

LRB – RESEARCH AND ANALYSIS

SEPTEMBER 19, 2007

ITEM 15, FILE 070620

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #070620 is a resolution relating to the expenditure of funds to be reimbursed by greater than anticipated revenue.

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. The City of Milwaukee is annually required to pay the Fire Department Relief Association 1/8 of the amount of the State Aids for Fire Insurance Premiums (“Fire Dues”).
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 2007 budgeted appropriation for this SPA is \$117,000.
5. Section 304-91 of the Milwaukee Code of Ordinances establishes procedural guidelines related to the expenditure of funds to be reimbursed by greater than anticipated revenues.

Discussion

1. The Comptroller has certified that greater than anticipated revenue in the amount of \$10,774.97, pursuant to s. 304-91 of the Code.
2. The fire insurance premiums received from the State were higher than appropriated in the 2007 Budget; the City’s 2007 appropriation was based on prior year’s experience. The amount of funding required by the City Charter is \$127,774.97 This is \$10,774.97 more than the \$117,000 appropriated for this purpose in 2007 Budget.

Fiscal Impact

The resolution authorizes the supplemental an increase of \$10,774.97 to the appropriations in the Firemen’s Relief Fund SPA as required by the City Charter (s.20.18-2) .

cc: Marianne Walsh
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