

# 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 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					
APPROPRIATION	2007 <u>ACTUAL</u>	2008 <u>BUDGET</u>	2008 <u>ACTUAL</u>	2009 <u>BUDGET</u>	INCREASE (DECREASE)
CONTRACTUAL	<u>\$8,825</u>	<u>\$74,196</u>	<u>\$77,143</u>	<u>\$74,896</u>	<u>\$700</u>
TOTAL	<u>\$8,825</u>	<u>\$74,196</u>	<u>\$77,143</u>	<u>\$74,896</u>	<u>\$700</u>
FUNDING SOURCE	2008		2009		2009
	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	
PROPERTY TAXES					
UNEMPLOYMENT TAX	\$63,755	82.9	\$64,173	82.5	
INTERFUND TRANSFERS	10,441	13.6	10,723	13.8	
INTEREST INCOME	<u>2,700</u>	<u>3.5</u>	<u>2,900</u>	<u>3.7</u>	
TOTAL	<u>\$76,896</u>	<u>100.0</u>	<u>\$77,796</u>	<u>100.0</u>	

## Budget Analysis

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 property tax rate for unemployment compensation is unlimited by statute. The 2009 estimated rate is 0.3 cents, unchanged from the prior year's rate.

## Five Year Financial Forecast

The 2010-2014 five-year forecast assumes that unemployment costs will increase 5% annually and that premiums will be adjusted as necessary during this period.

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## UNEMPLOYMENT COMPENSATION FUND 2010-2014 FINANCIAL FORECAST (IN \$000'S)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues	\$80	\$81	\$81	\$81	\$81
Expenses	<u>77</u>	<u>81</u>	<u>85</u>	<u>90</u>	<u>94</u>
Excess (Deficit)	<u>3</u>	<u>0</u>	<u>(4)</u>	<u>(9)</u>	<u>(13)</u>
Beginning Balance	<u>75</u>	<u>78</u>	<u>78</u>	<u>74</u>	<u>65</u>
Ending Balance	<u>\$78</u>	<u>\$78</u>	<u>\$74</u>	<u>\$65</u>	<u>\$52</u>
Property Tax Rates (in cents)	0.3	0.3	0.3	0.3	0.3