>	<u>18,310</u>
Total assets and deferred outflows of resources	<u>8,592,840</u>	<u>4,802,268</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	159,912	10,856
Accrued payroll and benefits	2,047	5,736
Compensated absences payable, due in less than one year	8,374	15,155
Claims payable	829,884	113,373
Claims - incurred but not reported (IBNR)	949,413	873,790
Total current liabilities	<u>1,949,630</u>	<u>1,018,911</u>
Noncurrent liabilities:		
Compensated absences payable, greater than one year	13,098	23,704
Net pension liability	110,316	96,079
Net OPEB liability	63	55
Total noncurrent liabilities	<u>123,477</u>	<u>119,838</u>
Total liabilities	<u>2,073,107</u>	<u>1,138,749</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources - pension related	2,906	2,722
Deferred inflow of resources - OPEB related	2,466	1,957
Total deferred inflows of resources	<u>5,372</u>	<u>4,679</u>
Total liabilities and deferred inflows of resources	<u>2,078,479</u>	<u>1,143,428</u>
<b>NET POSITION</b>		
Restricted for:		
Committed - Industrial Commission Reserve	-	1,500,000
Committed - Adverse Claims Contingency Reserve	3,602,944	-
Unrestricted	<u>2,911,417</u>	<u>2,158,840</u>
Total net position	<u>\$ 6,514,361</u>	<u>\$ 3,658,840</u>

City of Surprise, Arizona - Employee Healthcare Self Insurance Fund  
Schedule of Revenues, Expenditures, and Changes in Net Position -Budget and Actual  
For the quarter ended June 30, 2023

	F2023 Fourth Quarter Budget	FY 2023 Actual	Variance favorable (unfavorable)	% Variance
<b>OPERATING REVENUES</b>				
Employee Contributions				
Medical	\$ 2,885,600	2,658,092	(227,508.00)	(7.9%)
Dental	268,900	261,350	(7,550.00)	(2.8%)
Vision	31,600	34,654	3,054.00	9.7%
City Contributions				
Medical	12,491,200.00	11,760,192	(731,008.00)	(5.9%)
Dental	703,400	686,941	(16,459.00)	(2.3%)
Vision	91,600	86,080	(5,520.00)	(6.0%)
Cobra contributions	171,200	314,262	143,062.00	83.6%
Subrogation recovery	-	35,313	35,313.00	-
Wellness reimbursement	83,400	40,249	(43,151.00)	(51.7%)
Pharmacy rebate	595,400	1,052,739	457,339.00	76.8%
Miscellaneous Revenue	-	217,369	217,369.10	-
Prior Year Recovery		223	223.00	
Interest revenue	76,300	90,065	13,765.00	18.0%
Total operating revenues	<u>17,398,600</u>	<u>17,237,529</u>	<u>(161,071)</u>	<u>(0.9%)</u>
<b>OPERATING EXPENSES</b>				
Personnel (Wages/Benefits)	80,500	125,141	(44,641)	(55.5%)
Wellness				
Work/life balance	83,400	32,543	50,857	61.0%
Books & subscriptions	300	-	300	100.0%
Special event hosting	600	351	249	41.5%
Administration				
Medical	557,700	539,595	18,105	3.2%
Medical stop loss	982,900	992,392	(9,492)	(1.0%)
Dental	37,200	38,368	(1,168)	(3.1%)
Vision	9,700	9,882	(182)	(1.9%)
Claims				
Medical	11,151,500	11,384,818	(233,318)	(2.1%)
Pharmacy	3,249,000	3,387,696	(138,696)	(4.3%)
Dental	947,000	875,458	71,542	7.6%
Vision	113,100	88,588	24,512	21.7%
Professional outside services	122,800	132,288	(9,488)	(7.7%)
Travel & training	4,000	2,666	1,334	33.4%
Dues & membership	400	-	400	100.0%
Limited purpose flex spending	12,100	12,718	(618)	(5.1%)
Federal medical insurance fees	-	5,100	(5,100)	-
Inventory Adjustment	-	651	(651)	-
Total operating expenses	<u>17,352,200</u>	<u>17,628,255</u>	<u>(276,055)</u>	<u>(52.2%)</u>
Operating income (loss)	<u>46,400</u>	<u>(390,726)</u>	<u>(437,126)</u>	
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Total nonoperating revenues (expenses)	-	-		
Income (loss) before contributions and transfers	46,400	(390,726)	(437,126)	
Change in net position	<u>\$ 46,400</u>	<u>\$ (390,726)</u>	<u>\$ (437,126)</u>	

