

March 29, 2016

Ref: 16006

File Number 151574 contains a substitute resolution authorizing carryover of certain fund balances from 2015 to 2016 in accordance with Section 65.07(1)(p), Wisconsin Statutes.

State statutes permit the carryover of unexpended appropriations from one budget year to the next, up to a maximum of three years following the original appropriation.

Carryover in recent years has been used primarily to provide for (a) budgeted, but uncompleted, projects and (b) planned supplements to program accounts that in effect reduced the level of new appropriations required in the annual budget. The 2016 carryovers primarily fund budgeted but uncompleted projects, various outstanding commitments and obligations, and supplements to program accounts assumed in the 2016 budget.

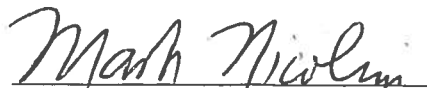
Funds that are carried over within departmental accounts must remain within the department in which they were originally appropriated. Appropriations cannot be transferred between departments.

The recommended list of carryovers is included in Exhibit A. The following highlights some items that may be of particular interest to the Committee's review of this file.

- \$14.3 million in the Wages Supplement Fund. This account funds anticipated wage and fringe benefit increases for city employees, including increases resulting from collective bargaining agreements. This funding is needed to provide funding for salary increases, primarily Fire salary increases when collective bargaining agreements are settled.
- \$150,000 for Unemployment Compensation benefits, a carryover that was anticipated in the 2016 budget. This carryover is intended to ensure that anticipated unemployment compensation benefit expenditures in 2016 are fully funded.
- \$240,000 to complete an information technology upgrade in the Employees' Retirement System budgeted but not completed in 2015.
- \$347,255 for equipment needed to implement the Land Management System, funding budgeted but not expended in 2015
- \$221,063 to continue the ongoing Crisis Response for Trauma Informed Care Counseling program. Program implementation began in July 2015.
- \$1.5 million for Contribution accounts. This is non-tax levy authority.

The recommendations include a total carryover amount of \$18,454,486, which includes \$1,518,646 for Contribution accounts and \$47,000 for Enterprise Funds. The remainder of the recommended carryover is \$16,888,840 in General Fund levy supported appropriations. Of this amount, 84.8% is for the Wages Supplement Fund for anticipated salary obligations. The total General Fund levy supported carryover is 1.5% of the 2015 adopted levy supported budget.

RECOMMENDATION: ADOPT COMMON COUNCIL FILE NUMBER 151574.


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Budget and Management Director