

Reply to Common Council File No. 031424
From DOA-Budget and Management Division

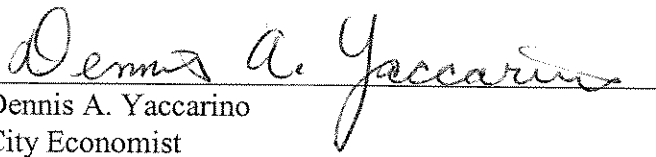
February 19, 2004

Ref: 04013

Common Council file 031424 contains a resolution authorizing the Department of Employee Relations to hire a consultant to assist DER in preparation of requests for proposal or contract extensions for certain health benefit contracts. The resolution allows expenditure on the consultants of up to \$30,000. Funding has been provided in the health care accounts for this service.

This is an annual request by the Department. With the help of the consultants, the city has been able to limit growth in health care costs below that of other surrounding governmental units.

**RECOMMENDATION: ADOPT RESOLUTION 031424 AUTHORIZING DER
TO HIRE A CONSULTANT TO ASSIST WITH HEALTH CARE CONTRACT
NEGOTIATIONS.**


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City Economist

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