

**TOWN OF AVON
MEDICAL CLAIMS
INTERNAL SERVICE FUND
REVENUE AND EXPENDITURE BUDGET
FISCAL YEAR 2021/2022**

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

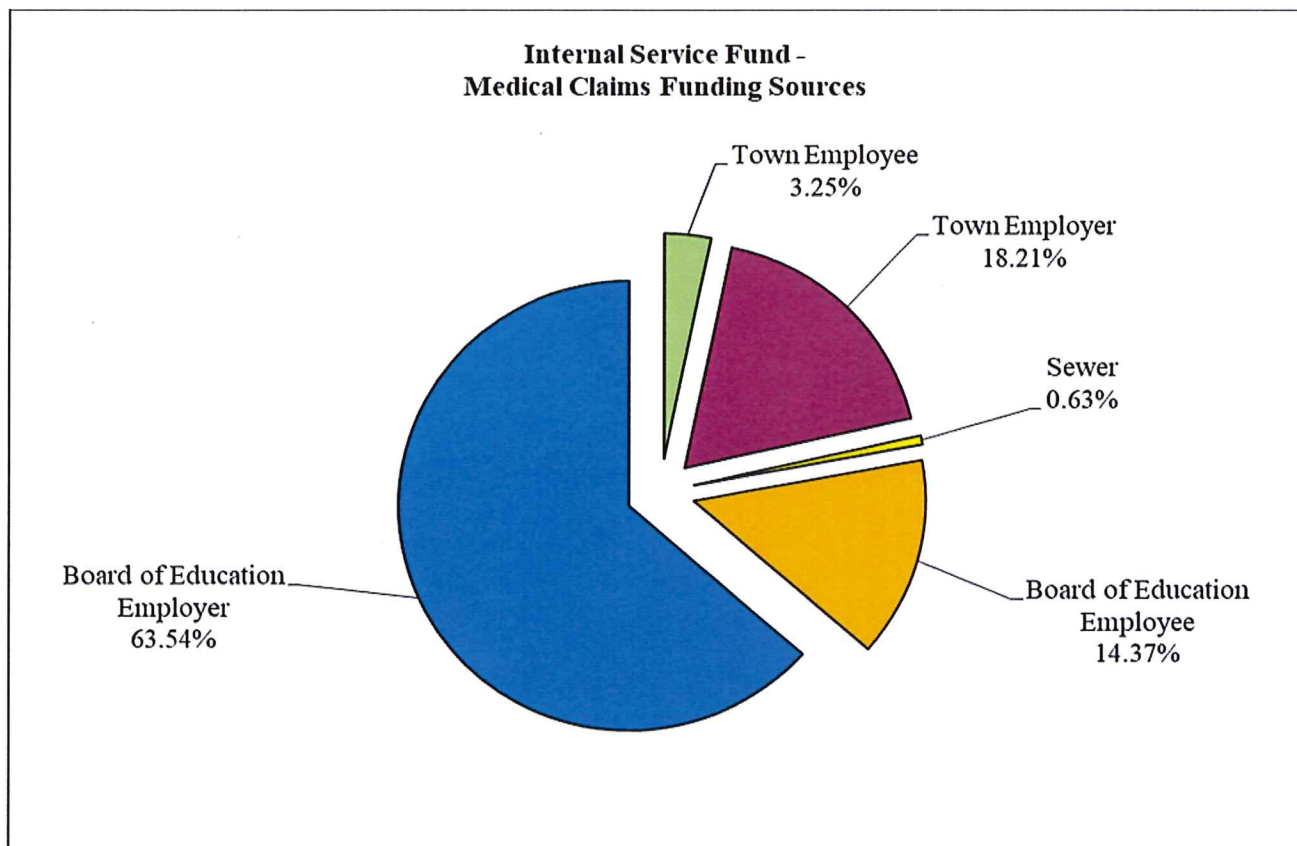
FUND TYPE: Proprietary

PROGRAM DESCRIPTION

The purpose of this fund is to account for the revenues and expenses related to the Town and Board of Education's current employee health benefits. Town Manager's Requested, Town Council Recommended, and Board of Finance Adopted budgets include contributions from the Board of Education, General Government, and Sewer Fund.

