



Legislation Details (With Text)

File #: 02472 **Version:** 4 **Name:** Unbudgeted Expenditures
Type: Resolution **Status:** Passed
File created: 11/18/2005 **In control:** BOARD OF ESTIMATES (ended 4/2017)
On agenda: 12/13/2005 **Final action:** 12/13/2005
Enactment date: 12/19/2005 **Enactment #:** RES-05-00987

Title: AMENDED SUBSTITUTE - Appropriating \$175,000 \$426,100 from the Contingent Reserve, appropriating \$1,367,000 from the General Fund Balance and transferring within agency budgets to cover various unbudgeted departmental expenditures during 2005.

Sponsors: Kenneth Golden

Indexes:

Code sections:

Attachments: 1. 02472 amendment.pdf

Date	Ver.	Action By	Action	Result
12/13/2005	1	COMMON COUNCIL	Adopt	Fail
12/13/2005	2	Finance Dept/Approval Group	Approved Fiscal Note By The Comptroller's Office	
12/13/2005	2	COMMON COUNCIL	Adopt	Fail
12/13/2005	3	COMMON COUNCIL	Adopt With Amendment(s)	Fail
12/13/2005	4	COMMON COUNCIL	Adopt With Amendment(s)	Pass
12/5/2005	1	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL WITH THE FOLLOWING RECOMMENDATIONS - REPORT OF OFFICER	Fail
12/5/2005	1	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER	Pass
11/29/2005	1	COMMON COUNCIL	Refer	
11/21/2005	1	Comptroller's Office	Fiscal Note Required / Approval	
11/21/2005	1	Finance Dept/Approval Group	Approved Fiscal Note By The Comptroller's Office	
11/21/2005	1	Comptroller's Office	Referred for Introduction	

Fiscal Note

This resolution provides funding authorization for a variety of expenditures not anticipated in the 2005 Operating Budget. An unexpended balance of \$799,727 currently remains in the Contingent Reserve. An appropriation of \$175,000 \$426,100 from that source Contingent Reserve will leave a sufficient balance to fund remaining anticipated 2004-2005 labor agreement settlements and a \$200,000 but no transfer to the Affordable Housing Trust Fund. There is no impact on the tax levy.

The appropriation of \$1,367,000 from the General Fund balance brings the 2005 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 13% of budgeted expenditures, below the established target of 15%.

Title

AMENDED SUBSTITUTE - Appropriating ~~\$175,000~~ \$426,100 from the Contingent Reserve, appropriating \$1,367,000 from the General Fund Balance and transferring within agency budgets to cover various unbudgeted departmental expenditures during 2005.

Body

PREAMBLE

As the end of the year approaches, a review of General Fund agency budgets indicates a number of areas where conditions and events during 2005 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 a few other cases, however, savings are not anticipated to be sufficient to offset predicted costs, resulting in a need to appropriate funds from Contingent Reserve or the General Fund balance. For 2006, such appropriations are needed in the Police, Fire and Streets agencies.

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 had accumulated. A \$2,270,000 transfer from the General Fund to the Workers Compensation Fund at the end of 2004 resulted in a dramatic reduction in this deficit, but the fund is still projected to have a deficit of approximately \$1,100,000 at the end of 2005. Another transfer from the General Fund to the Workers Compensation fund at this time would serve to further reduce the accumulated fund deficit.

This resolution is a compilation of requested Contingent Reserve and Fund Balance appropriations needed to satisfy identified departmental budget over runs and 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 2005, and

WHEREAS, after other departmental transfers, the City could transfer an additional ~~\$245,000~~ \$496,100 from the General Fund to the Workers Compensation Fund during 2005 and remain eligible for future payments under the State's Expenditure Restraint Program,

NOW THEREFORE BE IT RESOLVED, that the Common Council amends the 2004 Operating Budget to authorize the following adjustments to expenditure categories within General Fund departments:

Fire Department

- Permanent Salaries - savings: \$(52,000)
- Overtime Salaries - major incidents, Halloween: \$52,000
- Utilities: \$25,000
- Uniforms - increased orders: \$39,000
- Motor Equipment Charges: \$139,000
- Inspection Fees - above budgeted level: \$(85,000)
- Additional Appropriation: \$118,000

Police Department

- Permanent Salaries - authorized overhire: \$69,000
- Permanent Salaries - retirement vacation payouts: \$85,000
- Overtime - all categories: \$100,000
- Fringe Benefits - authorized overhire: \$32,500
- Fringe Benefits - retirement sick leave payout: \$550,000

Fringe Benefits - overtime related: \$27,500
Fringe Benefits - general: \$55,000
Motor Equipment Charges: \$135,000
Special Event Revenue - above budget: \$(50,000)
Additional Appropriation: \$1,004,000

Streets Division

Motor Equipment Charges: \$175,000
Additional Appropriation: \$175,000

BE IT FURTHER RESOLVED, that ~~\$174,000~~ \$426,100 be appropriated from Contingent Reserve to the Streets Division following operating budgets to fund expenditures during 2005:

Streets Division: \$175,000
Police Department: \$251,100
Total Appropriation from Contingent Reserve: ~~\$175,000~~ \$426,100

BE IT FURTHER RESOLVED, that \$1,367,000 be appropriated from the General Fund balance to various departmental operating budgets to fund expenditures during 2005, and to the Workers Compensation Fund to reduce that fund's accumulated deficit:

Fire Department: \$118,000
Police Department: ~~\$1,004,000~~ \$752,900
Workers Compensation Fund: ~~\$245,000~~ \$496,100
Total Appropriation from General Fund Balance: \$1,367,000

BE IT FURTHER RESOLVED that if total land sales in 2006 exceed \$1.3 million, the first \$200,000 in additional sales revenue shall be deposited into the Affordable Housing Trust Fund.