

**WESTON PUBLIC SCHOOLS  
INTERNAL SERVICES FUND  
FOR HEALTH BENEFITS PROGRAM**

Fiscal Year Ended		Fiscal Year 2016	Expected 2017	Budget 2018
<b>STATEMENT OF REVENUES AND EXPENDITURES</b>				
Revenues:				
General Fund				
Appropriation	Operating Fund Contribution	6,991,965	\$ 6,349,035	\$ 6,801,846
	Contribution for Teachers added in FY 17	\$ -	\$ 39,070	\$ -
Contributions:				
	Employee Cost Sharing	972,506	\$ 1,092,960	\$ 1,181,796
	Retiree/COBRA Contributions	212,306	\$ 285,000	\$ 285,000
	State Teachers Retirement Reimbursement (TRB)	47,607	\$ 50,000	\$ 50,000
	Reimbursements	11,272	\$ 666	\$ -
	<b>Total Contributions</b>	<b>\$ 1,243,691</b>	<b>\$ 1,428,626</b>	<b>\$ 1,516,796</b>
	<b>Total Revenue {A}</b>	<b>\$ 8,235,656</b>	<b>\$ 7,816,731</b>	<b>\$ 8,318,642</b>
Expenditures				
	Medical & RX Costs	\$ 6,397,506	\$ 6,453,790	\$ 7,083,541
	Staff Changes	\$ -	\$ -	\$ (138,330)
	District Portion of H.S.A. Deductible	\$ 583,420	\$ 549,043	\$ 542,000
	Delta Dental	\$ 361,626	\$ 360,358	\$ 379,834
	Medical & RX Administrative Fees	\$ 113,511	\$ 106,529	\$ 106,842
	Stop Loss	\$ 455,288	\$ 506,654	\$ 622,000
	Delta Dental Administrative Fees	\$ 19,778	\$ 22,902	\$ 22,308
	Affordable Care Act Taxes/Fees	\$ 46,202	\$ 27,765	\$ 7,150
	EAP	\$ 8,070	\$ 8,370	\$ 8,705
	Benefit Advisory Fees	\$ 37,500	\$ 37,500	\$ 37,500

Medical Supplement/Other Costs	\$ 50,401	\$ 54,248	\$ 54,250
Total Health Plan Costs {B}	\$ 8,073,302	\$ 8,127,159	\$ 8,725,800
Accrued Costs Per GASB 43/45 {C}	\$ -	\$ 47,000	\$ 47,000
Net Change	\$ 162,354	\$ (357,428)	\$ (454,158)
Accounts Payables and Other:			
Incurred But Not Reported (IBNR)			
Fiscal Year End Accrual	\$ 845,625	\$ 845,625	\$ 845,625
Prior Year End Accrual	\$ 773,622	\$ 845,625	\$ 845,625
Increase (Decrease) {D}	\$ 72,003	\$ -	\$ -
Total Expenditure {F=B+C+D}	\$ 8,145,305	\$ 8,174,159	\$ 8,772,800
Net Change {A-F}	\$ 90,351	\$ (357,428)	\$ (454,158)

<b>BALANCE SHEET</b>				
<b>Assets:</b>				
	Fund Balance	\$ 2,702,892	\$ 2,793,243	\$ 2,435,815
	Net Change	\$ 90,351	\$ (357,428)	\$ (454,158)
<b>Total Assets:</b>		\$ 2,793,243	\$ 2,435,815	\$ 1,981,657
<b>Liabilities:</b>				
	Accrued IBNR	\$ 845,625	\$ 845,625	\$ 845,625
<b>Total Liabilities:</b>		\$ 845,625	\$ 845,625	\$ 845,625
<b>Fund Balance:</b>				
	Beginning Year Fund Balance	\$ 2,702,892	\$ 2,793,243	\$ 2,435,815
	End of Year Net Change	\$ 90,351	\$ (357,428)	\$ (454,158)
		\$ 2,793,243	\$ 2,435,815	\$ 1,981,657
<b>Total Liabilities &amp; Fund Balance</b>		<b>\$ 3,638,868</b>	<b>\$ 3,281,440</b>	<b>\$ 2,827,282</b>

**WESTON PUBLIC SCHOOLS  
INTERNAL SERVICES FUND  
FUND BALANCE**

**Internal Services Fund Balance is intended to protect against:**

**1). Aggregate Stop Loss:**

Aggregate Stop-Loss Insurance is a policy designed to limit claim coverage (losses) to a specific amount. This type of coverage is to ensure that catastrophic numerous claims (aggregate stop-loss), do not upset the financial reserves of a self-funded plan. This is 15% of expected claims.

**2). IBNR:**

Incurred but not reported (IBNR) claims is the amount owed by an insurer to all valid claimants who have had a covered loss but have not yet reported it. Since the insurer knows neither how many of these losses have occurred, nor the severity of each loss, IBNR is an estimate. This has averaged 12.75% over the last three fiscal years.

**Reserve Model: Market Standard Target Values**

Aggregate Stop Loss Claim Corridor	15.00% Full Corridor
Medical IBNR:	12.75% Historical IBNR Average
<b>Total Reserves Needed in Internal Services Fund</b>	<b>27.75%</b>

Discretionary Reserves:	
Budget Stabilization	5.00%
<b>Total Reserves with Discretionary Reserves:</b>	<b>32.75%</b>

<b>Total Projected Claims for FY 2018</b>	<b>\$ 7,141,106</b>
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Reserve Targets:	
Aggregate Stop Loss Corridor	\$ 1,071,166
Medical IBNR	\$ 910,491
<b>Total Reserves Needed:</b>	<b>\$ 1,981,657</b>

Discretionary Reserves	\$ 357,055
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<b>Total Reserves if Discretionary Reserves Included</b>	<b>\$ 2,338,712</b>
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**WESTON PUBLIC SCHOOLS  
INTERNAL SERVICES FUND  
FUND BALANCE**

<b>Fiscal Year</b>	<b>Fund Balance</b>	<b>% of Claims</b>
FY 18 Projected	\$1,981,657	28%
FY 17 Projected	\$2,435,815	38%
FY 16	\$2,793,243	44%
FY 15	\$2,702,892	49%
FY 14	\$1,668,288	27%
FY 13	\$2,184,405	38%
FY 12	\$2,554,225	46%
<b>Average Fund Balance</b>	<b>\$2,331,504</b>	<b>38%</b>

<b>District</b>	<b>Fund Balance % of Claims</b>	<b>Rank</b>
New Canaan	10.10%	5
Easton-Redding-Region 9	11.86%	4
Westport	16.21%	3
Wilton	20.00%	2
<b>Weston</b>	<b>27.75%</b>	<b>1</b>
<b>Average</b>	<b>17.18%</b>	

*\*Ridgefield and Darien fully insured.*