City of Surprise, Arizona - Workers' Compensation  
Schedule of Revenues, Expenditures, and Changes in Net Position -Budget and Actual  
For the quarter ended June 30, 2023

	<u>FY2023 Fourth Quarter Budget</u>	<u>FY 2023 Actual</u>	<u>Variance favorable (unfavorable)</u>	<u>% Variance</u>
<b>OPERATING REVENUES</b>				
City Contributions				
Worker's comp	\$ 2,376,300	\$ 2,439,588	\$ 63,288	2.7%
Subrogation recovery	-	-	-	-
Recovery of PY	-	120	120	-
Interest revenue	-	87,535	87,535	-
Total operating revenues	<u>2,376,300</u>	<u>2,527,243</u>	<u>150,943</u>	<u>81.4%</u>
<b>OPERATING EXPENSES</b>				
Personnel (Wages/Benefits)	103,800	147,725	(43,925)	-42.32%
Administration	425,000	372,991	52,009	12.24%
Claims				-
Claim Settlement	1,255,000	894,912	360,088	28.69%
Municipal Firefighters Cancer	500,000	383,929	116,071	23.21%
Software license	45,000	39,220	5,780	12.84%
Taxes Chages Service Fees	40,000	24,590	15,410	38.53%
Other professional services	85,000	51,695	33,305	39.18%
Total operating expenses	<u>2,453,800</u>	<u>1,915,062</u>	<u>538,738</u>	<u>(53.0%)</u>
Operating income (loss)	<u>(77,500)</u>	<u>612,182</u>	<u>689,682</u>	<u>(814.9%)</u>
Income (loss) before contributions and transfers	<u>(77,500)</u>	<u>612,182</u>	<u>116,250</u>	<u>(814.9%)</u>
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ (77,500)</u>	<u>\$ 612,182</u>	<u>\$ 116,250</u>	

## Employee Health Care Activity

### Claims Medical History By Quarter

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2021	3,935,628	2,513,712	2,122,665	2,695,665	11,267,670
2022	2,069,953	4,545,565	3,451,990	2,733,925	12,801,433
2023	4,156,131	3,117,159	3,650,996	3,848,228	14,772,514

### Net Income (loss) By Quarter

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2021	25,559	545,521	(88,325)	(266,950)	215,805
2022	1,088,596	(1,230,194)	140,154	(154)	(1,598)
2023	(892,576)	28,909	1,060,353	(587,412)	(390,726)

### Stop Loss Credits

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2021	-	-	436,425	148,555	584,981
2022	4,147.50	557	-	154,266.36	158,971
2023	127,225	14,271	57,429	455,120	654,046

## Pharmacy Rebate by Fiscal Year

	HMO 90216211	PPO 90216214	EPO 90216215	Total By Year
2018	111,392	101,497	-	212,889
2019	264,706	240,185	-	504,891
2020	363,076	161,800	72,213	597,089
2021	300,178	99,161	52,092	451,431
2022	295,845	110,840	82,668	489,353
2023	553,282	274,223	225,233	1,052,739
Total By Plan	1,888,479.65	987,705.24	432,206.22	3,308,391.11

## FY2023 IBNR Medical, Dental and Vision Activity

	Medical	Dental	Vision	Total
July	482,545.23	21,570.60	2,065.50	506,181.33
August	155,095.78	4,699.10	151.00	159,945.88
September	32,793.43	337.00	117.00	33,247.43
October	39,052.65	635.50	-	39,688.15
November	43,433.67	2,030.00	-	45,463.67
December	(52,076.76)	181.00	-	(51,895.76)
January	18,090.81	66.00	-	18,156.81
February	8,828.13	375.00	82.00	9,285.13
March	(27,338.40)	-	-	(27,338.40)
April	(12,065.28)	433.50	-	(11,631.78)
May	(1,889.09)	1,363.50	60.00	(465.59)
June	3,198.32	-	-	3,198.32
<b>Total FY 2022 Claims Run out</b>	<b>689,668.49</b>	<b>31,691.20</b>	<b>2,475.50</b>	<b>723,835.19</b>

