

Benefits Committee 2001-2002 Annual Report

Date: May 28, 2002

The Benefits Committee met eight (8) times during the 2001-2002 academic/fiscal year. It would be fair to suggest that although the year began relatively quietly, it concluded in the midst of a fair amount of activity. The following reflect some of the more important activities the committee addressed:

Benefits Coverage: Skidmore benefits plans remained relatively unchanged during 2001-2002 and continued to provide a similar level of coverage as in the prior year. The Committee reviewed plans for what appeared to be a very successful "Benefits Fair" held on November 13 at the Sports and Recreation Center, as well as matters relating to the annual "open enrollment pdf" in November.

Benefits Costs: Unfortunately, while benefits coverage in FY 2002 was consistent with the prior year, benefits costs continued to spiral. For the fiscal year ending 2002, total benefit costs are projected to be \$14.5 million, representing 18% of the entire operating budget. This represents a 10.7% increase from the prior year. Benefits now represent, on average, 40% of wage and salary expense. Indeed, since 1990, total benefits expense has grown at an average annual rate of almost 9%. The summary below details some of the key parameters of trends in the growth of benefits costs (dollars in millions):

	1990	2001	2002	% Inc from 2001	Aver Annual Inc from 1990
Social Security	1.6	2.7	2.9	7.4%	6.8%

summers to develop final recommendations, and the belief that the subject under review lies at the intersection of primary concerns of both the Benefits Committee and the FPPC (and will include 3 representatives from Benefits Committee). Given that such a task force will also report on an interim and final decision to the Benefits Committee, we feel that we will have sufficient voice in this process. Additionally, the committee also felt strongly that any such task force should have equal representation (and voting) for each campus constituency: faculty, support staff, and administrative/professional. Finally, the committee felt that the creation of this task force should be accomplished in consultation with CFG. All of these sentiments were communicated to President Studley, by memo, in May. As of the date of this report, the Committee is poised to participate in the benefits review in whatever form it may take.

Constituency Questions: The Committee attempted to address a number of issues brought to us by members

