File #: 14-0702, **Version:** 2

Ordinance No. 14-108 amending Ordinance No. 13-77 (2014 Appropriation Ordinance) for a supplemental appropriation to the Memorial Health System Enterprise Fund in the amount of $600,000

From:
Kara Skinner, Chief Financial Officer

Summary:
The attached ordinance is a supplemental appropriation for the Memorial Health System Enterprise Fund in the amount of $600,000 for replacement benefit agreement (RBA) payments, run-out expenses, and legal expenses.

Previous Council Action:
On December 10, 2013, City Council approved the original 2014 Budget per Ordinance No. 13-77, which included the appropriation of funds for the Memorial Health System Enterprise Fund.

Background:
The supplemental appropriation will provide the needed funding for the following purposes:

•   Replacement Benefit Agreement (RBA) payments through December 31, 2014. The original 2014 Budget included RBA payments for six months. With settlement of the lawsuit, PERA will begin reimbursing the City for these payments.
•   Run-out expenses related to excluded liabilities in the lease agreement.
•   Additional legal expenses related to litigation.

Financial Implications:
The supplemental appropriation increases the 2014 Memorial Health System Enterprise Fund expense budget by $600,000 and does not affect the General Fund balance. The source of these funds is lease proceeds from the lease of the Memorial Health System to University of Colorado Health.

Board/Commission Recommendation:
N/A

Stakeholder Process:
N/A

Alternatives:
City Council could approve, modify or decline the requested supplemental appropriation.

Proposed Motion:

Move approval of the attached ordinance approving a supplemental appropriation to the Memorial Health System Enterprise Fund in the amount of $600,000.

AN ORDINANCE AMENDING ORDINANCE NO. 13-77 (2014 APPROPRIATION ORDINANCE) FOR A SUPPLEMENTAL APPROPRIATION TO THE MEMORIAL HEALTH SYSTEM ENTERPRISE FUND IN THE AMOUNT OF $600,000