

COUNTY COUNCIL OF CECIL COUNTY, MARYLAND
LEGISLATIVE SESSION DAY 2016-09

RESOLUTION NO. 19-2016

Title of Resolution: Budget Amendment - Health Insurance Fund

Synopsis: : A Resolution to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland for the fiscal year ending June 30, 2016 to increase the revenue estimate and budget expenditure authority within the Health Insurance Fund by a total of \$1,500,000 in order for the fund to have sufficient budgetary authority to pay incurred medical claims through year-end, and to increase the revenue estimate for County income taxes by \$1,500,000 to the General Fund in order to increase various departmental expenditures per Appendix A to provide a total of \$1,500,000 in additions to expenditures to the General Fund Budget

Introduced by: Council President on behalf of the County Executive

Introduced and ordered posted on: May 3, 2016

Scheduled for consideration on: May 17, 2016

By: _____
Council Manager

Notice and title of Resolution having been posted by _____ at the County Administration Building, 200 Chesapeake Blvd., Elkton and consideration by the Council having been scheduled on _____.

By: _____
Council Manager

Explanation: CAPITAL LETTERS INDICATE LANGUAGE ADDED TO EXISTING DOCUMENT
~~Strike through~~ indicates language deleted from existing document
Underlining indicates language added to document by amendment.
~~Double Strike through~~ indicates language stricken from document by amendment

1 **WHEREAS**, in accordance with Section 505 of the Cecil County Charter, on April 1, 2015, the County
2 Executive submitted a proposed budget to the County Council for Fiscal Year 2016; and

3 **WHEREAS**, in accordance with Section 506 of the Cecil County Charter, the County Council held
4 public hearings on the proposed budget submitted by the County Executive for Fiscal Year 2016; and

5 **WHEREAS**, in accordance with Section 507(b) of the Cecil County Charter, on June 2, 2015, the
6 County Council adopted the budget for Fiscal Year 2016; and

7 **WHEREAS**, the Health Insurance Internal Service Fund currently has witnessed normal costs for
8 most employees, however, the plan is also experiencing a higher than normal number of high-dollar cases
9 (the Fund has seen more than fourteen (14) major cases so far this year versus a national norm of five (5)
10 for a plan the County's size), the Fund, therefore, needs additional revenue from the County in order to
11 meet current medical claim payments through the end of the fiscal year; and

12 **WHEREAS**, the County Executive is revising the Fiscal Year 2016 Health Insurance Internal Service
13 Fund Budget of Cecil County, Maryland to increase the revenue estimate and expenditure authority in the
14 total amount of \$1,500,000 to pay medical claims; and

15 **WHEREAS**, the County anticipates growth of income tax receipts for Fiscal Year 2016 to be
16 approximately 3.2% versus prior year which results in a projection of \$1,817,765 greater than budgeted;
17 and

18 **WHEREAS**, the County Executive is revising the Fiscal Year 2016 General Fund income tax revenue
19 estimate for Cecil County, Maryland by \$1,500,000 to reflect the growth in the receipts received over
20 budget expected in the current fiscal year; and

21 **WHEREAS**, the County Executive is revising the Fiscal Year 2016 General Fund Expenditure Budget
22 for Cecil County, Maryland to establish the following amounts within departmental budgets within the
23 General Fund as further detailed in Appendix A.

24 **NOW THEREFORE, BE IT HEREBY RESOLVED BY THE COUNTY COUNCIL OF CECIL COUNTY,**
25 **MARYLAND** that the Annual Budget and Appropriation Ordinance for Cecil County, Maryland for Fiscal Year
26 2016 is hereby amended to increase the revenue estimate and budget expenditure authority within the
27 Health Insurance Fund by a total of \$1,500,000 in order for the fund to have sufficient budgetary authority
28 to pay incurred medical claims through year-end, and to increase the revenue estimate for County income
29 taxes by \$1,500,000 to the General Fund in order to increase various departmental expenditures per
30 Appendix A to provide a total of \$1,500,000 in additions to expenditures to the General Fund Budget.

31 **AND BE IT FURTHER RESOLVED** that this Resolution shall take effect on the date of its passage by
32 the County Council of Cecil County, Maryland.

INTRODUCED: May 3, 2016

ADOPTED: _____

President of the Council

ATTEST:

Council Manager