



MEMORANDUM

DATE: DECEMBER 12, 2025

TO: MAYOR AND CITY COUNCIL

FROM: CITY OF MERIDIAN EMPLOYEE BENEFITS PLAN TRUST BOARD

RE: **CITY OF MERIDIAN EMPLOYEE BENEFITS PLAN TRUST: FINANCIAL STATUS AND FUNDING DISCUSSION**

Purpose:

Update the Mayor and City Council on the financial status of the Employee Benefits Plan Trust and request funding to stabilize the plan through year-end 2025.

Current Financial Summary:

- *End of Q3 2025 deficit:* \$748,956, includes \$550,075 funding approved by Council in June 2025. Does not include \$182,988 funding approved by Council in October 2025 and Rx Rebates of \$99,211. Remaining deficit after all credits \$466,756.
- *End of Q4 2025 Anticipated deficit:* \$314,353. Year-End deficit totaling \$781,110.
- Claims continue to outpace contributions. October–January are historically high claim months.

2026 Approved Adjustments:

- Medical: +17% | Dental: +11.2% | Vision: No change.
 - Out-of-pocket maximums: Individual \$2,500 | Family \$5,000.
- These adjustments aim to realign funding with actual claim experience.

Funding Request:

Q3 deficit (\$748,956) – funding credit (\$182,988) – Rx Rebate (\$99,211) + Q4 projected deficit (\$314,353). *Total \$781,110 additional funding needed.*

Desired State:

- Fully funded Trust without City infusions.
- Preventative programs to mitigate high-cost claims (e.g., cancer expert consults).

Recommendation:

Approve an additional \$781,110 funding to satisfy the Trust deficit through year-end 2025 and support long-term financial stability.