

Memorandum 13-116 Health Insurance Mid Year Budget Adjustment

Memorandum ID: 13-116
Memorandum Status: Backup

Memorandum 13-116
TO: MAYOR WYTHE AND CITY COUNCIL
THROUGH: Walt Wrede, City Manager
FROM: Andrea Petersen, Personnel Director
Zhiyong Li, Finance Director
DATE: August 6, 2013
SUBJECT: Health Insurance Mid-Year Budget Adjustment

The 2012 Health Insurance Fund went over budget by approximately \$641,000. This resulted in the Health Insurance Reserve Fund having a deficit of \$226,827. Additionally, the current 2013 funding level for the Health Insurance Fund will fall short of the total projected expenses by approximately \$530,000. It is the recommendation of the Personnel Director, Finance Director, and our benefits consultant to fund an additional \$800,000 to the Health Insurance Fund to cover the 2012 loss and the projected 2013 loss. Any balance at the end of 2013 will help rebuild the Health Insurance Reserve account. Administration is working with the City's benefits consultant, Jeff Paxton, to reduce the 2014 health insurance expenditures.

Recommendation: Transfer \$800,000 to the Health Insurance Account from the following:

Related Ordinances **Memorandum - Related Ordinances:** [Ordinance 13-33 Amendments to FY 2013 Operating Budget for Mid Year Adjustments](#)

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