

**FINANCE & PERSONNEL COMMITTEE** CC-8  
**CONTINGENT FUND REQUEST INFORMATION FORM**

DEPT.: DER, Michael Brady, 286-2317 CONTACT PERSON & PHONE NO.:

**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.**

Transfer \$1.5M from Contingent Fund to the Basic Plan Claims Special Purpose Account, 612001 0001 1654 1613 S114 2001.

**2. State the purpose of the action requested which includes the program, service or activity to be supported by funding, as well as the objective(s) to be accomplished.**

The money will be used to fund the expenses related to employee health care costs who are in the Basic Health Insurance Plan offered by the City of Milwaukee for active and retired employees.

**3. Describe the circumstances which prompt the request.**

The City of completely funds the plan. Employees and retirees have utilized their health benefits at higher rates and costs have increased faster than were anticipated by the Employee Relations Department last year.

**4. What are the consequences of not providing the program, service or activity which is funded by this request?**

The City is obliged to pay the expenses through union contracts and through Common Council resolutions.

**5. Explain why funds authorized in the Budget are insufficient to provide for the program, service or activity in question.**

Costs have risen faster in health care than anticipated, and employees and retirees have obtained services to a greater degree than was anticipated a year ago based on historical experience.

**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. Funds were transferred from other accounts already.

**5b. What are the consequences of using budgeted operating funds for this request?**

Budgeted operating funds are not available.

**6. State why funding was not including in the Budget.**

Costs have increased faster in 2001 than was anticipated based on historical experience.

**7. Will the conditions prompting the request be limited to the current year, or will they continue into the following year?**

Hopefully the conditions that prompted this request will not continue. There is no assurance that health care costs in 2002 will go up at a lower pace.

**8. Has your department made a similar Contingent Fund request in previous years?**

@ YES YES @ NO

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

A contingent fund request was made in 2001.

**9. Will this funding be used to implement provisions of a collective bargaining agreement:**

@ YES YES @ NO

**10. Will the funding being requested provide a level of service authorized by the Budget?**

@ YES YES @ NO

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

As indicated above costs have risen faster and employees and retirees have used health care benefits at a great level than anticipated based on historical experience.

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

There are no additional services units. The SPA pays for medical expenses related to the Basic Plan health care costs.

**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?**

The City will be able to pay health care costs incurred by employees and retirees.

**13. What reductions to performance measures are expected if the request is not approved? Not applicable**

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

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

STAFF ASSISTANT, ROOM 205, CITY HALL (6 COPIES)  
SPECIAL ASSISTANT, FINANCE & PERSONNEL COMMITTEE, ROOM 205, CITY HALL  
FISCAL RESEARCH SUPERVISOR, ROOM B-4, CITY HALL (2 COPIES)  
BUDGET & MANAGEMENT DIRECTOR, ROOM 307, CITY HALL (2 COPIES)

If you have any questions about the completion of this form you may call the  
Fiscal Research Supervisor at extension 2299.

**FINANCE & PERSONNEL COMMITTEE**

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