



O&M Budget Fiscal Note

RELATING TO:

Authorizing the Executive Director to Approve the Contract for Prescription Drug Coverage for Medicare-eligible Retirees Effective January 1, 2026

Cost Center: Fringe (91) _____	Line Item: 58200 _____																
Line Item Impact <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">2026 Original Budget</td> <td style="text-align: right; border-bottom: 1px solid black;">\$4,514,318</td> </tr> <tr> <td>Carryovers or Transfers</td> <td style="text-align: right; border-bottom: 1px solid black;">\$0</td> </tr> <tr> <td>Adjusted Budget</td> <td style="text-align: right; border-bottom: 1px solid black;">\$4,514,318</td> </tr> <tr> <td>Estimated Annual Expenditure including Request</td> <td style="text-align: right; border-bottom: 1px solid black;">\$4,514,318</td> </tr> <tr> <td>Anticipated Year End Balance</td> <td style="text-align: right; border-bottom: 1px solid black;">\$0</td> </tr> <tr> <td>Actual Year to Date Expenditures Through</td> <td style="text-align: right; border-bottom: 1px solid black;">\$0</td> </tr> </table> For unfavorable Year End Balance, identify funding source: ☐ Absorbed within the Division ☐ Other Division ☐ Unallocated Reserve		2026 Original Budget	\$4,514,318	Carryovers or Transfers	\$0	Adjusted Budget	\$4,514,318	Estimated Annual Expenditure including Request	\$4,514,318	Anticipated Year End Balance	\$0	Actual Year to Date Expenditures Through	\$0				
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Comments:

The renewal for the retiree prescription coverage resulted in a 5.59% increase with rates increasing from \$251.07 to \$265.10 per member, per month effective January 1, 2026, through December 31, 2026. Actual costs will depend on enrollment in the plan.

Budget Review by: Jon Heder _____	Date 10.10.25 _____
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