CITY OF CHANDLER
Chandler Health Care Benefits Self-Insurance Trust Fund
Statement of Net Position
September 30, 2026

ASSETS		
Cash and investments	$	25,276,469
Accrued interest		240,500
Prepaid expense		41,640
Accounts receivable		32,923
Total assets		25,591,532
LIABILITIES		
Accounts payable		21,690
Accrued payroll		29,443
Compensated absences payable		63,464
Claims incurred but not reported (IBNR) - current 89%		4,300,480
Claims incurred but not reported (IBNR) - non-current 11%		531,520
Due to city		1,624,874
Employee claims payable, due to Blue Cross Blue Shield		4,701,417
Retiree claims payable, due to Blue Cross Blue Shield		1,581,817
COBRA claims payable, due to Blue Cross Blue Shield		24,296
Total liabilities		12,879,001
NET POSITION		
Unrestricted		12,712,531
Total net position	$	12,712,531

Note: *December 31, 2025 minimum end of year reserve including IBNR and two months costs as projected by Segal Consulting.* *$ 11,252,000*

CITY OF CHANDLER
Chandler Health Care Benefits Self-Insurance Trust Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Nine Months Ended September 30, 2026

	2026 Budget	2026 Budget Prorated	Actuals	Budget to Actual Difference
OPERATING REVENUES				
Contributions:				
Employer self insurance premiums	$ 24,006,210	$ 18,004,658	$ 18,523,368	$ 518,710
Employee self insurance premiums	3,492,660	2,619,495	2,618,210	(1,285)
Retiree premiums	2,887,490	2,165,618	2,731,855	566,237
COBRA premiums	27,140	20,355	47,555	27,200
Other:				
BCBS wellness programs	25,000	25,000	25,000	-
BCBS wellness coordinator	100,000	100,000	100,000	-
BCBS general and administration	85,000	85,000	85,000	-
Recovery of medical claims	30,000	22,500	55,849	33,349
Pharmaceutical rebates	665,000	498,750	623,528	124,778
Total operating revenues	31,318,500	23,541,376	24,810,365	1,268,989
OPERATING EXPENSES				
Personnel support	487,004	374,618	356,862	(17,756)
Audits & financial services	10,125	10,125	9,550	(575)
Operating supplies & equipment	95,027	71,270	15,282	(55,988)
Bank charges	600	450	374	(76)
Contractual services	58,000	43,500	919	(42,581)
Other:				
Self-insurance administrative fees	3,337,265	2,502,949	2,699,120	196,171
PCORI fees	12,200	12,200	13,667	1,467
Wellness programs	110,876	83,157	42,889	(40,268)
Health savings & flex spending acct contributions	305,412	305,412	176,420	(128,992)
Claims paid:				
Employees	24,307,000	18,230,250	23,107,359	4,877,109
Retirees	5,647,000	4,235,250	5,321,825	1,086,575
COBRA	46,000	34,500	23,363	(11,137)
Total operating expenses	34,416,509	25,903,681	31,767,630	5,863,949
OPERATING INCOME (LOSS)	(3,098,009)	(2,362,305)	(6,957,265)	(4,594,960)
NONOPERATING REVENUES (EXPENSES):				
Transfers out - Technology Fund	(5,530)	(5,530)	(5,530)	-
Transfers in - General Fund	-	-	7,000,000	7,000,000
Interest income (loss)	945,500	709,125	696,441	(12,684)
Total nonoperating revenues (expenses)	939,970	703,595	7,690,911	6,987,316
Change in net position	(2,158,039)	(1,658,710)	733,646	2,392,356
NET POSITION:				
Total net position, as of January 1, 2026	11,978,885	11,978,885	11,978,885	-
Total net position, as of September 30, 2026	$ 9,820,846	$ 10,320,175	$ 12,712,531	$ 2,392,356

CITY OF CHANDLER
Chandler Health Care Benefits Self-Insurance Trust Fund
Statement of Cash Flows
For the Nine Months Ended September 30, 2026

Cash flows from operating activities:		
Cash received for premiums and other operating purposes	$	23,947,341
Cash payments for claims		(24,536,862)
Cash payments to suppliers for other services		(3,217,877)
Cash payments to employees for services		(354,357)
Net cash provided by operating activities		(4,161,755)
Cash flows from noncapital financing activities:		
Cash paid to city for technology replacement		(5,530)
Cash received from city		7,000,000
Net cash used for noncapital financing activities		6,994,470
Cash flows from investing activities:		
Investment income		696,441
Proceeds from sales of investments		15,841,255
Purchases of investments		(19,370,411)
Net cash used for investing activities		(2,832,715)
Net increase in cash and cash equivalents		-
Cash and cash equivalents, January 1, 2026		-
Cash and cash equivalents, September 30, 2026	$	-
Reconciliation of operating income to cash provided by operating activities:		
Operating income	$	(6,957,265)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Changes in assets and liabilities:		
(Increase)/Decrease in due from (to) city		(864,585)
(Increase)Decrease in prepaid expenses		(41,640)
(Increase)Decrease in accounts receivable		1,561
Increase/(Decrease) in claims payable		3,957,325
Increase/(Decrease) in accounts payable		(259,656)
Increase/(Decrease) in accrued payroll		2,505
Net cash provided by operating activities	$	(4,161,755)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:		
Cash and cash equivalents	$	-
Investments		25,276,469
Cash and investments	$	25,276,469

Chandler Health Care Benefits Trust
Wellness Programs Tracking thru September 2026

