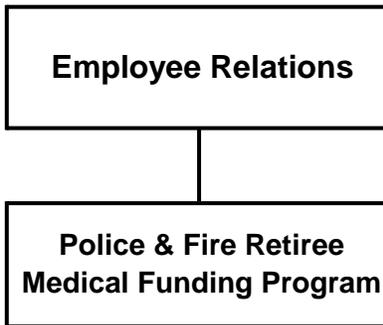
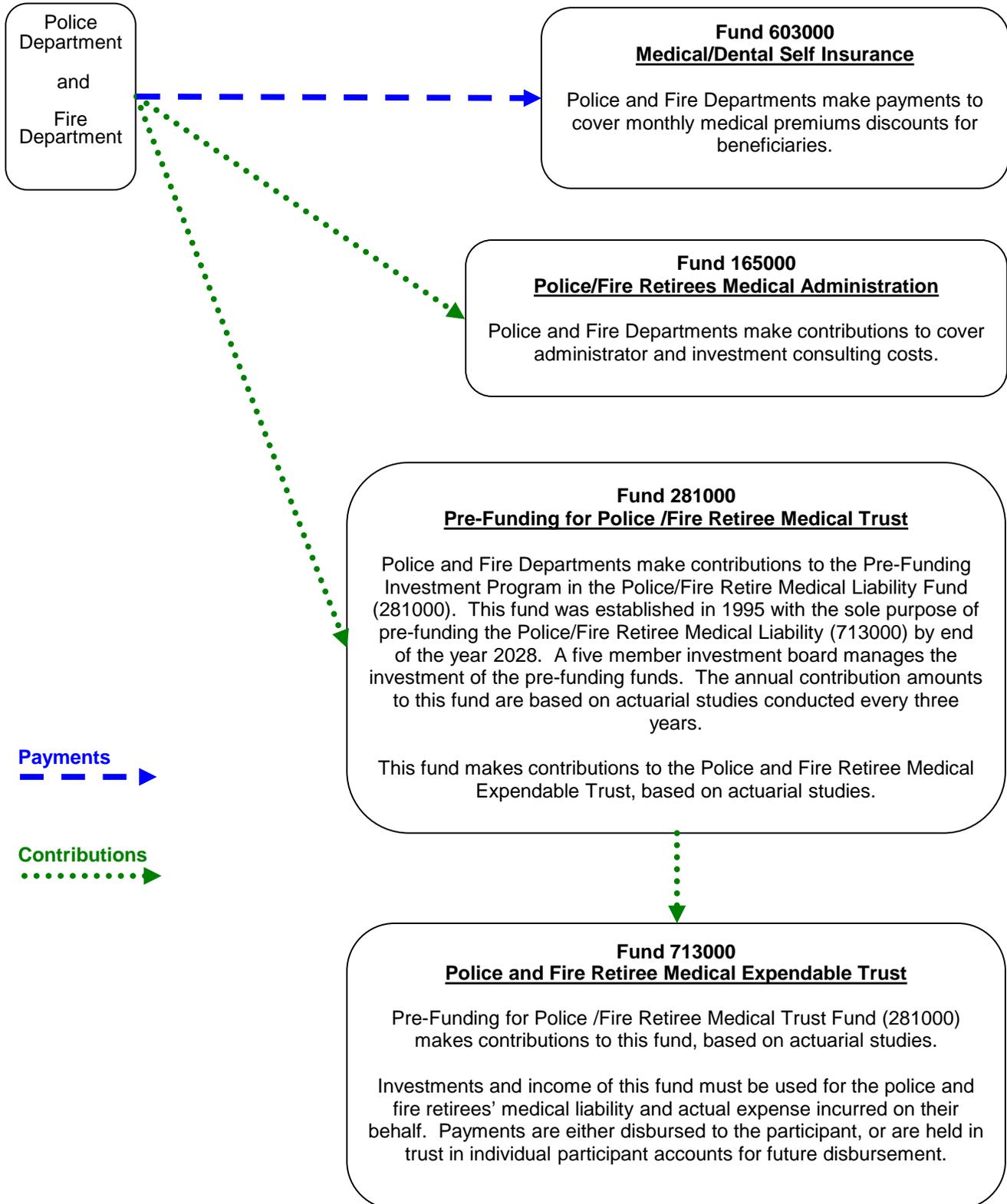


