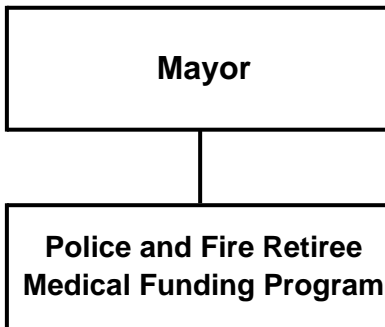


Appendix P

Police and Fire Retiree Medical Funding Program



Police and Fire Retiree Medical Funding Program

Purpose

To administer the health reimbursement arrangement (HRA) for those receiving retirement benefits under the Police and Fire Retirement System in accordance with provisions contained in AMC 3.87 and AMC 3.88.

Description

Police and Fire Retiree Medical system is a defined contribution plan. The Municipality will pay a predetermined amount to a Trust, for the employee's benefit. The employee will be able to choose from a variety of options as to how to spend the money in his or her account (they are not limited to the insurance provided by the Municipality).

The membership qualifications are:

- Must be beneficiary of the Police and Fire Retirement System
- Hired prior to January 1, 1995
- Retire on or after January 1, 1995.

The program also provides coverage to spouses and eligible dependents. The system is closed; no other person is eligible to participate in the system.

Police and Fire Departments make contributions to cover administrator and investment consulting costs in Police/Fire Retirees Medical Administration Fund (213).

Police and Fire Departments also make contributions to the Pre-Funding Investment Program in the Police/Fire Retire Medical Liability Fund (313). This fund was established in 1995 with the sole purpose of pre-funding, via contributions, the Police/Fire Retiree Medical Liability (713) by 2014 (now 2021). A five member investment board manages the pre-funding investments. The contribution amounts to Fund 313 are based on actuarial studies conducted every three years (AMC 3.88).

Additionally, the Police and Fire Departments pay premiums and provide monthly discounts from the stated premium to all members purchasing municipal health insurance. The Police and Fire Departments make these payments directly to the Municipal Self Insurance fund.

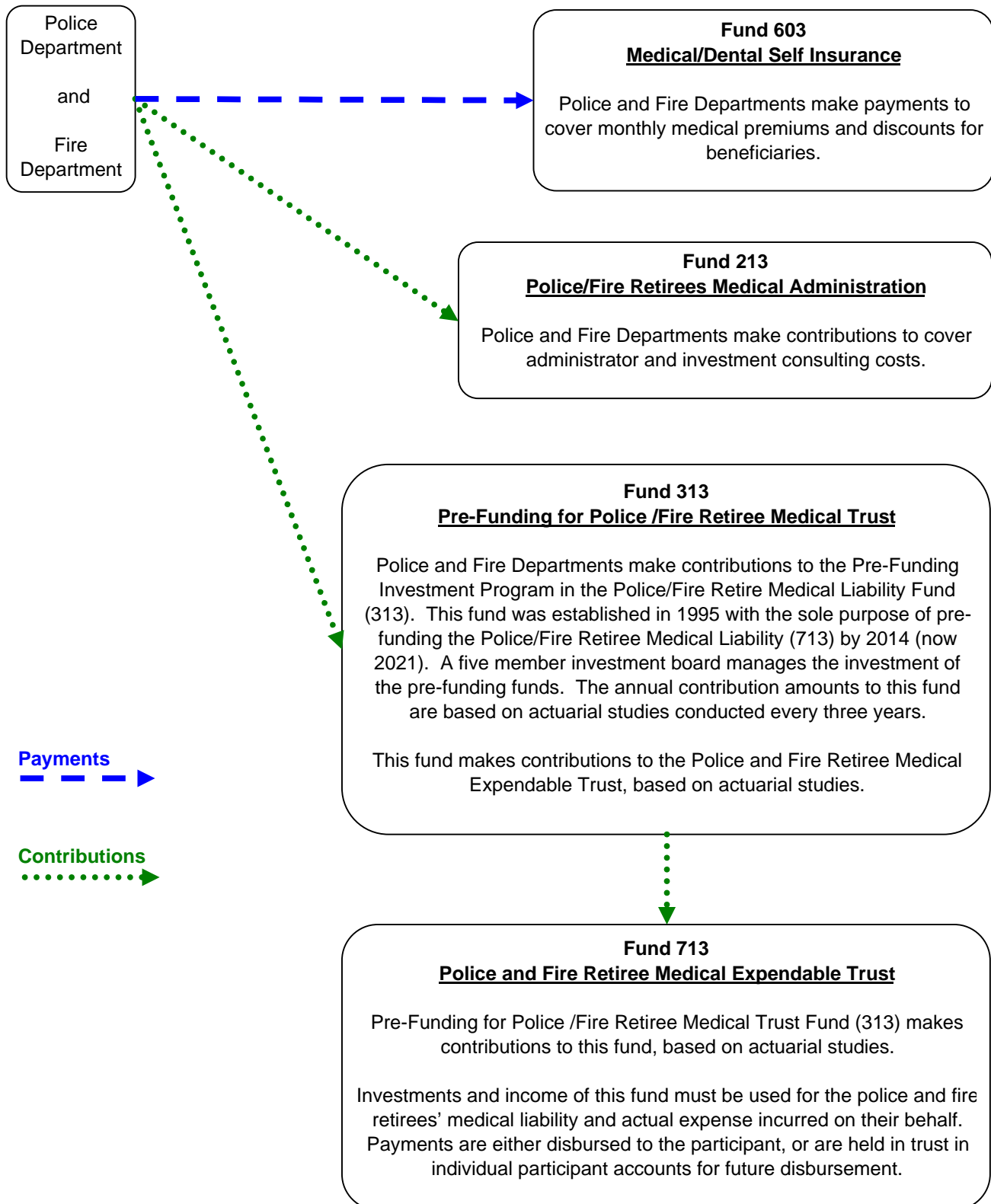
The Trust is administered by an eight-person board of trustees.

