



O&M Budget Fiscal Note

RELATING TO:

Authorizing the Executive Director to Renew the Contract for Third Party Administration Services for District Group Health Insurance Benefits Effective January 1, 2026

Cost Center: Fringe (91)	Line Item: 54200 and 582000
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Line Item Impact			
2026 Original Budget		\$9,679,193	
Carryovers or Transfers		\$0	
Adjusted Budget		\$9,679,193	
Estimated Annual Expenditure including Request		\$9,679,193	
Anticipated Year End Balance		\$0	
Actual Year to Date Expenditures Through		\$0	

For unfavorable Year End Balance, identify funding source:

☐ Absorbed within the Division
☐ Other Division
☐ Unallocated Reserve

Anticipated Expenditure Timing	Requested Expenditures	Anticipated Savings/Revenues	Net Fiscal Impact
Current Year (2025)	\$0	\$0	\$0
Subsequent	\$527,729	\$0	\$527,729
Total Cost	\$527,729	\$0	\$527,729

Comments: Provide third party administration of the District health insurance for District active employees and pre-Medicare retirees for the period of January 1, 2026, through December 31, 2028, with the 2026 premium per employee per month at \$44.77 and with the 2027 and 2028 premium per employee per month at \$55.04. The 2026 per employee per month premium is a 19.45% decrease from 2025 current contract costs. The 2027 and 2028 per employee per month premiums include a one percent decrease from 2025 current contract costs.

Budget Review by: Jon Heder	Date 10.10.25
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