

PRELIMINARY

GROUP INSURANCE FUND

Description	2022-2023 Budget	2023-2024 Proposed Budget	Dollar Increase (Decrease)	Percent Increase (Decrease)
Balance Brought Forward	3,346,102	4,432,171	1,086,069	32.46%
Internal Service Fund Billing	5,648,645	5,770,380	121,735	2.16%
Other Interest Income	33,073	59,912	26,839	81.15%
Total Revenue	<u>5,681,718</u>	<u>5,830,292</u>	<u>148,574</u>	<u>2.61%</u>
Total Funds Available	<u>9,027,820</u>	<u>10,262,463</u>	<u>1,234,643</u>	<u>13.68%</u>
Personnel Costs	5,525,796	5,456,196	(69,600)	(1.26%)
Other Admin. & Overhead	233,526	229,085	(4,441)	(1.90%)
Total Expenditures	<u>5,759,322</u>	<u>5,685,281</u>	<u>(74,041)</u>	<u>(1.29%)</u>
Ending Balance	<u>3,268,498</u>	<u>4,577,182</u>	<u>1,308,684</u>	<u>40.04%</u>
Total Funds Accounted For	<u>9,027,820</u>	<u>10,262,463</u>	<u>1,234,643</u>	<u>13.68%</u>

Revenues: It is preferred to maintain a high enough balance in this fund so that if in a given year the claims exceed projected maximum costs that this fund would remain solvent. The Internal Service Fund Billing includes a 5% increase from FY 2022-2023 estimated revenues, which results in a \$121,735 or 2.16% increase. This increases both the City's share and the employee cost of health insurance by 5%. Interest income increases due to an increase in interest rates and fund balance.

Expenditures: Personnel Costs decrease \$69,600 or 1.26% due to a decrease in estimated health claims. Other Administration and Overhead decrease \$4,441 or 1.90% due to the elimination of miscellaneous costs and a decrease in internal administrative fee, which is partially offset by increases in network access fees, utilization management, interface fee, teledoc, and dental administration.