



Town of Belmont
Town Administration's Fiscal Year 2018 Budget Recommendation

February 13, 2017

EMPLOYEE BENEFITS

OVERVIEW:

| FY17 Budget | FY18 Budget | \$ Change | % Change |
|--------------------|--------------------|------------------|-----------------|
| \$8,936,774 | \$10,339,662 | \$1,402,888 | 15.7% |

This allotment contains funding for employee benefits which are not included in the individual departmental budgets. Items which are contained in this budget include: the funding for pension and health insurance costs for retired employees, salary and health benefit resources, life insurance, unemployment insurance, workers compensation, and premiums for property and liability insurance.

Pension costs are scheduled to increase by \$387,623 or 5.57% from FY17 based on the latest funding schedule contained in the pension actuarial study, which is updated every two years.

Health insurance costs for current employees are budgeted and transferred to a central account where expenditures are made. Overall health insurance costs for all active employees and retirees are estimated to increase by 9%, or \$330,395 in FY18.

Property and Liability Insurance costs are estimated to have no increase in FY18. Workers Compensation Policy is provided by the Massachusetts Interlocal Insurance Association (MIIA). MIIA was incorporated by the Massachusetts Municipal Association as a nonprofit organization to provide insurance services to cities and towns. The total FY18 Workers Compensation Insurance costs is estimated at \$135,467 a \$12,315 or 10% increase for Town Departments.

Other budget items contained in this allocation include Unemployment Compensation (\$40,000), Life Insurance, (\$19,425) and Medicare (\$6,500), which reflect no increase from FY18.