

FISCAL YEAR 2022 BUDGET

Fund Summary

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

	<u>FY2021 Current Budget</u>	<u>FY2021 Estimate</u>	<u>FY2022 Budget</u>
Beginning Fund Balance	2,423,957	2,423,957	1,176,499
Current Revenues	1,447,744	202,756	782,507
Total Available Resources	<u>3,871,701</u>	<u>2,626,713</u>	1,959,006
Maintenance and Operations	1,492,500	1,450,214	1,467,500
Total Expenditures	<u>1,492,500</u>	<u>1,450,214</u>	1,467,500
Planned Ending Fund Balance	<u>2,379,201</u>	<u>1,176,499</u>	491,506
Total Budget	<u><u>3,871,701</u></u>	<u><u>2,626,713</u></u>	<u>1,959,006</u>

The above summarizes the FY2021 Budget, the FY2021 Estimate and the FY2022 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 2022 BUDGET

Business Area Budget Summary

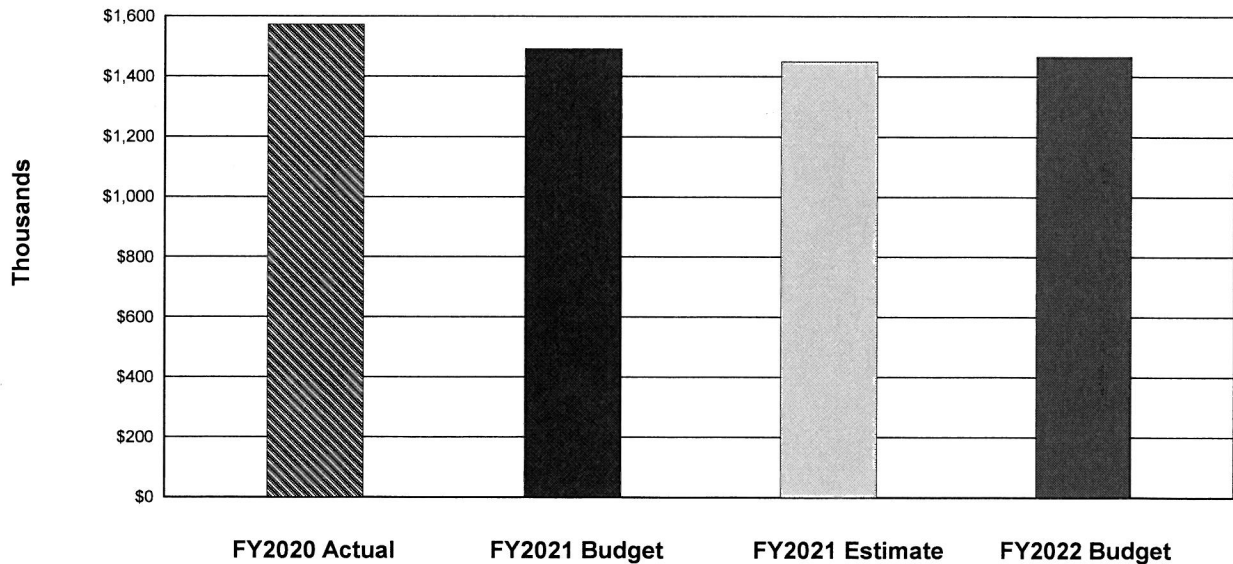
Fund Name : Long Term Disability
Business Area : Human Resources
Fund No. /Bus. Area No. : 9001 / 8000

		FY2020 Actual	FY2021 Current Budget	FY2021 Estimate	FY2022 Budget
Expenditures	Other Services and Charges	1,572,606	1,492,500	1,450,214	1,467,500
	Total M & O Expenditures	<u>1,572,606</u>	<u>1,492,500</u>	<u>1,450,214</u>	<u>1,467,500</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	<u>1,572,606</u>	<u>1,492,500</u>	<u>1,450,214</u>	<u>1,467,500</u>
Revenues		1,462,975	1,447,744	202,756	782,507
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	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	0.0

Significant Budget Changes and Highlights

- o The FY2022 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for eligible employees in the LTD program.
- o The FY2022 contributions from City departments are based on FY2022 contribution rate of \$3.76/month per eligible employee. The FY2022 average eligible employee base is estimated at 15,113 employees.

**Long Term Disability
Human Resources
Expenditure Summary**



FISCAL YEAR 2022 BUDGET

Division Summary							
Fund Name : Long Term Disability Business Area : Human Resources Fund No. /Bus Area No. : 9001 / 8000							
Division Description	FY2020 Actual		FY2021 Estimate		FY2022 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
HR - Benefits Administration 800012 Our mission is to be a strategic partner by providing Human Resources programs that attract, develop, retain, and engage a skilled and diverse workforce. Our vision is to be universally recognized for Human Resources excellence and as a premier employer. Processes long term disability claims for eligible employees. The claim expenses are actuarially determined.	0.0	1,572,606	0.0	1,450,214	0.0	1,467,500	
Total	0.0	1,572,606	0.0	1,450,214	0.0	1,467,500	

FISCAL YEAR 2022 BUDGET

Business Area Revenues Summary

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

Category	FY2020 Actual	FY2021 Current Budget	FY2021 Estimate	FY2022 Budget
Direct Interfund Services	1,271,563	1,287,744	1,280,012	681,888
Interest	188,962	160,000	122,244	100,619
Miscellaneous/Other	2,450	0	500	0
Other Resources	0	0	(1,200,000)	0
Grand Total Revenues	<u><u>1,462,975</u></u>	<u><u>1,447,744</u></u>	<u><u>202,756</u></u>	<u><u>782,507</u></u>