

Unemployment Fund

Mission Statement

It is the mission of the Unemployment Tax Fund to provide services for unemployment costs to former employees.

Primary Functions → The primary function of the Unemployment Tax Fund is to account for all unemployment expenditures.

Fund Highlights

The City operates a self-insured unemployment tax program with financing provided by premiums charged to departments based on a percentage of the first \$9,000 salary. The City will continue to strive to provide this program to former employees while maintaining responsible costs for the taxpayers through its self-insured program.

Budget Summary

UNEMPLOYMENT TAX FUND BUDGET SUMMARY					
	2010	2011	2012	2013	INCREASE
APPROPRIATION	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
CONTRACTUAL	<u>\$188,808</u>	<u>\$104,483</u>	<u>\$169,720</u>	<u>\$168,307</u>	<u>(\$1,413)</u>
TOTAL	<u>\$188,808</u>	<u>\$104,483</u>	<u>\$169,720</u>	<u>\$168,307</u>	<u>(\$1,413)</u>
FUNDING SOURCE	2010	2011	2012	2013	INCREASE
PROPERTY TAXES	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>(DECREASE)</u>
UNEMPLOYMENT TA	<u>\$55,920</u>	<u>\$51,989</u>	<u>\$169,720</u>	<u>\$168,307</u>	<u>(\$1,413)</u>
INTERFUND TRANSFE	<u>10,833</u>	<u>29,145</u>	<u>29,502</u>	<u>27,860</u>	<u>(1,642)</u>
INTEREST INCOME	<u>1,174</u>	<u>279</u>	<u>900</u>	<u>900</u>	<u>0</u>
TOTAL	<u>\$67,927</u>	<u>\$81,413</u>	<u>\$200,122</u>	<u>\$197,067</u>	<u>(\$3,055)</u>

Budget Analysis

- The property tax rate for unemployment compensation is unlimited by statute. The 2013 estimated rate is 0.82 cents, changed from the prior year's 0.78 cent rate.

Five Year Financial Forecast

The 2014-2018 five-year forecast assumes that unemployment costs will increase 3% annually and that premiums will be adjusted as necessary during this period. The unemployment rate charged to operating departments has remained stable at 2.0% (180) of the first \$9,000 of salary per employee for 2013. For the 2014 – 2018 planning period, the rate will be 2.0% (\$180).

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UNEMPLOYMENT COMPENSATION FUND 2014-2018 FINANCIAL FORECAST (IN \$000'S)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues	\$171	\$175	\$179	\$184	\$188
Expenses	<u>60</u>	<u>1</u>	<u>63</u>	<u>65</u>	<u>66</u>
Excess (Deficit)	<u>111</u>	<u>174</u>	<u>116</u>	<u>119</u>	<u>122</u>
Beginning Balance	<u>(20)</u>	<u>91</u>	<u>265</u>	<u>381</u>	<u>500</u>
Ending Balance	<u>\$91</u>	<u>\$265</u>	<u>\$381</u>	<u>\$500</u>	<u>\$622</u>
Property Tax Rates (in cents)	0.9	0.9	0.9	0.9	0.9

**CITY OF ROCKFORD
NEXT YEAR/CURRENT YEAR BUDGET ANALYSIS
UNEMPLOYMENT COMPENSATION FUND**

	2011 ACTUAL	2012 BUDGET	7 MO ACTUAL	2013 BUDGET	CHANGE 13-12
72229 Unemployment Benefit	104,237	169,470	23,948	168,057	(1,413)
72282 Audit	246	250	-	250	-
TOTAL CONTRACTUAL	104,483	169,720	23,948	168,307	(1,413)
 TOTAL UNEMPLOYMENT COMPENSATION FUND	 104,483	 169,720	 23,948	 168,307	 (1,413)