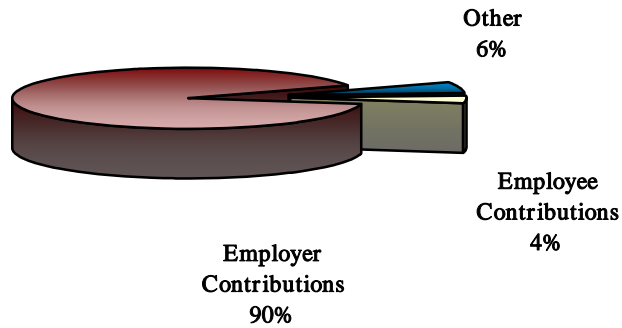


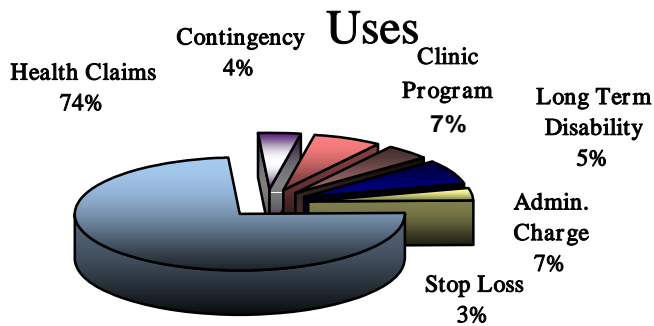
CITY OF PORT ST. LUCIE MEDICAL TRUST FUND ANNUAL BUDGET 2008-09

Revenue Source	Amount
Employer Contributions	\$13,019,371
Employee Contributions	600,000
Non-Employee Revenue	412,000
Fund Balance	448,385
Total	\$14,479,756

Sources



Uses



Expenditure by Function	Amount
Health Claims	\$10,750,000
Long Term Disability	656,250
Contingency	623,600
Clinic Program	949,906
Stop Loss	500,000
Admin. Charges	1,000,000
Total	\$14,479,756

Medical Trust Fund

This fund tracks the accumulation of the employee and employer contributions that fund the total cost of the Health Insurance Program for the city staff. The City is self-insured for Health Insurance and directly benefits from any period of favorable claim ratios. A system of internal rates is used to charge the various department budgets based on the number of participants and their type of coverage. In order to create a steady revenue flow for this fund, the departments are charged based on their budgeted staffing level regardless of any vacancies. Included in this fund's budget is the cost for the City Clinic which is available for the covered employees and dependents.

Major Revenue Source

The largest revenue for this fund is the employer contributions toward employee health insurance. This figure is charged as an expense to the operating department while it is a revenue to this fund. The total revenue will increase by the 20% rate increase as well as the very slight increase in the number of employees

and is budgeted to reach \pm \$10.5 million. The other sizeable revenue for this fund is employee contributions, which are expected to be \$600,000 in FY2008-09. Under consideration is a slight increase to the employee contribution for exempt employees. The employee contribution hasn't increased in years while the City's cost has suffered 10 to 20% annual increases.

Expenditure Trends

The health insurance claims being paid are the largest expense in this fund. The level of claims expense has traditionally increased each year due to the cost of health care as well as the number of participants. The City Clinic is producing savings but the current year's claims cost is rising much faster due to the number of high cost cases. There have been a number of serious illnesses among the covered participants. The projected claims cost is set at the same level as the prior year and it is hoped that in the proposed 2008-09 year, the same level of claims cost can be achieved

CITY OF PORT ST. LUCIE
APPROVED BUDGET - MEDICAL TRUST FUND #605
FY 2008-09

	AUDITED 2005-06 *****	AUDITED 2006-07 *****	ESTIMATED 2007-08 *****	APPROVED 2008-09 *****
REVENUES & SOURCES:				
Employee Contributions	\$513,119	\$556,651	\$575,000	\$600,000
Employer Contribution	8,956,832	10,195,065	9,951,314	13,019,371
Stop Loss Ins. Proceeds	0	0	593,407	0
Non-Employee Revenue	298,097	347,425	350,000	400,000
Refund of Prior Year Costs	0	0	0	0
Interest Income & Misc.	236,774	539,143	12,000	12,000
Fund Transfer	0	0	3,953,746	0
Budgeted Cash Carryforward	0	0	(1,469,661)	448,385
Totals	\$10,004,822	\$11,638,284	\$13,965,806	\$14,479,756
EXPENDITURES:				
Insurance Program				
Administrative Charges -Administrator	\$827,696	\$882,272	\$950,000	\$1,000,000
Disability, Vision & Other Ins.	604,996	618,718	625,000	656,250
Stop Loss	360,619	391,525	415,000	500,000
Health/Dental Insurance Claims	8,025,336	10,902,271	10,579,527	10,750,000
Financial Policy Contingency	0	0	0	623,600
Totals	\$9,818,647	\$12,794,786	\$12,569,527	\$13,529,850
Clinic Program				
Salary Cost of City Staff	\$0	\$14,002	\$0	\$0
Professional Fees	0	299,157	923,000	930,000
Other Contractual Services	0	0	4,110	4,500
Electricity	0	0	1,905	2,200
Water	0	0	330	350
Sewer	0	0	700	800
Rental of Building	0	0	10,056	10,056
Repairs of Building	0	0	2,000	2,000
Administrative Fees	0	0	0	0
Office Equipment	0	0	0	0
Improvements - Bldg	0	0	5,793	0
Totals	\$0	\$313,159	\$947,894	\$949,906
Total Expenditures	\$9,818,647	\$13,107,945	\$13,517,421	\$14,479,756
Contingency - Future Years	\$0	\$0	\$0	\$0
SURPLUS <DEFICIT>	\$186,175	(\$1,469,661)	\$448,385	\$0