



# City of Madison

## Master

City of Madison  
Madison, WI 53703  
www.cityofmadison.com

**File Number: 08186**

**File ID:** 08186

**File Type:** Resolution

**Status:** Report of Officer

**Version:** 2

**Reference:**

**Controlling Body:** BOARD OF ESTIMATES

**Lead Referral:** BOARD OF ESTIMATES

**File Created Date :** 11/14/2007

**File Name:** Unbudgeted Expenditures - 2007

**Final Action:**

**Title:** SUBSTITUTE - Appropriating \$185,605 from the Contingent Reserve, appropriating \$5,300,000 from the General Fund Balance and transferring within agency budgets to cover various unbudgeted departmental expenditures during 2007.

**Notes:**

**CC Agenda Date:** 12/04/2007

**Agenda Number:** 39.

**Sponsors:** David J. Cieslewicz

**Enactment Date:**

**Attachments:** 2007 Yr End Approp Worksheet.pdf ,08186-Version1.pdf ,2007 Yr End Approp Worksheet(v2).pdf

**Enactment Number:**

**Author:** Dean Brassler, City Comptroller

**Hearing Date:**

**Entered by:**

**Published Date:**

### Approval History

Version	Date	Approver	Action
1	11/14/2007	Dean Brassler	Approve
<b>Notes</b>	Brasser		
2	12/04/2007	Dean Brassler	Approve

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Comptroller's Office	11/14/2007	Referred for Introduction				
	<b>Action Text:</b>		This Resolution was Referred for Introduction				
	<b>Notes:</b>		Board of Estimates				
1	COMMON COUNCIL	11/20/2007	Refer	BOARD OF ESTIMATES		11/26/2007	

Action Text: This Resolution was Refer to the BOARD OF ESTIMATES

Notes:

1	BOARD OF ESTIMATES	11/26/2007	RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER	Pass
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Action Text: A motion was made by Verveer, seconded by Brandon, to RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER. The motion passed by the following vote:

Notes:

1	COMMON COUNCIL	12/04/2007
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**Text of Legislative File 08186**

**Fiscal Note**

This resolution provides funding authorization for a variety of expenditures not anticipated in the 2007 Operating Budget. The unexpended balance of \$185,605 that currently remains in the Contingent Reserve is appropriated first before turning to the General Fund balance. An appropriation from Contingent Reserve has no impact on the tax levy or Expenditure Restraint Program eligibility.

The appropriation of \$5,300,000 from the General Fund balance brings the 2007 General Fund budget to the expenditure limit allowable under the State of Wisconsin's Expenditure Restraint Program. There is no impact on the tax levy. It is anticipated that, following this transfer, the unreserved, undesignated General Fund balance will remain at approximately 16% of budgeted expenditures, above the established target of 15%.

**Title**

SUBSTITUTE - Appropriating \$185,605 from the Contingent Reserve, appropriating \$5,300,000 from the General Fund Balance and transferring within agency budgets to cover various unbudgeted departmental expenditures during 2007.

**Body**

**PREAMBLE**

As the end of the year approaches, a review of agency budgets indicates a number of areas where conditions and events during 2007 are expected to result in the overrun of major departmental expenditure categories. In some cases, offsetting savings in another major expenditure or program revenue category are also available within the same department, so that no additional appropriation is required to balance the agency's budget. In other cases, however, internal savings are not sufficient to offset predicted cost overruns, resulting in a need to appropriate funds from Contingent Reserve or the General Fund balance. For 2007, a need for such additional appropriations are anticipated in the Police Department, Fire Department, Streets Division and the Office of Community Services.

The Workers Compensation Fund is also in need of an additional appropriation. The City of Madison has long been self-insured for workers compensation costs and has maintained a distinct internal service fund called the Workers Compensation Fund to account for costs associated with claims arising from work related injuries. Medical costs, disability settlements, administrative expenses and premiums for catastrophic insurance coverage are all charged to this fund. The full cost of the workers compensation program is then allocated through an internal "premium" charge to the annual operating budgets of City agencies.

