



COLLIN COUNTY

Auditor's Office
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To: Collin County Commissioners Court
From: Jeff May, County Auditor
Date: April 29, 2016
Re: Employee Insurance Fund update

The attached report shows the status of the Employee Insurance Fund as of March 31, 2016. Insurance claims were significantly higher in the 1st quarter than any of the previous four years; however, the second quarter shows more normal claim expenses. In fact the fund balance increased by \$642,414 in the second quarter. The attachment shows how the declining trend in fund balance in 2015 began in April of 2015, so I plan on providing monthly updates through the end of the fiscal year. I recommend that you consider increasing the employer and/or employee portion by \$25 per employee per month in FY2017, which will provide approximately \$500,000 annually into the Employee Insurance Fund. This will help to increase the reserves so that the fund will be in better condition to handle a surge of increased claims like we experienced in the past year.