

FISCAL YEAR 2018 BUDGET

Fund Summary

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

	<u>FY2017 Current Budget</u>	<u>FY2017 Estimate</u>	<u>FY2018 Budget</u>
Beginning Fund Balance	1,236,795	1,236,795	1,150,231
Current Revenues	1,358,355	1,358,355	1,380,563
Total Available Resources	<u>2,595,150</u>	<u>2,595,150</u>	<u>2,530,794</u>
Maintenance and Operations	1,644,919	1,444,919	1,664,771
Total Expenditures	<u>1,644,919</u>	<u>1,444,919</u>	<u>1,664,771</u>
 Planned Ending Fund Balance	 <u>950,231</u>	 <u>1,150,231</u>	 <u>866,023</u>
Total Budget	<u><u>2,595,150</u></u>	<u><u>2,595,150</u></u>	<u><u>2,530,794</u></u>

The above summarizes the FY2017 Budget, the FY2017 Estimate and the FY2018 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 a proper 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.

FISCAL YEAR 2018 BUDGET

Business Area Budget Summary

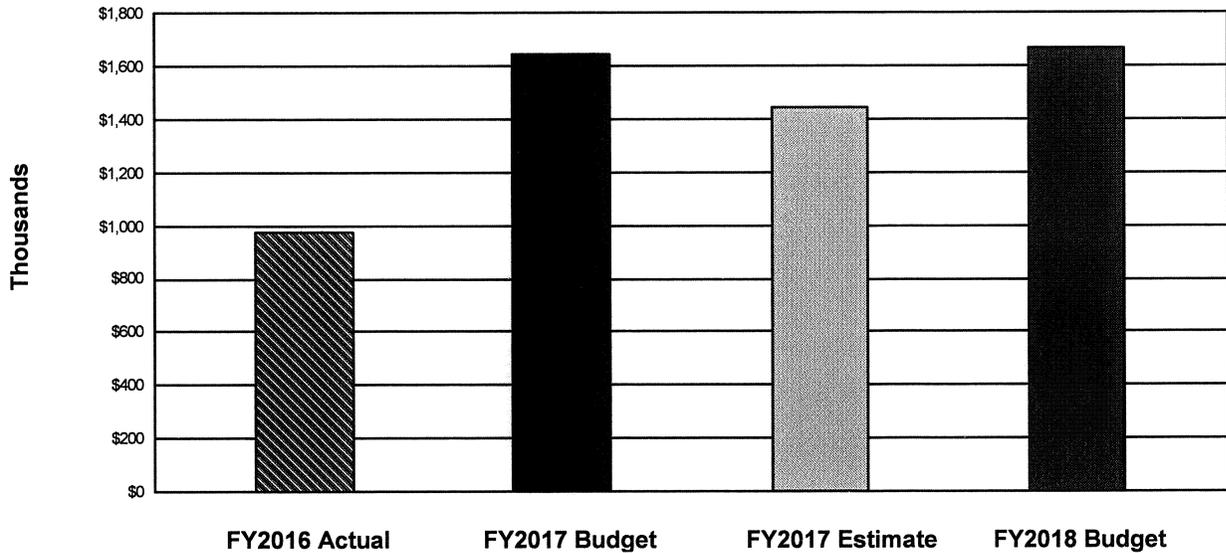
Fund Name : Long Term Disability
Business Area : Human Resources
Fund No. /Bus. Area No. : 9001 / 8000

		FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Expenditures	Other Services and Charges	974,342	1,644,919	1,444,919	1,664,771
	Total M & O Expenditures	974,342	1,644,919	1,444,919	1,664,771
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	974,342	1,644,919	1,444,919	1,664,771
Revenues		1,383,026	1,358,355	1,358,355	1,380,563
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

- o The FY2018 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for eligible employees in the LTD program.
- o The FY2018 contributions from City departments are based on FY2018 contribution rate of \$7.06/month per eligible employee. The FY2018 average eligible employee base is estimated at 15,310 employees.

**Long Term Disability
Human Resources
Expenditure Summary**



FISCAL YEAR 2018 BUDGET

Division Summary							
Fund Name : Long Term Disability Business Area : Human Resources Fund No. /Bus Area No. : 9001 / 8000							
Division Description	FY2016 Actual		FY2017 Estimate		FY2018 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
Benefits Administration 800012 Process long term disability claims for eligible employees. The claim costs are actuarially determined.	0.0	974,342	0.0	1,444,919	0.0	1,664,771	
Total	0.0	974,342	0.0	1,444,919	0.0	1,664,771	

FISCAL YEAR 2018 BUDGET

Business Area Revenues Summary

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

Category	FY2016 Actual	FY2017 Current Budget	FY2017 Estimate	FY2018 Budget
Direct Interfund Services	1,305,721	1,284,355	1,284,355	1,297,063
Interest	77,305	74,000	74,000	83,500
Grand Total Revenues	<u><u>1,383,026</u></u>	<u><u>1,358,355</u></u>	<u><u>1,358,355</u></u>	<u><u>1,380,563</u></u>