

BILL/ RESOLUTION REQUEST

1. **Title:** Approves spending authority for the 2011 Flexible Spending, Qualified Parking & Health Savings Account Programs.

2.

3. **Requesting Agency:** Career Service Authority

4. **Contact Person *with actual knowledge of proposed ordinance***

Name:John A. Shick

Phone:720-913-5716

Email:john.shick@denvergov.org

5. **Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary***

Name:John A. Shick

Phone:720-913-5716

Email:john.shick@denvergov.org

6. **Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved**

a. Scope of Work

The Flexible Spending Account Programs include the Uninsured Medical Program and the Dependent Care Program. The Qualified Parking Program is an additional benefit offered to employees along with the two Flexible Spending Account (FSA) Programs.

The Health Savings Account Program is a tax-advantaged medical savings account designed to assist employees who are enrolled in a high-deductible health plan.

These are Federally approved Programs that allow for payment of specific services with pre-tax dollars. The Flexible Spending Account and Qualified Parking Programs are supported by the Employees Voluntary Salary Redirection Plan Special Trust Fund. The Health Savings Account Program is supported by the City's Benefit Clearing Fund. The spending authorization for these programs is through ordinance. The premiums for these programs are 100% funded through employee contributions processed through payroll deduction. Therefore, there are no General Fund dollars included in this request.

The City does provide General Fund support to cover the administrative costs of the Flexible Spending Account and Qualified Parking Programs which have been contracted and provided through an external organization. This General Fund support for administrative costs was requested and approved through the regular 2011 budget cycle.

There are no external costs to administer the Health Savings Account Program. Therefore, this current request does not include funding for these administrative costs.

For 2011, the Career Service Authority is requesting the authority to spend \$4,011,551 for Medical Care, \$1,079,199 for Dependent Care, and \$117,175 for the Qualified Parking Program. The total request for these three programs is \$5,207,925.

In addition, CSA is requesting the authority to spend \$48,301 for the Health Savings Account Program.

Therefore, the total amount requested through this ordinance is \$5,256,226.

b. Duration

1/1/2011 – 12/31/2011

c. Location

City & County of Denver

d. Affected Council District

City-Wide Impact

e. Benefits

Pre-Tax Savings Allowing Employees to Cover Specific Anticipated Costs in 2011.

f. Costs

\$5,256,226

6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.

There is no controversy surrounding this ordinance.

Bill Request Number: BR10-1047

Date: 11/12/2010