

**TOWN OF AVON
MEDICAL CLAIMS
INTERNAL SERVICE FUND
REVENUE AND EXPENDITURE BUDGET
FISCAL YEAR 2014/2015**

NAME OF FUND: Medical Claims Internal Service Fund (10)

FUND TYPE: Proprietary

PROGRAM DESCRIPTION

For budgeting purposes, the appropriations for this fund for the Town are within the General Fund and Sewer Special Revenue Fund in two (2) benefit object numbers, 51033, in the amount of \$1,546,575 for current employee's health benefits, and 51039, in the amount of \$680,957 for net current retiree's health benefits; (total net current retiree cost is \$787,832 with ERRP funding of \$106,875). For the Board of Education, the appropriations are budgeted in the General Fund. For reporting purposes, the Town will continue to report a separate Medical Claims Internal Service Fund within the Proprietary Fund Type and include contributions from all sources.

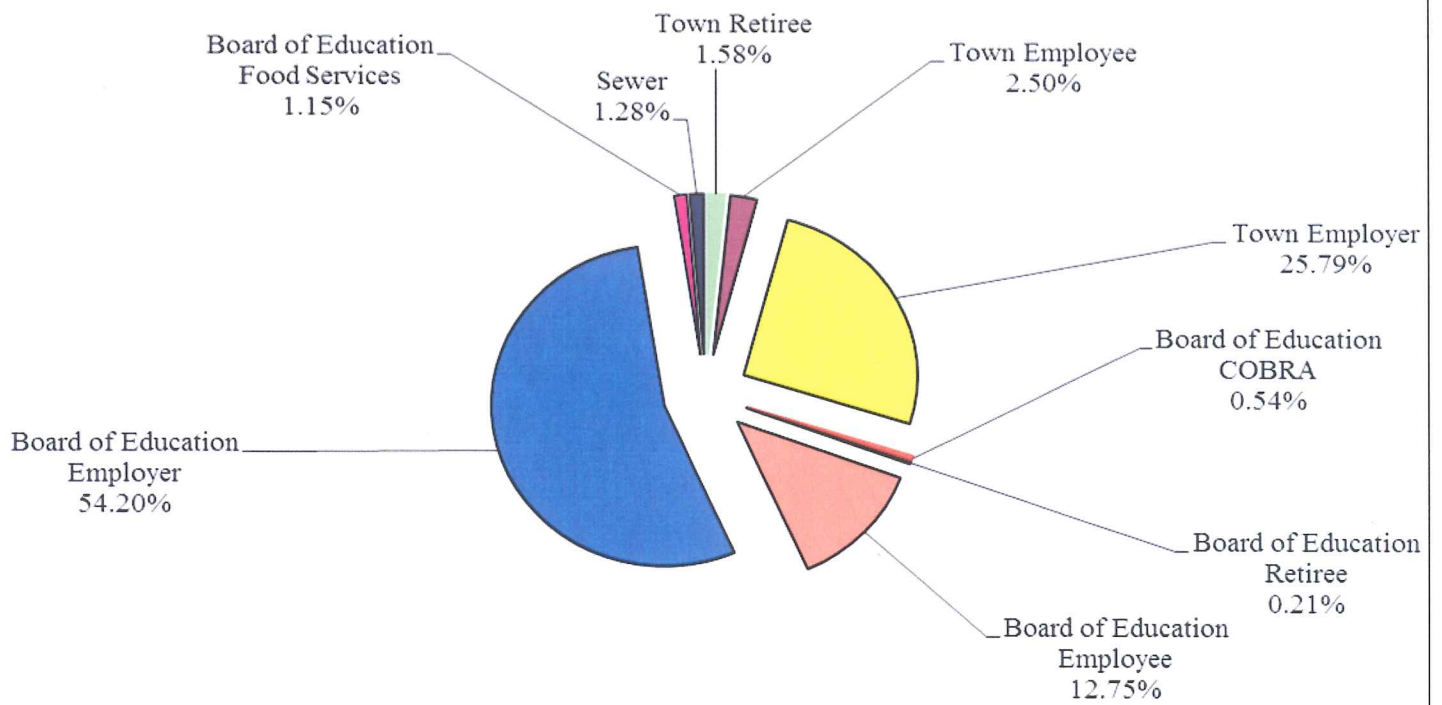
Management instituted an audit recommendation to account for the financing on a cost-reimbursement basis for medical claims services provided by one agency to other departments. This fund is to account for the revenues and expenses related to the Town and Board of Education's medical insurance plan. Town Manager's Request, Town Council Recommended, and Board of Finance Adopted include Board of Education, General Government, and Sewer Fund. When the final renewal is received, all proposed sources of revenues and all proposed estimated expenses will be allocated to the new activity accounts.

