**Budget Questions and Requests for Information**

**2018-19 Recommended Budget**

**Question #6**

**QUESTION:**

1. What was the cost increase for medical insurance without the implementation of a deductible?
2. The Recommended Budget has a 0.6% increase in place even though we now know the there is no increase in employee medical insurance. What is that savings?

**RESPONDENT:** Matt Brinkley, Budget Manager

Kenneth C. Pennoyer, Business Management Director

**Response:**

1. The negotiated rate increase without a deductible was 4.9%. The Recommended Budget does include the $250 deductible, which brings this increase to zero. If we had not gone with the deductible the cost of the 4.9% increase would be as follows:

General Fund: $241,590

Transit Fund: 87,788

Stormwater Fund: 6,982

Parking Funds: 3,589

Housing Fund: 7,106

**Total: $347,055**

1. At the time of the preparation of the Recommended Budget, the negotiated increase was at 0.6% with the deductible. Since that time, based on subsequent negotiations, the increase was reduced to zero. The savings from reducing the medical insurance increase from 0.6 to zero is as follows:

General Fund: $29,584

Transit Fund: 10,749

Stormwater Fund: 855

Parking Funds: 439

Housing Fund: 871

**Total: $42,498**