

**SELF-INSURANCE
INTERNAL SERVICE FUND
FUND 75**

PROGRAM DESCRIPTION

2025 Self-Insurance Fund Summary:

The Self-Insurance Fund (Fund 75) supports the City of Franklin's medical, dental, and other employee insurance-related costs. For 2025, the total estimated revenues are projected at \$4,233,945, maintaining the level from 2024 and driven by group health charges, stop-loss premium rebates, and investment earnings.

Key Revenue Sources:

- **Medical High-Deductible Plans:** These are expected to generate \$2.95 million, including city and employee contributions charges.
- **Dental Insurance:** Estimated at \$218,000, reflecting dental charges from active employees and retirees.
- **Investment Earnings:** Consistently projected at \$148,000.

Appropriations:

Total appropriations for 2025 are budgeted at \$4,862,777, reflecting a significant portion allocated to medical insurance claims. The key areas of expenditure include:

- **Medical Insurance Claims:** Budgeted at \$3.63 million, most of which is for high-deductible medical plans. Prescription drug claims and stop-loss premiums account for substantial portions of this.
- **Dental Insurance Claims:** Total appropriations are budgeted at \$196,462, with ongoing claims from active employees and retirees.

Challenges:

The Self-Insurance Fund's ongoing challenge is the rising costs of medical claims and insurance premiums, especially prescription drug claims. The 2025 budget addresses these costs while maintaining sufficient reserves to manage future claim uncertainties. The net change in fund balance is projected to be a deficit of \$628,832, signaling the need for careful resource management to sustain long-term fund health.

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City of Franklin, WI
Self Insurance Fund - Fund 75

GL NUMBER	DESCRIPTION	2025 ORIGINAL BUDGET	2025 DEPT REQ BUDGET	2024 PROJECTED ACTIVITY	2024 AMENDED BUDGET	2023 ACTIVITY
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INVESTMENT EARNINGS						
75-0000-4711	INTEREST ON INVESTMENTS	148,000	148,000	132,470	148,000	162,950
MISCELLANEOUS REVENUE						
75-0000-4781	REFUNDS/REIMBURSEMENTS					471
	Dept 5010 - MEDICAL INSURANCE					
MISCELLANEOUS REVENUE						
75-5010-4701	GROUP HEALTH CHARGES-CITY	710,020	710,020	480,350	710,020	521,342
75-5010-4704	GROUP HEALTH CHG-MEDICAL-EMPLOYEE	167,795	167,795	118,450	167,795	148,907
CHARGES FOR SERVICES						
75-5010-4706	STOP LOSS PREMIUM REBATE					14,393
75-5010-4707	PHARMACY RX REBATES	45,000	45,000	47,280	45,000	41,169
	TOTAL MEDICAL INSURANCE	922,815	922,815	646,080	922,815	725,811
	Dept 5011 - COBRA - TRADITIONAL PLAN					
MISCELLANEOUS REVENUE						
75-5011-4703	COBRA- GROUP HEALTH CHARGES			3,915		4,209
	TOTAL COBRA - TRADITIONAL PLAN			3,915		4,209
	Dept 5012 - MEDICAL HIGH DEDUCTIBLE					
MISCELLANEOUS REVENUE						
75-5012-4701	GROUP HEALTH CHARGES-CITY	2,575,120	2,575,120	2,153,805	2,575,120	1,611,045
75-5012-4704	GROUPHEALTH CHARGES-EMPLOYEE	370,010	370,010	311,440	370,010	277,749
CHARGES FOR SERVICES						
75-5012-4706	STOP LOSS PREMIUM REBATE					34,388
75-5012-4707	RX CLAIM REBATES			126,440		99,878
	TOTAL MEDICAL HIGH DEDUCTIBLE	2,945,130	2,945,130	2,591,685	2,945,130	2,023,060
	Dept 5016 - COBRA - HIGH DEDCUTIBLE PLAN					
MISCELLANEOUS REVENUE						
75-5016-4703	GRP HEALTH CHRGS -COBRA HIGH DEDUCT			1,370		
	TOTAL COBRA - HIGH DEDCUTIBLE PLAN			1,370		
	Dept 5020 - DENTAL INSURANCE					
MISCELLANEOUS REVENUE						
75-5020-4701	DENTAL CHARGES - CITY ACTIVE	145,000	145,000	145,000	145,000	100,975
75-5020-4703	GROUP HEALTH CHARGES-RETIREE	3,000	3,000	460	3,000	2,268
75-5020-4704	DENTAL - GRP HEALTH	70,000	70,000	56,365	70,000	54,349
	TOTAL DENTAL INSURANCE	218,000	218,000	201,825	218,000	157,592
	Dept 5021 - COBRA - DENTAL ACTIVE					
MISCELLANEOUS REVENUE						
75-5021-4703	COBRA-GROUP DENTAL CHARGES-ACTIVE			335		1,094
	TOTAL COBRA - DENTAL ACTIVE			335		1,094
	Dept 5025 - DENTAL - RETIREE					
MISCELLANEOUS REVENUE						
75-5025-4703	RETIREE DENTAL-RETIREE					764
	TOTAL DENTAL - RETIREE					764
	TOTAL REVENUES	4,233,945	4,233,945	3,577,680	4,233,945	3,075,951

