



Legislation Text

File #: 19-0274, Version: 1

Item:

Budget Ordinance Amendment No. 19BCC000060 - Approve Appropriation of \$2,500,000 of General Fund Fund Balance and Transfer to the Benefits Plan Fund for Increased County Self-Funded Medical Costs

Date of BOCC Meeting: June 10, 2019

Request for Board Action:

In analyzing the Benefits Plan Fund and assessing where the County's costs for these benefits will be at fiscal year end, it is County staff's belief that expenditures will exceed the current amount budgeted for medical (health) costs. As such, the Board is requested to approve Budget Ordinance Amendment No. 19BCC000060 to increase the Benefits Plan Fund expenditure budget in the amount of \$2,500,000 for medical (health) self-insured costs and increase the Benefits Plan Fund funding sources of a one-time County contribution transfer of \$2,500,000. The General Fund will be amended as follows: Increase the transfer to health benefits \$2,500,000 and increase fund balance appropriated by \$2,500,000.

Please note that while County staff does estimate the need for additional budget for FY2018-19 for the medical (health) costs, the requested budgetary increase is a conservative estimate. County staff does not anticipate the need for the entire amount; however, the Local Government Commission will not allow amendments to the budget after June 30th for the current fiscal year. Therefore, staff is requesting this amount to ensure that we do not exceed budget appropriations. This amendment is consistent with an amendment that was brought before the board in FY2017-18 in the amount of \$3,350,000. Of this amount, \$2,180,000 was required.

Alignment with Strategic Plan: This request relates to the following elements of the Durham County Strategic Plan: the amendment aligns with Goal #5 (Accountable, Efficient, and Visionary Government).

Resource Persons: Kathy Everett-Perry, Chief Human Resources Officer; Claudia Hager, General Manager; Deidre Gonzales, Benefits Manager.

County Manager's Recommendation: The County Manager recommends that the Board approve Budget Ordinance Amendment No. 19BCC000060 appropriating of \$2,500,000 of General Fund fund balance and transferring those funds to the Benefits Plan Fund for increased County self-funded medical costs.

County Manager: _____