

CITY OF CHANDLER
Chandler Health Care Benefits Self-Insurance Trust Fund
Statement of Net Position
September 30, 2021

ASSETS

Cash and investments	\$ 16,936,882
Accrued interest	39,474
Total assets	<u>16,976,356</u>

LIABILITIES

Compensated absences payable	53,570
Claims incurred but not reported (IBNR)	2,152,000
Due to City	697,804
Employees claims payable, due to Blue Cross Blue Shield	1,340,724
Retirees claims payable, due to Blue Cross Blue Shield	223,895
COBRA claims payable, due to Blue Cross Blue Shield	14,423
Total liabilities	<u>4,482,416</u>

NET POSITION

Unrestricted	12,493,941
Total net position	<u><u>\$ 12,493,941</u></u>

Note: December 31, 2020 minimum end of year reserve including IBNR and two months costs as projected by Segal Consulting.

\$ 6,341,000

CITY OF CHANDLER
Chandler Health Care Benefits Self-Insurance Trust Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Three Months Ended September 30, 2021

	2021 Budget	2021 Budget Prorated	Actuals	Budget to Actual Difference
OPERATING REVENUES				
Contributions:				
Employer self insurance premiums	\$ 18,652,660	13,989,495	\$ 13,356,588	\$ (632,907)
Employee self insurance premiums	2,366,480	1,774,860	1,535,238	(239,622)
Retiree premiums	1,779,600	1,334,700	1,487,327	152,627
COBRA premiums	93,260	69,945	53,327	(16,618)
Other:				
BCBS wellness programs	25,000	25,000	25,000	-
BCBS wellness coordinator	100,000	100,000	100,000	-
BCBS administration	25,000	25,000	25,000	-
BCBS communication	30,000	30,000	30,000	-
Recovery of medical claims	30,000	22,500	63,568	41,068
Total operating revenues	23,102,000	17,371,500	16,676,047	(695,453)
OPERATING EXPENSES				
Personnel support	469,073	360,825	333,103	(27,723)
Audits & financial services	8,340	8,340	7,370	(970)
Promotional	30,000	22,500	-	(22,500)
Operating supplies & equipment	31,627	23,720	6,452	(17,268)
Bank charges	400	300	250	(50)
Contractual services	151,000	113,250	60,386	(52,864)
Other:				
Self-insurance administrative fees	2,505,482	1,879,112	1,650,064	(229,048)
PCORI fees	9,000	9,000	8,800	(200)
Wellness programs	118,742	89,057	6,700	(82,357)
Health savings & flex spending acct contributions	348,606	348,606	225,050	(123,556)
Claims paid:				
Employees	17,360,710	13,020,533	13,340,316	319,783
Retirees	4,016,080	3,012,060	2,967,900	(44,160)
COBRA	170,780	128,085	81,575	(46,510)
Total operating expenses	25,219,840	19,015,387	18,687,964	(327,423)
OPERATING INCOME (LOSS)	(2,117,840)	(1,643,887)	(2,011,917)	(368,030)
NONOPERATING REVENUES (EXPENSES):				
Transfers Out - Technology Fund	(5,530)	(5,530)	(5,530)	-
Interest income (loss)	327,000	245,250	(77,369)	(322,619)
Total nonoperating revenues (expenses)	321,470	239,720	(82,899)	(322,619)
Change in net position	(1,796,370)	(1,404,167)	(2,094,816)	(690,650)
NET POSITION:				
Total net position, as of January 1, 2021	14,588,757	14,588,757	14,588,757	-
Total net position, as of September 30, 2021	\$ 12,792,387	\$ 13,184,590	\$ 12,493,941	\$ (690,650)

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Statement of Cash Flows
For the Three Months Ended September 30, 2021

Cash flows from operating activities:

Cash received for premiums and other operating purposes	\$ 17,052,515
Cash payments for claims	(17,029,580)
Cash payments to suppliers for other services	(1,972,926)
Cash payments to employees for services	(349,365)
Net cash provided by operating activities	<u>(2,299,356)</u>

Cash flows from noncapital financing activities:

Cash paid to City for technology replacement	(5,530)
Net cash used for noncapital financing activities	<u>(5,530)</u>

Cash flows from investing activities:

Investment income	(55,875)
Proceeds from sales of investments	9,320,274
Purchases of investments	(6,959,513)
Net cash used for investing activities	<u>2,304,886</u>

Net increase in cash and cash equivalents

-

Cash and cash equivalents, January 1, 2021

-

Cash and cash equivalents, September 30, 2021

\$ -

Reconciliation of operating income to cash provided by operating activities:

Operating income	\$ (2,011,917)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
(Increase)/Decrease in due from (to) City	376,467
(Increase)/Decrease in prepaids	11,082
Increase/(Decrease) in claims payable	(639,789)
Increase/(Decrease) in accounts payable	(18,937)
Increase/(Decrease) in accrued payroll	(16,262)
Net cash provided by operating activities	<u><u>\$ (2,299,356)</u></u>

Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:

Cash and cash equivalents	\$ -
Investments	16,936,882
Cash and investments	<u><u>\$ 16,936,882</u></u>

11/4/2021

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