

**TOWN OF STRATFORD  
ADOPTED OPERATING BUDGET  
FISCAL YEAR 2012**

ORG	OBJ	DEPARTMENT/DESCRIPTION	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 BUDGET	FY 2012 MAYOR PROPOSED	FY 2012 TC ADOPTED BUDGET	PERCENT CHANGE
<b>EMPLOYEE BENEFITS</b>									
01251	6049	Reserve - Medical	-	-	-	240,000	400,000	400,000	
01251	6052	Social Security	1,577,610	1,611,680	1,656,598	1,750,000	1,800,000	1,800,000	
01251	6053	Medical Insurance	9,185,111	9,310,287	9,703,951	12,251,928	13,222,479	13,000,000	
01251	6054	Life Insurance	103,714	98,144	94,799	100,000	100,000	100,000	
01251	6055	4C's Retirement Plan	436,150	777,068	700,390	658,100	725,000	725,000	
01251	6056	Longevity	166,130	159,860	136,229	160,000	170,000	170,000	
01251	6057	Unemployment Compensation	90,621	95,009	168,439	100,000	160,000	160,000	
01251	6058	Uniform Allowance	53,430	53,218	9,322	55,000	75,000	75,000	
01251	6060	Police/Fire Annuity	1,076,201	1,066,500	1,031,949	1,100,000	1,200,000	1,200,000	
01251	6062	Safety Shoes	1,500	1,647	1,400	2,300	1,500	1,500	
01251	6063	Pension Deposit	5,455,120	5,420,187	6,948,453	8,189,605	8,145,040	8,145,040	
01251	6064	POB Debt Service	9,111,416	9,112,951	9,114,313	9,112,923	8,315,430	8,315,430	
01251	6091	OPEB Trust Fund	-	302,357	589,743	589,743	589,743	589,743	
01251	6067	Pension Indirect Costs	-	-	-	-	-	-	
			<b>27,257,002</b>	<b>28,008,906</b>	<b>30,155,586</b>	<b>34,309,599</b>	<b>34,904,192</b>	<b>34,681,713</b>	<b>1.08%</b>

**MAJOR DEPARTMENT HIGHLIGHTS**

1. Medical Reserve is set aside for potential medical claims and historical claims and corrections recommended by GASB and our external auditors.  
The Internal Service Fund (ISF) was set up in FY10, when the Town became self-insured for medical expenses.  
ISF are used by Management to charge the cost of risk management to individual funds.  
The assets and liabilities of the ISF are reported with governmental activities in the Statement of Net Assets in the CAFR.  
The Town realized a (\$708k) deficit in the Medical ISF in FY10 due to a budget based on immature claims experience.  
The goal will be to manage medical expenses going forward through plan management, contractual negotiations and health and wellness initiatives.  
Once we build a surplus, we will be able to smooth out the impact of future spikes in medical expenses and eliminate our ISF deficit.  
The FY11 Budget included a \$240k Medical Reserve to be applied to the current ISF deficit.  
The FY12 \$400k Medical Reserve will be applied to the deficit as our claims management experience continues to improve.  
The funding in FY12 will be used to draw down this deficit and stabilize this important budgetary factor.
2. Medical Insurance for employees is funded at an 8.5% rate of increase or nearly \$1.0m.
3. TC Adopted Budget reduced MP Medical Insurance line item \$222,479.
4. Uniform allowance for Public Works increased due to contractual obligations.
5. Pension Deposit is fully allotted but savings were garnered by an amortization period recalculation.
6. OPEB (Other Post Employee Benefits) is funded at the same level as the current fiscal year but under the actuarially recommended level of \$2.012m.
7. Pension Obligation Bonds (POB) is fully funded. Refinancing Debt Service resulted in \$800K savings from \$9.1m to \$8.3m.