

**TOWN OF AVON  
MEDICAL CLAIMS  
INTERNAL SERVICE FUND  
REVENUE AND EXPENDITURE BUDGET  
FISCAL YEAR 2013/2014**

**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 \$1,496,611 for current employee's health benefits, and 51039, in the amount of \$761,485 for current retiree's health benefits. 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.

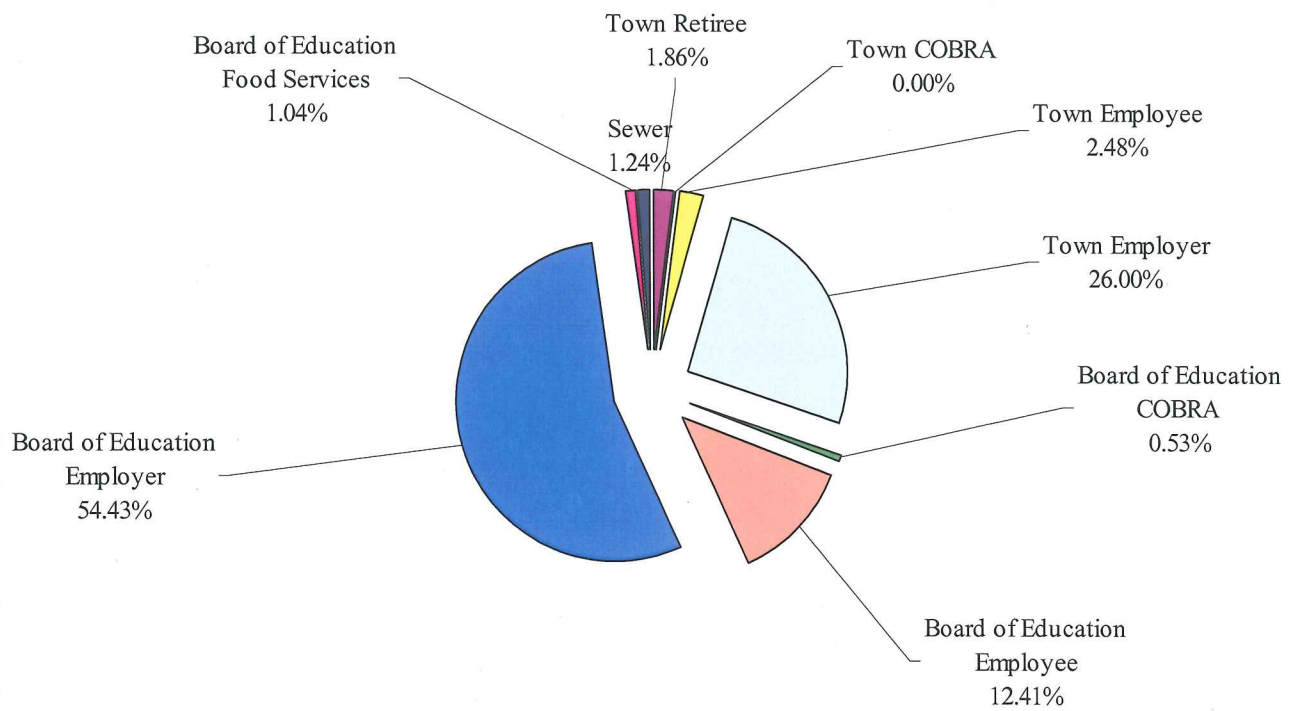
Management instituted an audit recommendation to account for the financing on a cost-reimbursement basis for medical claims services provided by one agency to other departments. This fund is to account for the revenues and expenses related to the Town and Board of Education's medical insurance plan. 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	2011/12 BUDGETED	2012/13 BUDGETED	2012/13 ESTIMATED	2013/14 REQUESTED TOWN MANAGER	2013/14 RECOMMENDED TOWN COUNCIL	2013/14 ADOPTED	2013/14 DOLLAR INC/(DEC)	2013/14 PERCENTAGE INC-/DEC
<b>REVENUES:</b>								
Other Local Revenues:								
Operating Rev. 'from':								
43620 Town Retiree	\$ 196,347	\$ 182,327	\$ 182,327	\$ 188,741	\$ 188,741	\$ 188,741	\$ 6,414	3.52%
43621 Town COBRA	3,880	0	0	0	0	0	0	0.00%
43622 Town EE Cont.	226,009	248,375	248,375	251,507	251,507	251,507	3,132	1.26%
43623 Town ER Cont.-								
GF & GFFB Assigned	2,218,750	2,355,994	2,355,994	2,632,705	2,632,705	2,632,705	276,711	11.74%
43628 BOE Food Service	109,100	117,687	117,687	105,585	105,585	105,585	(12,102)	-10.28%
43626 BOE COBRA	20,624	43,034	43,034	53,263	53,263	53,263	10,229	23.77%
43627 BOE EE Cont.	1,103,719	1,225,308	1,225,308	1,255,993	1,255,993	1,255,993	30,685	2.50%
43628 BOE ER Cont.-GF	4,750,532	5,116,327	5,116,327	5,510,723	5,510,723	5,510,723	394,396	7.71%
Total GF and Other Cont.	8,628,961	9,289,052	9,289,052	9,998,517	9,998,517	9,998,517	709,465	7.64%
Sewer Fund	98,277	108,660	108,660	125,391	125,391	125,391	16,731	15.40%