IBNR Valuation as of June 30 2022	852,500.00	49,500.00	3,413.00
	(162,831.51)	(17,808.80)	(937.50)

FY2022 IBNR	905,413.00
Total Run Out Claims FY2022	<u>(723,835.19)</u>
Medical Claim Adjustment - Revenue to Fund	<u>181,577.81</u>

City of Surprise, Arizona  
Employee Healthcare Trust Fund and Workers' Compensation Fund  
September 30, 2023

	Employee Healthcare Trust Fund	Worker's Compensation Trust Fund
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 7,686,912	\$ 5,493,895
Other Receivables	-	-
Prepaid services	420	-
Total current assets	<u>7,687,332</u>	<u>5,493,895</u>
Noncurrent assets:		
Net OPEB asset	<u>3,853</u>	<u>3,356</u>
Total noncurrent assets	<u>3,853</u>	<u>3,356</u>
Total assets	<u>7,691,185</u>	<u>5,497,251</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources - pension related	20,557	17,904
Deferred outflows of resources - OPEB related	467	406
Total deferred outflows of resources	<u>21,024</u>	<u>18,310</u>
Total assets and deferred outflows of resources	<u>7,712,209</u>	<u>5,515,561</u>
 <b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	-	-
Accrued payroll and benefits	1,785	13,569
Compensated absences payable, due in less than one year	8,374	15,155
Claims payable	-	-
Claims - incurred but not reported (IBNR)	949,413	873,790
Total current liabilities	<u>959,572</u>	<u>902,514</u>
Noncurrent liabilities:		
Compensated absences payable, greater than one year	13,098	23,704
Net pension liability	110,316	96,079
Net OPEB liability	63	55
Total noncurrent liabilities	<u>123,477</u>	<u>119,838</u>
Total liabilities	<u>1,083,049</u>	<u>1,022,352</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources - pension related	2,906	2,722
Deferred inflow of resources - OPEB related	2,466	1,957
Total deferred inflows of resources	<u>5,372</u>	<u>4,679</u>
Total liabilities and deferred inflows of resources	<u>1,088,421</u>	<u>1,027,031</u>
 <b>NET POSITION</b>		
Restricted for:		
Committed - Industrial Commission Reserve	-	1,500,000
Committed - Adverse Claims Contingency Reserve	3,703,608	-
Unrestricted	2,920,180	2,988,530
Total net position	<u>\$ 6,623,788</u>	<u>\$ 4,488,530</u>

City of Surprise, Arizona - Employee Healthcare Self Insurance Fund  
Schedule of Revenues, Expenditures, and Changes in Net Position -Budget and Actual  
For the quarter ended September 30, 2023

	FY2023 First Quarter Budget	FY 2023 Actual	Variance favorable (unfavorable)	% Variance
<b>OPERATING REVENUES</b>				
Employee Contributions				
Medical	\$ 2,533,375	2,479,033	(54,342.00)	97.9%
Dental	1,208,625	1,245,023	36,398.00	103.0%
Vision	23,675	23,470	(205.00)	99.1%
City Contributions			-	
Medical	560,300.00	713,225	152,925.00	127.3%
Dental	242,150	77,064	(165,085.56)	31.8%
Vision	8,125	8,042	(82.60)	99.0%
Cobra contributions	60,850	114,109	53,259.00	187.5%
Subrogation recovery	10,000	-	(10,000.00)	0.0%
Wellness reimbursement	35,875	3,818	(32,056.92)	10.6%
Pharmacy rebate	247,475	109,585	(137,890.00)	44.3%
Miscellaneous Revenue	-	63	62.50	-
Prior Year Recovery	-	-	-	-
Interest revenue	6,250	-	(6,250.00)	0.0%
Total operating revenues	<u>4,936,700</u>	<u>4,773,432</u>	<u>(163,268)</u>	<u>96.7%</u>
<b>OPERATING EXPENSES</b>				
Personnel (Wages/Benefits)	32,400	37,645	(5,245)	116.2%
Wellness			-	
Work/life balance	27,865	2,583	25,282	9.3%
Books & subscriptions	58	-	58	0.0%
Special event hosting	117	-	117	0.0%
Administration			-	
Medical	81,751	182,140	(100,389)	222.8%
Medical stop loss	194,358	422,535	(228,177)	217.4%
Dental	38,642	95,232	(56,590)	246.4%
Vision	1,981	3,532	(1,551)	178.3%
Claims			-	
Medical	1,830,446	1,605,130	225,316	87.7%
Pharmacy	739,332	1,073,711	(334,379)	145.2%
Dental	844,638	1,153,864	(309,226)	136.6%
Vision	21,690	35,691	(14,001)	164.5%
Professional outside services	23,846	47,133	(23,287)	197.7%
Travel & training	777	281	495	36.2%
Dues & membership	78	-	78	0.0%
Limited purpose flex spending	2,350	6,123	(3,773)	260.6%
Federal medical insurance fees	1,418	-	1,418	100.0%
Inventory Adjustment				
Total operating expenses	<u>3,841,745</u>	<u>4,665,601</u>	<u>(823,856)</u>	<u>121.4%</u>
Operating income (loss)	<u>1,094,955</u>	<u>107,832</u>	<u>(987,123)</u>	
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Total nonoperating revenues (expenses)	-	-		
Income (loss) before contributions and transfers	1,094,955	107,832	(987,123)	
Change in net position	<u>\$ 1,094,955</u>	<u>\$ 107,832</u>	<u>\$ (987,123)</u>	

