

FISCAL YEAR 2014 BUDGET

Fund Summary

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

	<u>FY2013 Current Budget</u>	<u>FY2013 Estimate</u>	<u>FY2014 Budget</u>
Beginning Fund Balance	1,062,378	1,062,378	1,020,042
Current Revenues	<u>1,359,968</u>	<u>1,315,832</u>	<u>1,326,239</u>
Total Available Resources	<u><u>2,422,346</u></u>	<u><u>2,378,210</u></u>	<u><u>2,346,281</u></u>
Maintenance and Operations	1,419,968	1,358,168	1,480,380
Total Expenditures	<u>1,419,968</u>	<u>1,358,168</u>	<u>1,480,380</u>
Planned Ending Fund Balance	<u>1,002,378</u>	<u>1,020,042</u>	<u>865,901</u>
Total Budget	<u><u>2,422,346</u></u>	<u><u>2,378,210</u></u>	<u><u>2,346,281</u></u>

The above summarizes the FY2013 Current Budget, the FY2013 Estimate and the FY2014 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 account 503060 and 503061). These premium charges cover the actuarially-determined contributions as discussed above plus an amount for third-party administrative fees.

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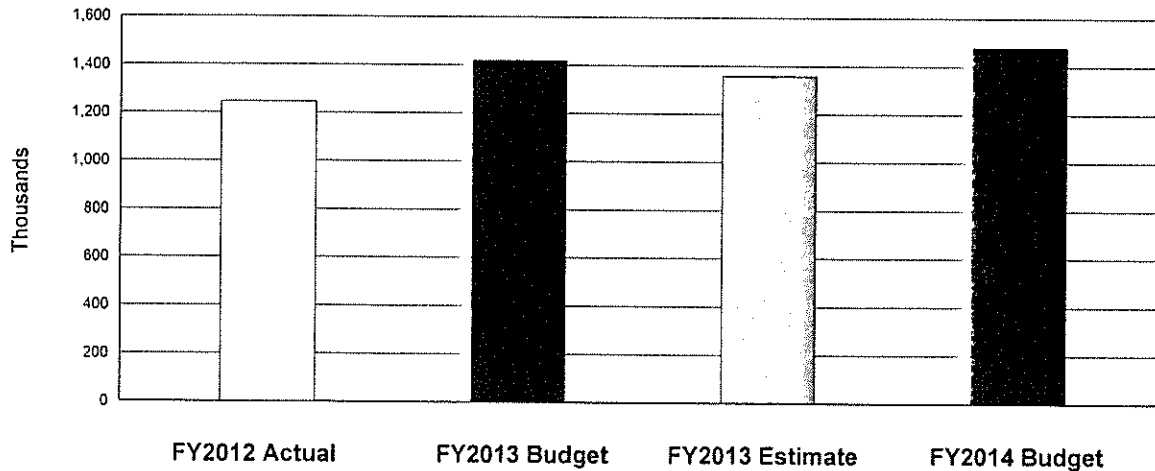
FISCAL YEAR 2014 BUDGET

Business Area Budget Summary

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

	FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
Expenditures	Other Services and Charges	1,245,271	1,419,968	1,358,168
	Total M & O Expenditures	1,245,271	1,419,968	1,358,168
	Debt Service & Other Uses	0	0	0
	Total Expenditures	1,245,271	1,419,968	1,358,168
Revenues	1,339,459	1,359,968	1,315,832	1,326,239
Staffing	Full-Time Equivalents - Civilian	0.0	0.0	0.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0
	Full-Time Equivalents - Cadets	0.0	0.0	0.0
	Total	0.0	0.0	0.0
	Full-Time Equivalents - Overtime	0.0	0.0	0.0
Significant Budget Changes and Highlights	<ul style="list-style-type: none"> o The FY2014 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for eligible employees in the LTD program. o The FY2014 contributions from City departments are based on FY2013 contribution rate of \$7.06/month per eligible employee. The FY2014 average eligible employee base is estimated at 14,415 employees. 			

**Long Term Disability
 Human Resources
 Expenditure Summary**



FISCAL YEAR 2014 BUDGET

Business Area Performance Measures					
Fund Name : Long Term Disability					
Business Area Name : Human Resources					
Fund No./Bus Area No. : 9001 / 8000					
Customer Measures	Priorities	FY2012 Actual	FY2013 Budget	FY2013 Estimate	FY2014 Budget
Business Process Measures					
People and Technology Measures					
Financial Measures					
Expenditures Budget vs Actual Utilization	F	88%	98%	96%	98%
Revenues Budget vs Actual Utilization	F	104%	100%	97%	100%
Mayor's Five Priorities: Jobs and Sustainable Development (J) Fiscal Responsibility (F)		Public Safety (P) Quality of Life (Q)		Infrastructure (I)	

FISCAL YEAR 2014 BUDGET

Division Summary

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

Division Description	FY2012 Actual		FY2013 Estimate		FY2014 Budget	
	FTEs	Cost \$	FTEs	Cost \$	FTEs	Cost \$
Benefits Administration 800012 Process long term disability claims for eligible employees. The claim costs are actuarially determined.	0.0	1,245,271	0.0	1,358,168	0.0	1,480,380
Total	0.0	1,245,271	0.0	1,358,168	0.0	1,480,380

FISCAL YEAR 2014 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	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
8000120001	Strategic Benefits Operations			
429010	Interfund Billing - Long Term Disability	1,219,968	1,215,832	1,221,239
432010	Interest on Pooled Investments	140,000	100,000	105,000
Total	Strategic Benefits Operations	<u>1,359,968</u>	<u>1,315,832</u>	<u>1,326,239</u>
Total	Human Resources	<u>1,359,968</u>	<u>1,315,832</u>	<u>1,326,239</u>

FISCAL YEAR 2014 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	FY2012 Actual	FY2013 Current Budget	FY2013 Estimate	FY2014 Budget
520104	Claims Payment Services	124,173	170,000	150,000	170,000
520110	Management Consulting Services	16,000	58,800	17,000	65,000
522605	Active Employee Incurred Claims	1,105,098	1,191,168	1,191,168	1,245,380
Total	Other Services and Charges	1,245,271	1,419,968	1,358,168	1,480,380
Grand Total Expenditures		1,245,271	1,419,968	1,358,168	1,480,380