

WHAT ARE BENEFIT COSTS AS % OF SALARIES?

City of Ann Arbor Budget - All Funds

| | FY 2009 | FY 2010 | FY 2011 |
|--|---------|---------|---------|
|--|---------|---------|---------|

| | | | |
|--|----------------------|----------------------|----------------------|
| 1 FTE's | 800 | 766 | 746 |
| 2 Personnel Services [budget book p. 105] | \$ 57,376,699 | \$ 55,519,965 | \$ 54,566,892 |
| 3 Temporary Pay | (2,407,358) | (1,638,893) | (1,540,810) |
| 4 Temporary Pay Overtime | (39,826) | (12,800) | (15,700) |
| 5 Overtime | (2,875,099) | (2,763,748) | (2,766,742) |
| 6 Excess Comp Time Paid | (94,710) | (103,150) | (103,718) |
| 7 Severance Pay | (668,574) | (735,705) | (457,314) |
| 8 Annual Sick Leave Payout | (231,098) | (194,133) | (191,623) |
| 9 Accrued Leave Balances Change | (146,000) | (130,000) | (132,000) |
| 10 Total Salaries for Active Employees * | \$ 50,914,034 | \$ 49,941,536 | \$ 49,358,985 |
| 11 Payroll Fringes/Insurance [budget book p. 105] | \$ 58,584,716 | \$ 59,426,234 | \$ 62,384,553 |
| 12 VEBA Funding | (3,909,654) | (5,680,895) | (5,112,673) |
| 13 Current Retirees' Medical Insurance Costs | (9,881,116) | (8,520,507) | (9,275,124) |
| 14 Accrued Cost for Active Employee Retiree Health | 5,268,559 | 5,347,587 | 5,556,143 |
| 15 Current Retirees' Pension Payments | (25,200,000) | (25,300,000) | (25,500,000) |
| 16 Total Benefits for Active Employees | \$ 24,862,505 | \$ 25,272,419 | \$ 28,052,899 |

* Includes supplemental pays like educational bonuses, longevity, etc.

| <u>Calculation Based on Mr. Miller's Email</u> | | | |
|---|-----------|-------------|-----------|
| 17 Salary per FTE [2/1] | \$ 71,721 | * \$ 72,480 | \$ 73,146 |
| 18 Fringes per FTE [11/1] | \$ 73,231 | * \$ 77,580 | \$ 83,625 |
| 19 Fringes as % of Salary [18/17] | 102% | * 107% | 114% |

* FY 2009 is calculated based on budget for consistency. Mr. Miller used forecasted results.

| <u>Calculation After Adjustments for Comparability**</u> | | | |
|---|-----------|-----------|-----------|
| 20 Salary per FTE [10/1] | \$ 63,643 | \$ 65,198 | \$ 66,165 |
| 21 Fringes per FTE [16/1] | \$ 31,078 | \$ 32,993 | \$ 37,604 |
| 22 Fringes as % of Salary [21/20] | 49% | 51% | 57% |

** City calculations utilized budget since vacancies can skew the ratios.