



Fiscal Year Review

TOTAL COST:

	<i>FY '06-07 est projected</i>	<i>FY '05-06 est projected</i>	<i>FY '04-05 actual</i>
TOTAL			
Paid Claims	\$18,041,132.40	\$16,500,764.27	\$15,229,421.83
Fixed Expenses	\$1,372,857.27	\$1,440,661.30	\$1,342,304.11
TOTAL	\$19,413,989.66	\$17,941,425.57	\$16,571,725.94
<i>Change versus prior year</i>	+8.21%	+8.27%	----
Average per employee per month	\$686.69	\$639.24	\$607.07
<i>Change versus prior year</i>	+7.42%	+5.30%	----
Average per member per month	\$350.26	\$325.25	\$308.50
<i>Change versus prior year</i>	+7.69%	+5.43%	----

NOTES:

General:

- Projected enrollment for FY'06-07 based on July 2006 enrollment. No future increases or decreases assumed.
- Unless otherwise indicated by the line of coverage, averages per employee and per member are based on the medical enrollment.
- Paid claims figures shown NOT include reinsurance reimbursements and Covenant rebates.

Run-out claim reserves:

Based on a preliminary independent actuarial report paid for by the City of Lubbock and completed by the Wakely Consulting Group in January 2006, it was estimated that run-out claims for FY'04-05 would be \$2,233,260. Actual claim run-out to date, through July 31, 2006, is \$1,624,925. Estimated run-out for FY'05-06 is between \$1.8 million and \$1.9 million, based on healthcare trend and recent enrollment levels.