The operating budget for the administration of the Program and the contributions from the prefunding debt service fund to the Trust fund are appropriated as a sections with the GGOB (see page T – 4, Sections 5 and 8). The activity of the Trust Fund, management of the Trust and payment of medical benefits, are not budgeted or appropriated.

Police and Fire Retiree Medical Funding Program

Flow of Funds

AMC 3.87 and AMC 3.88



Police and Fire Retiree Medical Funding Program Department Summary

	2011 Actuals	2012 Revised	2013 Approved	13 v 12 % Chg
Direct Cost by Division				
Police and Fire Retiree Medical Funding Program	3,021,066	3,200,201	3,272,810	2.27%
Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Intragovernmental Charges				
Charges by Other Departments	1,139	827	21,045	2444.71%
Function Cost Total	3,022,206	3,201,028	3,293,854	2.90%
Program Generated Revenue	256,012	(273,145)	(277,007)	1.41%
Net Cost Total	3,278,218	2,927,883	3,016,847	3.04%
<hr/>				
Direct Cost by Category				
Personnel	114,344	119,829	123,742	3.27%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/OtherServices	2,906,723	3,079,092	3,147,788	2.23%
Debt Service/Depreciation	-	-	-	-
Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
<hr/>				
Position Summary as Budgeted				
Full-Time	1	1	1	
Part-Time	-	-	-	
Position Total	1	1	1	

Police and Fire Retiree Medical Funding Program Division Summary

Police and Fire Retiree Medical Funding Program

(Dept ID # 1860, 1876)

	2011 Actuals	2012 Revised	2013 Approved	13 v 12 % Chg
Direct Cost by Category				
Salaries and Benefits	114,344	119,829	123,742	3.27%
Supplies	-	1,280	1,280	-
Travel	-	-	-	
Contractual/Other Services	2,906,723	3,079,092	3,147,788	2.23%
Manageable Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Debt Service, Depreciation	-	-	-	
Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Revenue by Fund				
Fund 213 - Police/Fire Retirees Med Admin	184,958	183,145	187,007	2.11%
Fund 313 - Police/Fire Ret Med Liability	(440,970)	90,000	90,000	-
Revenue Total	(256,012)	273,145	277,007	1.41%

Positions as Budgeted

	2011 Revised		2012 Revised		2013 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Senior Admin Officer	1	-	1	-	1	-
Positions as Budgeted Total	1	-	1	-	1	-

Police and Fire Retiree Medical Funding Program

Division Detail

Police and Fire Retiree Medical Funding Program

(Dept ID # 1860, 1876)

	2011 Actuals	2012 Revised	2013 Approved	13 v 12 % Chg
Direct Cost by Category				
Salaries and Benefits				
1101 - Straight Time Labor	67,965	74,792	76,737	2.60%
1301 - Leave/Holiday Accruals	4,608	1,496	1,535	2.60%
1401 - Benefits	41,771	43,541	45,470	4.43%
Salaries and Benefits Total	114,344	119,829	123,742	3.27%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	2,906,723	3,079,092	3,147,788	2.23%
Manageable Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Debt Service, Depreciation	-	-	-	-
Direct Cost Total	3,021,066	3,200,201	3,272,810	2.27%
Intra-Governmental Charges				
Charges By Other Departments	1,139	827	21,045	2444.71%
Program Generated Revenue				
9601 - Contributions Other Funds	182,535	182,535	186,397	2.12%
9745 - Gain Sale Of Investments	193,957	-	-	-
9761 - Cash Pools Short-Term Int	2,141	610	610	-
9765 - Other Interest Income	160,043	90,000	90,000	-
9766 - Dividend Income	663,839	-	-	-
9767 - Unrealized Gains & Losses	(1,458,527)	-	-	-
Program Generated Revenue Total	(256,012)	273,145	277,007	1.41%
Net Cost				
Manageable Direct Cost	3,021,066	3,200,201	3,272,810	2.27%
Debt Service, Depreciation	-	-	-	-
Charges By Other Departments	1,139	827	21,045	2444.71%
Program Generated Revenue	256,012	(273,145)	(277,007)	1.41%
Net Cost Total	3,278,218	2,927,883	3,016,847	3.04%