City of Surprise, Arizona - Workers' Compensation  
Schedule of Revenues, Expenditures, and Changes in Net Position -Budget and Actual  
For the quarter ended September 30, 2023

	<u>FY2023 First Quarter Budget</u>	<u>FY 2023 Actual</u>	<u>Variance favorable (unfavorable)</u>	<u>% Variance</u>
<b>OPERATING REVENUES</b>				
City Contributions				
Worker's comp	\$ 640,200	\$ 293,451	\$ (346,749)	-54.16%
Subrogation recovery	-	-	-	-
Recovery of PY	-	650	650.00	-
Interest revenue	-	-	-	-
Total operating revenues	<u>640,200</u>	<u>294,101</u>	<u>(346,099)</u>	<u>0.00%</u>
<b>OPERATING EXPENSES</b>				
Personnel (Wages/Benefits)	85,000	126,285	(41,285)	-48.57%
Administration	494,117	466,635	27,482	5.56%
Claims				-
Claim Settlement	200,916	151,025	49,891	24.83%
Municipal Firefighters Cancer	190,045	392,113	(202,068)	-106.33%
Software license	17,104	-	17,104	100.00%
Taxes Chages Service Fees	13,683	-	13,683	100.00%
Other professional services	32,308	7,351	24,957	77.25%
Total operating expenses	<u>1,033,172</u>	<u>1,143,409</u>	<u>(110,236)</u>	<u>0.00%</u>
Operating income (loss)	<u>(392,972)</u>	<u>(849,308)</u>	<u>(456,335)</u>	
Income (loss) before contributions and transfers	<u>(392,972)</u>	<u>(849,308)</u>	<u>(456,335)</u>	
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	
Change in net position	<u>\$ (392,972)</u>	<u>\$ (849,308)</u>	<u>\$ (456,335)</u>	

## Employee Health Care Activity

### Claims Medical History By Quarter

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2022	2,069,953	4,545,565	3,451,990	2,733,925	12,801,433
2023	4,156,131	3,117,159	3,650,996	3,848,228	14,772,514
2024	3,868,396				3,868,396

### Net Income (loss) By Quarter

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2022	1,088,596	(1,230,194)	140,154	(154)	(1,598)
2023	(892,576)	28,909	1,060,353	(587,412)	(390,726)
2024	107,832				107,832

### Stop Loss Credits

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
2022	4,147.50	557	-	154,266.36	158,971
2023	127,225	14,271	57,429	455,120	654,046
2024	219,325				219,325

## Pharmacy Rebate by Fiscal Year

	HMO 90216211	PPO 90216214	EPO 90216215	Total By Year
2018	111,392	101,497	-	212,889
2019	264,706	240,185	-	504,891
2020	363,076	161,800	72,213	597,089
2021	300,178	99,161	52,092	451,431
2022	295,845	110,840	82,668	489,353
2023	553,282	274,223	225,233	1,052,739
2024	66,467	24,768	20,701	111,936
Total By Plan	1,954,947.04	1,012,473.56	452,906.87	3,420,327.47

## FY2024IBNR Medical, Dental and Vision Activity

	Medical	Dental	Vision	Total
July	251,664.82	23,065.76	2,610.00	277,340.58
August	162,336.15	6,630.64	301.00	169,267.79
September	110,211.00	1,915.20	-	112,126.20
October				-
November				-
December				-
January				-
February				-
March				-
April				-
May				-
June				-

