

FINANCE & PERSONNEL COMMITTEE
CONTINGENT FUND REQUEST INFORMATION FORM

DEPT.: Department of Employee Relations CONTACT PERSON & PHONE NO.: Michael Brady, 286-2317

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.

The DER requests a contingent fund transfer of \$500,000 for the Workers Compensation Claims Special Purpose Account, 612001 0001 1654 1613 S176.

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.

The funds will be transferred to the Workers Compensation Claims account to pay claims through the end of the year.

3. Describe the circumstances which prompt the request.

The Workers Compensation Claims account had more claims activity in 2001 than was projected for when the budget was completed and approved in 2000.

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

The City of Milwaukee is obligated by state law to provide claims to injured workers. The City of Milwaukee's self-insured status could be jeopardized if this is not done.

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

Funds authorized in the budget were not sufficient to pay the claims. In 2000 total claims costs were projected, but based on higher medical costs and larger settlements, the funds were not sufficient to cover the claims.

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?

There are not.

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 included in the Budget.

The budget was projected in 2000 based on historical experience. Claims in 2001 were higher than the projected claims amount.

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

The conditions, higher medical costs and larger settlements, are likely to continue in 2002. The 2002 budget has taken this into account, but based on the claims activity there is no assurance that costs will be within the 2002 budget.

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?

Workers Compensation will continue to pay claims in a timely manner.

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

Workers Compensation will not be able to pay claims in a timely manner.

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?

State Law requires the City to make timely Workers Compensation payments.

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, 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)