Appendix Q

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

	2016 Actuals	2017 Revised	2018 Proposed	18 v 17 % Chg
Direct Cost by Division				
Police & Fire Retiree Medical Funding Program	3,676,989	3,883,951	3,881,662	(0.06%)
Direct Cost Total	3,676,989	3,883,951	3,881,662	(0.06%)
Intragovernmental Charges				
Charges by/to Other Departments	17,782	17,697	17,989	1.65%
Function Cost Total	3,694,771	3,901,648	3,899,651	(0.05%)
Program Generated Revenue	(2,614,424)	(335,349)	(335,349)	-
Net Cost Total	1,080,346	3,566,299	3,564,302	(0.06%)
Direct Cost by Category				
Salaries and Benefits	162,411	179,253	176,964	(1.28%)
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	3,514,578	3,703,418	3,703,418	-
Debt Service	-	-	-	-
Direct Cost Total	3,676,989	3,883,951	3,881,662	(0.06%)
Position Summary as Budgeted				
Full-Time	1	1	1	-
Part-Time	1	1	1	-
Position Total	2	2	2	-

Police & Fire Retirement System
Division Summary
Police & Fire Retirement System Administration
(Fund Center # 172300, 172100, 172200, 171000)

	2016 Actuals	2017 Revised	2018 Proposed	18 v 17 % Chg
Direct Cost by Category				
Salaries and Benefits	415,034	413,349	422,629	2.25%
Supplies	1,460	2,599	2,599	-
Travel	-	34,000	34,000	-
Contractual/Other Services	34,477,936	374,768	374,768	-
Equipment, Furnishings	-	10,000	10,000	-
Manageable Direct Cost Total	34,894,431	834,716	843,996	1.11%
Debt Service	-	-	-	-
Depreciation/Amortization	-	1,200	1,200	-
Non-Manageable Direct Cost Total	-	1,200	1,200	-
Direct Cost Total	34,894,431	835,916	845,196	-
Intragovernmental Charges				
Charges by/to Other Departments	57,728	61,295	61,308	0.02%
Function Cost Total	34,952,159	897,211	906,504	1.04%
Program Generated Revenue by Fund				
Fund 715000 - Police/Fire Retirement Trust	33,406,030	10,527,704	10,527,704	-
Program Generated Revenue Total	33,406,030	10,527,704	10,527,704	-
Net Cost Total	1,546,129	(9,630,493)	(9,621,200)	(0.10%)
Position Summary as Budgeted				
Full-Time	4	3	3	-
Position Total	4	3	3	-

Police & Fire Retiree Medical Funding Program Division Detail

Police & Fire Retiree Medical Funding Program

(Fund Center # 187600, 186000, 187601)

	2016 Actuals	2017 Revised	2018 Proposed	18 v 17 % Chg
Direct Cost by Category				
Salaries and Benefits	162,411	179,253	176,964	(1.28%)
Supplies	-	1,280	1,280	-
Travel	-	-	-	-
Contractual/Other Services	3,514,578	3,703,418	3,703,418	-
Manageable Direct Cost Total	3,676,989	3,883,951	3,881,662	(0.06%)
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,676,989	3,883,951	3,881,662	(0.06%)
Intragovernmental Charges				
Charges by/to Other Departments	17,782	17,697	17,989	1.65%
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	-	47,755	47,755	-
408580 - Miscellaneous Revenues	838	-	-	-
440010 - GCP CshPool ST-Int(MOA/ML&P)	(1,676)	-	-	-
440050 - Other Int Income	169,682	90,000	90,000	-
440070 - Dividend Income	598,366	-	-	-
440080 - UnRlzd Gns&Lss Invs(MOA/AWWU)	1,328,657	-	-	-
440090 - RlzdGns&LsOnSleofInv	322,606	-	-	-
450010 - Contributions from Other Funds	195,952	197,594	197,594	-
Program Generated Revenue Total	2,614,424	335,349	335,349	-
Net Cost				
Direct Cost Total	3,676,989	3,883,951	3,881,662	(0.06%)
Charges by/to Other Departments Total	17,782	17,697	17,989	1.65%
Program Generated Revenue Total	(2,614,424)	(335,349)	(335,349)	-
Net Cost Total	1,080,346	3,566,299	3,564,302	(0.06%)

Position Detail as Budgeted

	2016 Revised		2017 Revised		2018 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Special Admin Assistant I	-	1	-	1	-	1
Special Admin Officer II	1	-	1	-	1	-
Position Detail as Budgeted Total	1	1	1	1	1	1