

**TOWN OF AVON  
MEDICAL CLAIMS  
INTERNAL SERVICE FUND  
REVENUE AND EXPENDITURE BUDGET  
FISCAL YEAR 2016/2017**

**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 \$1,731,349 for current employee's health benefits and 51039, in the amount of \$871,608 for net 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.

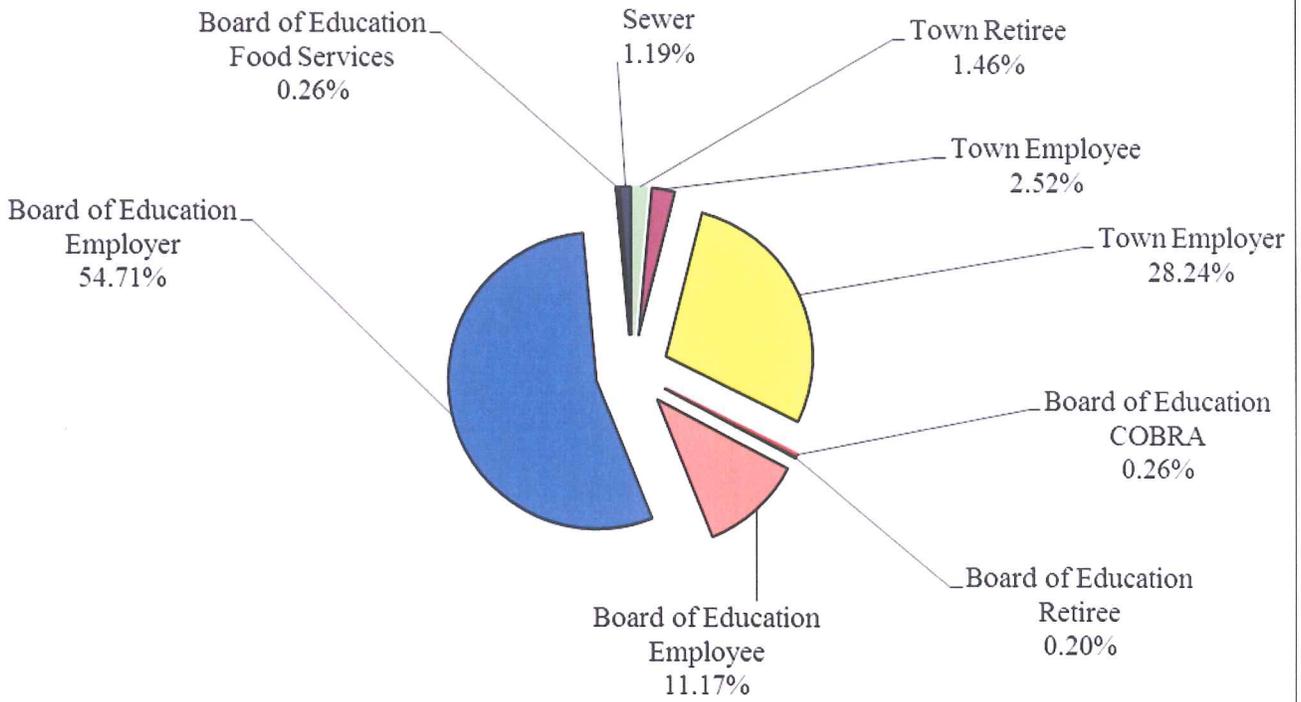
Management instituted an audit recommendation to account for the financing on a cost-reimbursement basis for medical claims services provided by one agency to other departments. This fund is to account for the revenues and expenses related to the Town and Board of Education's medical insurance plan. 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	2014/15 BUDGETED	2015/2016 BUDGETED	2015/2016 ESTIMATED	2016/2017 REQUESTED TOWN MANAGER	2016/2017 RECOMMEND TOWN COUNCIL	2016/2017 ADOPTED	2016/2017 DOLLAR INC/(DEC)	2016/2017 PERCENTAGE INC/-DEC
<b>Operating Rev.</b>								
43620 Town Retiree	\$ 166,905	\$ 171,957	\$ 171,957	\$ 171,825	\$ 171,825	171,825	(\$ 132)	-0.08%
43622 Town EE Cont.	263,800	282,621	282,621	296,253	296,253	296,253	\$ 13,632	4.82%
43623 Town ER Cont.-GF & GFFB Assigned for OPEB	2,717,223	3,198,991	3,198,991	3,358,424	3,358,424	3,318,376	\$ 119,385	3.73%
43620 BOE Retiree *	22,000	23,300	23,300	February 15, 2016	23,300	23,300	\$ 0	0.00%
43628 BOE Food Service *	120,979	80,694	80,694	February 15, 2016	80,694	30,000	(\$ 50,694)	-62.82%
43626 BOE COBRA *	56,991	59,000	59,000	February 15, 2016	59,000	30,000	(\$ 29,000)	-49.15%
43627 BOE EE Cont. *	1,343,913	1,284,538	1,284,538	February 15, 2016	1,284,538	1,311,913	\$ 27,375	2.13%
43628 BOE ER Cont.-GF *	5,709,784	6,126,189	6,126,189	February 15, 2016	6,126,189	6,427,379	\$ 301,190	4.92%
Total GF and Other	10,401,595	11,227,290	11,227,290	3,826,502	11,400,223	11,609,046	\$ 381,756	3.40%
Sewer Fund	135,309	129,520	129,520	139,581	139,581	139,581	\$ 10,061	7.77%
<b>TOTAL REVENUES</b>	<b>\$ 10,536,904</b>	<b>\$ 11,356,810</b>	<b>\$ 11,356,810</b>	<b>\$ 3,966,083</b>	<b>\$ 11,539,804</b>	<b>\$ 11,748,627</b>	<b>\$ 391,817</b>	<b>3.45%</b>
<b>BUDGET APPROPRIATIONS</b>								
<b>Medical Claims</b>								
