



## Greater Tompkins County Municipal Health Insurance Consortium

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*"Individually and collectively we invest in realizing high quality, affordable, dependable health insurance."*

### RESOLUTION NO. 003 – 2021 – ADOPTION OF CONSORTIUM BUDGET AMENDMENT POLICY

MOVED by Mr. Fairbrother, seconded by Mr. Thayer, and unanimously adopted by voice vote.

WHEREAS, in accordance with Resolution No. 15 of 2020 – Adoption of Budget Guidelines and the Executive Committee Bylaws, the Executive Director creates a preliminary budget for presentation and approval at the Board of Directors Annual Meeting, and

WHEREAS, each year additional budget information becomes available after the budget has been adopted at the Annual Meeting and before the new fiscal year begins that may reflect changes in projected claims, fees and taxes, funding of services provided by contractors and third-party administrators, maintenance of all reserves, including those required by statute, purchase and maintenance of stop-loss insurance, and changes in projected revenue which are of such importance to merit amending the adopted budget, and

WHEREAS, an Amended Budget will be created early in the new fiscal year to reflect these changes and will be prepared monthly for performance against the Adopted budget, and

WHEREAS, other organizational and purchasing decisions made during a fiscal year, in accordance with the adopted Procurement Policy, may affect budgeted expenses or revenues in such a manner to require amending the operating budget throughout the year, and

WHEREAS, other reclassifications or intra-fund transfers may be needed to budgeted line items throughout the fiscal year, now therefore be it

RESOLVED, on recommendation of the Operations and Audit and Finance Committees, That the following Budget Amendment Process be adopted by the Executive Committee:

- A. ***End of previous year or subsequent year budget changes*** resulting from the addition of projected claims, fees and taxes, funding of services provided by contractors and third-party administrators, maintenance of all reserves, including those required by statute, purchase and maintenance of stop-loss insurance, and changes in projected revenue shall be presented and recommended by the Audit and Finance Committee and approved by and Executive Committee as the Amended Budget.
- B. ***Midyear budget adjustments***, for extra budgetary expenditures for discretionary expenses or unexpected expenses not accounted for in the Adopted or Amended budget resulting from organizational decisions may be made during the fiscal year in accordance with established policies.
- C. ***Reclassification or Intra-Fund Transfers*** may happen throughout the fiscal year when the Executive Director determines that all of the funds in one budget line will not be spent as previously approved or allocated during the current fiscal year and the funds may be transferred to another budget line resulting in no net change in expense or revenue. Should this transfer not trigger the