<b>TOTAL REVENUES</b>	<b>\$8,727,238</b>	<b>\$9,397,712</b>	<b>\$9,397,712</b>	<b>\$10,123,908</b>	<b>\$10,123,908</b>	<b>\$10,123,908</b>	<b>\$726,196</b>	<b>7.73%</b>
<b>BUDGET APPROPRIATIONS:</b>								
Medical Claims Fund								
51038 Def.Contrib. for Waivers	\$ 11,771	\$ 15,358	\$ 15,358	\$ 19,313	\$ 19,313	\$ 19,313	\$ 3,955	25.75%
51041 Town Medical-Claims	2,317,950	2,405,124	2,405,124	* 2,675,390	* 2,675,390	* 2,675,390	270,266	11.24%
51041 BOE Medical Claims	5,397,433	5,865,958	5,865,958	** 6,275,564	** 6,275,564	** 6,275,564	409,606	6.98%
51042 Town Medical - Adm.	180,073	186,068	186,068	181,960	181,960	181,960	(4,108)	-2.21%
51042 BOE Medical Adm.	586,542	636,398	636,398	650,000	650,000	650,000	13,602	2.14%
51043 Pymts in Lieu of Cov.	175,000	228,474	228,474	268,731	268,731	268,731	40,257	17.62%
51044 Other Serv: Town EAP	2,400	2,400	2,400	2,400	2,400	2,400	0	0.00%
51045 Fully Insured Retirees	41,669	41,832	41,832	34,450	34,450	34,450	(7,382)	-17.65%
52184 Service & Consultant	14,400	16,100	16,100	16,100	16,100	16,100	0	0.00%
<b>TOTAL APPROPRIATIONS</b>	<b>\$8,727,238</b>	<b>\$9,397,712</b>	<b>\$9,397,712</b>	<b>\$10,123,908</b>	<b>\$10,123,908</b>	<b>\$10,123,908</b>	<b>\$726,196</b>	<b>7.73%</b>

\* Includes estimated contribution from other sources, for a total of \$440,248 (Town Retiree, Town Employee).

\*\* Includes estimated contributions from other sources, for a total of \$1,414,841 (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 ASSETS**

**PROPRIETARY FUND**

**FOR THE YEAR ENDED JUNE 30, 2012**

	<u><b>Governmental Activities</b></u>
	<u><b>Internal Service Fund</b></u>
Operating Revenues:	
Charges for Services:	
Town of Avon	\$1,752,790
Board of Education	<u>6,175,558</u>
Total Operating Revenues	<u>\$7,928,348</u>
Operating Expenses:	
Medical Claims:	
Town of Avon	\$1,645,783
Board of Education	<u>6,160,384</u>
Total Operating Expenses	<u>\$7,806,167</u>
Changes in Net Assets	122,181
Net Assets at Beginning of Year	<u>\$ 1,847,630</u>
Net Assets at End of Year	<u>\$ 1,969,811</u>

