

**TOWN OF AVON
MEDICAL CLAIMS
INTERNAL SERVICE FUND
REVENUE AND EXPENDITURE BUDGET
FISCAL YEAR 2019/2020**

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

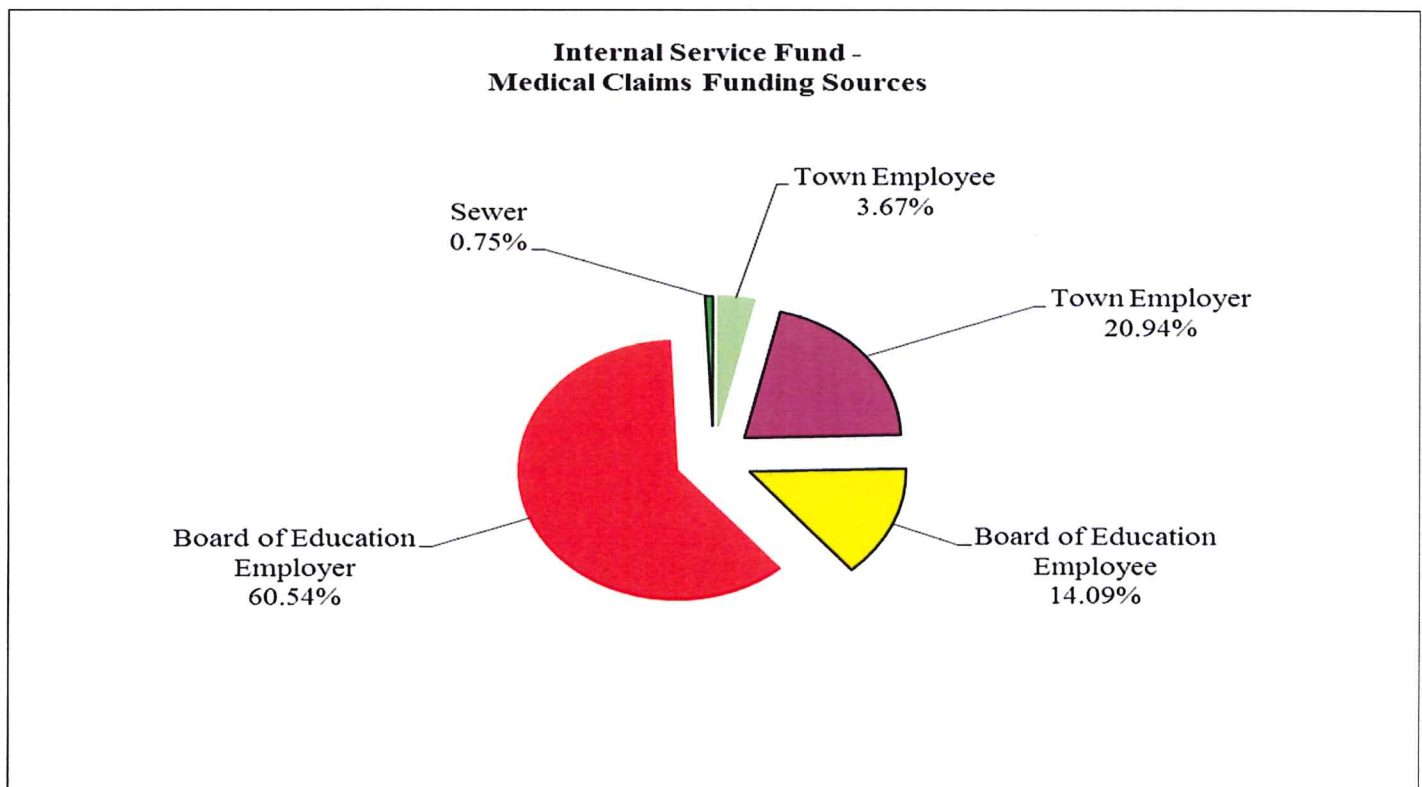
FUND TYPE: Proprietary

PROGRAM DESCRIPTION

For budgeting purposes, the appropriations for this fund are within the General Fund and Sewer Special Revenue Fund, in benefit object number 51033, for the Town, in the amount of \$1,674,533 for current employee's health benefits. For the Board of Education, the appropriations are budgeted in the General Fund. In the past, current active employees' health revenues and expenses, and retiree health revenues and expenses, have been reported in this fund. Beginning in 2017/2018 and going forward, due to the implementation of GASB Statements 74/75, the financial reporting requirements have expanded significantly and retiree activity is reflected in a separate Fiduciary Fund, Other Post-Employment Benefits 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 for active employees in Fund 10. Retiree Health Other Post-Employment Benefits Program information for the Town and Board of Education can be located in Tab P, Fund 19. The table on page Q.2 is the revised budget for Fund 10.

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. To our knowledge, all proposed sources of revenues and all proposed estimated expenses are allocated to the new activity accounts.



Fd	Obj.	BUDGET	2017/2018 ACTUAL	2018/2019 BUDGETED	2018/2019 ESTIMATED	2019/2020 REQUESTED TOWN MANAGER	2019/2020 RECOMMENDED TOWN COUNCIL	2019/2020 ADOPTED	2019/2020 DOLLAR INC/(DEC)	2019/2020 PERCENTAGE INC/-DEC
Operating Revenues :										
10	43622	Town EE Cont.	\$290,778	\$303,979	\$303,979	\$283,309			(\$20,670)	-6.80%
10	43623	Town ER Cont.-GF, DC Waive,	1,796,844	1,714,058	1,714,058	1,616,616			(97,442)	-5.68%
