



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of May 16, 2017
Second Reading Ordinance for the City Council Meeting of May 23, 2017

DATE: May 9, 2017

TO: Margie C. Rose, City Manager

THRU: Sylvia Carrillo-Treviño, Assistant City Manager

FROM: Eddie Houlihan, Director of Management and Budget
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Mid-Year Budget Adjustment

CAPTION:

Ordinance amending current Operating Budget adopted by Ordinance No. 030965 as follows: a) increase revenues by \$2,423,308 due to increased stop loss reimbursements and increase appropriations by \$6,000,000 due to increased health care costs in the Citicare Group Health Fund; (b) increase revenues by \$1,770,576 due to increased stop loss reimbursements and increase appropriations by \$3,800,000 due to increased health care costs in the Police Group Health Fund; (c) increase revenues by \$246,476 due to increased stop loss reimbursements and increase appropriations by \$800,000 due to increased health care costs in the Fire Group Health Fund

PURPOSE:

This action increases revenues and appropriations in the Citicare, Police and Fire Group Health Funds to the updated current estimated amounts.

BACKGROUND AND FINDINGS:

Health care costs have continued to escalate through the first seven months of the current fiscal year. The number and cost of catastrophic claims has also increased significantly.

ALTERNATIVES:

The City Council can choose to not approve the ordinance.

OTHER CONSIDERATIONS:

N/A

CONFORMITY TO CITY POLICY:

This item conforms to City policy.

EMERGENCY / NON-EMERGENCY**DEPARTMENTAL CLEARANCES:**

- Office of Management and Budget
- Human Resources
- Legal

FINANCIAL IMPACT:

☐ Not Applicable X Operating Expense X Revenue ☐ CIP

FISCAL YEAR: 2016 - 2017	Project to Date Exp. (CIP Only)	Current Year	Future Years	TOTALS
Budget		\$35,207,906		
Encumbered/Expended amount of (date)				
This item		\$10,600,000		
BALANCE		\$45,807,906		
Fund(s): Citicare, Police and Fire Group Health Funds				

Revenues in the three funds will increase by \$4,440,360, from the adopted budget amount of \$31,040,773 to an amended budget amount of \$35,481,133.

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Presentation