BUDGET	2012/2013 BUDGETED	2013/2014 BUDGETED	2013/2014 ESTIMATED	2014/2015 REQUESTED TOWN MANAGER	2014/2015 RECOMMENDED TOWN COUNCIL	2014/2015 ADOPTED	2014/2015 DOLLAR INC/(DEC)	2014/2015 PERCENTAGE INC/-DEC
REVENUES:								
Other Local Revenues:								
Operating Rev. 'from':								
43620 Town Retiree	\$182,327	\$188,741	\$188,741	\$166,905	\$166,905	\$166,905	\$ (21,836)	-11.57%
43622 Town EE Cont.	248,375	251,507	251,507	263,800	263,800	263,800	12,293	4.89%
43623 Town ER Cont.-GF & GFFB Assigned for OPEB	2,355,994	2,632,705	2,632,705	2,717,223	2,717,223	2,717,223	84,518	3.21%
43620 BOE Retiree	0	0	0	22,000	22,000	22,000	22,000	100.00%
43628 BOE Food Service	117,687	105,585	105,585	120,979	120,979	120,979	15,394	14.58%
43626 BOE COBRA	43,034	53,263	53,263	56,991	56,991	56,991	3,728	7.00%
43627 BOE EE Cont.	1,225,308	1,255,993	1,255,993	1,343,913	1,343,913	1,343,913	87,920	7.00%
43628 BOE ER Cont.-GF	5,116,327	5,510,723	5,510,723	5,709,784	5,709,784	5,709,784	199,061	3.61%
Total GF and Other Cont.	9,289,052	9,998,517	9,998,517	10,401,595	10,401,595	10,401,595	403,078	4.03%
Sewer Fund	108,660	125,391	125,391	135,309	135,309	135,309	9,918	7.91%
TOTAL REVENUES	\$9,397,712	\$10,123,908	\$10,123,908	\$10,536,904	\$10,536,904	\$10,536,904	\$412,996	4.08%
BUDGET APPROPRIATIONS:								
Medical Claims Fund								
51038 Def.Contrib. for Waivers	\$15,358	\$ 19,313	\$ 19,313	\$ 24,723	\$ 24,723	\$ 24,723	\$ 5,410	28.01%
51041 Town Medical-Claims	2,405,124	2,675,390	2,675,390	2,670,165	* 2,670,165	* 2,670,165	(5,225)	-0.20%
51041 BOE Medical Claims	5,865,958	6,275,564	6,275,564	6,581,667	**6,581,667	**6,581,667	306,103	4.88%
51042 Town Medical - Adm.	186,068	181,960	181,960	213,773	213,773	213,773	31,813	17.48%
51042 BOE Medical Adm.	636,398	650,000	650,000	650,000	650,000	650,000	0	0.00%
51043 Pymts in Lieu of Cov.	228,474	268,731	268,731	320,725	320,725	320,725	51,994	19.35%
51044 Other Serv: Town EAP	2,400	2,400	2,400	2,280	2,280	2,280	(120)	-5.00%
51045 Fully Insured Ret. - Town	41,832	34,450	34,450	34,771	34,771	34,771	321	0.93%
51045 Fully Insured Ret. - BOE	0	0	0	22,000	22,000	22,000	22,000	100.00%
52184 Service & Consultant	16,100	16,100	16,100	16,800	16,800	16,800	700	4.35%
TOTAL APPROPRIATIONS	\$9,397,712	\$10,123,908	\$10,123,908	\$10,536,904	\$10,536,904	\$10,536,904	\$412,996	4.08%

* Includes estimated contribution from other sources, for a total of \$430,705 (Town Retiree, Town Employee).

** Includes estimated contributions from other sources, for a total of \$1,521,883 (BOE Cobra, BOE Employee, Food Service).

Internal Service Fund - Medical Claims Funding Sources



TOWN OF AVON, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND

FOR THE YEAR ENDED JUNE 30, 2013

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
Operating Revenues:	
Charges for Services:	
Town of Avon	\$1,542,788
Board of Education	<u>5,947,977</u>
Total Operating Revenues	<u>\$7,490,765</u>
Operating Expenses:	
Medical Claims:	
Town of Avon	\$1,423,546
Board of Education	<u>5,946,401</u>
Total Operating Expenses	<u>\$7,369,947</u>
Changes in Net Position	120,818
Net Position at Beginning of Year	<u>\$ 1,969,811</u>
Net Position at End of Year	<u>\$ 2,090,629</u>

