Print Form

COUNTY DEPARTMENT AGENDA REQUEST

Department/Division: Human Resources

Department Head: Connie Boehnke

Presenter, if needed: Connie Boehnke

Preferred Meeting Date: March 5, 2008

Wording for the Agenda:

Discussion of the feasibility of offering a Flexible Spending Account benefit to County employees.

Background/History/Details:

Flexible Spending Accounts (FSA) have been mentioned by employees on several occasions during the Employee Relations Forums. A FSA is one of a number of tax-advantaged financial accounts that can be set up for employees at a minimal cost to the employer. And, those costs can be offset by employer Social Security tax savings based on employee participation. A FSA allows an employee to have pre-tax funds deducted from their paycheck that can be used to pay for out of pocket health care costs and dependant care. Employees can use FSA's to pay for deductibles and copayments, prescription drugs and other medical expenses not covered under their health insurance plans. Separate pre-tax contributions must be set up for health care and for dependant care. A health care FSA is pre-funded, meaning after one payroll deduction an employee has access to the total amount they will be contributing for the plan year. This can be excellent for parents with kids needing braces. The dependant FSA however is not pre-funded. Employees can only receive dependant care reimbursement as funds are deposited into their FSA.

What action are you seeking from the Board of Commissioners?

Discussion and direction to staff on whether or not to develop a recommendation for the Board's consideration at a future meeting.

If this item requires funding, please describe:

Based on potential Social Security tax savings to the County, a minimum of 26 employees would need to participate in order to offset the cost of the plan. This would in essence allow the County to offer a Flexible Spending Account benefit to employees without incurring any additional cost.

Has this issue come before the Commissioners in the past? No

If so, when?

Do you need audio-visual for the presentation? No

Back-up Material Submitted? Yes

STAFF USE ONLY

- (●) Finance Review Complete
- (●) Purchasing Review Complete
- (●) Legal Review Complete
- (●) Administrative Staff Review Complete

Administrator's Approval: Yes

Confirmed Meeting Date: Wednesday, March 5, 2008

- ( ) Recognition/ Presentation
- ( ) Public Hearing
- ( ) Old Business
- (●) New Business
- ( ) Consent
- ( ) Report
- ( ) Other