Because the premiums charged to departments in previous years were insufficient to fund required reserves, a significant deficit balance has accumulated. As of the end of 2006, the net asset deficit in the Workers Compensation fund stood at \$5,671,635. While increased charges to operating departments during 2007 and 2008 are expected to offset future growth of this deficit, a transfer from the General Fund to the Workers

Compensation fund at this time would serve to reduce the accumulated fund deficit.

This resolution is a compilation of requested internal budget transfers, Contingent Reserve appropriations and Fund Balance appropriations needed to satisfy identified departmental budget overruns and to reduce the Workers Compensation Fund deficit without exceeding the expenditure limits imposed under the State Expenditure Restraint Program.

WHEREAS, a review of actual expenditures to date has identified a number of departmental expenditure categories in General Fund agencies which are expected to exceed budget authorization by the end of the year, and

WHEREAS, a review of the reserve balance in the Workers Compensation Fund indicates that the fund will remain in a deficit balance position at the end of 2007, and

WHEREAS, after other departmental appropriations, the City could transfer an additional ~~\$4,334,605~~ ~~\$4,031,605~~ from the General Fund to the Workers Compensation Fund during 2007 and remain eligible for future payments under the State's Expenditure Restraint Program,

NOW THEREFORE BE IT RESOLVED, that the Common Council amends the 2007 Operating Budget to authorize the following adjustments to expenditure categories within General Fund departments:

See Attachment Titled: Adjustments for 2007.pdf

BE IT FURTHER RESOLVED, that \$185,605 be appropriated from the Contingent Reserve to the Police Department operating budget to fund a portion of the anticipated budget shortfall for 2007.

BE IT FURTHER RESOLVED, that \$ 5,300,000 be appropriated from the General Fund balance to various departmental operating budgets to fund expenditures during 2007, and to the Workers Compensation Fund to reduce that fund's accumulated deficit:

Police Department: \$530,395

Fire Department: \$100,000

Streets Division: ~~\$325,000~~ \$625,000

Office of Community Services: \$13,000

Workers Compensation Fund: ~~\$4,334,605~~ \$4,031,605

Total Appropriation from General Fund Balance: \$5,300,000

## 2007 Year End Appropriations

<b>Police:</b>	51100	Permanent Salaries	\$350,000	To provide funding for anticipated budget overruns in salaries, overtime and related fringe benefits as well as various supplies categories, offset by anticipated savings in purchased services, Motor Equipment Charges and higher than anticipated revenues.
	51300	Overtime Salaries	340,000	
	52000	Fringe Benefits	328,000	
	54103	Electricity	(10,000)	
	54202	Telephone	(21,000)	
	54301	General Equipment Repairs	(4,000)	
	54965	Towing	(5,000)	
	55145	Office Equipment	4,000	
	55155	Computer Hardware	18,000	
	55220	Vehicle Supplies	28,000	
	55511	Communications Supplies	5,000	
	55610	Range and Ammo	10,000	
	55710	Uniforms	6,000	
	58599	Capital Outlay	(18,000)	
	56550	Motor Equipment	(270,000)	
73430	Revenue from MMSD (Incr)	(22,000)		
76124	Other Police Revenue (Incr)	(13,000)		
73112	Fed Grant Revenue (Incr)	(10,000)		
	Required Appropriation	<u>\$716,000</u>		
<b>Fire:</b>	51100	Permanent Salaries	(\$35,000)	To recognize higher than budgeted overtime and fringe benefits costs related to recent Fair Labor Standards Act interpretations, along with lower than budgeted plan review and inspection revenues.
	51300	Overtime	96,000	
	52000	Benefits	13,000	
	73224	EMS Fund Revenue	5,000	
	74310	Plan Review Fees	15,000	
	76943	Re-Inspection Fees	6,000	
		Required Appropriation	<u>\$100,000</u>	
<b>Health:</b>	51100	Permanent Salaries	(\$41,000)	To recognize higher than budgeted costs for technology systems related to the department merger.
	54201	Telephone Cellular	3,000	
	54202	Telephone Regular	12,000	
	54203	Telephone Installation	3,000	
	54950	Consulting Services	(4,000)	
	55145	Computer Supplies	4,000	
	55155	Computer Hardware	23,000	
	Required Appropriation	<u>\$0</u>		
<b>Clerk:</b>	51100	Permanent Salaries	(\$21,300)	To recognize higher than budgeted costs for election officials.
	54978	Election Officials	21,300	
		Required Appropriation	<u>\$0</u>	
<b>Assessor:</b>	51100	Permanent Salaries	(\$13,700)	To recognize higher than budgeted costs for mileage and transcription services.
	54620	Mileage	10,200	
	54971	Transcription Service	3,500	
		Required Appropriation	<u>\$0</u>	
<b>Treasurer:</b>	51100	Permanent Salaries	(\$17,500)	To recognize higher than budgeted costs for postage.
	55140	Postage	17,500	
		Required Appropriation	<u>\$0</u>	

