

**2006 Adopted Financial Plan
Safety and Claims Management / 5420**

	2004 Actual ¹	2005 Adopted ²	2005 Estimated ³	2006 Adopted	2007 Projected	2008 Projected
Beginning Fund Balance	8,050,149	7,797,981	6,065,077	7,096,801	13,728,994	21,200,052
Revenues						
* Charges for Service ⁴	23,750,782	28,846,294	28,490,139	37,083,146	40,216,672	43,614,981
* Miscellaneous Revenue ⁵	807,640	844,177	844,177	844,177	911,711	984,648
* Interest Income	160,982	201,416	201,416	201,416	510,519	809,151
Total Revenues	24,719,404	29,891,887	29,535,732	38,128,739	41,638,902	45,408,780
Expenditures						
* Operating Expenditures ⁶	(26,704,476)	(3,734,853)	(3,720,273)	(3,563,491)	(3,741,666)	(3,928,749)
* Direct Claim Expenditures ⁷		(18,746,974)	(18,746,974)	(21,538,851)	(23,434,270)	(25,496,486)
* Indirect Claim Expenditures		(4,600,000)	(4,600,000)	(5,300,000)	(5,766,400)	(6,273,843)
* Excess Insurance Premiums ⁸		(1,436,761)	(1,436,761)	(1,094,204)	(1,225,508)	(1,372,569)
* Contingency Reserve		(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Total Expenditures	(26,704,476)	(30,518,588)	(30,504,008)	(33,496,546)	(36,167,844)	(39,071,647)
Estimated Underexpenditures		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Other Fund Transactions						
*						
Total Other Fund Transactions	0	0	0	0	0	0
Ending Fund Balance	6,065,077	9,171,280	7,096,801	13,728,994	21,200,052	29,537,185
Less: Reserves & Designations						
* Worker's Compensation Claim Liabilities ^{9,10}	(14,130,048)	(19,528,402)	(53,856,000)	(58,595,328)	(63,751,717)	(69,361,868)
* Worker's Compensation Reserve Shortfall	8,064,971	10,357,122	46,759,199	44,866,334	42,551,664	39,824,683
Total Reserves & Designations	(6,065,077)	(9,171,280)	(7,096,801)	(13,728,994)	(21,200,052)	(29,537,185)
Ending Undesignated Fund Balance	--	--	--	--	--	--
Target Fund Balance ¹¹	14,130,048	19,528,402	53,856,000	58,595,328	63,751,717	69,361,868

Financial Plan Notes:

¹ From 2005 1st Quarter Report.

² From 2005 Council Adopted Budget.

³ From 2005 2nd Quarter Report.

⁴ Service charges increase 8.45% annually to build liability reserves.

⁵ Miscellaneous revenues projected to grow 8% annually in 2007 and 2008.

⁶ Operating expenditures projected to grow 5% annually in 2007 and 2008.

⁷ Direct, indirect claims and worker's compensation claim liabilities projected to grow 8.8% annually in 2007 and 2008.

⁸ Insurance premiums projected to grow 12% annually in 2007 and 2008.

⁹ From 2005 actuary estimate for claim liabilities.

¹⁰ Industrial insurance rates increased as per a fund balance accumulation plan, to build fund balance to fully fund the actuarial liability.

¹¹ Target fund balance to equal Worker's Compensation Claim Liabilities.