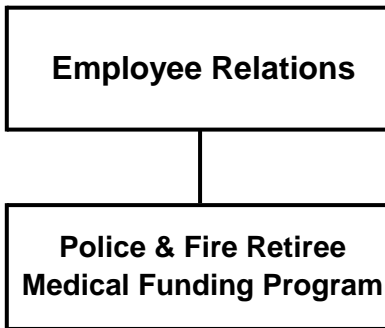


Appendix Q

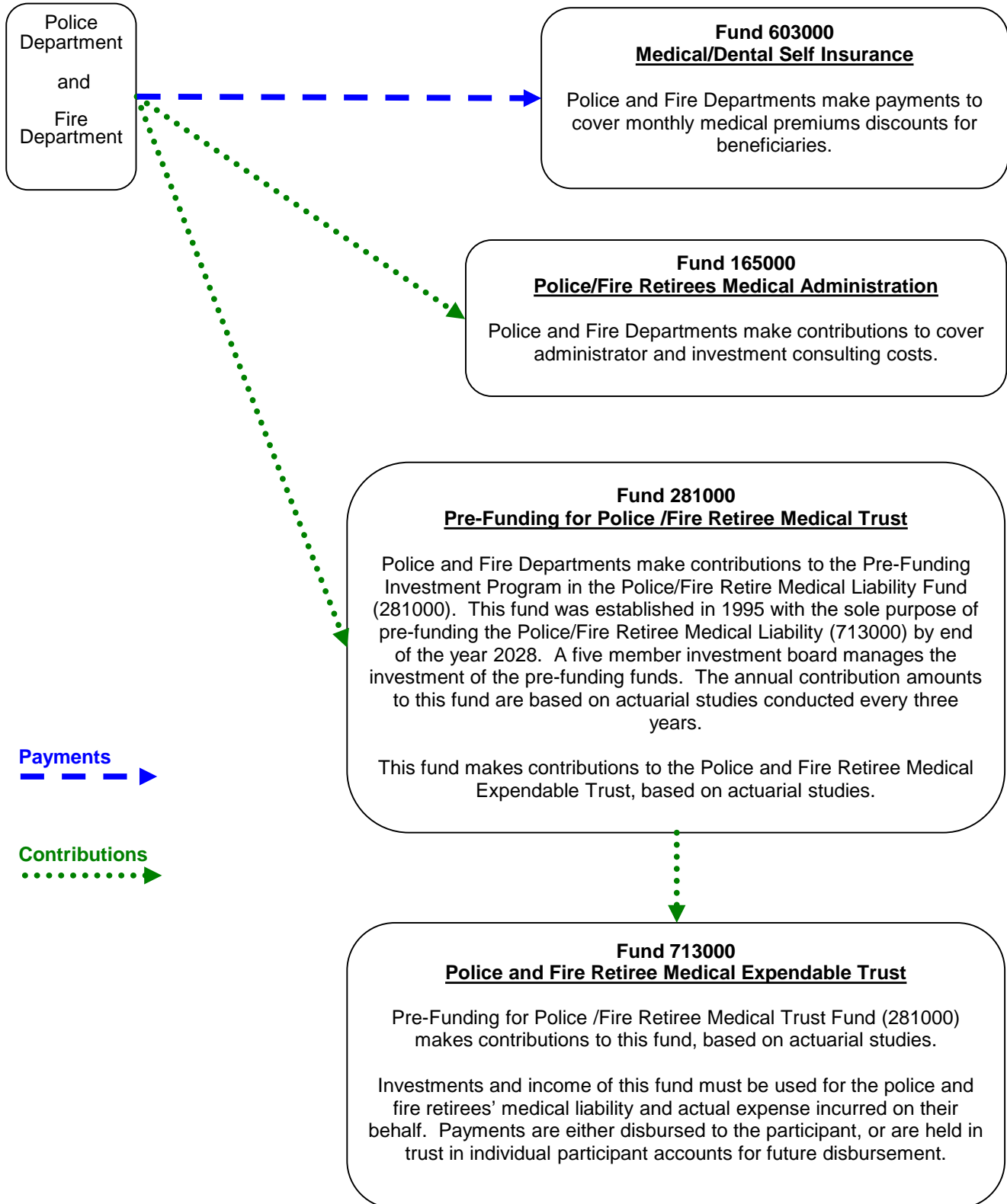
Police & Fire Retiree Medical Funding Program



Police & Fire Retiree Medical Funding Program

Flow of Funds

AMC 3.87 and AMC 3.88



Police & Fire Retiree Medical Funding Program

Purpose

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 (165000).

