

Post Retirement Medical Plan & Trust
a single employer plan sponsored by
Truckee Meadows Water Authority



TO: Board of Trustees of the Post Retirement Medical Plan & Trust
FROM: Jeff Tissier, TMWA CFO and Trust Chairman
DATE: April 9, 2012,
SUBJECT: **Approval of the Calendar Year 2012 Post-Retirement Medical Plan & Trust Budget**

Recommendation

The Board of Trustees approves the Calendar Year 2012 budget.

Suggested Motion

Move to approve the Calendar Year 2012 Budget.

Discussion

The Calendar Year 2012 Budget for the Post-Retirement Medical Plan and Trust (PRMPT) is provided for the trustees review in ***Attachment A***. The budget reflects current contributions/additions from the employer, the retirees' portion of health premiums as well as certain administrative expenses that are borne by the trust for legal fees and annual audit. No unrealized gain/loss in asset fair value is planned for this year.

The PRMPT expects to incur about \$175,000 in retiree health care premium expense for existing and one future Plan participants and a modest amount of legal and audit fees. The legal expenses are anticipated at 25 hours throughout the calendar year which reflects legal representation at trustee meetings and limited administrative assignments. Total PRMPT assets are expected to be above \$6.0 million at this time and are reflective of a very healthy funding level to meet future Plan participant needs.

The presented level of retiree premiums and contributions do not anticipate potential increases from additional retirees entering the PRMPT that have not declared retirement.

**Truckee Meadows Water Authority
Post-Retirement Medical Plan & Trust
Comparative Financial Information & 2012 Budget**

	ACTUAL PRIOR YEAR ENDING 12/31/2010	ACTUAL PRIOR YEAR ENDING 12/31/2011	FINAL APPROVED 12/31/2012
ADDITIONS			
Contributions from employer	\$ 184,829	\$ 185,251	\$ 186,000
Contributions from Plan Members	\$ 3,770	\$ 13,793	\$ 37,800
Investment income	\$ 573,043	\$ 105,969	\$ 100,000
Total Additions	\$ 761,642	\$ 305,013	\$ 323,800
DEDUCTIONS			
Benefits Paid	\$ (47,528)	\$ (106,870)	\$ (185,000)
Administrative Expenses	\$ (17,586)	\$ (14,756)	\$ (25,500)
Total Deductions	\$ (65,114)	\$ (121,626)	\$ (210,500)
Net Increase (Decrease) in Trust Assets	\$ 696,528	\$ 183,387	\$ 113,300
Trust Assets as of Beginning of Year	\$ 5,143,719	\$ 5,840,247	\$ 6,023,634
Trust Assets as of End of Year	\$ 5,840,247	\$ 6,023,634	\$ 6,136,934
Plan Participants	7	19	20

Attachment A