Fund Summary

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

	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
Beginning Fund Balance	1,401,766	1,401,766	**156,835**
Current Revenues	1,606,806	1,552,461	**1,568,924**
Total Available Resources	3,008,572	2,954,227	**1,725,759**
Maintenance and Operations	2,859,192	2,797,392	**1,705,759**
Other Interfund Transfers	0	0	**0**
Total Expenditures	2,859,192	2,797,392	**1,705,759**
Planned Ending Fund Balance	149,380	156,835	**20,000**
Total Budget	3,008,572	2,954,227	**1,725,759**

The Long Term Disability (LTD) 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. In 2001, classified police officers were removed from the plan as a result of Meet and Confer negotiations, which replaced their disability plan with a Paid Time Off (PTO) program. Effective September 1, 2008, each new permanent full time employee (other than classified police officers) is eligible for LTD coverage after one year of employment (previously two years).

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.

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. A third-party administrator determines eligibility and pays claims.

Like all internal service funds, the Long Term Disability Fund derives its revenue from other City departments by transfer, through premium charges contained in each department's budget (GL expense acct 503060 & 503061). These premium charges cover the actuarially-determined contributions as discussed above plus an amount for third-party administrative fees.

Business Area Budget Summary

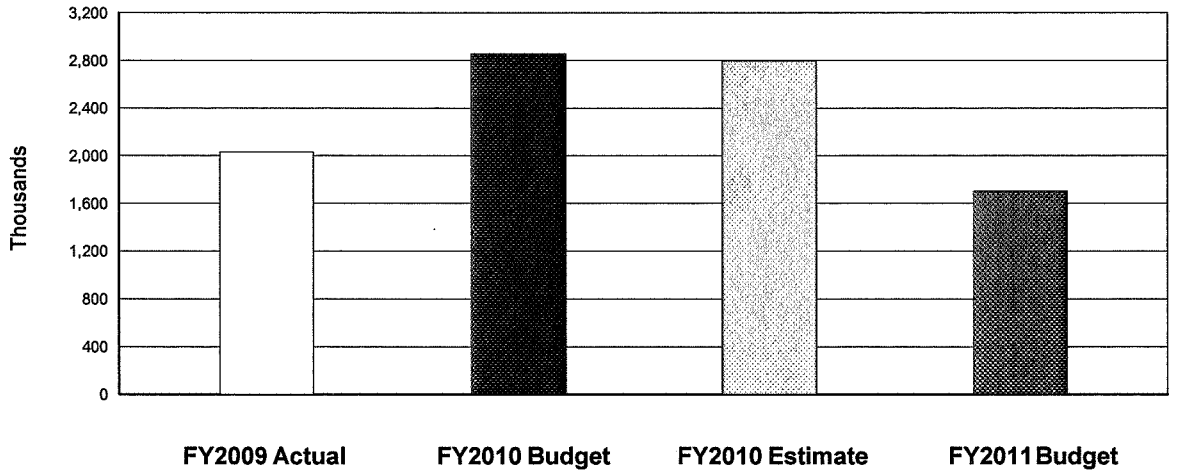
Fund Name : Long Term Disability
Business Area Name : Human Resources
Fund No./Bus. Area No. : 9001 / 8000

		FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
Expenditures	Other Services and Charges	786,997	2,859,192	2,797,392	**1,705,759**
	Total M & O Expenditures	786,997	2,859,192	2,797,392	**1,705,759**
	Debt Service & Other Uses	1,243,042	0	0	**0**
	Total Expenditures	2,030,039	2,859,192	2,797,392	**1,705,759**
Revenues		387,855	1,606,806	1,552,461	**1,568,924**
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**

Significant Budget Changes and Highlights

- The FY2011 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for eligible employees in the Long Term Disability (LTD) program.
- The FY2011 contributions from City departments are based on FY2010 contribution rate of $7.06/month per eligible employee. The FY2011 average eligible employee base is estimated at 15,450.

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 Administration **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	FY2009 Actual			FY2010 Estimate			FY2011 Budget		
	Activities	FTEs	Costs $	Activities	FTEs	Costs $	Activities	FTEs	Costs $
Manage LTD claimants	184			200			**200**		
Actuarial valuation	1			1			**1**		
		0.0	2,030,039		0.0	2,797,392		**0.0**	**1,705,759**
Total		0.0	2,030,039		0.0	2,797,392		**0.0**	**1,705,759**

Business Area Revenue Summary

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

Commit Item	Description	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
8000120001	**Benefits Administration**			
429010	Interfund Billing - Long Term Disability	1,306,806	1,312,461	**1,308,924**
432010	Interest on Pooled Investments	300,000	240,000	**260,000**
Total	**Benefits Administration**	**1,606,806**	**1,552,461**	**1,568,924**
Total	**Human Resources**	**1,606,806**	**1,552,461**	**1,568,924**

Business Area Expenditure Summary

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

Commit Item	Description	FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
520104	Claims Payment Services	130,701	170,000	150,000	**170,000**
520110	Management Consulting Services	11,500	56,300	14,500	**57,050**
522605	Active Employee Incurred Claims	644,796	2,632,892	2,632,892	**1,478,709**
Total	**Other Services and Charges**	**786,997**	**2,859,192**	**2,797,392**	**1,705,759**
531135	Interfund Transfers	243,042	0	0	**0**
532005	Transfers to General Fund	1,000,000	0	0	**0**
Total	**Debt Service and Other Uses**	**1,243,042**	**0**	**0**	**0**
	Grand Total Expenditures	**2,030,039**	**2,859,192**	**2,797,392**	**1,705,759**