

**CITY OF HAMILTON
PERFORMANCE AUDIT REPORT 2017-01
RESERVES**

EMPLOYEE BENEFIT OBLIGATIONS AND RELATED RESERVES

**Table 1 – 2015 Accrued Employee Benefits Obligation Compared to Funding
(in \$000s)**

| | <u>Liability</u> | <u>Reserves</u> |
|--|------------------|-----------------|
| Sick Leave Benefit Plan | 55,029 | 7,550 |
| Long Term Disability | 22,729 | 17,169 |
| Workplace Safety & Insurance Board Liabilities | 75,572 | 42,936 |
| Retirement Benefits | 138,789 | - |
| Vacation Benefits | 26,077 | 1,438 |
| Pension Benefit Plans | 26,268 | - |
| | <u>344,464</u> | <u>69,093</u> |
| Net Unamortized Actuarial Gain | 4,543 | - |
| Pension & Retirement Reserves | - | 3,698 |
| Other Benefit Reserves | - | 26,927 |
| Total | <u>349,007</u> | <u>99,718</u> |
| Less: Funded liabilities | <u>22,380</u> | |
| Total Unfunded liability | <u>326,627</u> | |

**Table 2 – Reserve Funding Attributable to Accrued Employee Benefit Obligations
(in \$000s)**

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|---------------|----------------|---------------|---------------|---------------|
| Accrued Benefits Obligation | 349,007 | 334,709 | 318,645 | 307,514 | 288,993 |
| Employee Related Reserves Total | 98,280 | 99,355 | 94,240 | 89,795 | 84,598 |
| Provision for Vacation Liability Police | 1,438 | 1,406 | 1,373 | 1,341 | 1,308 |
| Total Reserve | <u>99,718</u> | <u>100,761</u> | <u>95,613</u> | <u>91,136</u> | <u>85,906</u> |
| Funding Percentage | 29% | 30% | 30% | 30% | 30% |