

Risk Management/5520

		2006 Actual ¹	2007 Adopted ²	2007 Estimated	2008 Adopted	2009 Estimated	2010 Estimated
LOSSES LIMITED TO \$1 MILLION	Beginning Fund Balance	6,404,826	6,294,421	9,982,312	5,587,878	3,121,429	2,297,542
	Revenues						
	* Interfund Charges ³	22,735,359	23,139,357	23,139,357	23,029,770	26,484,236	27,808,447
	* Interest Revenue	3,025,383	2,902,784	3,283,908	3,508,567	3,578,739	3,578,739
	* Other Miscellaneous Revenues	503,686					
	Total Revenues	26,264,428	26,042,141	26,423,265	26,538,337	30,062,974	31,387,186
	Expenditures						
	* Claims Costs (limited to first \$1mil)	(9,258,077)	(14,507,520)	(13,640,739)	(14,177,511)	(15,090,134)	(15,391,937)
	* Insurance Premiums	(7,654,680)	(9,786,716)	(7,584,805)	(8,086,722)	(8,846,346)	(9,023,273)
	* Prosecutors and ORM Overhead	(3,082,891)	(3,768,904)	(3,730,603)	(3,940,268)	(3,985,452)	(4,094,837)
	* Transfers to Other Funds (MARR)	(274,928)	(274,928)	(274,928)	(280,427)	(286,035)	(291,756)
	* Encumbrance Carryover			(586,623)			
	Total Expenditures⁴	(20,270,576)	(28,338,068)	(25,817,698)	(26,484,928)	(28,207,967)	(28,801,802)
Other Fund Transactions							
* Adjustments for Incurred Losses ⁵	(2,416,366)	(1,011,798)		(2,519,859)	(2,678,894)	(2,848,020)	
* Transfer to Cat Loss Fund			(5,000,000)				
Total Other Fund Transactions	(2,416,366)	(1,011,798)	(5,000,000)	(2,519,859)	(2,678,894)	(2,848,020)	
Ending Undesignated Fund Balance	9,982,312	2,986,696	5,587,878	3,121,429	2,297,542	2,034,905	
CATASTROPHIC LOSS RESERVES (above the \$1 Million per occurrence threshold)	Beginning Cash Balance	14,077,424	12,534,215	9,580,792	14,724,046	15,481,792	16,247,115
	Revenues						
	* Cat Loss Insurance Recoveries			1,349,448			
	* Interest Revenue	537,304	672,385	672,385	757,746	765,323	772,977
	* Other Adjs-Transfer from Reg. Prog.			5,000,000			
	Total Revenues	537,304	672,385	7,021,833	757,746	765,323	772,977
	Expenditures						
	* Claims Costs > \$1.0 million Threshold	(5,033,936)		(1,878,579)			
	Total Expenditures	(5,033,936)	0	(1,878,579)	0	0	0
	Ending Fund Balance⁵	9,580,792	13,206,599	14,724,046	15,481,792	16,247,115	17,020,091
Less: Reserves & Designations							
* Reserved for Losses Over \$1Million ⁶	(19,956,000)	(21,203,000)	(21,203,000)	(21,203,000)	(21,203,000)	(21,203,000)	
Total Reserves & Designations	(19,956,000)	(21,203,000)	(21,203,000)	(21,203,000)	(21,203,000)	(21,203,000)	
Ending Undesignated Fund Balance	(10,375,208)	(7,996,401)	(6,478,954)	(5,721,208)	(4,955,885)	(4,182,909)	

Financial Plan Notes:

In general, this financial plan is most significantly affected by annual updates to actuary estimates of incurred claims. Its financial portrayal of the Insurance Fund is based on the 2007 actuary report that revised estimates of losses for policy years 1991-2006.

¹ 2006 Actuals are from the 2006 CAFR

² 2007 Council Adopted Budget.

³ Rates are projected to rise 2.5% from 07 adopted to 08 proposed; 10% average increase from 2008 to 2009, 5% from 2009 to 2010.

⁴ Growth in total expenditures are projected to increase between 2%-6% overall from 2008 - 2010

⁵ Difference between actuary's estimate of incurred losses vs. cash flow/actual expenditures for limited losses.

⁶ Per actuary's estimates-- Assumed \$2.5 million Self Insured Retention (SIR).