

# FUND STATEMENT

## Fund Type G50, Internal Service Funds

## Fund 506, Health Benefits Trust Fund

	FY 2007 Actual	FY 2008 Adopted Budget Plan	FY 2008 Revised Budget Plan	FY 2008 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
<b>Beginning Balance</b>	<b>\$48,207,555</b>	<b>\$50,330,856</b>	<b>\$77,287,987</b>	<b>\$77,310,769</b>	<b>\$22,782</b>
Revenue:					
Employer Share of Premiums-County Payroll	\$58,024,699	\$64,468,330	\$64,468,330	\$64,468,330	\$0
Employee Share of Premiums-County Payroll	16,549,178	22,531,622	22,531,622	22,531,622	0
Retiree Premiums <sup>1</sup>	17,181,154	19,778,354	19,778,354	19,778,354	0
Interest Income <sup>2</sup>	3,934,961	3,493,942	3,493,942	3,493,942	0
Administrative Service Charge/COBRA Premiums	259,163	49,431	49,431	49,431	0
<b>Total Revenue</b>	<b>\$95,949,155</b>	<b>\$110,321,679</b>	<b>\$110,321,679</b>	<b>\$110,321,679</b>	<b>\$0</b>
Transfer In:					
General Fund (001)	\$8,200,000	\$8,200,000	\$8,200,000	\$8,200,000	\$0
<b>Total Transfer In</b>	<b>\$8,200,000</b>	<b>\$8,200,000</b>	<b>\$8,200,000</b>	<b>\$8,200,000</b>	<b>\$0</b>
<b>Total Available</b>	<b>\$152,356,710</b>	<b>\$168,852,535</b>	<b>\$195,809,666</b>	<b>\$195,832,448</b>	<b>\$22,782</b>
Expenditures:					
Benefits Paid	\$70,074,311	\$87,180,226	\$87,180,226	\$87,180,226	\$0
Administrative Expenses	3,888,163	4,620,038	4,620,038	4,620,038	0
Premium Stabilization Reserve <sup>3</sup>	0	12,385,939	39,343,070	39,343,070	0
Incurred but not Reported Claims (IBNR)	1,083,467	1,907,234	1,907,234	1,907,234	0
<b>Total Expenditures</b>	<b>\$75,045,941</b>	<b>\$106,093,437</b>	<b>\$133,050,568</b>	<b>\$133,050,568</b>	<b>\$0</b>
Transfers Out:					
OPEB Trust Fund (603)	\$0	\$0	\$48,200,000	\$48,200,000	\$0
<b>Total Transfer Out</b>	<b>\$0</b>	<b>\$0</b>	<b>\$48,200,000</b>	<b>\$48,200,000</b>	<b>\$0</b>
<b>Total Disbursements</b>	<b>\$75,045,941</b>	<b>\$106,093,437</b>	<b>\$181,250,568</b>	<b>\$181,250,568</b>	<b>\$0</b>
Ending Balance:					
Fund Equity	\$84,774,302	\$73,220,725	\$25,020,725	\$25,020,725	\$0
IBNR	7,486,315	10,461,627	10,461,627	10,461,627	0
<b>Ending Balance <sup>4</sup></b>	<b>\$77,310,769</b>	<b>\$62,759,098</b>	<b>\$14,559,098</b>	<b>\$14,581,880</b>	<b>\$22,782</b>
Premium Stabilization Reserve	\$25,585,577	\$0	\$0	\$0	\$0
GASB 45 Liability Reserve <sup>5</sup>	40,000,000	48,200,000	0	0	0
<b>Unreserved Ending Balance</b>	<b>\$11,725,192</b>	<b>\$14,559,098</b>	<b>\$14,559,098</b>	<b>\$14,581,880</b>	<b>\$22,782</b>
<b>Percent of Claims</b>	<b>16.7%</b>	<b>16.7%</b>	<b>16.7%</b>	<b>16.7%</b>	<b>0.0%</b>

<sup>1</sup> Formerly Other Funds Premiums, renamed to more accurately reflect accounting treatment and revenues posted in this line item.

<sup>2</sup> In order to account for revenues and expenditures in the proper fiscal year, an audit adjustment in the amount of \$22,782.39 in revenues has been reflected as an increase to FY 2007 revenues to accurately record interest on investments. The audit adjustment has been included in the FY 2007 Comprehensive Annual Financial Report (CAFR).

<sup>3</sup> Fluctuations in the Premium Stabilization Reserve are the result of reconciliations of budget to actual experience. For example it is anticipated that a significant portion of the Revised Budget Plan Premium Stabilization Reserve will be carried forward from one year to the next with adjustments as a result of actual final year-end experience.

<sup>4</sup> The FY 2007 Actual Ending Balance increases over the FY 2007 Actual Beginning Balance based on better than anticipated experience during the fiscal year. Fluctuations in the ending balance in budget years are due to the Fund's policy of maintaining the ending balance as a percent of claims at the targeted industry standard.

<sup>5</sup> At the FY 2005 Carryover Review, a reserve was created to address the unfunded liability for post-employment benefits as a result of the Governmental Accounting Standards Board (GASB) Statement No. 45. The funding set aside in this reserve was transferred to Fund 603, OPEB Trust Fund, as part of the FY 2007 Carryover Review.