Health Benefits Fund
For the period ended October 31, 2003
(amounts expressed in thousands)

| | FY2003 | FY2004 | | | | |
|---|---|---|---|---|---|---|
| | Preliminary CAFR | Adopted Budget | Current Budget | YTD | Controller's Projection | F & A Projection |
| **Operating Revenues** | | | | | | |
| City Medical Plans | $ 145,046 | $ 174,384 | $ 174,384 | $ 57,096 | $ 174,384 | $ 174,384 |
| City Dental Plans | 7,350 | 8,119 | 8,119 | 2,556 | 8,119 | 8,119 |
| City Life Insurance Plans | 5,789 | 6,091 | 6,091 | 1,918 | 6,091 | 6,091 |
| Dependent Care Reimbursement | 144 | 160 | 160 | 46 | 160 | 160 |
| **Operating Revenues** | 158,329 | 188,754 | 188,754 | 61,616 | 188,754 | 188,754 |
| Operating Expenses | | | | | | |
| City Medical Plan Claims | 143,314 | 171,575 | 171,575 | 54,365 | 171,575 | 171,575 |
| City Dental Plan Claims | 7,346 | 8,119 | 8,119 | 2,556 | 8,119 | 8,119 |
| City Life Insurance Plans | 5,788 | 6,091 | 6,091 | 1,878 | 6,091 | 6,091 |
| Administrative Costs | 2,604 | 3,206 | 3,206 | 741 | 3,206 | 3,206 |
| Dependent Care | 144 | 160 | 160 | 46 | 160 | 160 |
| **Operating Expenses** | 159,196 | 189,151 | 189,151 | 59,586 | 189,151 | 189,151 |
| Operating Income (Loss) | (867) | (397) | (397) | 2,030 | (397) | (397) |
| Nonoperating Revenues (Expenses) | | | | | | |
| Interest Income | 663 | 350 | 350 | 110 | 350 | 350 |
| Prior Year Expense Recovery | 268 | 47 | 47 | 3 | 47 | 47 |
| **Nonoperating Revenues (Expenses)** | 931 | 397 | 397 | 113 | 397 | 397 |
| Net Income (Loss) | 64 | 0 | 0 | 2,143 | 0 | 0 |
| Net Assets, Beginning of Year | 971 | 1,596 | 1,596 | 1,035 | 1,035 | 1,035 |
| Net Assets, End of Year | $ 1,035 | $ 1,596 | $ 1,596 | $ 3,178 | $ 1,035 | $ 1,035 |

**About the Fund:**
The Health Benefits Fund is an Internal Service Fund administered by the Human Resources Department. The Fund was established in 1984 to centralize the financial transactions for the City's benefit plans. In May 1994, the entire health benefits delivery system was revamped with a new system that employs aggressive managed care features. HMOBlueTexas (HMOBTX) provides Health Maintenance Organization (HMO) and Point of Service (POS) plan, with limits on annual increases. These plans are supported by contributions from the City and participants. The Fund also includes two dental plans, a dental/health maintenance organization (DHMO) and a dental indemnity plan. Both plans are supported exclusively by participants.