

Benefit Funds - Benefit Fund**Fund 160****BENEFIT FUND OVERVIEW:**

San José Municipal Code section 4.80.2000 establishes the “Benefit Fund” for the deposit and accounting of moneys related to the provision and financing of benefits to City employees and their dependents. To account for the moneys related to the provision and financing of specific benefits, the City established the following benefit funds: Dental Insurance Fund (Fund 155), Life Insurance Fund (Fund 156), the Unemployment Insurance Fund (Fund 157), and the Benefit Fund (Fund 160).

PURPOSE OF THE FUND:

The Benefit Fund (Fund 160) accounts for the costs associated with the City’s portion of various employee benefits, except for dental, life, and unemployment insurance. Any contributions required to be made by the City for the various health insurance premiums or other benefits (outlined below) for City employees, City Councilmembers, and dependents as required by applicable resolutions, ordinances, or contracts are deposited into this fund. In the cases of certain voluntary benefits made available to City retirees, contributions from retirees are deposited into this fund.

Moneys in the Benefit Fund must be used for expenses to provide for the various benefits accounted for within this fund as described below.

Revenues are credited each pay period by multiplying the number of eligible employees by the City’s contribution rate, as determined by the City’s Human Resources Department. Employee contributions are not credited to Fund 160, but are recorded in the Employee Health Fund (Fund 161), which is a memo fund to Fund 160.

Benefits accounted for in Fund 160 are:

- Municipal Employees’ Federation Legal Trust Fund
- 457 Deferred Compensation Plan for Part-Time, Temporary, and Contract employees
- Vision
- Health
- Federal Insurance Contributions Act (FICA) Medical Payments
- Employee Assistance Program

AUTHORITY FOR THE FUND:

San José Municipal Code sections 4.80.2000 through 4.80.2030. Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

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- City contributions
- Interest earnings
- Transfers from other funds
- Employee and Retirees administrative fee contributions

FUND RESTRICTIONS:

Contributions from employees and retirees deposited within this fund may only be expended for the purpose for which they were collected. Changes in amounts to be deposited in the fund are not subject to the requirements of Proposition 218.

LEAD RESPONSIBILITY:

Human Resources Department

FINANCIAL INFORMATION AND LOCATION:**Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund - Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 16.06