

City of Meridian FY2025 Budget Amendment Form

Personnel Costs

Full Time Equivalent (FTE):

Fund#	Dept.#	G/L#	Proj.#	G/L# Description	Total
Various	Various	41200	0	Wages	
Various	Various	41206	0	PT/Seasonal Wages	
Various	Various	41210	0	Overtime	
Various	Various	41304	0	Uniform Allowance	
Various	Various	42021	0	FICA	\$ -
Various	Various	42022	0	PERSI	\$ -
Various	Various	42023	0	Worker's Comp	\$ -
Various	Various	42025	0	Employee Insurance	\$ -
Total Personnel Costs					\$ -



Please only complete the fields highlighted in Orange.

Amendment Details

Title: **City of Meridian Employee Benefits Plan Trust**

Department Name: **Various**

Presenting Department Name: **Legal**

Department #: **Various**

Primary Funding Source: **Various**

CIP#:

Project #:

Is this for an Emergency? ☐ Yes ☒ No

New Level of Service? ☐ Yes ☒ No

Operating Expenditures

Fund#	Dept.#	G/L#	Proj.#	G/L# Description	One-Time	On-Going	Total
Various	Various	42025	0	Surplus Funding for Employee Health Trust	\$ 550,075		\$ 550,075
Various	Various		0	(Expense will be allocated across all Departments,			\$ -
Various	Various		0	see attached supporting documentation)			\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Various	Various		0				\$ -
Total Operating Expenditures					\$ 550,075	\$ -	\$ 550,075

Clerks Office Stamp

Date of Council Approval

Capital Outlay

Fund#	Dept.#	G/L#	Proj.#	G/L# Description	Total
Various	Various		0		
Various	Various		0		
Various	Various		0		
Various	Various		0		
Various	Various		0		
Various	Various		0		
Total Capital Outlay					\$ -

Revenue/Donations

Fund#	Dept.#	G/L#	Proj.#	G/L# Description	Total
Various	Various		0		
Various	Various		0		
Various	Various		0		
Total Revenue/Donations					\$ -

Acknowledgement

Date

Bill Nary via email 6.13.25

Department Director

REVIEWED

By Todd Lavoie at 8:22 am, Jun 16, 2025

jfields 6.13.25

Chief Financial Officer

Approved Luke Cavener via email 6.19.25

Council Liaison

6-20-25

Mayor

Total Amendment Request \$ **550,075**

City of Meridian FY2025 Budget Amendment Form

Total Amendment Cost - Lifetime

	Prior Year(s) Funding	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Personnel		\$ -	\$ -	\$ -	\$ -	\$ -
Operating		\$ 550,075	\$ -	\$ -	\$ -	\$ -
Capital		\$ -				
Total	\$ -	\$ 550,075	\$ -	\$ -	\$ -	\$ -
		Total Estimated Project Cost: \$ 550,075				

Department Name: Various
 Title: City of Meridian Employee Benefits Plan Trust

Instructions for Submitting Budget Amendments:

- Department will send Amendment with Directors signature to Finance (Budget Manager) for review
- Finance will send Amendment to Council Liaison for signature
- Council Liaison will send signed Amendment to Mayor
- Mayor will send signed Amendment to Finance (Budget Manager)
- Finance (Budget Manager) will send approved copy of Amendment to Department
- Department will add copy of Amendment to Council Agenda using Municode Agenda Manager

Evaluation Questions

Please answer all Evaluation Questions using the financial data referenced above.

1. Describe what is being requested?

Due to additional health care claims costs the City of Meridian Employee Benefits Plan Trust has a deficit in the surplus funding that is required by the Department of Insurance (DOI) under Idaho Code, §41-4010(3). The amount requested includes the current deficit in the surplus in addition to the expected cost that is anticipated for medical needs for the remainder of FY25.

2. Why was this budget request not submitted during the current fiscal year budget cycle?

Health benefit costs are incurred throughout the calendar year and cannot always be adequately anticipated despite actuarial studies, audits, benchmarks and reviews.

3. What is the explanation for not submitting this budget request during the next fiscal year budget cycle?

The deficit needs to be maintained per DOI requirements under Idaho Code, §41-4010(3) in the current year.

4. Describe the proposed method of funding? If funding is split between Funds (i.e. General, Enterprise, Grant), please include the percentage split. List the amounts and sources of anticipated additional revenue that will result from approval of this request.

General Fund and Enterprise Fund.

5. Does this request align with the Department/City's strategic plan? If not, please explain how this request was not included in the Department/City strategic plan?

Yes, Government excellence in attracting and retaining employees.

6. Does this request require resources to be provided by other departments? If yes, please describe the necessary resources to be provided by other departments.

No

7. Does this Amendment include any needed Equipment or Software that will utilize the City's network? (Yes or No)

No

8. Is the amendment going to result in the disposal of an asset? (Yes or No)

No

9. Any additional comments?

The City of Meridian has contributed \$1,969,000 to the Trust for State Reserve Requirements to date. Adding this \$550,075 will create a new State Reserve contribution from the City to the Trust in the amount of \$2,519,075.

Total Amendment Request \$ 550,075

Every effort should be made to avoid reopening the budget for an amendment. Departments will need to provide back up and appear before the City Council to justify budget amendments. Budget amendments are intended for emergency or mandatory changes to the original balanced budget. Changes to the original balanced budget may cause a funding shortfall.



