

# CITY AUDITOR'S REPORT

## MONDAY, JUNE 9, 2014

### 2014 UNEMPLOYMENT COMPENSATION

THE UNEMPLOYMENT COMPENSATION EXPENSES FOR THE 1<sup>ST</sup> QUARTER OF 2014 WERE \$16,510.11. THE 2014 BUDGET ALLOCATES \$100,000 FOR UNEMPLOYMENT COMPENSATIONS COSTS.

THE FOLLOWING CHART ILLUSTRATES THE UNEMPLOYMENT COSTS OF THE CITY FOR YEARS 1996- 2014-1<sup>ST</sup> QUARTER:

YEAR	BUDGET	ACTUAL EXPENSE	VARIANCE
1996	\$44,856.00	\$40,732.38	\$4,123.62
1997	\$55,000.00	\$94,088.09	<b>-\$39,088.09</b>
1998	\$55,000.00	\$25,086.87	\$29,913.13
1999	\$55,000.00	\$26,085.08	\$28,914.92
2000	\$55,000.00	\$123,742.39	<b>-\$68,742.39</b>
2001	\$55,000.00	\$42,710.14	\$12,289.86
2002	\$55,000.00	\$33,494.50	\$21,505.50
2003	\$12,000.00	\$60,765.63	<b>-\$48,765.63</b>
2004	\$100,000.00	\$166,192.84	<b>-\$66,192.84</b>
2005	\$100,000.00	\$72,140.44	\$27,859.56
2006	\$100,000.00	\$52,913.27	\$47,086.73
2007	\$100,000.00	\$62,466.08	\$37,533.92
2008	\$80,000.00	\$58,968.37	\$21,031.63
2009	\$100,000.00	\$133,061.92	<b>-\$33,061.92</b>
2010	\$755,000.00	\$465,816.47	\$289,183.53
2011	\$475,000.00	\$227,164.19	\$247,835.81
2012	\$275,000.00	\$133,050.01	\$141,949.99
2013	\$150,000.00	\$37,836.85	\$112,163.15
2014	\$100,000.00	\$16,510.11	

**BOLD INDICATES DEFICIT.**

## **ACTUARY REPORTS-PENSION FUNDS**

I AM WORKING WITH THE ADMINISTRATIVE SERVICES DEPARTMENT IN REVIEWING PROPOSED ASSUMPTION CHANGES RELATED TO THE CITY'S THREE (3) PENSION FUNDS: (POLICE, FIRE, AND OFFICER'S & EMPLOYEES) FROM OUR PENSION ACTUARY MOCKENHAUPT BENEFITS GROUP.

THESE POTENTIAL CHANGES COULD HAVE A MATERIAL EFFECT UPON FUTURE ANNUAL BUDGETARY REQUIREMENTS FOR THE CITY BEGINNING WITH THE 2015 BUDGET.

WE ALSO NEED TO WORK WITH PFM FOR THEIR INSIGHT AND ANALYSIS. ALSO, THE PENSION BOARDS ARE THE VOTING, DECISION MAKING BODY WHETHER TO ACCEPT ALL, SOME OR NONE OF THE ACTUARY'S RECOMMENDATIONS.

I WILL INCLUDE IN MY NEXT REPORT A PENSION FUNDING ANALYSIS FOR ALL PENSION PLANS FOR THE PAST TWO DECADES INCLUDING ACTUARIAL ASSET VALUES, ACCRUED LIABILITIES, UNFUNDED ACCRUED LIABILITIES AND FUNDED RATIOS.