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	Dept 0147 - ADMINISTRATION					
EMPLOYEE BENEFITS						
75-0147-5199	ALLOCATED PAYROLL COST	48,515	48,515	45,730	48,515	47,100
	TOTAL ADMINISTRATION	48,515	48,515	45,730	48,515	47,100
	Dept 0151 - FINANCE					
SERVICES & CHARGES						
75-0151-5491	BANK FEES	2,700	2,700	2,700	2,700	2,494
	TOTAL FINANCE	2,700	2,700	2,700	2,700	2,494
	Dept 5010 - MEDICAL INSURANCE					
SERVICES & CHARGES						
75-5010-5501	IncurMedClaimCurrentYrActive	700,000	700,000	436,365	700,000	603,217
75-5010-5502	PRESCRIPTION DRUG CLAIMS - ACTIVE			115,045		119,247
75-5010-5503	CLAIM FEES - ACTIVE	45,000	45,000	74,680	45,000	67,535
75-5010-5504	MISC WELLNESS EXP - ACTIVE			20,820		44,083
75-5010-5505	STOP LOSS PREMIUMS - ACTIVE	140,000	140,000	127,730	140,000	123,974
75-5010-5506	REFUNDS-STOP LOSS COV - ACTIVE			(13,520)		(63,698)
75-5010-5507	SECTION 125-FLEX & MISC EXP - ACT			(360)		780
75-5010-5509	INCURRED CLAIM-PR YR - ACTIVE	100,000	100,000	67,500	100,000	108,722
	SERVICES & CHARGES	985,000	985,000	828,260	985,000	1,003,860
CLAIMS, CONTRIB. AND AWARDS						
75-5010-5580	ACA TRANSITIONAL REINSURANCE FEES	1,100	1,100	1,400	1,100	906
	CLAIMS, CONTRIB. AND AWARDS	1,100	1,100	1,400	1,100	906
	TOTAL MEDICAL INSURANCE	986,100	986,100	829,660	986,100	1,004,766
	Dept 5011 - COBRA - TRADITIONAL PLAN					
SERVICES & CHARGES						
75-5011-5501	COBRA-Incur Claim-Current Year			1,200		
	TOTAL COBRA - TRADITIONAL PLAN			1,200		
	Dept 5012 - MEDICAL HIGH DEDUCTIBLE					
EMPLOYEE BENEFITS						
75-5012-5162	EMPLOYER HSA CONTRIBUTION	177,000	177,000	146,170	177,000	154,500
	EMPLOYEE BENEFITS	177,000	177,000	146,170	177,000	154,500
SERVICES & CHARGES						
75-5012-5501	INCURRED CLAIM-CURRENT YEAR	2,232,000	2,232,000	1,453,425	2,232,000	2,176,154
75-5012-5502	PRESCRIPTION DRUG CLAIMS	490,000	490,000	404,270	490,000	315,699
75-5012-5503	CLAIM FEES	102,000	102,000	119,190	102,000	100,241
75-5012-5505	STOP LOSS PREMIUMS	503,000	503,000	467,570	503,000	390,759
75-5012-5506	REFUNDS-STOP LOSS COVERAGE			(192,625)		(511,409)
75-5012-5509	INCURRED CLAIM-PRIOR YEAR	125,000	125,000	134,180	125,000	167,128
	SERVICES & CHARGES	3,452,000	3,452,000	2,386,010	3,452,000	2,638,572
	TOTAL MEDICAL HIGH DEDUCTIBLE	3,629,000	3,629,000	2,532,180	3,629,000	2,793,072
	Dept 5020 - DENTAL INSURANCE					
SERVICES & CHARGES						
75-5020-5501	Incur Dental Claim-Current Yr	175,000	175,000	131,100	175,000	151,529
75-5020-5503	DENTAL CLAIM FEES	11,462	11,462	5,330	11,462	1,408
75-5020-5509	DENTAL-INCURRED CLAIM-PRIOR YEAR	10,000	10,000	4,725	10,000	5,804
	TOTAL DENTAL INSURANCE	196,462	196,462	141,155	196,462	158,741

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	Dept 5021 - COBRA - DENTAL ACTIVE					
SERVICES & CHARGES						
75-5021-5501	COBRA-DentalIncurClaimCurYr			17,850		3,180
75-5021-5503	COBRA-DENTAL-CLAIM FEES					19
75-5021-5509	COBRA-DENTAL-INCURRED CLAIM-PRIOR YEAR			1,075		
	TOTAL COBRA - DENTAL ACTIVE			18,925		3,199
	Dept 5025 - DENTAL - RETIREE					
SERVICES & CHARGES						
75-5025-5501	Dental-Retiree-IncurClaim-CurrYr			370		1,335
75-5025-5503	DENTAL CLAIM FEES-RETIREE-CURRENT YEAR					5
	TOTAL DENTAL - RETIREE			370		1,340
	TOTAL APPROPRIATIONS	4,862,777	4,862,777	3,571,920	4,862,777	4,010,712
ESTIMATED REVENUES - FUND 75		4,233,945	4,233,945	3,577,680	4,233,945	3,075,951
APPROPRIATIONS - FUND 75		4,862,777	4,862,777	3,571,920	4,862,777	4,010,712
	NET REVENUES (EXPENDITURES)	(628,832)	(628,832)	5,760	(628,832)	(934,761)
BEGINNING FUND BALANCE		2,348,911	2,348,911	2,343,151	2,343,151	3,277,911
ENDING FUND BALANCE		1,720,079	1,720,079	2,348,911	1,714,319	2,343,150

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