Mayor Robert E. Simison

City Council Members:

Luke Cavener, President

Liz Strader, Vice President

Brian Whitlock

Doug Taylor

John Overton

Anne Little Roberts

TO: Mayor Robert E. Simison
Members of the City Council

FROM: City of Meridian Employee Benefits Plan Trust (COMEBPT)

DATE: 6/6/25

**SUBJECT: FY25 BUDGET AMENDMENT IN THE AMOUNT OF \$1,124,335 FOR
SURPLUS FUNDING OF COMEBPT**

REQUESTED COUNCIL DATE: 6/24/25

I. RECOMMENDED ACTION

A. Move to:

1. Approve the \$1,124,335 additional funding for the Health Plan Trust to provide an adequate surplus as defined by Idaho State Dept. of Insurance (DOI) and to cover anticipated/projected additional claims costs for the remainder of FY25.
2. Authorize the Mayor to sign the amendment

II. TRUST CONTACT PERSON(S)

Bill Nary	208-489-0480
Christena Barney	208-489-0465

III. DESCRIPTION

A. Background

In 2020 the City of Meridian chose to create a Self-Funded Trust to manage health care benefits for its employees. This entity is responsible for administration and funding of these employee benefits. Under the guidance of the State of Idaho Department of Insurance, the Trust is required to ensure adequate funding is available to conduct business, pay claims and maintain a minimum surplus level of funding to ensure the natural ebbs and flows of claims costs can be covered by the Trust. The amount of surplus required is outlined under Idaho Code, §41-4010(3). This equates to three months of contributions for the current plan year, or 110% of the difference between the total dollar aggregate stop-loss attachment point plus costs of operation and the total dollar expected contributions for the current year. Currently, the required surplus is \$ 2,290,183.

B. Reason for Amendment

Due to higher than projected claims costs, the Trust surplus has dropped below the required surplus minimum. In addition, given the current claims trends, the Trust is experiencing a significant rise in claims. The Trust anticipates the need for additional funding to ensure that as claims are paid out, the surplus remains at an adequate level. As a reminder, the Trust operates on a calendar year basis. This amendment is intended to focus on the funding needs for the remainder of the City's fiscal year. It is the Trust's intention to keep the Council closely informed of claim costs and further fiscal impacts to the Trust as we move forward through the year ahead. The table below outlines the details around this request.

IV. IMPACT

A. Trust Funding Summary: Qtr. 1 Statement

Balance Sheet:	
Trust Balance Sheet Qtr. 1: Assets	\$2,219,108
Trust Balance Sheet Qtr. 1: Liabilities	\$2,219,108
Income:	
Trust Qtr. 1 (Jan-Mar) Income	\$2,290,183
Trust Qtr. 1 (Jan-Mar) Expense	\$2,710,314
Net	(\$420,211)
Surplus Summary:	
Surplus Balance: Beginning of Year	\$2,159,084
Surplus Balance: End of Qtr. 1	\$1,740,108
Required Surplus	\$2,290,183
Surplus Shortfall: End of Qtr. 1	(\$550,075)
Projected Supplemental Funding Needed:	
Surplus Shortfall (6.48% over Contributions)	\$550,075
Projected Monthly Shortfall (Trend Data Only)	\$95,710
Represents 13.5% over contributions	
Monthly Shortfall x 6 Months	\$574,260
Estimated Supplemental Funding Needed to Maintain Adequate Surplus and Operating Costs	\$1,124,335

V. ALTERNATIVES

The Trust is required to file quarterly financial statements to the DOI. It is possible the State could mandate action to correct a deficit in surplus if subsequent quarterly results indicate a deficiency exists. However, there are alternatives available as follows:

- A. The City could choose to not fund this request at this time.
 - a. This would require the Trust to request an amendment at a later date to fund the full deficit amount to acquire adequate funding.
- B. The City could choose to partially fund this request with what is needed to reach the minimum surplus at end of Qtr. 1 (\$550,075).
 - a. The implications of this may lead to an additional budget amendment in the future to secure additional funding knowing the claims costs are continuing to rise.
- C. The City could choose to partially fund this request and stand firm in not supporting any additional surplus funding.
 - a. The implications of this would require the Trust to shift the remaining costs to the employees. The result of this potentially impacts recruitment and retention.

Approved for Council Agenda: _____



Employee Benefit Costs

Source: MIP Reports > Statement of Rev and Exp > GL Code between 42000 to 43040

Fund Code	Dept Code	Department	FY2024 Actual (Audited)	% Allocation
01	1120	Council	\$ 106,462	0.35%
01	1140	City Clerk	\$ 194,438	0.64%
01	1310	Mayor's Office	\$ 175,502	0.58%
01	1500	Finance Department	\$ 428,781	1.41%
01	1510	Information Technology	\$ 608,535	1.99%
01	1520	Legal Dept	\$ 226,224	0.74%
01	1540	Human Resources	\$ 305,481	1.00%
01	1840	Other Govt/St Lighting	\$ 127,487	0.42%
01	1850	City Hall	\$ 828,573	2.72%
01	1900	Community Development Depts	\$ 1,582,794	5.19%
01	2110	Police Department	\$ 10,176,703	33.35%
01	2210	Fire Department	\$ 8,121,058	26.61%
01	5200	Parks & Recreation	\$ 2,275,269	7.46%
60	3200	Public Works	\$ 1,490,238	4.88%
60	3300	Meridian Utility Billing	\$ 191,735	0.63%
62	3400	Water Department	\$ 1,512,880	4.96%
65	3500	WasteWater Facility	\$ 2,165,287	7.10%
Total Employee Benefit Costs			\$ 30,517,448	100.00%

Employee Benefits Plan Trust

\$	550,075
Allocation Across Departments	
\$	1,919
\$	3,505
\$	3,163
\$	7,729
\$	10,969
\$	4,078
\$	5,506
\$	2,298
\$	14,935
\$	28,530
\$	183,434
\$	146,382
\$	41,012
\$	26,861
\$	3,456
\$	27,270
\$	39,029
\$	550,075

General Fund	82%	\$	453,459
Enterprise Fund	18%	\$	96,616

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