

..Number

051495

..Version

Substitute 1

..Reference

..Sponsor

ALD. MURPHY

..Title

Resolution relating to expenditure of funds to be reimbursed by greater than anticipated revenue. (Office of the Comptroller)

..Analysis

TID 31 and TID 33 have collected more tax increment than was required to retire all known obligations. This resolution authorizes the excess TID revenues generated by the TID's to be refunded the taxing jurisdictions in direct proportion to their historical percentage of the TID levy.

The original file (051168) contained a Comptroller's Office estimate of \$856,518 in excess TID revenue. When DCD completed the TID closeout paperwork to file with the state, the actual amount of excess revenue was \$973,553, or \$87,035 more than the Comptroller estimate.

As a result, an additional distribution of excess TID revenues of totaling approximately \$57,000 must be made to the County, School District, MATC, and MMSD, resulting in a total distribution of approximately \$636,000 to the other taxing jurisdictions.

Also, the City's health insurance account experienced additional claims in the amount of approximately \$3.6 million. There was funding available to account for approximately \$2.5 million of these additional expenditures. The Fringe Benefit Offset account had surplus revenues in an amount sufficient to cover this shortage. Seeing as how the fringe benefit offset revenue account is made up of payments for fringe benefits, it seemed appropriate to use part of this surplus to cover the additional health insurance costs.

..Body

Whereas, 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; and

Whereas, File no. 051168 previously authorized a 2005 excess revenue distribution from TID #31 and TID #33 and actual additional revenues exceeded the estimate contained in 051168 by an additional \$87,035; and

Whereas, Approximately \$57,000 of this additional excess TID revenue is required to be distributed to Milwaukee County, Milwaukee Public Schools, Milwaukee Area Technical College, and the Metropolitan Sewerage District; and

Whereas, The Comptroller has certified that greater than anticipated TID revenue in the amended total amount of \$973,553 was received, and revenues totaling approximately \$636,000 must be distributed to the other local taxing jurisdictions, and;

Whereas, 2005 health insurance obligations have exceeded available funding sources by approximately \$1.1 million dollars, and greater than anticipated revenues from the City's Fringe Benefit Offset are available in an amount sufficient to cover this shortfall,

Pursuant to s. 304-91, I hereby certify that the money required for the above reference items is to be realized on or before December 31, 2005, and is to be expended only for the purposes specified in this resolution.

Comptroller

Date

; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that an additional amount not to exceed \$57,000 is appropriated to a Special Purpose Account for the refunding of excess TID revenues; and, be it

Further resolved, That excess revenues in an amount sufficient to cover the additional \$1.1 million obligation for the City's Health Insurance costs be appropriated to the Special Purpose Account – Employee Health Care Benefits – Claims account #0001-1650-S114-006100; and be it

Further Resolved, That the funds can only be used to refund excess TID revenues of approximately \$57,000 and cover the additional health insurance obligations of \$1.1 million; and, be it

Further Resolved, That the Comptroller is authorized and directed to establish the necessary accounts and accounting procedures to carry out the intent of this resolution.

..Requestor

..Drafter

Office of the Comptroller

March 15, 2006