Fund Summary

Fund Name : **Long Term Disability**
Business Area Name : **Human Resources**
Fund No./Bus. Area No. : **9001 / 8000**

	FY2007 Budget	FY2007 Estimate	FY2008 Budget
Beginning Fund Balance	887,869	887,869	**1,359,974**
Current Revenues	2,312,079	2,480,535	**2,286,368**
Total Available Resources	3,199,948	3,368,404	**3,646,342**
Maintenance and Operations	2,312,079	2,008,430	**2,286,368**
Total Expenditures	2,312,079	2,008,430	**2,286,368**
Planned Ending Fund Balance	887,869	1,359,974	**1,359,974**
Total Budget	3,199,948	3,368,404	**3,646,342**

The long term disability plan is a self insured program which is accounted for as an internal service fund. The plan was established in 1985 and modified several times since then. The most recent change occurred in 2001 when classified police officers were removed from the plan as a result of Meet and Confer negotiations which replaced their disability insurance with a Paid Time Off (PTO) program.

The plan is actuarially funded, which means that each year's expenditures are a combination of current payments to disabled employees and an amount needed to ensure the long term financial soundness of the fund. An independent actuary makes a determination of the most likely future trends in expenditures and investment return and suggests an appropriate contribution.

Each new permanent full time employee (other than classified police officers) is eligible for LTD coverage 2 ½ years after their start date. The Human Resources Department administers the plan and coordinates benefits to disabled employees in a way to avoid possible duplication of benefits with other insurance programs.

Like all internal service funds, the Long Term Disability Fund derives its revenue from transfers from other City departments, through premium charges contained in each department's budget (GL expense acct 503060.) These premium charges cover the actuarially-determined contributions as discussed above plus an amount for third party administrative fees.

Business Area Budget Summary

Fund Name : **Long Term Disability**
Business Area Name : **Human Resources**
Fund No./Bus. Area No. : **9001 / 8000**

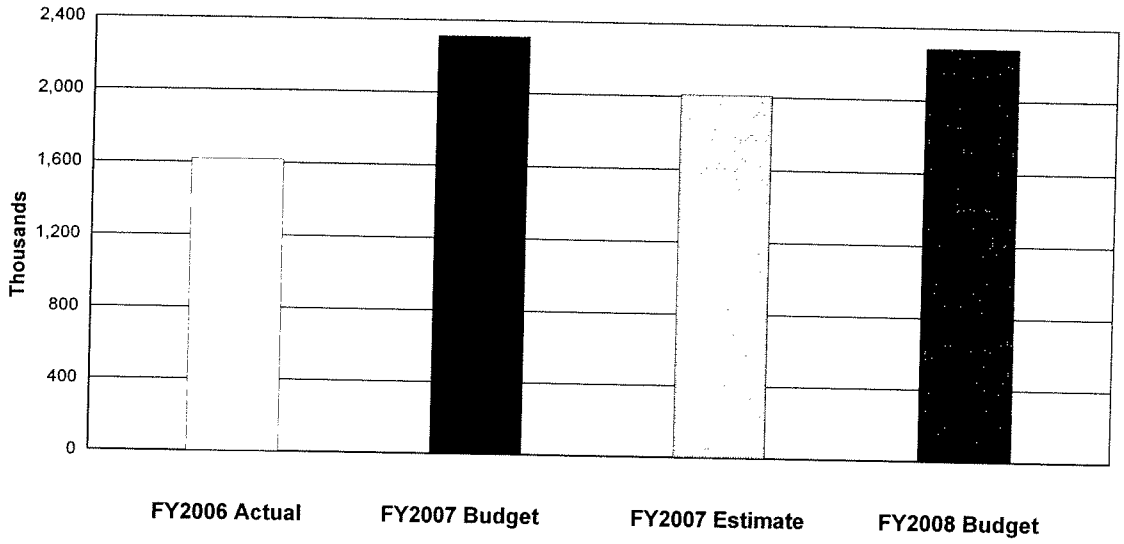
		FY2006 Unaudited	FY2007 Budget	FY2007 Estimate	FY2008 Budget
Expenditures	Other Services and Charges	1,617,891	2,312,079	2,008,430	**2,286,368**
	Total M & O Expenditures	1,617,891	2,312,079	2,008,430	**2,286,368**
	Debt Service & Other Uses	0	0	0	**0**
	Total Expenditures	1,617,891	2,312,079	2,008,430	**2,286,368**
Revenues		2,489,556	2,312,079	2,480,535	**2,286,368**
Staffing	Full-Time Equivalents - Civilian	0.0	0.0	0.0	**0.0**
	Full-Time Equivalents - Classified	0.0	0.0	0.0	**0.0**
	Full-Time Equivalents - Cadets	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

- The FY2008 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for eligible applicants in the Long Term Disability (LTD) program.
- Contributions from City departments are based on contribution rate of $11.90/month (FY2007 $13.22/month) per eligible employee . The FY2008 average eligible employee base is estimated at 13,560.
- Normalize operations with SAP implementation.

Long Term Disability
Human Resources

Expenditure Summary



Business Area Cost Center Summary

Fund Name : **Long Term Disability**
Business Area Name : **Human Resources**
Fund No./Bus Area No. : **9001 / 8000**

Cost Center Description	Cost Center Objectives
Benefits Financial/ Reporting **8000120001** Administer, analyze, and fund the City's Long Term Disability Plan for eligible employees.	Process long-term disability claims for eligible employees. The claim costs are actuarially determined.

Business Area Cost Center Summary

Fund Name : **Long Term Disability**
Business Area Name : **Human Resources**
Fund No./Bus Area No. : **9001 / 8000**

Performance Measures	FY2006 Unaudited			FY2007 Estimate			FY2008 Budget		
	Activities	FTEs	Costs $	Activities	FTEs	Costs $	Activities	FTEs	Costs $
Manage LTD claimants	198			200			**220**		
Actuarial valuation	1			1			**1**		
		0.0	1,617,891		0.0	2,008,430		**0.0**	**2,286,368**
Total		0.0	1,617,891		0.0	2,008,430		**0.0**	**2,286,368**

Business Area Revenue Summary

Fund Name : Long Term Disability
Business Area Name : Human Resources
Fund No./Bus Area No. : 9001 / 8000

Commit Item	Description	FY2007 Budget	FY2007 Estimate	**FY2008 Budget**
8000120001	**Benefits Financial/ Reporting**			
429010	Interfund Billing - Long Term Disability	2,067,079	2,130,535	**1,936,368**
432010	Interest on Pooled Investments	245,000	350,000	**350,000**
Total	**Benefits Financial/ Reporting**	2,312,079	2,480,535	**2,286,368**
Total	**Human Resources**	2,312,079	2,480,535	**2,286,368**

Business Area Expenditure Summary

Fund Name : **Long Term Disability**
Business Area Name : **Human Resources**
Fund No./Bus. Area No. : **9001 / 8000**

Commit Item	Description	FY2006 Unaudited	FY2007 Budget	FY2007 Estimate	**FY2008 Budget**
520104	Claims Payment Services	139,568	160,000	160,000	**160,000**
520110	Management Consulting Services	11,033	11,500	11,500	**11,500**
522605	Active Employee Incurred Claims	1,467,290	2,140,579	1,836,930	**2,114,868**
Total	**Other Services and Charges**	**1,617,891**	**2,312,079**	**2,008,430**	**2,286,368**
	Grand Total Expenditures	**1,617,891**	**2,312,079**	**2,008,430**	**2,286,368**