10	43626	BOE COBRA	22,326	-	-	-			-	0.00%
10	43627	BOE EE Cont.	1,140,796	1,087,231	1,087,231	1,087,877			646	0.06%
10	43628	BOE ER Cont.-GF	5,663,925	4,974,573	4,974,573	4,673,124			(301,449)	-6.06%
10	43629	BOE Food Service	-	-	-	-			-	0.00%
		Total GF and Other Cont.	9,151,612	8,079,841	8,079,841	7,660,926			(418,915)	-5.18%
10	43623	Sewer Fund	-	51,093	51,093	57,917			6,824	13.36%
		TOTAL	\$9,221,102	\$8,130,934	\$8,130,934	\$7,718,843			(\$412,091)	-5.07%
Operating Expenses :										
		TOWN								
10	51038	Def.Contrib. for Waivers	\$0	\$29,988	\$29,988	\$22,159			(\$7,829)	-26.11%
10	51041	Medical-Claims - Town	1,210,655	1,437,994	1,437,994	1,377,241			(60,753)	-4.22%
10	51042	Medical -Admin. - Town	142,113	224,172	224,172	265,746			41,574	18.55%
10	51043	Pymts in Lieu of Cov.	369,477	356,896	356,896	272,616			(84,280)	-23.61%
10	51044	Other Serv: Town EAP	1,680	1,680	1,680	1,680			-	0.00%
10	51054	ER Contrib. HSA	1,583						-	
10	52184	Service & Consultant	21,208	18,400	18,400	18,400			-	0.00%
		BOE								
10	51041	Medical Claims - BOE	6,296,359	5,379,304	5,379,304	4,838,355			(540,949)	-10.06%
10	51042	Medical Admin. - BOE	749,193	682,500	682,500	922,646			240,146	35.19%
		TOTAL	\$9,221,102	\$8,130,934	\$8,130,934	\$7,718,843			(\$412,091)	-5.07%

TOWN OF AVON, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

PROPRIETARY FUND

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
Operating Revenues:	
Charges for Services:	
Town of Avon	\$2,087,622
Board of Education	6,827,047
Other	<u>200,173</u>
Total Operating Revenues	<u>\$9,114,842</u>
Operating Expenses:	
Medical Claims:	
Town of Avon	\$1,746,716
Board of Education	<u>7,045,541</u>
Total Operating Expenses	<u>\$8,792,257</u>
Changes in Net Position	322,585
Net Position at Beginning of Year	<u>\$ 2,486,131</u>
Net Position at End of Year	<u>\$ 2,808,716</u>