<b>Comptroller:</b>	51100	Permanent Salaries	(\$50,000)	To provide funding for higher than budgeted costs for financial audit services, collection agency costs and document imaging services.
	54702	Audit Fees	5,000	
	54781	Collection Expense	20,000	
	54901	Other Serv-Document Imaging	25,000	
		Required Appropriation	<u>\$0</u>	
<b>Information Technology:</b>	51100	Permanent Salaries	(\$23,000)	To provide funding for anticipated costs for backup data tapes and replacement batteries at the backup Data Center.
	55150	Computer Supplies	23,000	
		Required Appropriation	<u>\$0</u>	
<b>Streets:</b>	51100	Permanent Salaries	(\$75,000)	To provide funding for anticipated costs for leaf collection and snow plowing. Also provides funds to recognize that the citywide benefit rate is not representative of the Streets employee group.
	51300	Overtime	215,000	
	52000	Benefits	410,000	
	54540	Equipment Rental	100,000	
	55510	General Work Supplies	125,000	
	56550	Motor Equipment Charges	50,000	
	76688	Recycling Revenues (Incr)	(200,000)	
	Required Appropriation	<u>\$625,000</u>		
<b>Fleet Service:</b>	51100	Permanent Salaries	(\$51,000)	To recognize higher than budgeted costs for diesel fuel and gasoline, and also to make technical changes between vehicle repair and vehicle supply accounts.
	54410	Vehicle Repair	(150,000)	
	54422	Body Work	(50,000)	
	55220	Vehicle Supplies	150,000	
	54460	Gasoline	50,000	
	55470	Diesel Fuel	51,000	
	Required Appropriation	<u>\$0</u>		
<b>Parks:</b>	51100	Permanent Salaries	\$70,000	To recognize higher than budgeted costs for permanents salaries, and also to provide for a General Fund transfer of \$44,000 to the Municipal Pool.
	52000	Benefits	26,000	
	51200	Hourly Wages	(40,000)	
	55210	General Equipment Supplies	(60,000)	
	55510	General Work Supplies	(40,000)	
	57425	Transfer out to Pool	44,000	
	Required Appropriation	<u>\$0</u>		
<b>Pool:</b>	51100	Permanent Salaries	(\$12,000)	To recognize lower than budgeted revenues, and also to recognize a General Fund transfer of \$44,000 from Parks to the Municipal Pool.
	51200	Hourly Wages	(13,000)	
	51300	Overtime Wages	(3,000)	
	54101	Natural Gas	(5,000)	
	55540	Food and Beverages	(10,000)	
	76321	Vending Concessions Rev	22,000	
	76410	General Sales/Admissions	35,000	
	76527	Season & Summer Passes	30,000	
	79410	Transfer in from General Fund	(44,000)	
	Required Appropriation	<u>\$0</u>		
<b>Housing Operations:</b>	73113	HUD Low Rent Public Housing Grants - Decrease	\$50,329	To authorize the transfer of the City's budgeted general fund contribution from the Section 8 program to the Low Rent Public Housing program where available federal resources have been reduced.
	73124	HUD Section 8 Administration Fee Revenue (Increase)	(50,329)	
		Required Appropriation	<u>\$0</u>	
<b>Community Services:</b>	54961	Child Care Tuition Aid	\$13,000	To recognize a projected budget overrun in Child Care Tuition Aid.
	Required Appropriation	<u>\$13,000</u>		

