



City of San Antonio

Agenda Memorandum

File Number: 15-1931

Agenda Item Number: 26.

Agenda Date: 3/12/2015

In Control: City Council A Session

DEPARTMENT: Human Resources

DEPARTMENT HEAD: Lori Steward, Interim Human Resources Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Employee Benefits Consulting Contract

SUMMARY:

This ordinance authorizes the City Manager or her designee to execute an amendment extending the term of the contract with Buck Consultants, LLC, for Employee Benefit Consulting Services for an amount up to \$275,000 from June 19, 2015 to December 31, 2015. The Benefits consultant services will include actuarial valuation analysis, cost analysis, validation studies for plan design changes, and the development of strategies to effectively control costs while maximizing benefits, for all active and retired civilian employees and their eligible dependents. This ordinance also includes funding for assistance developing a request for proposal for third party administration services.

BACKGROUND INFORMATION:

Buck Consultants, LLC was contracted to provide benefits consulting services for active and retired civilian employees for a one-year period from June, 2014 to June, 2015. This amendment will extend the terms of the contract through the end of calendar year 2015 and align the contract term with the benefit plan year.

Benefit consulting services will include actuarial valuation analysis, cost analysis, validation studies for plan design changes, and development of strategies to effectively control costs while maximizing benefits. Buck consultants will also assist with the development of the request for proposal for third party administration services. The Human Resources Department recommends extending the Benefit Plan Consulting contract to

Buck Consultants LLC, from June 19, 2015 through December 31, 2015 as these services are an integral part of the annual budget process and legal compliance for the delivery of the employee benefits plans.

ISSUE:

This Ordinance will execute a contract with Buck Consultants, LLC, authorizing an expenditure of up to \$275,000 for the period June 19, 2015 to December 31, 2015 for all ongoing benefits consulting needs for active and retired civilian employees plans.

ALTERNATIVES:

An alternative to execution of this contract is to utilize City staff to manage the cost of medical and prescription care without the expertise of a benefits consultant to recommend plan design changes and an actuarially derived funding strategy.

FISCAL IMPACT:

The FY 2015 portion of the amended contract amounts to \$166,628 and funds are available in the FY 2015 Employee Benefits Insurance Fund. Expenditures for the proposed contract amendment for FY 2016 are contingent upon City Council appropriations for FY 2016.

RECOMMENDATION:

Staff recommends approval of this ordinance to execute a contract with Buck Consultants LLC, with a term beginning June 19, 2015 and ending on December 31, 2015 subject to and contingent upon funding and approval by the City Council.