

2007
REQUESTED
OPERATING BUDGET

CITY INSURANCE FUND

	2005 Actual	2006 Budget	2006 Projected	2007 Executive	2007 Adopted
Cash and Other Assets	\$ 5,521,471	\$ 5,585,075	\$ 5,268,607	\$ 5,498,011	\$ -
Claims Payable and Other Liabilities	(4,141,991)	(4,200,000)	(4,237,406)	(4,200,000)	-
Net Assets: January 1	\$ 1,379,480	\$ 1,385,075	\$ 1,031,201	\$ 1,298,011	\$ 0
REVENUES					
Billings to Departments	1,000,006	1,000,000	1,004,000	1,000,000	0
Interest Income	21,049	10,000	20,000	25,000	0
Miscellaneous Revenue	181,035	70,000	70,000	70,000	0
WMMIC Dividend	438,178	385,000	385,000	400,000	0
Total Revenues	1,640,268	1,465,000	1,479,000	1,495,000	0
EXPENSES					
Liability Premium	423,978	420,000	382,616	400,000	0
Property Premium	352,984	500,000	319,643	320,000	0
Other Premiums	49,548	50,000	52,309	50,000	0
Claims	268,137	350,000	300,000	300,000	0
Reserve Adjustment	704,602	0	0	0	0
Interest Expense	90,405	62,622	62,622	32,634	0
Miscellaneous Expense	98,893	95,000	95,000	93,000	0
Total Expenses	1,988,547	1,477,622	1,212,190	1,195,634	0
Net Assets: December 31	\$ 1,031,201	\$ 1,372,453	\$ 1,298,011	\$ 1,597,377	\$ 0
Net Asset Goal	\$ 1,900,000	\$ 1,900,000	\$ 1,900,000	\$ 1,900,000	\$ 0
Surplus (Deficiency)	\$ (868,799)	\$ (527,547)	\$ (601,989)	\$ (302,623)	\$ 0

Note on Reserve Policy:

The City's Insurance Fund reserve policy is to maintain a net asset balance equal to or greater than the current year aggregate self insured retention (SIR) contained in the City's liability insurance coverage as established by Wisconsin Municipal Mutual Insurance Company (WMMIC) policy.

The City of Madison aggregate SIR for 2006 is \$1.9 million. Based on the reserve policy, the Insurance Fund is expected to be deficient by \$302,623 at the end of 2007.