51038 Def.Contrib. for Waivers	\$ 24,723	\$ 27,744	\$ 27,744	\$ 29,708	\$ 29,708	\$ 29,708	\$ 1,964	7.08%
51041 Medical-Claims - Town	2,670,165	3,127,998	3,127,998	3,296,176	3,296,176	3,256,128	\$ 128,130	4.10%
51041 Medical Claims - BOE *	6,581,667	6,900,421	6,900,421	February 15, 2016	6,900,421	7,149,292	\$ 248,871	3.61%
51042 Medical Admin. - Town	213,773	230,933	230,933	232,000	232,000	232,000	\$ 1,067	0.46%
51042 Medical Admin. - BOE *	650,000	650,000	650,000	February 15, 2016	650,000	650,000	\$ 0	0.00%
51043 Pymts in Lieu of Cov.	320,725	340,842	340,842	348,354	348,354	348,354	\$ 7,512	2.20%
51044 Other Serv: Town EAP	2,280	2,280	2,280	1,680	1,680	1,680	(\$ 600)	-26.32%
51045 Fully Insured Retirees - Town	34,771	36,492	36,492	36,565	36,565	36,565	\$ 73	0.20%
51045 Fully Insured Retirees - BOE*	22,000	23,300	23,300	February 15, 2016	23,300	23,300	\$ 0	0.00%
52184 Service & Consultant	16,800	16,800	16,800	21,600	21,600	21,600	\$ 4,800	28.57%
<b>TOTAL</b>	<b>\$ 10,536,904</b>	<b>\$ 11,356,810</b>	<b>\$ 11,356,810</b>	<b>\$ 3,966,083</b>	<b>\$ 11,539,804</b>	<b>\$ 11,748,627</b>	<b>\$ 391,817</b>	<b>3.45%</b>

\* BOE recommended budget numbers will be amended in the 2016/2017 Adopted column

For fiscal year 2016/2017: Medical- Claims- Town includes estimated contribution from other sources, for a total of \$468,078 (Town Retiree, Town Employee). For fiscal year 2016/2017: Medical- Claims- BOE includes estimated contributions from other sources, for a total of \$1,395,213 (BOE Cobra, BOE Employee, Food Service, and BOE Retiree).

**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, 2015

Governmental Activities

Internal Service Fund

Operating Revenues:		
Charges for Services:		
Town of Avon	\$1,789,515	
Board of Education	7,090,691	
Refunds and Reimbursements	<u>170,460</u>	
Total Operating Revenues	<u>\$9,050,666</u>	
Operating Expenses:		
Medical Claims:		
Town of Avon	\$1,898,884	
Board of Education	<u>7,492,474</u>	
Total Operating Expenses	<u>\$9,391,358</u>	
Changes in Net Position	(340,692)	
Net Position at Beginning of Year	<u>\$ 2,476,116</u>	
Net Position at End of Year	<u>\$ 2,135,424</u>	