Total FY 2023 Claims Run out	<u>524,211.97</u>	<u>31,611.60</u>	<u>2,911.00</u>	<u>558,734.57</u>
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IBNR Valuation as of June 30 2024	902,000.00	44,000.00	3,413.00	
	(377,788.03)	(12,388.40)	(502.00)	

FY2023 IBNR	949,413.00
Total Run Out Claims FY2024	<u>(558,734.57)</u>
Medical Claim Adjustment - Revenue to Fund	<u>390,678.43</u>



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board**

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Council Meeting Date: December 6, 2023

Contact Person: Andrea Davis, DIRECTOR - FINANCE

Submitting Department: Finance

District: Citywide

Staff Recommendations:

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Consent: No

Regular: Yes

Public Hearing: No

Report/Discussion: No

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**Agenda Wording:**

Consideration and action pertaining to the Health Benefit Trust Fund Board Annual Calendar for 2024.

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**Motion:**

I move to approve the Health Benefits Trust Fund Board Annual Calendar for 2024.

(Or, if amended) - I move to approve the Health Benefits Trust Fund Board Annual Calendar for 2024, as amended.

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**Background:**

Per requirements according to Boards and Commissions handbook, Boards that meet regularly must adopt an annual meeting schedule.

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**Objective Analysis:**

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**Policy Compliant:**

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**Financial Impact:**

No financial impact.

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**Budget Impact:**

No budget impact.

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**FTE Impact:**

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**ATTACHMENTS:**

1. HBTF PROPOSED CALENDAR - 2024
-

**CITY OF SURPRISE**

**HEALTH BENEFITS TRUST FUND BOARD  
16000 North Civic Center Plaza  
Surprise, AZ 85374**

**2024 Meeting Calendar  
Proposed**

**Health Benefits Trust Fund Board Meetings**

**Annual Calendar**

**Regular Quarterly Meetings**

**Location**

**City of Surprise – Council Overflow Room**

**Regular Meetings**

**March 6, 2024\***

**3:00 pm**

**May 22, 2024**

**4:00 pm**

**August 28, 2024**

**4:00 pm**

**December 4, 2024**

**4:00 pm**

**\* Earlier March 6, 2024 Meeting Includes:**

- **Medical and Pharmacy Funding Rate Projection**
- **Budget Plan Design & Contribution Rate Setting**



**CITY OF SURPRISE**  
**Health Benefits Trust Fund Board**

Council Meeting Date: December 6, 2023

Contact Person: Andrea Davis, DIRECTOR - FINANCE

Submitting Department: Finance

District: Internal

Staff Recommendations:

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Consent: No

Regular: Yes

Public Hearing: No

Report/Discussion: No

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**Agenda Wording:**

Consideration and action to elect a Chairperson and Vice-Chairperson for the Health Benefits Trust Fund Board.

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**Motion:**

I move to elect [name] as Chairperson of the Health Benefits Trust Fund Board.

I move to elect [name] as Vice-Chairperson of the Health Benefits Trust Fund Board.

(There should be two separate motions and votes - first electing the Chairperson and subsequently the Vice-Chairperson)

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**Background:**

Per the City of Surprise Municipal Code and Boards and Commissions Handbook, the Health Benefits Trust Fund Board must annually elect, at the first meeting of the new fiscal year, a Chairperson and Vice-Chairperson. As this item was inadvertently omitted from the first meeting of this fiscal year, the elected Chairperson and Vice-Chairperson will serve the remainder of the fiscal year, through June 30, 2024.

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**Objective Analysis:**

The role of the Chairperson, or Vice-Chairperson when the Chairperson is absent, is to preside over the Health Benefits Trust Fund Board meetings. The Chairperson has the authority to sign correspondence as the official representative of the Health Benefits Trust Fund Board. During the absence of the Chairperson, the Vice-Chairperson shall act as the presiding officer over all Health Benefit Trust Fund Board meetings and activities.

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**Policy Compliant:**

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**Financial Impact:**

There is no financial impact associated with this item.

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**Budget Impact:**

There is no budget impact associated with this item.

**FTE Impact:**

There is no FTE impact associated with this item.

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**ATTACHMENTS:**

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