



Legislation Text

File #: 53834, Version: 2

Fiscal Note

This resolution appropriates a variety of expenditures not anticipated in the 2018 Adopted Operating Budget. The resolution authorizes \$550,000 in new appropriations funded by General Fund balance. These appropriations bring the 2018 Revised Operating Budget closer to the State of Wisconsin Expenditure Restraint Program limit and helps preserve expenditure authority in future years. Adoption of this resolution has no impact on the tax levy. It is anticipated that, following this transfer, the unreserved, undesignated, and unassigned General Fund balance will remain below the target level of 15 percent of budgeted expenditures at the end of 2018 but above 14 percent.

In addition to new appropriations, the resolution also includes a series of transfers across and within departments. These adjustments reflect projected spending levels through the 3rd Quarter; all proposed transfers are net neutral. Among these transfers is fully expending the 2018 Contingent Reserve. As of the November 20th Common Council meeting the remaining balance of the Contingent Reserve is \$1,554,085.

Title

SUBSTITUTE - Amending the 2018 Adopted Operating Budget by appropriating a net amount of \$550,000 from the General and Library Fund balances to agency budgets, making transfers of appropriations between and within agencies; and moving the General Municipal Employee pay increase from the first pay period of 2019 to the last pay period of 2018.

Body

As of the 2018 3rd Quarter projection the General and Library funds are projecting a \$2.4 million surplus. This resolution increases General Fund appropriations by \$550,000; the resolution also transfers \$2.2 million across various agency budgets (including the remaining balance of the Contingent Reserve).

New Appropriations

Municipal Court requires an additional \$125,000 to offset a shortfall in projected revenue;

The Streets Division requires an additional \$300,000 for landfill tipping fees and processing fees associated with recyclables;

Direct Appropriations requires \$125,000 to advance the 3.25% pay increase for General Municipal Employees from the first pay period in 2019 to the last pay period in 2018.

Inter-Agency Transfers

Increase Amounts

Community Development	4-Revenue	\$200,000
Fire	52-Benefits	1,000,000
Police	52-Benefits	1,000,000
	Total	2,200,000

Decrease Amounts

Direct Appropriations	56-Contingent Reserve	(1,200,000)
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Building Inspection	51-Salaries	(100,000)
Clerk	51-Salaries	(75,000)
Engineering	52-Benefits	(300,000)
Finance	51-Salaries	(115,000)
Information Technology	51-Salaries	(285,000)
	Total	\$(2,200,000)

Increase Amounts

Community Development Division: Decrease the budgeted revenue by \$200,000 based on projected revenues.

Fire Department: Increase the salary budget by \$400,000 and the benefit budget by \$600,000 for permanent wages and various benefits.

Police Department: Increase the benefit budget by \$1,000,000 for benefit costs related to benefit savings and benefits associated with non-annualized pay (i.e. overtime, premium pay, etc.).

Decrease Amounts

Building Inspection: Decrease the salary budget by \$100,000; the projected surplus is the result of salary savings.

Clerk: Decrease the salary budget by \$75,000; the projected surplus is the result of election official wage savings (includes projected costs for November election).

Direct Appropriations-Contingent Reserve: Transfer \$1,200,000 from the Contingent Reserve to offset deficits in various agency budgets.

Engineering: Decrease the benefit budget by \$300,000; the projected surplus is the result of charging time to other funding sources.

Finance: Decrease the salary budget by \$115,000; the projected surplus is the result of salary savings.

Information Technology: Decrease the salary budget by \$285,000; the projected surplus is the result of salary savings.

Intra-Agency Transfers

The adjustments listed below reflect appropriation transfers authority across expenditure major spending categories based on 3rd Quarter expenditures. All of the transfers included below are net neutral within agency budgets.

AGENCY	DECREASE		INCREASE	
	<u>Major</u>	<u>Amount</u>	<u>Major</u>	<u>Amount</u>
Civil Rights	51-Salaries	(39,000)	52-Benefits	12,000
			53-Supplies	5,000
			54-P Services	22,000
Assessor	54-P Services	(8,000)	53-Supplies	8,000
Clerk	51-Salaries	(40,000)	53-Supplies	40,000
PCED-Director	54-P Services	(50,000)	53-Supplies	50,000
Library	51-Salaries	(105,000)	53-Supplies	25,000
			54-P Services	80,000

Traffic Engineering	52-Benefits	(115,000)	54-P Services	115,000
Parks	51-Salaries	(75,000)	52-Benefits	75,000

Civil Rights: Decrease the salary budget by \$39,000; the projected surplus is the result of salary savings. Increase the budget for benefits (health insurance costs), supplies (work & hardware supplies), and purchased services (interpretation services).

Assessor: Decrease the purchased service budget by \$8,000; the projected surplus is related to contract costs for commercial assessments. Increase the supply budget by \$8,000 for postage costs.

Clerk: Decrease the salary budget for election officials by \$40,000; the projected surplus includes assumed costs for the November election. Increase the election supply and postage budget by \$40,000.

PCED-Director: Decrease the purchased service budget by \$50,000; the projected surplus is related to consulting services. Increase the supply budget by \$50,000 for printer & hardware purchases.

Library: Decrease the salary budget by \$105,000; the projected surplus is the result of salary savings. Increase the supply budget by \$25,000 for copy and print supplies; and, increase the purchased service budget by \$80,000 for facility rental, equipment repair, and grant expenses.

Traffic Engineering: Decrease the benefit budget by \$115,000; the projected surplus is related to health insurance savings. Increase the purchased service budget by \$115,000 for electricity costs.

Parks: Decrease the salary budget by \$75,000; the projected surplus is the result of salary savings. Increase the benefit budget by \$75,000 to offset benefit savings that were not realized in 2018.

New Appropriations: Non General Fund

Public Health: Appropriate \$50,000 from fund balance to salaries for expenses related to the WIC program.

Metro Transit: Appropriate \$1,200,000 in reserve funds from the Transport 2020 Alternative Analysis to purchased services to be used for Phase 1 of the Bus Rapid Transit project development.

Monona Terrace: Appropriate \$430,000 in rental income that exceeds the 2018 budgeted amount. This increased revenue will fund projected deficits related to hourly staffing (\$250,000), work supplies (\$100,000), and rental of equipment (\$80,000).

Finally, the resolution authorizes the Finance Director to determine which fund balances should be designated as “assigned”, as recommended in Government Accounting Standards Board (GASB) statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”.

WHEREAS, the City could appropriate an additional \$550,000 from the General Fund and Library Fund balances to these purposes and remain eligible for future payments under the State’s Expenditure Restraint Program; and,

WHEREAS, the Finance Director is authorized to determine which fund balances should be designated as “assigned”, consistent with Government Accounting Standards Board (GASB) recommendations

NOW THEREFORE LET IT BE RESOLVED, that the Common Council amends the 2018 Operating Budget to authorize the aforementioned adjustments to expenditure categories within and across departments.