

**HEALTH SERVICE SYSTEM**  
**General Fund - Administration**  
**FY 2008-2009**  
**As of November 2008**

				% of FY Elapsed:				
		Revised			42%			
		Annual	Year To-Date	% Actual	Annual	Fav/(Unfav)		
		Budget	Actuals	to Budget	Projection	Variance	% Var	
1	Salaries & Benefits	3,747,195	1,473,475	39%	3,661,671	85,524	2.3%	1
2	Travel - Board & Staff	1,000	386	39%	1,000	0	0.0%	2
3	Training - Board & Staff	5,500	2,512	46%	5,500	0	0.0%	3
4	Rent and Contractual Services, including:	1,348,760	521,371	39%	1,348,760	(0)	0.0%	4
5	o Consulting	560,661	236,087	42%	560,661	0	0.0%	5
6	Materials & Supplies	36,644	11,435	31%	36,644	0	0.0%	6
7								7
8	Services of Other Departments, including:	780,368	176,707	23%	702,928	77,440	9.9%	8
9	o City Attorney	180,000	24,368	14%	135,000	45,000	25.0%	9
10	o Human Resources	334,533	125,664	38%	302,093	32,440	9.7%	10
11	o ISD Services	140,315	21,933	16%	140,315	0	n/a	11
12								12
13	<b>TOTAL EXPENSES</b>	<b>5,919,467</b>	<b>2,185,886</b>	<b>37%</b>	<b>5,756,503</b>	<b>162,964</b>	<b>2.8%</b>	13

Notes

- 1 The salary and fringe savings of \$85K has been transferred to a specific account set-up for the mid-year cut.
- 2 The \$45K estimated savings in City Attorney work order has been earmarked to fully satisfy the mid-year cut allocation. Based on actual charges thru November, a \$32K savings is estimated also in Worker's Compensation, absent any settlement occurring.

HEALTH SERVICE SYSTEM  
STATEMENT OF REVENUES AND EXPENSES  
FY 2008-2009  
YEAR-TO-DATE: November 2008

**ACTIVE & RETIRED COMBINED**

	Year-To-Date Revenues	Year-To-Date Expenses	Year-To-Date Net Excess(Shortage)
<b>SELF-INSURANCE</b>			
City Plan, including ASO	28,153,929	29,318,680	(1,164,751)
Flex funding - PacifiCare	19,296,279	19,273,477	22,802
Delta Dental - Active only, including ASO	15,124,276	18,121,211	(2,996,935)
<b>TOTAL SELF-INSURANCE</b>	<b>62,574,484</b>	<b>66,713,368</b>	<b>(4,138,884)</b>
<b>INSURANCE PRODUCTS</b>			
HMOs	180,253,924	179,895,314	358,610
Vision Service Plan, All (City Plan & HMO)	1,791,133	1,791,133	-
Delta Dental - Retired	3,117,951	3,092,171	25,780
Delta Care	789,937	454,736	335,201
Pacific Union	372,888	194,837	178,051
Sub-total Dental	4,280,776	3,741,744	539,032
Long Term/Short Term Disability	3,879,039	3,879,039	-
Flexible Benefits	1,813,812	1,813,812	-
Flexible Spending-Dependent Care	1,153,415	1,153,415	-
Flexible Spending -Medical Reimbursement	1,208,914	1,208,914	-
Administration & Support	429,218	81,814	347,404
<b>TOTAL INSURANCE PRODUCTS</b>	<b>194,810,231</b>	<b>193,565,185</b>	<b>1,245,046</b>
<b>SAVINGS AND INVESTMENTS</b>			
Interest	280,293	-	280,293
<b>TOTAL SAVINGS &amp; INVESTMENTS</b>	<b>280,293</b>	<b>-</b>	<b>280,293</b>
<b>TOTAL FUNDS</b>	<b>257,665,008</b>	<b>260,278,553</b>	<b>(2,613,545)</b>

SUMMARY- In million

Year-To Date Actual      FY08-09  
As of Nov 08 - Net      Projected Annual-Net

Self Insurance		
City Plan	(1.1)	(6.9) a
PacifiCare	0.0	- b
Dental, Actives	(3.0)	(1.6) c
Insurance Products		
Medical HMOs	0.4	-
Dental	0.5	-
LTD/Flexible Benefits/Flexible Spending	-	-
Administration	0.3	-
Savings & Investments		
Interest	0.3	0.7
Performance guarantees and forfeitures		0.3
<b>TOTAL</b>	<b>\$ (2.6)</b>	<b>(7.5)</b>

NOTES:

- a. Projection assumes net results expected to remain on budget, i.e., overrun of claims costs over premiums will be close to the **-\$6.9 million** (**-\$4 million** subsidy and **-\$2.9 million** stabilization amount) applied to the 2008/2009 rates.
- b. Projection assumes no significant variation in PacifiCare Flex Funded Plan, target premiums versus actual claims. Potential additional liability of up to approximately **\$8.5 million**, depending on experience (capped at 120% of target rates). Will be recovered through close-out process adopted by rates and Benefit Committee.
- c. Dental actual as of Nov 2008 is typical of prior years' where there is high claims experience during summer months. Annual projection assumes net results expected to remain on budget, i.e., overrun of claims costs over premiums will be close to the **-\$1.6 million** stabilization amount applied to the 2008/2009 rates.