

FISCAL YEAR 2004 BUDGET

Fund Summary

Fund Name : Long Term Disability
Department Name : Human Resources
Fund/Department No. : 926 / 80

	<u>FY2003 BUDGET</u>	<u>FY2003 ESTIMATE</u>	<u>FY2004 BUDGET</u>
Beginning Fund Balance	81,935	81,935	34,852
Current Revenues	<u>1,378,400</u>	<u>1,292,629</u>	<u>1,210,250</u>
Total Available Resources	<u><u>1,460,335</u></u>	<u><u>1,374,564</u></u>	<u><u>1,245,102</u></u>
Maintenance and Operations	<u>1,378,400</u>	<u>1,339,712</u>	<u>1,225,102</u>
Total Expenditures	1,378,400	1,339,712	1,225,102
Planned Ending Fund Balance	<u>81,935</u>	<u>34,852</u>	<u>20,000</u>
Total Budget	<u><u>1,460,335</u></u>	<u><u>1,374,564</u></u>	<u><u>1,245,102</u></u>

The above summarized the FY2003 Budget, the FY2003 Estimate and the FY2004 Budget for the Long Term Disability Fund. Also included are the beginning and ending fund balances, total available resources and total expenditures.

The Long Term Disability (LTD) Plan is a self-insured program accounted for as an Internal Service Fund. Established in 1985 and revised in 1996 as a part of the Income Protection Plan (IPP) (renamed the Compensable Sick Leave Plan (CSL) in October, 1996), the Plan provides paid long-term sick leave for City employees. Employees hired after September 1, 1985 are automatically covered under CSL. In October 1985, employees hired prior to September 1, 1985 had an opportunity to select the new Plan or stay with the Modified Sick Plan (MS). Effective September 1, 2001, the meet and confer agreement for Classified Police Officers established a new plan - Paid Time Off (PTO), replacing their benefits available from this fund.

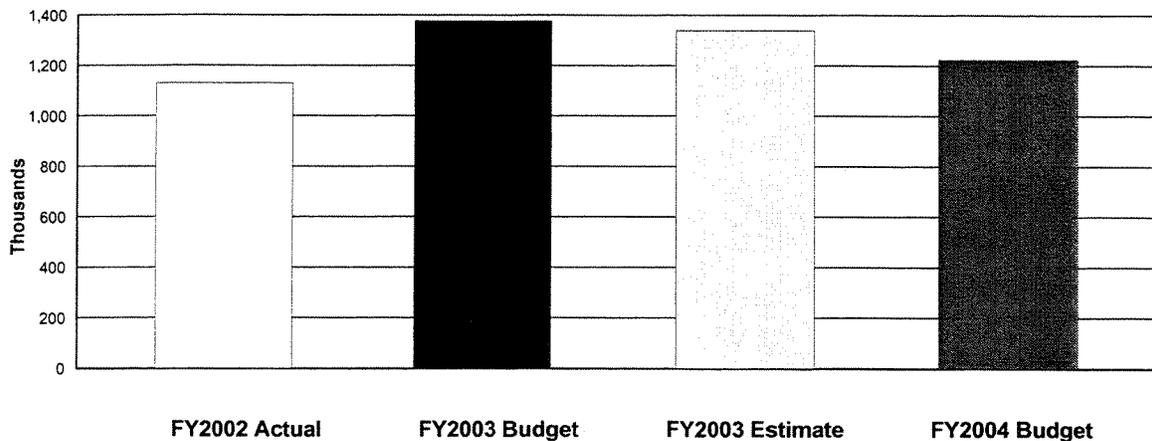
A new defined employee is eligible for LTD coverage after a two-year waiting period. Once covered under the Plan, there is a waiting period of six months before benefits are paid for an eligible illness/injury. The LTD Fund is funded solely by the City through premiums charged to the departments based on the number of employees they have covered by the Plan. These premiums cover the cost of all benefits (claims) to employees and third party administrative fees. The claim costs are determined by an annual actuarial valuation.

