



## O&M Budget Fiscal Note

### RELATING TO:

Authorizing the Executive Director to Extend the Contracts for Prescription Drug and Supplemental Medical Coverage for Post Medicare Retirees

<b>Cost Center:</b> Fringe Benefits _____	<b>Line Item:</b> 582 - Group Health Premium - Retiree _____																		
<b>Line Item Impact</b> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">2017 Original Budget</td> <td style="width: 10%; text-align: right;">\$5,600,000</td> <td style="width: 10%; border-top: 1px solid black;"></td> </tr> <tr> <td>Carryovers or Transfers</td> <td style="text-align: right;">\$0</td> <td style="border-top: 1px solid black;"></td> </tr> <tr> <td>Adjusted Budget</td> <td style="text-align: right;">\$5,600,000</td> <td style="border-top: 1px solid black;"></td> </tr> <tr> <td>Estimated Annual Expenditure including Request</td> <td style="text-align: right;">\$5,600,000</td> <td style="border-top: 1px solid black;"></td> </tr> <tr> <td>Anticipated Year End Balance</td> <td style="text-align: right;">\$0</td> <td style="border-top: 1px solid black;"></td> </tr> <tr> <td>Actual Year to Date Expenditures Through 10/19</td> <td style="text-align: right;">N/A</td> <td style="border-top: 1px solid black;"></td> </tr> </table> <p style="margin-top: 10px;">For unfavorable Year End Balance, identify funding source:</p> <div style="margin-left: 40px;"> <input type="checkbox"/> Absorbed within the Division  <input type="checkbox"/> Other Division  <input type="checkbox"/> Unallocated Reserve       </div>		2017 Original Budget	\$5,600,000		Carryovers or Transfers	\$0		Adjusted Budget	\$5,600,000		Estimated Annual Expenditure including Request	\$5,600,000		Anticipated Year End Balance	\$0		Actual Year to Date Expenditures Through 10/19	N/A	
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<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 35%; text-align: left;"><b>Anticipated Expenditure Timing</b></th> <th style="width: 20%; text-align: right;">Requested Expenditures</th> <th style="width: 20%; text-align: right;">Anticipated Savings/Revenues</th> <th style="width: 25%; text-align: right;">Net Fiscal Impact</th> </tr> </thead> <tbody> <tr> <td>Current Year (2017)</td> <td style="text-align: right;">\$2,751,120</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$2,751,120</td> </tr> <tr> <td>Subsequent</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$0</td> </tr> <tr> <td>Total Cost</td> <td style="text-align: right;">\$2,751,120</td> <td style="text-align: right;">\$0</td> <td style="text-align: right;">\$2,751,120</td> </tr> </tbody> </table>			<b>Anticipated Expenditure Timing</b>	Requested Expenditures	Anticipated Savings/Revenues	Net Fiscal Impact	Current Year (2017)	\$2,751,120	\$0	\$2,751,120	Subsequent	\$0	\$0	\$0	Total Cost	\$2,751,120	\$0	\$2,751,120	
<b>Anticipated Expenditure Timing</b>	Requested Expenditures	Anticipated Savings/Revenues	Net Fiscal Impact																
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**Comments:** The requested expenditures reflect the current number of subscribers; actual costs in 2017 may change contingent on the actual post-Medicare health plan number of subscribers.

The cost estimates include expenditures for retired United Water Services and Veolia Water Milwaukee employees. The District will receive reimbursements for these expenditures. However, due to the unknown nature of retirements and claim costs, these reimbursements are not quantified as anticipated savings/revenues.

Budget Review by:  Christine Durkin _____	Date  10/19/2016 _____
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