

FISCAL YEAR 2019 BUDGET

Fund Summary

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

	<u>FY2018 Current Budget</u>	<u>FY2018 Estimate</u>	<u>FY2019 Budget</u>
Beginning Fund Balance	1,594,013	1,594,013	1,363,627
Current Revenues	1,380,563	1,434,385	1,388,924
Total Available Resources	<u>2,974,576</u>	<u>3,028,398</u>	<u>2,752,551</u>
Maintenance and Operations	1,664,771	1,664,771	1,695,233
Total Expenditures	<u>1,664,771</u>	<u>1,664,771</u>	<u>1,695,233</u>
Planned Ending Fund Balance	<u>1,309,805</u>	<u>1,363,627</u>	<u>1,057,318</u>
Total Budget	<u><u>2,974,576</u></u>	<u><u>3,028,398</u></u>	<u><u>2,752,551</u></u>

The above summarizes the FY2018 Budget, the FY2018 Estimate and the FY2019 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.

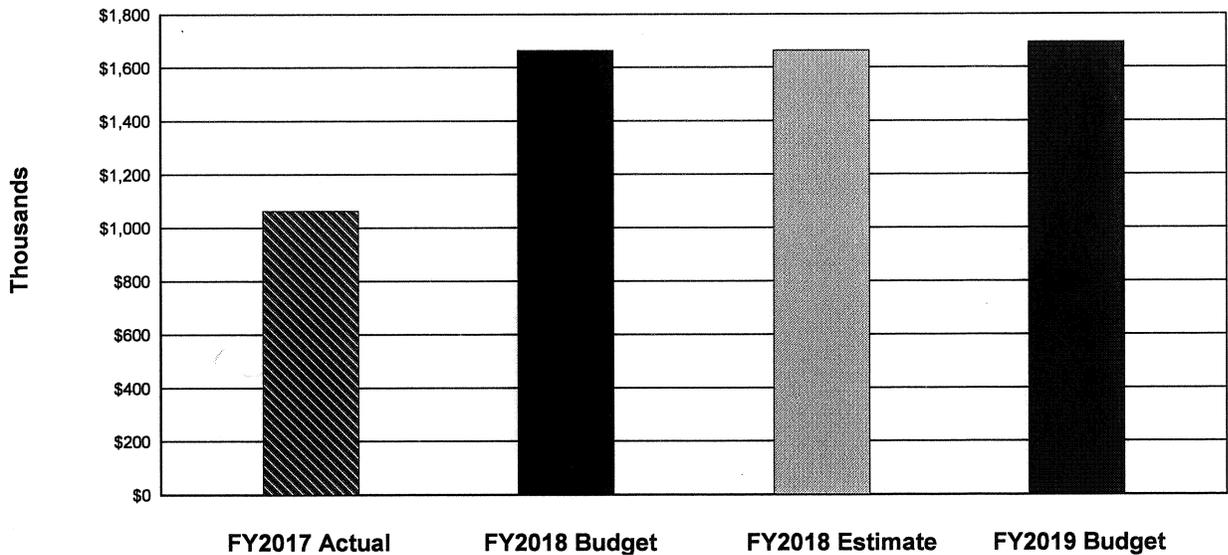
FISCAL YEAR 2019 BUDGET

Business Area Budget Summary

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

		FY2017 Actual	FY2018 Current Budget	FY2018 Estimate	FY2019 Budget
Expenditures	Other Services and Charges	1,063,177	1,664,771	1,664,771	1,695,233
	Total M & O Expenditures	1,063,177	1,664,771	1,664,771	1,695,233
	Debt Service & Other Uses	0	0	0	0
	Total Expenditure	1,063,177	1,664,771	1,664,771	1,695,233
Revenues		1,420,395	1,380,563	1,434,385	1,388,924
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 FY2019 Budget continues funding on a full accrual basis supported by actuarial valuation and includes benefits for eligible employees in the LTD program. o The FY2019 contributions from City departments are based on FY2019 contribution rate of \$7.06/month per eligible employee. The FY2019 average eligible employee base is estimated at 15,450 employees. 				

**Long Term Disability
Human Resources
Expenditure Summary**



FISCAL YEAR 2019 BUDGET

Division Summary							
Fund Name : Long Term Disability							
Business Area : Human Resources							
Fund No. /Bus Area No. : 9001 / 8000							
Division Description	FY2017 Actual		FY2018 Estimate		FY2019 Budget		
	FTEs	Costs \$	FTEs	Costs \$	FTEs	Costs \$	
HR - Benefits Administration 800012							
Process long term disability claims for eligible employees. The claim costs are actuarially determined.	0.0	1,063,177	0.0	1,664,771	0.0	1,695,233	
Total	0.0	1,063,177	0.0	1,664,771	0.0	1,695,233	

FISCAL YEAR 2019 BUDGET

Business Area Revenues Summary

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

Category	FY2017 Actual	FY2018 Current Budget	FY2018 Estimate	FY2019 Budget
Direct Interfund Services	1,321,917	1,297,063	1,313,385	1,308,924
Interest	98,478	83,500	121,000	80,000
Grand Total Revenues	<u><u>1,420,395</u></u>	<u><u>1,380,563</u></u>	<u><u>1,434,385</u></u>	<u><u>1,388,924</u></u>