

FINANCE & PERSONNEL COMMITTEE
CONTINGENT FUND REQUEST INFORMATION FORM

DEPT.: EMPLOYEE RELATIONS CONTACT PERSON & PHONE NO.: EDWIN REYES/2988

A. REASON FOR REQUEST (Refer to File 921360 for definitions)

CHECK ONE: EMERGENCY CIRCUMSTANCES
 OBLIGATORY CIRCUMSTANCES
 FISCAL ADVANTAGE/COMPLIANCE WITH FISCAL MANAGEMENT PRINCIPALS

B. SUPPORTING INFORMATION

1. State the action requested, including the dollar amount and specific departmental accounts(s) to which the Contingent Fund appropriation would be made.
Request transfer of \$1,714 from the 2006 Common Council Contingent Fund to the Flexible Spending Account Special Purpose Account, 006300 0001 1650 0001 S134 2006.
2. State the purpose of the action requested which includes the program, service or activity to be supported by the funding, as well as the objective(s) to be accomplished.
Funding requested is intended to pay administrative fees for the Flexible Spending Account.
3. Describe the circumstances which prompt the request.
The additional expenses for the set-up of a new FSA benefit program in 2006 for 2007 were unforeseen when the budget for this SPA was established in 2005.
4. What are the consequences of not providing the program, service, or activity which is funded by this request?
The cost to the City of this program is offset by the savings realized by the City on the Employer's portion of FICA taxes for all those employees enrolled in a Flexible Spending Account or have an employee contribution for health and dental insurance deducted from their payroll check on a pre-tax basis. The elimination of this program would be a loss to the City of Milwaukee of those employer FICA tax savings conservatively estimated at \$520,000 for 2006.
5. Explain why funds authorized in the Budget are insufficient to provide for the program, service, or activity in question.
It was not known at the time that the 2006 FSA budget was set that we would be implementing a new FSA benefit for 2007 in the 2006 budget year. No funds were provided in the 2006 budget for that expense. Additionally, enrollments in the medical expense FSA increased 21% over the 2005 enrollments while dependent care enrollments decreased by 11%. Combined this was an 8.6% participation increase.
- 5a. Are there any unexpended funds in the departmental control account for which this appropriation is requested, that could be used to fund this request?
No other funding sources are available.
- 5b. What are the consequences of using budgeted operating funds for this request?
There are insufficient budgeted operating funds for this purpose.

6. State why funding was not included in the Budget.
As discussed in questions #3 & 5, funding was requested at what we thought was an appropriate level based on data available at the time.

7. Will the conditions prompting the request be limited to the current year, or will they continue into the following year?
We cannot say with complete certainty that additional funding will not be needed in the following year as it greatly depends on how many employees enroll in a one of the flexible spending accounts.

8. Has your department made a similar Contingent Fund request in previous years? YES NO

*If yes, what is the most recent year the request was made?

9. Will this funding be used to implement provisions of a collective bargaining agreement? YES NO

10. Will the funding being requested provide a level of service authorized by the Budget? YES NO

*If yes, why can't your department accomplish the authorized service level with the authorized funding level?

11. Will the requested funding provide a level of service higher than that authorized by the Budget? YES NO

*If yes, why is a higher service level necessary?

*What is the estimated amount of additional service units to be provided if the entire Contingent Fund request is approved?

12. What performance measures and sub-measures are affected by this request, and what are the anticipated changes if the entire Contingent Fund request is approved?
No changes are anticipated.

13. What reductions to performance measures are expected if the request is not approved?
No reductions are anticipated if request is not approved.

14. Is any grant funding associated with the program service, or activity pertaining to the request? YES NO

*If yes, name the grant and current year amount.

15. Will the program, service, or activity affect any electronic data processing system? YES NO

The following questions only apply to Contingent Fund requests which transfer appropriations into capital purpose accounts:

16. Does this request transfer an appropriation into a capital purpose subaccount? YES NO

*If yes, are similar projects planned and funding available in a capital purpose (parent) account for the current year?

17. Why is the project for which Contingent Funds are requested more important than other similar projects?

18. Does this request fund a project outside the normal order of planned projects of a kind which are funded through a capital purpose (parent) account for the current year? YES NO

*If yes, what is the consequence of deferring the lowest priority planned project until next year?

19. Was this project included in the Department's Budget request? YES NO

*If not, why not?

If you have any questions about the completion of this form, you may call the Fiscal Research Manager at extension 8686.

C. THANK YOU FOR YOUR COOPERATION. PLEASE SEND COPIES OF YOUR RESPONSE TO:

Staff Assistant, Finance & Personnel Committee, Room 205, City Hall (6 COPIES)
Special Assistant, Finance & Personnel Committee, Room 205, City Hall (1 COPY)
Fiscal Research Manager, LRB-Common Council, Room B-11, City Hall (2 COPIES)
Budget & Management Director, DOA, Room 307, City Hall (2 COPIES)