

FISCAL YEAR 2011 BUDGET

Fund Summary

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

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

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.

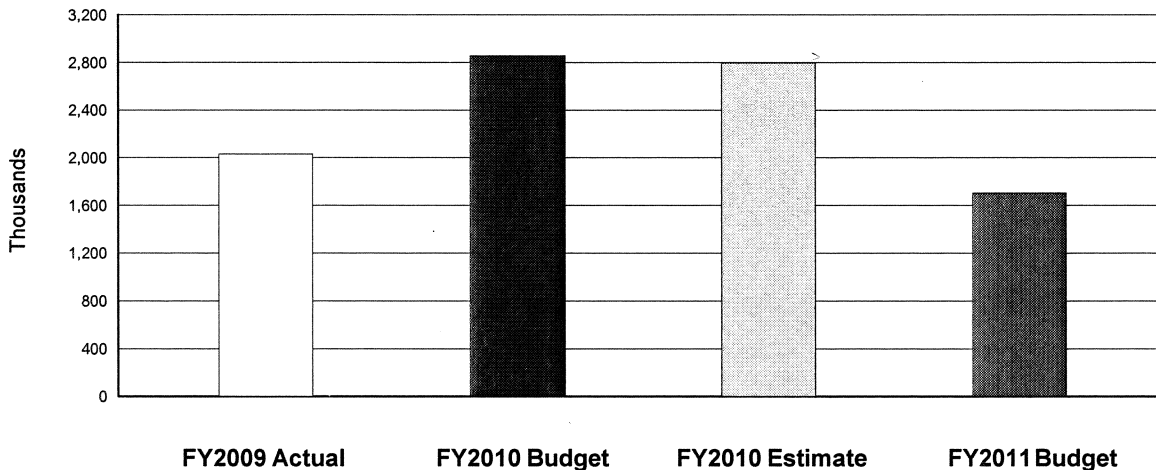
The Human Resources Department administers the plan and coordinates benefits to disabled employees in a way to avoid possible duplication of benefits with other insurance programs. A third-party administrator determines eligibility and pays claims.

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.

FISCAL YEAR 2011 BUDGET

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	<ul style="list-style-type: none"> o 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. o 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.

FISCAL YEAR 2011 BUDGET

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		<u>0.0</u>	<u>2,030,039</u>		<u>0.0</u>	<u>2,797,392</u>		<u>0.0</u>	<u>1,705,759</u>

FISCAL YEAR 2011 BUDGET

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	<u>1,606,806</u>	<u>1,552,461</u>	<u>1,568,924</u>
Total	Human Resources	<u><u>1,606,806</u></u>	<u><u>1,552,461</u></u>	<u><u>1,568,924</u></u>

FISCAL YEAR 2011 BUDGET

Business Area Expenditure Summary

Fund Name : Long Term Disability
 Business Area Name : Human Resources
 Fund 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