



Legislation Text

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Fiscal Note

The adopted 2010 Operating Budget includes \$400,000 for prior year encumbrances. Since actual encumbrances at the end of 2009 totaled only \$343,791, the difference of \$56,209 will be available to increase the Contingent Reserve. Following adoption of this resolution, the available Contingent Reserve balance is expected to total \$1,202,000. There is no impact on the tax levy or State Expenditure Restraint Program eligibility limits.

Title

Allocating funds appropriated in the 2010 Operating Budget for prior year encumbrances to match actual carry forward encumbrances in various departmental accounts and increasing the Contingent Reserve by \$56,209.

Body

PREAMBLE

In governmental accounting terminology, encumbrances are outstanding purchase orders and other contractual commitments for expenditures that have been incurred but not yet paid. Any encumbrances that remain open at the end of the budget year must be paid and charged to expense in the subsequent year. Governmental accounting rules require that such expenses be charged against the adopted budget when prior-year encumbrances are paid.

The City of Madison included a \$400,000 appropriation for prior-year encumbrances in the miscellaneous section of the adopted 2010 budget, but a total of only \$343,791 of encumbrances remained open at the end of 2009. Thus, \$56,209 can be reallocated to increase the available Contingent Reserve in 2010.

WHEREAS the 2010 Adopted Budget includes an appropriation for estimated Prior-Year Encumbrances of \$400,000 and actual carry forward encumbrances at the end of 2009 totaled only \$343,791;

NOW THEREFORE BE IT RESOLVED that \$343,791 be allocated from Prior-Year Encumbrances in the 2010 Adopted Budget to the following departmental budgets to fund expenditures for actual encumbrances carried forward:

Fire \$55,157 (Supplies and Purchased Services)
Police \$61,278 (Supplies and Purchased Services)
Parks \$13,282 (Supplies and Purchased Services)
Traffic Engineering \$17,488 (Purchased Services)
Comptroller \$2,000 (Purchased Services)
Planning Unit \$140,940 (Zoning Code Rewrite, Neighborhood Grants, and Neighborhood Indicators System)
Human Resources \$1,800 (Purchased Services)
Allied and Emerging Neighborhoods \$51,846 (Various Uncompleted Projects)

TOTAL \$343,791

BE IT FURTHER RESOLVED that the remaining \$56,209 budgeted for Prior Year Encumbrances be reallocated to increase the available 2010 Contingent Reserve.