

FY 2011 Proposed Budget Employee Total Compensation

On August 12, 2010, the City Manager will present the FY 2011 budget to the City Council, including recommendations on adjustments to employee wages and benefits. While the City continues to face economic challenges, the Proposed Budget reflects the City Manager's top workforce priority, which is to maintain a competitive employee total compensation package. Furloughs were avoided by eliminating various positions and moving employees into other jobs in available vacancies.

Reductions of Positions

As a result of efficiencies and redirections, the City is proposing the reduction of 202 positions, 78 of which are filled. All affected employees will be offered other positions within the City with no loss of current salaries.

Cost of Living Adjustment (COLA) and Living Wage

The Proposed Budget includes a 2% COLA for all full-time and part-time employees, including police officers. To continue the City's commitment to ensure that employees earn a Living Wage, the minimum hourly rate for all full-time and part-time City positions is proposed to increase from \$10.19 per hour to \$10.60 per hour, effective October 1, 2010.

Step Pay Plan Implementation

The implementation of the Step Pay Plan will continue. Phase 4 in FY 2011 is proposed as developed with the input of the Employee Management Committee, and provides step increases to 2,108 employees. The average salary increase is 4.91%, in addition to the proposed 2% COLA. The FY 2011 implementation plan provides salary increases to employees with years in rank as follows (as of April 1, 2011):

Employees with 10 years	move to Step 10
Employees with 7 - 9 years	move to Step 6
Employees with 5 - 6 years	move to Step 4
Employees with 3 - 4 years	move to Step 3

Health Care Benefits

Health Care Plans and Premiums

The health care plan options for employees will include the Value PPO, Standard PPO, and Premier PPO health plans. The budget eliminates the Exclusive Provider Organization (EPO) plan and implements a minimal premium for the employee-only Value PPO. As you know, health care reform has become law, officially called the *Patient Protection and Affordable Care Act*. Health care reform will not change our commitment to competitive benefits that support your health and wellness. Premium increases are included in the proposed budget to offset growing health care and administration costs, as well as health care reform. No employee enrolled in the Standard Plan will net less than 1% increase to take-home pay after proposed insurance premium increases.

See the back of this page for more information. Contact Human Resources Customer Service at (210) 207-8705 for assistance with selecting a health plan or to speak to the City's onsite UnitedHealthcare representative. You can also e-mail hrcustomerservice@sanantonio.gov or find us on Facebook.

FY 2011 Proposed Monthly Health Care Premiums

Health Plan	Hired Before Jan. 1, 2009	Hired After Jan. 1, 2009
Value PPO		
Employee Only	\$7	\$12
Employee + Child(ren)	\$18	\$83
Employee + Spouse	\$72	\$192
Employee + Family	\$92	\$250
Standard PPO		
Employee Only	\$24	\$69
Employee + Child(ren)	\$62	\$158
Employee + Spouse	\$126	\$255
Employee + Family	\$165	\$342
Premier PPO		
Employee Only	\$91	\$157
Employee + Child(ren)	\$183	\$312
Employee + Spouse	\$272	\$430
Employee + Family	\$365	\$583

Health Care Benefits — Questions and Answers

Q: Why are my health care premiums increasing?

Employee health care premiums are affected by the growing health care, medical services and administration costs, plan utilization, and new health care reform legislation. When medical claims and administration costs exceed the employee and employer contributions, health care premiums rise.

Q: Why does the Value PPO employee-only plan have a premium and why was the EPO plan eliminated?

A premium for the Value PPO employee-only plan is being implemented to help offset the rising cost of health care and plan utilization. The EPO plan was eliminated because the plan was too costly to maintain.

Q: I was hired after January 1, 2009. Why did my premiums increase?

For those employees hired before Jan. 1, 2009, the City is continuing to move toward reaching an overall health care contribution of 80% with the balance (20%) paid by employees. For employees hired after Jan. 1, 2009, the City is working toward a 70% / 30% split. The goal is to reach these splits by FY 2012, and the City is adjusting cost-sharing to reach these targets. The premium increases for employees hired after Jan. 1, 2009 reflect the cost-sharing model.

Q: When will I know about some of the immediate health care reform changes?

The first round of coverage and cost-sharing standards will begin with the start of the City's benefits plan year on January 1, 2011. The City will communicate with you directly during the Open Enrollment period, which begins October 18, 2010.

Q: How do I choose a plan that is right for me?

Selecting a health care plan that is best for you and your loved ones is an important decision. First, assess your needs. Consider your current use of health care and your medical expenses for the near future and decide what services are most important to you and your family. Can you choose your own doctors? Do you or a dependent require specialists or specific treatments? Factor in how much you can spend on monthly premiums, office visit and prescription co-pays, and deductibles.