The Human Resources Department is responsible for administering the Long Term Disability Plan and strives to coordinate benefit plans to avoid possible duplication. The objectives within the confines of a balanced budget are to maintain contribution at the lowest possible rate, to facilitate claims of eligible employees qualifying for benefits, and to provide benefits to participants at the maximum rates allowed by the Plan.

FISCAL YEAR 2004 BUDGET

Department Budget Summary					
Fund Name : Long Term Disability Department Name : Human Resources Fund/Department No. : 926 / 80					
		<u>FY2002 Actual</u>	<u>FY2003 Budget</u>	<u>FY2003 Estimate</u>	<u>FY2004 Budget</u>
Expenditure Summary	Other Services and Charges	1,130,079	1,378,400	1,339,712	1,225,102
	Total M & O Expenditures	1,130,079	1,378,400	1,339,712	1,225,102
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	1,130,079	1,378,400	1,339,712	1,225,102
Revenue Summary		1,063,433	1,378,400	1,292,629	1,210,250
Staffing Summary	Full-Time Equivalents - Civilian	0.0	0.0	0.0	0.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	0.0	0.0	0.0	0.0
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	<ul style="list-style-type: none"> o The FY2004 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for individuals receiving workers compensation and eligible applicants in the Long Term Disability (LTD) program. o Contributions from City departments are based on decreasing contribution rates of \$8.28/month per employee to \$7.70/month per employee. The eligible employee base is estimated at 11,375. o In FY2002, claims costs were lower due to a future claims severity adjustment determined by an annual actuarial valuation performed by an independent actuarial firm. 				

**Long Term Disability
Human Resources
Expenditure Summary**



FISCAL YEAR 2004 BUDGET

Department Program Summary

Fund Name : Long Term Disability
Department Name : Human Resources
Fund/Department No. : 926 / 80

Program Description	Program Objectives
<p>Long Term Disability 1500</p> <p>Administer, analyze, and fund the City's Long Term Disability Plan for eligible employees.</p>	<p>Process long-term disability claims for eligible employees. The claim costs are actuarially determined.</p>

FISCAL YEAR 2004 BUDGET

Department Program Summary									
Fund Name : Long Term Disability									
Department Name : Human Resources									
Fund/Department No. : 926 / 80									
Program Performance Measures	FY2002 Actual			FY2003 Estimate			FY2004 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Manage LTD claimants	153			172			175		
Actuarial valuation	1			1			1		
	0.0	1,130,079		0.0	1,339,712		0.0	1,225,102	
Total	<u>0.0</u>	<u>1,130,079</u>		<u>0.0</u>	<u>1,339,712</u>		<u>0.0</u>	<u>1,225,102</u>	

FISCAL YEAR 2004 BUDGET

Department Revenue Summary

Fund Name : Long Term Disability
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Source	Description	Program Org	Program Name	FY2003 Budget	FY2003 Estimate	FY2004 Budget
7356	Interfund Billing-Ltdisability	1500	Long Term Disability	1,122,629	1,122,629	1,051,050
8300	Interest On Pooled Investments	1500	Long Term Disability	255,771	170,000	159,200
Total Human Resources				<u>1,378,400</u>	<u>1,292,629</u>	<u>1,210,250</u>

FISCAL YEAR 2004 BUDGET

Fund Name : Long Term Disability
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ACCT	DESCRIPTION	FY2002 Actual	FY2003 Budget	FY2003 Estimate	FY2004 Budget
3200	Claims Payment Services	103,339	108,400	108,400	130,000
3250	Employee Medical Claims	1,018,125	1,260,000	1,221,312	1,085,102
3335	Management Consulting Services	8,615	10,000	10,000	10,000
Total Other Services and Charges		<u>1,130,079</u>	<u>1,378,400</u>	<u>1,339,712</u>	<u>1,225,102</u>
Grand Total Expenditures		<u><u>1,130,079</u></u>	<u><u>1,378,400</u></u>	<u><u>1,339,712</u></u>	<u><u>1,225,102</u></u>