



**City Council
Budget Work Session
May 7, 2013**

Questions from May 2, 2013 Meeting

- **What is the payback period for the proposed Fixed Area Network?**
 - Until such time as total cost is determined, a payback period cannot be estimated.
- **What is the impact on the City's sales tax distribution with a County property tax increase?**
 - For every 1 cent of County property tax increase, the City loses \$30,000 in sales tax revenue in subsequent years.

Tentative Numbers Received from Pasquotank County

Function	County	City	Difference
Central Communications	352,613	345,000	7,613
Animal Control	122,911	112,000	10,911
Senior Center	90,274	90,642	(368)
Parks & Recreation	830,019	925,279	(95,260)

The County removed the Dog Park, the purchase of land for a stadium and the multipurpose field from the budget.

Adjustments to Recommended Budget FY 2013-2014

Add Two Surveillance Cameras	-11,000	
Reduction in In-Car Cameras	15,000	
Remove Dog Park	10,440	
Remove Multipurpose Field	22,500	
Remove Baseball Stadium	45,000	
Central Communications Deficit	-7,613	
Animal Control Deficit	-10,911	
Reduction in Pasq. County P/R		-95,260
Reduction in County Dog Park		12,760
Reduction in County Multipurpose Field		27,500
Reduction in County Baseball Stadium		55,000
Increase in Property Tax Valuation	100,000	
Total	163,416	0

Future Reductions to Parks and Recreation Budget

• Travel -	\$ 2,500
• Tree -	\$ 1,000
• Workman Comp -	\$ 8,105
• Total -	\$11,605
• County Share -	\$6,383
• City Share -	\$5,222
• County Total Amount -	\$823,636

County Parks and Recreation Contribution

- Fiscal Year 12-13 \$810,209
- Fiscal Year 13-14 \$830,019(*)

- *Fiscal Year 13-14 Revised \$823,636

New Grant to Be Included In Budget

- **Governor's Highway Safety Program**
 - Grant Amount - \$62,500
 - State Share - \$46,875
 - City Share - \$15,625 (*)
- (*) Will need to be added to budget.**

Blue Cross/Blue Shield Health Plan Comparison to Current

Benefit Provider		Current	PGB- Option 1
In-network Benefits			Quote # 4264191
PCP/Specialist Copay/Urgent Care		\$20/\$30/ded/coins	\$20/\$30/\$30
Emergency Room		\$100 + ded/coins	\$100
Individual Deductible		\$400	\$500
Family Deductible		\$800	\$1,000
Individual Coinsurance Max		\$1,500	\$1,000
Family Coinsurance Max (In network)		\$3,000	\$2,000
Coinsurance (In network)		85%/60%	80%/70%
Preventative Care Program (In network)		100%	100%
RX Copay - Retail		\$5/\$20/\$40	\$10/\$20/\$35

Care Plus Rate Comparison NCLM vs. BC/BS

Care Plus (NCLM)			
	Number	Rate	Amount
Employees	261	\$599	\$1,876,068
Retirees	42	\$988	497,952
Total			\$2,374,020
BC/BS			
Employees	261	\$568.81	\$1,781,512
Retirees	42	\$568.81	286,680
Total			\$2,068,192
SAVINGS			\$305,828

Option 11 Plan Comparison

NCLM vs. BC/BS

NCLM Option 11

Deductibles and Out-of-Pocket Limits

Calendar Year Deductible	\$700/\$1,400
--------------------------	---------------

Out-of-Pocket Limit	In - \$2,500/\$5,000 Out - \$3,000/\$6,000
---------------------	---

Coinsurance	70%/50%
-------------	---------

Hospital Services

ER Services	\$150/coins/deductible
-------------	------------------------

Physician Services

Primary Office Visits	\$30 co-pay PPO 50% after deductible OON
-----------------------	---

Specialist Office Visits	\$40 co-pay PPO 50% after deductible OON
--------------------------	---

Preventive Services

Routine Preventive Care	100%, deductible waived OON limited to \$500 in a calendar year
-------------------------	--

Prescription Drugs / Rx Drug Card

Retail Pharmacy	\$5/\$20/\$40
-----------------	---------------

Mail Order Pharmacy	\$10/\$50/\$115
---------------------	-----------------

BC/BS Option 11

PCP/Specialist Copay/Urgent Care	\$25/\$50/\$50
----------------------------------	----------------

Emergency Room	\$300
----------------	-------

Individual Deductible	\$750
-----------------------	-------

Family Deductible	\$1,500
-------------------	---------

Individual Coinsurance Max	\$2,000
----------------------------	---------

Family Coinsurance Max (In network)	\$4,000
-------------------------------------	---------

Coinsurance (In network)	80%/70%
--------------------------	---------

Preventative Care Program (In network)	100%
--	------

RX Copay - Retail	\$10/\$35/\$50
-------------------	----------------

Option 11 Rate Comparison NCLM vs. BC/BS

Option 11 (NCLM)			
Employees	261	\$551	\$1,725,732
Retirees	42	\$909	458,136
Total			\$2,183,868
BC/BS			
Employees	261	\$514.34	\$1,610,913
Retirees	42	\$514.34	259,227
Total			\$1,870,140
SAVINGS			\$313,728

Dental/Eye Comparison NCLM vs. BC/BS

NCLM			
	Rate	Employees	Total
Dental	\$27.50	303	\$99,990
Eye	\$7.00	303	\$25,452
Total			\$125,442

BC/BS			
	Rate	Employees	Total
Dental	\$29.88	303	\$108,643
Eye	\$6.07	303	\$22,070
Total			\$130,713

CarePlus vs. BC/BS Option 11 Premium Savings

**Difference between NCLM CarePlus and
BC/BS Option 11 - \$503,880**

Budget Recap

• Net Adjustments	\$163,416
• Health Insurance Savings	\$300,557
• Subtotal	<u>\$463,973</u>
• <i>Less Fund Balance Appropriated</i>	<u><u>\$136,659</u></u>
• Amount Available	\$327,314

**Do we need to have the scheduled
Budget Work Session on
May 20 -
or wait until June to allow
more time for action
by the Legislature?**