

LRB-FISCAL REVIEW SECTION ANALYSIS

FINANCE AND PERSONNEL COMMITTEE

ITEM 13, FILE # 021216

MARCH 19, 2003

MARK A. RAMION

File # 021216 is a resolution authorizing carryover of certain fund balances from 2002 to 2003 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 March 12, 2003, the approximate balance of unencumbered 2002 departmental funds is **\$38,828,172**.
2. The requested departmental carryover from 2002 to 2003 is **\$37,477,778** or **96%** of the total unencumbered balance.
3. The City of Milwaukee Budget Office is recommending that **\$36,262,952** in unexpended 2002 departmental funds be carried over to 2003 or **96%** of the total requested carryover and **93%** of the unencumbered balance. The most significant carryover amount is \$23,264,826 for the Wages Supplement Fund. The greater percentage of these funds will be needed for the recently settled police and fire wage rates.
4. The recommended amount for carryover is approximately \$12 million more than the \$24.3 million carryover from 2001 to 2002.

Fiscal Impact

1. The recommended carryover of funds, **\$36,262,952**, from 2002 to 2003 will permit the completion or achievement of authorized and funded programs, projects and equipment purchases.
2. Approximately \$1.4 million of the 2002 levy-supported general funds in this resolution that are not carried over will accrue to the Tax Stabilization Fund.

Prepared by: Mark A. Ramion, X8680
LRB-Fiscal Review Section
March 19, 2003

Cc: Marianne Walsh
W. Martin Morics
Dennis Yaccarino
Jennifer Gonda