

**CITY OF KEARNEY
HEALTH INSURANCE FUND SUMMARY
2006 - 2007 BUDGET**

	Actual 2003 - 2004	Actual 2004 - 2005	Budget 2005 - 2006	Estimated Actual 2005 - 2006	Proposed Budget 2006 - 2007
EXPENDITURES					
Personal Services	0.00	0.00	0.00	0.00	0.00
Supplies, Materials and Contractual Services	1,341,188.90	1,469,497.29	2,329,000.00	2,048,000.00	2,650,000.00
Equipment Rental	0.00	0.00	0.00	0.00	0.00
Capital Outlay	0.00	0.00	0.00	0.00	0.00
Debt Servicing	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	1,341,188.90	1,469,497.29	2,329,000.00	2,048,000.00	2,650,000.00
REVENUES					
Taxes	0.00	0.00	0.00	0.00	0.00
Licenses and Permits	0.00	0.00	0.00	0.00	0.00
Charges for Services	0.00	0.00	0.00	0.00	0.00
Fines	0.00	0.00	0.00	0.00	0.00
Special Assessments	0.00	0.00	0.00	0.00	0.00
Interest	0.00	0.00	0.00	0.00	0.00
Miscellaneous	1,980,640.64	2,118,801.50	2,100,000.00	2,095,000.00	2,091,000.00
Intergovernmental - State	0.00	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	1,980,640.64	2,118,801.50	2,100,000.00	2,095,000.00	2,091,000.00
Beginning fund balance	(209,328.85)	430,122.89	818,122.89	1,079,427.10	1,126,427.10
Total cash available	1,771,311.79	2,548,924.39	2,918,122.89	3,174,427.10	3,217,427.10
Less total expenditures	1,341,188.90	1,469,497.29	2,329,000.00	2,048,000.00	2,650,000.00
Ending fund balance	430,122.89	1,079,427.10	589,122.89	1,126,427.10	567,427.10

**HEALTH INSURANCE FUND
REVENUES**

**FUND 40 - HEALTH INSURANCE
ACCOUNT 00 - HEALTH INSURANCE**

Account	Account Name	Actual 2003 - 2004	Actual 2004 - 2005	Budget 2005 - 2006	Estimated Actual 2005 - 2006	Proposed Budget 2006 - 2007
37000 Miscellaneous						
400037107	City & employee contr.	1,960,140.33	2,099,928.12	2,080,000.00	2,090,000.00	2,090,000.00
400037203	Retired & COBRA contr.	20,500.31	18,873.38	20,000.00	5,000.00	1,000.00
Category Total		1,980,640.64	2,118,801.50	2,100,000.00	2,095,000.00	2,091,000.00
		1,980,640.64	2,118,801.50	2,100,000.00	2,095,000.00	2,091,000.00

CITY OF KEARNEY HEALTH INSURANCE 2006-2007 BUDGET

DESCRIPTION

On January 26, 1988, the Kearney City Council passed and approved Resolution No. 88-5 which authorized the establishment of a self-funded health and dental care plan solely for the employees and dependents of the City of Kearney. This plan is in compliance with the Political Subdivision Self-Funding Act. This Act permitted political subdivisions to provide employee benefits to employees and their dependents through self-funding by establishing, participating in, and administering employee benefit plans. A second purpose of the act was to require political subdivisions using self-funding employee benefit plans to meet certain requirements to protect the benefits of covered employees and covered dependents. The Act states that the governing body of the plan sponsor shall annually review the self-funded portion of the employee benefit plan for compliance with the following provisions:

1. The plan sponsor has established accruals at a satisfactory level to provide funds to cover 100% of expected claims.
2. The plan sponsor has established reserves in an appropriate amount or an actuarial basis as determined by an independent actuary or an insurer.
3. The plan sponsor has established a restricted and segregated fund exclusively for the deposit of monthly accruals and other assets pertaining to the self-funded portion of the plan.
4. Disbursements from the restricted and segregated fund are made only for payment of claims, cost of insurance coverage, payment of service fees applicable to employee benefit plan design and other expenses directly related to the operation of the plan.

The Act additionally states that the governing body of a plan sponsor shall approve an annual report showing the beginning and ending balance of the funds

established. This is done by the City Council annually when the annual audit report is approved and accepted.

NOTABLE EXPENDITURES

None.

**HEALTH INSURANCE FUND
EXPENDITURES**

**FUND 40 - HEALTH INSURANCE
ACCOUNT 00 - HEALTH INSURANCE**

Account	Account Name	Actual 2003 - 2004	Actual 2004 - 2005	Budget 2005 - 2006	Estimated Actual 2005 - 2006	Proposed Budget 2006 - 2007
42000 Supplies, Materials and Contractual Services						
400042105	Administrative	143,731.59	124,319.64	204,000.00	165,000.00	220,000.00
400042210	Claims, dental	125,666.94	112,913.78	150,000.00	140,000.00	150,000.00
400042215	Claims, medical	843,633.45	986,356.61	1,700,000.00	1,500,000.00	2,000,000.00
400042465	Insurance payments	228,156.92	245,907.26	275,000.00	243,000.00	280,000.00
Category Total		1,341,188.90	1,469,497.29	2,329,000.00	2,048,000.00	2,650,000.00
Total		1,341,188.90	1,469,497.29	2,329,000.00	2,048,000.00	2,650,000.00