Fund Summary

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

	FY2015 Current Budget	FY2015 Estimate	FY2016 Budget
Beginning Fund Balance	1,456,615	1,456,615	**1,294,523**
Current Revenues	1,331,529	1,341,327	**1,344,348**
Total Available Resources	2,788,144	2,797,942	**2,638,871**
Maintenance and Operations	1,551,419	1,503,419	**1,666,510**
Total Expenditures	1,551,419	1,503,419	**1,666,510**
Planned Ending Fund Balance	1,236,725	1,294,523	**972,361**
Total Budget	2,788,144	2,797,942	**2,638,871**

The above summarizes the FY2015 Current Budget, the FY2015 Estimate and the FY2016 Budget for the Long Term Disability (LTD) Internal Service Fund. Also included are the beginning and ending fund balances, total revenues and total expenditures.

The LTD plan is a self-insured program established in 1985 and has been modified several times. 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 (G/L expense accounts 503060-Long Term Disability Civilian and/or 503061-Long Term Disability Classified). These premium charges cover the actuarially-determined contributions as discussed above plus an amount for third-party administrative fees.

Business Area Budget Summary

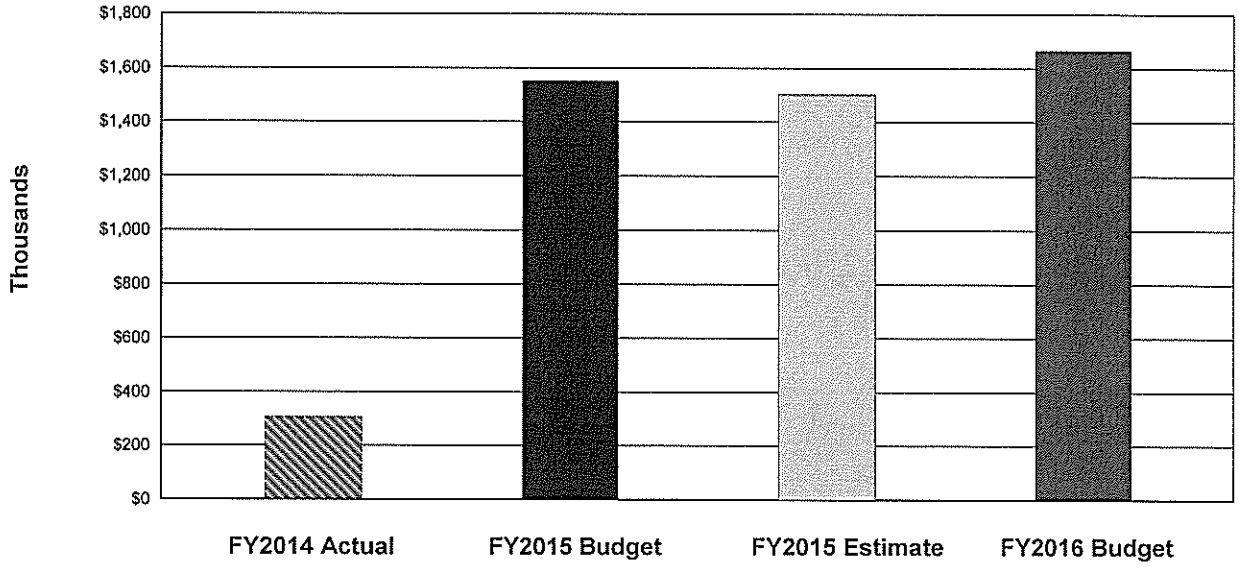
Fund Name : Long Term Disability
Business Area : Human Resources
Fund No. /Bus. Area No. : 9001 / 8000

		FY2014 Actual	FY2015 Current Budget	FY2015 Estimate	FY2016 Budget
Expenditures	Other Services and Charges	306,396	1,551,419	1,503,419	**1,666,510**
	Total M & O Expenditures	306,396	1,551,419	1,503,419	**1,666,510**
	Debt Service & Other Uses	0	0	0	**0**
	Total Expenditure	306,396	1,551,419	1,503,419	**1,666,510**
Revenues		1,320,365	1,331,529	1,341,327	**1,344,348**
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 FY2016 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for eligible employees in the LTD program.
- The FY2016 contributions from City departments are based on FY2015 contribution rate of $7.06/month per eligible employee. The FY2016 average eligible employee base is estimated at 15,095 employees.

Long Term Disability
Human Resources
Expenditure Summary



Division Summary

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

Division Description	FY2014 Actual FTEs	FY2014 Actual Costs $	FY2015 Estimate FTEs	FY2015 Estimate Costs $	FY2016 Budget FTEs	FY2016 Budget Costs $
Benefits Administration 800012						
Processes long term disability claims for eligible employees. The claim costs are actuarially determined.	0.0	306,396	0.0	1,503,419	**0.0**	**1,666,510**
Total	**0.0**	**306,396**	**0.0**	**1,503,419**	**0.0**	**1,666,510**

Business Area Revenue Summary

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

Commit Item	Description	FY2015 Current Budget	FY2015 Estimate	FY2016 Budget
8000120001	**Strategic Benefits Operations**			
429010	Interfund Billing - Long Term Disability	1,269,529	1,276,327	1,278,848
432010	Interest on Pooled Investments	62,000	65,000	65,500
Total	Human Resources	1,331,529	1,341,327	1,344,348

Business Area Expenditure Summary

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

Commit Item	Description	FY2014 Actual	FY2015 Current Budget	FY2015 Estimate	FY2016 Budget
520104	Claims Payment Services	110,545	165,000	165,000	170,000
520110	Management Consulting Services	22,000	70,000	22,000	114,270
522605	Active Employee Incurred Claims	173,851	1,316,419	1,316,419	1,382,240
Total	Other Services and Charges	306,396	1,551,419	1,503,419	1,666,510
Grand Total Expenditures		306,396	1,551,419	1,503,419	1,666,510