Wellness Detail	Jan - Dec 2011	Jan - Dec 2012	Jan - Dec 2013	Jan - Dec 2014	Jan - Dec 2015	Jan - Dec 2016	Jan - Dec 2017	Jan - Dec 2018	Jan - Dec 2019	Jan - Dec 2020	Jan - Dec 2021	Jan - Dec 2022	Jan - Dec 2023	Jan - Dec 2024	Jan - Dec 2025	Jan - Dec 2026	Cumulative Total Since Inception
Revenue																	
Wellness Funds from BCBS	$ 24,031.73	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 25,000.00	$ 399,031.73
YOGA Program Revenues	-	2,150.00	2,288.00	2,466.00	2,266.00	1,820.00	1,062.00	2,148.00	-	-	-	-	-	-	-	-	14,200.00
Total Wellness Program Rever	**$ 24,031.73**	**$ 27,150.00**	**$ 27,288.00**	**$ 27,466.00**	**$ 27,266.00**	**$ 26,820.00**	**$ 26,062.00**	**$ 27,148.00**	**$ 25,000.00**	**$ 25,000.00**	**$ 25,000.00**	**$ 25,000.00**	**$ 25,000.00**	**$ 25,000.00**	**$ 25,000.00**	**$ 25,000.00**	**$ 413,231.73**
Operating Expenses																	
YOGA Program Expenses	$ -	$ 1,820.00	$ 3,360.00	$ 3,220.00	$ 3,150.00	$ 2,905.00	$ 2,555.00	$ 1,000.00	$ -	$ -	$ 360.00	$ -	$ -	$ -	$ -	$ -	$ 18,370.00
Other Professional Services	-	-	-	1,200.00	-	93.62	-	-	-	-	-	2,500.00	17,700.00	250.00	-	2,656.58	24,400.20
Promotional/Advertising Service	-	7,547.42	22,174.80	24,361.61	10,408.85	8,567.47	15,024.50	10,060.07	17,712.80	9,759.42	10,434.58	16,795.78	9,713.08	8,289.13	7,257.45	15,958.34	194,065.30
Printing Supplies and Charges	-	227.89	2,954.17	1,259.37	1,447.85	1,735.20	12.30	3.02	35.22	-	-	-	379.08	66.24	47.20	171.49	8,339.03
Office Supplies	-	350.19	375.02	64.56	795.09	677.75	427.82	535.24	1,163.33	424.57	843.38	648.96	41.55	-	384.67	135.98	6,868.11
Food and Events	-	628.00	-	-	-	-	51.58	-	-	-	-	-	-	-	351.31	1,938.82	2,969.71
Clothing and Uniforms	-	26.16	-	26.75	-	-	-	-	-	-	-	-	-	-	-	-	52.91
Machinery/Equipment Under 5K	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,244.27	2,244.27
Other Supplies	-	-	-	-	-	-	-	-	-	-	-	489.80	440.88	-	67.40	-	998.08
Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,375.00	1,375.00
Office Furniture and Equipment	-	-	-	-	-	1,000.00	-	-	-	-	1,121.00	3,200.73	1,476.34	7,534.63	-	11,997.00	26,329.70
Employee Activities/Recognition	-	-	481.63	-	-	-	-	-	-	-	-	-	-	-	6,135.58	1,084.12	7,701.33
Buildings Repair and Maintenan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,895.00	1,895.00
Postage and Freight	-	-	27.12	-	-	-	288.50	942.96	1,327.36	-	-	-	-	-	-	-	2,585.94
Travel/Lodging/Meals	-	365.00	352.00	310.00	-	-	395.00	365.00	-	-	-	574.22	450.00	-	-	1,220.24	4,031.46
Subscriptions and Memberships	-	-	(600.00)	-	120.00	79.00	439.10	625.50	895.50	460.00	419.00	-	-	150.00	375.00	155.23	3,118.33
Education and Training	2,648.92	-	-	-	-	-	-	-	-	-	-	-	-	1,277.51	3,587.22	1,716.89	9,230.54
Other Expenses	-	-	-	-	-	-	625.50	-	200.00	-	70.00	70.00	77.85	-	-	338.79	1,382.14
Total Operating Wellness Prog	**$ 2,648.92**	**$ 10,964.66**	**$ 29,124.74**	**$ 30,442.29**	**$ 15,921.79**	**$ 15,058.04**	**$ 19,819.30**	**$ 13,531.79**	**$ 21,334.21**	**$ 10,643.99**	**$ 13,247.96**	**$ 24,279.49**	**$ 30,278.78**	**$ 17,567.51**	**$ 18,205.83**	**$ 42,887.75**	**$ 315,957.05**
Capital Expenses																	
Mezzanine (6BF670)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,460.56	$ 27,125.62	$ -	$ 45,586.18
Total Capital Wellness Prograı	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 18,460.56**	**$ 27,125.62**	**$ -**	**$ 45,586.18**
Total Wellness Program Exper	**$ 2,648.92**	**$ 10,964.66**	**$ 29,124.74**	**$ 30,442.29**	**$ 15,921.79**	**$ 15,058.04**	**$ 19,819.30**	**$ 13,531.79**	**$ 21,334.21**	**$ 10,643.99**	**$ 13,247.96**	**$ 24,279.49**	**$ 30,278.78**	**$ 36,028.07**	**$ 45,331.45**	**$ 42,887.75**	**$ 361,543.23**
Net Wellness Funds Remaining																	**$ 51,688.50**