



BOARD OF SCHOOL TRUSTEES

KELLER INDEPENDENT SCHOOL DISTRICT

11A.

Preview

Date: September 10, 2007

SUBJECT: 2008 EMPLOYEE BENEFITS

BOARD GOAL: The Keller Independent School District will recruit, develop and retain a diverse highly qualified staff.
All systems in the Keller Independent School District will be effective, efficient, and accountable in support of the district's mission.

FISCAL NOTE: 2007 – 2008 Budgeted Funds

ANTICIPATED DATE FOR ACTION: September 24, 2007

Background Information:

- The Health Benefits plan year is January 1 through December 31; premiums for January are deducted in December paychecks.
- Open Enrollment for 2008 will be October 15, 2007 through November 16, 2007.
- Numerous informational Benefits meetings will be held across the District as well as computer assistance and vendor information sessions.
- The cost of providing the current plans has continued to increase each year due to the rising costs of healthcare.
- The Wellness benefit for all plans was increased in 2005 from \$300 to \$400.
- There have been no reductions in benefits in the past three years with only minimal increases in premiums.
- Current projections for 2008 indicate an overall shortfall for the medical plans.
- The recommended changes necessary to cover the projected shortfall are:
 - An additional \$10 District contribution to \$255 per month (offset from the workers' compensation fund)
 - Minimal rate increase to employees (6% of total premium; below industry trend)
 - Minimal benefit changes
 - Freeze new enrollment in the HMP Plan

Administrative Considerations:

- The administration recommends that on September 24, 2007, the Board of Trustees accept the 2008 Health Benefits Plans as proposed and approve the minimal increase to premiums, minimal benefit changes and the additional \$10 District contribution as offset by the recalculation of workers' compensation rates.

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Respectfully submitted,
Regina Smith McKenzie
Executive Director of Human Resources