Police and Fire Departments also make contributions to the Pre-Funding Investment Program in the Police/Fire Retiree Medical Liability Fund (281000). This fund was established in 1995 with the sole purpose of pre-funding, via contributions, the Police/Fire Retiree Medical Liability (713000) by end of the year 2028. A five member investment board manages the pre-funding investments. The contribution amounts to Fund 281000 are based on actuarial studies conducted every three years.

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 sections with the GGOB. The activity of the Trust Fund, management of the Trust and payment of medical benefits, are not budgeted or appropriated.

Police & Fire Retiree Medical Funding Program Department Summary

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Division				
Police & Fire Retiree Medical Funding Program	3,599,693	3,806,632	3,883,951	2.03%
Direct Cost Total	3,599,693	3,806,632	3,883,951	2.03%
Intragovernmental Charges				
Charges by/to Other Departments	17,761	17,211	17,121	(0.52%)
Function Cost Total	3,617,454	3,823,843	3,901,072	2.02%
Program Generated Revenue	(415,108)	(317,932)	(325,095)	2.25%
Net Cost Total	3,202,346	3,505,911	3,575,977	2.00%
Direct Cost by Category				
Salaries and Benefits	133,481	171,876	179,253	4.29%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	3,466,212	3,633,476	3,703,418	1.92%
Debt Service	-	-	-	-
Direct Cost Total	3,599,693	3,806,632	3,883,951	2.03%
Position Summary as Budgeted				
Full-Time	1	1	1	-
Part-Time	-	1	1	-
Position Total	1	2	2	-

Police & Fire Retiree Medical Funding Program Division Summary

Police & Fire Retiree Medical Funding Program

(Fund Center # 187600, 186000, 187601)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	133,481	171,876	179,253	4.29%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	3,466,212	3,633,476	3,703,418	1.92%
Manageable Direct Cost Total	3,599,693	3,806,632	3,883,951	2.03%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,599,693	3,806,632	3,883,951	-
Intragovernmental Charges				
Charges by/to Other Departments	17,761	17,211	17,121	(0.52%)
Function Cost Total	3,617,454	3,823,843	3,901,072	2.02%
Program Generated Revenue by Fund				
Fund 165000 - Police/Fire Retirees Med Admin (**Moved fr GG starting in 2011**)	194,666	227,932	235,095	3.14%
Fund 281000 - Police/Fire Ret Med Liability (**Moved fr GG starting in 2011**)	220,442	90,000	90,000	-
Program Generated Revenue Total	415,108	317,932	325,095	2.25%
Net Cost Total	3,202,346	3,505,911	3,575,977	2.00%

Position Summary as Budgeted

Full-Time	1	1	1	-
Part-Time	-	1	1	-
Position Total	1	2	2	-

Police & Fire Retiree Medical Funding Program

Division Detail

Police & Fire Retiree Medical Funding Program

(Fund Center # 187600, 186000, 187601)

	2015 Actuals	2016 Revised	2017 Approved	17 v 16 % Chg
Direct Cost by Category				
Salaries and Benefits	133,481	171,876	179,253	4.29%
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	3,466,212	3,633,476	3,703,418	1.92%
Manageable Direct Cost Total	3,599,693	3,806,632	3,883,951	2.03%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,599,693	3,806,632	3,883,951	2.03%
Intragovernmental Charges				
Charges by/to Other Departments	17,761	17,211	17,121	(0.52%)
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	-	31,980	37,501	17.26%
440010 - GCP CshPool ST-Int(MOA/ML&P)	436	-	-	-
440050 - Other Int Income	128,430	90,000	90,000	-
440070 - Dividend Income	624,556	-	-	-
440080 - UnRlzd Gns&Lss Invs(MOA/AWWU)	(3,673,171)	-	-	-
440090 - RlzdGns&LsOnSleofInv	3,140,919	-	-	-
450010 - Contributions from Other Funds	193,938	195,952	197,594	0.84%
Program Generated Revenue Total	415,108	317,932	325,095	2.25%
Net Cost				
Direct Cost Total	3,599,693	3,806,632	3,883,951	2.03%
Charges by/to Other Departments Total	17,761	17,211	17,121	(0.52%)
Program Generated Revenue Total	(415,108)	(317,932)	(325,095)	2.25%
Net Cost Total	3,202,346	3,505,911	3,575,977	2.00%

Position Detail as Budgeted

	2015 Revised		2016 Revised		2017 Approved	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Senior Admin Officer	1	-	-	-	-	-
Special Admin Assistant I	-	-	-	1	-	1
Special Admin Officer II	-	-	1	-	1	-
Position Detail as Budgeted Total	1	-	1	1	1	1