



Agenda Item: 14.D
Date of Meeting: October 23, 2023
Department: Finance

STAFF REPORT

To: City Council
From: Ethan Aukee
Subject: **Budget Adjustment Request, Planning, OPEB/Post Employment Benefits**
Prepared On: October 9, 2023

Background/History:

The Finance Department has determined that expense account 001-034-51046 (Planning, OPEB/Post Emp. Benefits) was under-budgeted for FY 23-24. The under-budgeting was due to the use of skewed prior year actuals and an increased city-wide contribution to OPEB in FY 23-24. The city-wide increased contribution in FY 23-24 was implemented to begin contributing at the actuarially determined contribution rate, which had not been adhered to in prior years.

Analysis/Discussion:

The approved budget amount for this expense account is \$5,760.73 and the updated forecast for this account is \$19,032.00. In order to cover the forecasted expense in this account, the budget figure will need to be increased by \$13,271.27.

Expense account 001-034-51007 (Planning, Health Insurance) was initially budgeted to cover the premium of one full-time employee + family, but the full-time employee did not select this level of coverage for FY 23-24. Therefore, \$13,271.27 can be reallocated from expense account 001-034-51007 (Planning, Health Insurance) to 001-034-51046 (Planning, OPEB/Post Emp. Benefits) to cover the need for additional spending.

Economic Impacts:

None.

Budget Impacts:

The budget adjustment request being presented is budget neutral and no additional spending is requested at this time.

In order to cover the OPEB contribution within the Planning Department in FY 23-24, the Finance Department is requesting to decrease expense account 001-034-51007 (Planning, Health Insurance) by \$13,271.27 and reallocate the \$13,271.27 to expense account 001-034-51046 (Planning, OPEB/Post Emp. Benefits).

This request is made with the assumption that the expense account being decreased will retain a budget amount adequate to cover forecasted expenses for the remainder of the fiscal year.

Legal Review:

Legal review not required for this item.

Recommended Action:

Council consideration to decrease expense account 001-034-51007 (Planning, Health Insurance) by \$13,271.27 and reallocate the \$13,271.27 to expense account 001-034-51046 (Planning, OPEB/Post Emp. Benefits).

Approved By: Robin Picken 10/9/2023

Approved By: Nora Gamino 10/10/2023

Approved By:

Approved By: