

## LRB - FISCAL SECTION ANALYSIS

JULY 21, 2004

ITEM 22, FILE 040350

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #040350 is a resolution appropriating \$21,919.26 from the Common Council Contingent Fund to supplement the 2004 Special Purpose Account-Firemen's Relief Fund.

### **Background**

1. The Firemen's Relief Fund Special Purpose Account is utilized to help defray the costs of the Fire Department Relief Association, established under Section 20-18 of the City Charter.
2. The City Fire Department Relief Association provides members death benefits. The members are active and retired Fire Department employees.
3. The funds received by the association through the Firemen's Relief Fund Special Purpose Account are invested in equities and fixed-income securities until distributed to beneficiaries.
4. The funding level for this SPA is established by City Charter (s.20.18-2) and is equivalent to 1/8 of the amount of the State Aids for Fire Insurance Premiums ("Fire Dues"). The funding level for the Firemen's Relief Fund reflects estimated changes in the State Fire Dues appropriation.
5. The 2004 budgeted appropriation for this SPA is \$90,000.
6. As of July 16, 2004, the Common Council Contingent Fund's balance was \$4,474,318.

### **Discussion**

The fire insurance premiums received from the State were higher than appropriated in the 2004 Budget; the City's 2004 appropriation was based on prior year's experience. The amount of funding required by the City Charter is \$111,919.26. This is \$21,919.26 more than the \$90,000 appropriated for this purpose in 2004 Budget.

### **Fiscal Impact**

The resolution authorizes the expenditure of \$21,919.26 from the Common Council Contingent Fund.

cc: Marianne Walsh  
W. Martin Morics

Prepared by: James Carroll, 286-8679  
LRB-Fiscal Review  
July 19, 2004