

Health Benefits Fund  
For the period ended December 31, 2004  
(amounts expressed in thousands)

	FY2004 Actual	FY2005				
		Adopted Budget	Current Budget	YTD	Controller's Projection	F & A Projection
<b>Operating Revenues</b>						
City Medical Plans	\$ 171,051	\$ 213,699	\$ 213,699	\$ 101,257	\$ 202,620	\$ 202,620
City Dental Plans	7,707	8,381	8,381	3,885	7,927	7,927
City Life Insurance Plans	5,486	5,456	5,456	2,617	5,444	5,444
Dependent Care Reimbursement	143	160	160	74	160	160
<b>Operating Revenues</b>	<u>184,387</u>	<u>227,696</u>	<u>227,696</u>	<u>107,833</u>	<u>216,151</u>	<u>216,151</u>
<b>Operating Expenses</b>						
City Medical Plan Claims	169,205	210,843	210,843	96,981	199,513	199,513
City Dental Plan Claims	7,707	8,381	8,381	3,885	7,927	7,927
City Life Insurance Plans	5,383	5,456	5,456	2,615	5,444	5,444
Administrative Costs	2,649	3,225	3,225	1,152	3,225	3,225
Dependent Care	143	160	160	74	160	160
<b>Operating Expenses</b>	<u>185,087</u>	<u>228,065</u>	<u>228,065</u>	<u>104,707</u>	<u>216,269</u>	<u>216,269</u>
Operating Income (Loss)	(700)	(369)	(369)	3,126	(118)	(118)
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	210	300	300	171	300	300
Prior Year Expense Recovery	222	50	50	1	50	50
<b>Nonoperating Revenues (Expenses)</b>	<u>432</u>	<u>350</u>	<u>350</u>	<u>172</u>	<u>350</u>	<u>350</u>
Net Income (Loss)	(268)	(19)	(19)	3,298	232	232
Net Assets, Beginning of Year	1,036	768	768	768	768	768
Net Assets, End of Year	<u>\$ 768</u>	<u>\$ 749</u>	<u>\$ 749</u>	<u>\$ 4,066</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>

**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.