Town appropriations for this fund are budgeted within the General Fund and Sewer Fund under benefit object numbers 51033, 51043, and 51054, along with associated employer contributions to the Town's defined contribution plan in object number 51038. Requested appropriations for fiscal year 2021/2022 amount to \$1,739,055. The Board of Education budgets appropriations to this fund entirely within the General Fund. Prior to fiscal year 2017/2018, retiree health revenues and expenses had been reported in this fund along with current active employees' health revenues and expenses. Due to the implementation of GASB Statements 74/75 for 2017/2018 and subsequent years, the financial reporting requirements for retiree health expenditures have expanded significantly and retiree activity is reflected in a separate Fiduciary Fund, the 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 requested budget for Fund 10.



Obj.	BUDGET	2019/20 BUDGETED	2020/21 BUDGETED	2020/21 ESTIMATED	2021/22	2021/22	2021/22 ADOPTED	2021/22	2021/22
					REQUESTED TOWN MANAGER	RECOMMENDED TOWN COUNCIL		DOLLAR INCREASE/ (DECREASE)	PERCENT INCREASE/ -DECREASE
OPERATING REVENUES:									
43622	Town EE Contributions	\$283,309	\$307,266	\$307,266	\$300,000	\$300,000	\$300,000	(\$7,266)	-2.36%
43623	Town ER Contributions	1,566,616	1,541,532	1,541,532	1,697,301	1,680,510	1,680,510	138,978	9.02%
43627	BOE EE Contributions	1,087,877	1,186,671	1,186,671	1,325,715	1,325,715	1,325,715	139,044	11.72%
43628	BOE ER Contributions	4,673,124	4,609,758	4,609,758	5,862,666	5,862,666	5,862,666	1,252,908	27.18%
	Total GF and Other Cont.	7,610,926	7,645,227	7,645,227	9,185,682	9,168,891	9,168,891	1,523,664	19.93%
43623	Sewer Fund	57,917	67,652	67,652	58,545	58,545	58,545	(9,107)	-13.46%
	TOTAL REVENUES	\$7,668,843	\$7,712,879	\$7,712,879	\$9,244,227	\$9,227,436	\$9,227,436	\$1,514,557	19.64%
OPERATING EXPENSES:									
TOWN									
51038	Def. Contribution for Waivers	\$22,159	\$15,298	\$15,298	\$12,671	\$11,163	\$11,163	(\$4,135)	-27.03%
51041	Medical Claims - Town	1,327,241	1,452,139	1,452,139	1,482,276	1,496,806	1,496,806	44,667	3.08%
51042	Medical Admin. - Town	265,746	284,866	284,866	331,595	334,846	334,846	49,980	17.55%
51043	Pymts in Lieu of Coverage	272,616	128,967	128,967	150,564	132,500	132,500	3,533	2.74%
51044	Other Serv: Town EAP	1,680	1,680	1,680	3,240	3,240	3,240	1,560	92.86%
51054	ER Contribution HSA	-	-	-	45,000	30,000	30,000	30,000	0.00%
52184	Service & Consultant	18,400	33,500	33,500	30,500	30,500	30,500	(3,000)	-8.96%
BOE									
51041	Medical Claims - BOE	4,838,355	4,873,783	4,873,783	6,196,972	6,196,972	6,196,972	1,323,189	27.15%
51042	Medical Admin. - BOE	922,646	922,646	922,646	991,409	991,409	991,409	68,763	7.45%
	TOTAL EXPENSES	\$7,668,843	\$7,712,879	\$7,712,879	\$9,244,227	\$9,227,436	\$9,227,436	\$1,514,557	19.64%

TOWN OF AVON, CONNECTICUT

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND**

FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities
	Internal Service Fund
Operating Revenues:	
Charges for Services:	
Town	\$ 1,898,952
Board of Education	6,725,239
Other	204,741
Total Operating Revenues	<u>8,828,932</u>
Operating Expenses:	
Medical Claims:	
Town	2,015,177
Board of Education	7,020,482
Total Operating Expenses	<u>9,035,659</u>
Changes in Net Position	(206,727)
Net Position at Beginning of Year	<u>2,608,964</u>
Net Position at End of Year	<u>\$ 2,402,237</u>

