

LRB-FISCAL REVIEW SECTION ANALYSIS

FINANCE AND PERSONNEL COMMITTEE

ITEM 11, FILE # 011081

APRIL 17, 2002

MARK A. RAMION

File # 011081 is a resolution authorizing carryover of certain fund balances from 2001 to 2002 in accordance with Section 65.07(1)(p), Wisconsin State Statutes.

Background

1. Wisconsin State Statutes, Section 65.07(1)(p) provides that the common council of a municipality may by resolution authorize the carrying over of unexpended funds which have been appropriated to a department for additional periods not to exceed 3 years from the year in which they were appropriated.
2. This file is an annual resolution authorizing the unexpended departmental funds carryover in conformity with the referenced state statute.

Discussion

1. As of April 12, 2002, the approximate balance of unexpended 2001 departmental funds is **\$33,266,812**.
2. The requested departmental carryover from 2001 to 2002 is **\$33,075,736** or **99.4%** of the total unexpended balance.
3. The City of Milwaukee Budget Office is recommending that **\$24,311,890** in unexpended 2001 departmental funds be carried over to 2002 or **73.5%** of the total requested carryover and **26.9%** of the unexpended balance. The most significant carryover amount is \$12,795,463 for the Wages Supplement Fund.
4. The Budget Office recommended amount for carryover is **\$8,763,845** less than the requested amount for carryover from the collective unexpended funds.
5. The historical average, over the past 10 years, of the difference between the requested carryover amount and the recommended carryover amount is **19.7%**.

Fiscal Impact

1. The recommended carryover of funds from 2001 to 2002 will reduce the need for additional 2002 funds by approximately **\$24,311,890**.
2. 2001 general funds that are not carried over will accrue to the Tax Stabilization Fund.

Prepared by: Mark A. Ramion, X8680
LRB-Fiscal Review Section
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Cc: Marianne Walsh
Laura Engan
W. Martin Morics
Jennifer Gonda