

**LRB-FISCAL REVIEW SECTION ANALYSIS**

**FINANCE AND PERSONNEL COMMITTEE  
FEBRUARY 5, 2003**

**ITEM 6, FILE # 021475  
MARK A. RAMION**

File # 021475 is a resolution appropriating \$221,302 from the 2002 Common Council Contingent Fund for payment of Basic Plan claims expenses.

**Background**

This resolution appropriates \$221,302 from the 2002 Common Council Contingent Fund to the Department of Employee Relations (DER) Claims Special Purpose Account for payment of Basic Plan expenses for 2002.

**Discussion**

1. The City of Milwaukee's Basic Health Plan is funded through the Claims sub-account, a component of the health care special purpose account.
2. The 2002 Claims sub-account is funded for \$26.775 million.
3. In November 2002, \$726,578 was transferred from the Claims sub-account to fund anticipated expenditures for the HMO sub-account. In January 2003, \$480,594 was transferred back to the Claims sub-account from unused HMO, dental and health cost-containment funds.
4. A total of \$536,029.44 has been transferred to the 2002 Claims account from the health care sub-accounts. Upon these transfers, the health claims account will have an unfunded balance of \$202,302.
5. This Contingent Fund request represents less than 1% of the budget for the 2002 health Claims sub-account.
6. DER does not anticipate further expenses for the 2002 Claims sub-account.

**Fiscal Impact**

1. The total amount of this resolution is \$221,302, to be appropriated from the 2002 Common Council Contingent Fund.
2. On January 31, 2003, the 2002 Common Council Contingent Fund had a balance of \$2,729,172. Upon approval of this request and File # 021471, a balance of \$2,307,870 will remain.

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