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Fiscal Year 2014

2-27-2015 FINANCE, PERSONNEL AND AUDIT COMMITTEE APPROPRIATION TRANSFERS A UNALLOCATED CONTINGENCY

Action Required

Finance, Personnel and Audit Committee
County Board (2/3 Vote)

WHEREAS, department requests for transfers within their own accounts have been received by the Department of Administrative Services, Fiscal Affairs, and the Director finds that the best interests of Milwaukee County will be served by allowance of such transfers;

THEREFORE, BE IT RESOLVED, that the Director, Department of Administrative Services, is hereby authorized to make the following transfers in the 2014 appropriations of the respective listed departments:

1		<u>From</u>	<u>To</u>
	<u>1150 – Dept. of Admin Svcs – Risk Management Division</u>		
	8041 – WC-Medical		\$444,545
	3874 – Services Provided – Workers’ Comp	\$2,444,545	
	<u>1000 – County Board of Supervisors</u>		
	9774 – Worker Comp – Med & WC Pay		\$13,829
	<u>1011 – County Executive General Office</u>		
	9774 – Worker Comp – Med & WC Pay		\$1,630
	<u>1018 – DAS Office for Persons with Disabilities</u>		
	9774 – Worker Comp – Med & WC Pay		\$659
	<u>1021 – Veterans’ Services</u>		
	9774 – Worker Comp – Med & WC Pay		\$302
	<u>1040 – DAS Community Business Development Partners</u>		
	9774 – Worker Comp – Med & WC Pay		\$2,014
	<u>1110 – Civil Service Commission</u>		
	9774 – Worker Comp – Med & WC Pay		\$25
	<u>1120 – Personnel Review Board</u>		
	9774 – Worker Comp – Med & WC Pay		\$302
	<u>1130 – Office of the Corporation Counsel</u>		
	9774 – Worker Comp – Med & WC Pay		\$5,703
	<u>1140 – Human Resources</u>		
	9774 – Worker Comp – Med & WC Pay		\$6,356
	<u>1152 – DAS Procurement</u>		

DRAFT

Fiscal Year 2014

9774	- Worker Comp – Med & WC Pay		\$1,549
	<u>1151 – DAS Fiscal Affairs</u>		
9774	- Worker Comp – Med & WC Pay		\$11,772
	<u>1160 – DAS Information Management Services</u>		
9774	- Worker Comp – Med & WC Pay		\$11,618
	<u>1191 – DAS Economic Development</u>		
9774	- Worker Comp – Med & WC Pay		\$1,399
	<u>1905 – Ethics Board</u>		
9774	- Worker Comp – Med & WC Pay		\$81
	<u>2000 – Combined Court Operations</u>		
9774	- Worker Comp – Med & WC Pay		\$52,598
	<u>2430 – Child Support Services</u>		
9774	- Worker Comp – Med & WC Pay		\$19,980
2275	- Collection Cost Child Supp	\$13,187	
	<u>3010 – Election Commission</u>		
9774	- Worker Comp – Med & WC Pay		\$400
	<u>3090 – Office of the Treasurer</u>		
9774	- Worker Comp – Med & WC Pay		\$1,084
	<u>3270 – Office of the County Clerk</u>		
9774	- Worker Comp – Med & WC Pay		\$4,709
	<u>3400 – Office of the Register of Deeds</u>		
9774	- Worker Comp – Med & WC Pay		\$7,877
	<u>3700 – Office of the Comptroller</u>		
9774	- Worker Comp – Med & WC Pay		\$12,424
	<u>4000 – Office of the Sheriff</u>		
9774	- Worker Comp – Med & WC Pay		\$655,138
	<u>4300 – House of Correction</u>		
9774	- Worker Comp – Med & WC Pay		\$86,380
	<u>4500 – Office of the District Attorney</u>		
9774	- Worker Comp – Med & WC Pay		\$26,894
	<u>4900 – Medical Examiner</u>		
9774	- Worker Comp – Med & WC Pay		\$14,145

DRAFT

Fiscal Year 2014

<u>5040 – DOT - Airport</u>		
9774	– Worker Comp – Med & WC Pay	\$195,353
3507	– Land Fee – Airline Signat’y	\$195,353
<u>5100 – DOT - Highways</u>		
9774	– Worker Comp – Med & WC Pay	\$107,035
<u>5300 – DOT - Fleet Maintenance</u>		
9774	– Worker Comp – Med & WC Pay	\$55,141
<u>5700 – DAS – Facilities Management</u>		
9774	– Worker Comp – Med & WC Pay	\$130,469
<u>5800 – DOT Director’s Office</u>		
9774	– Worker Comp – Med & WC Pay	\$1,934
<u>6300 – DHHS Behavioral Health Division</u>		
9774	– Worker Comp – Med & WC Pay	\$453,726
<u>790 – Department on Aging</u>		
9774	– Worker Comp – Med & WC Pay	\$24,627
<u>7990 –Family Care</u>		
9774	– Worker Comp – Med & WC Pay	\$9,713
4707	– Contribution from Reserves	\$9,713
<u>8000 – Health and Human Service</u>		
9774	– Worker Comp – Med & WC Pay	\$148,627
<u>9000 – Parks, Recreation & Culture</u>		
9774	– Worker Comp – Med & WC Pay	\$301,529
<u>9500 - Zoo</u>		
9774	– Worker Comp – Med & WC Pay	\$77,458
<u>9910 – University of Wisconsin Extension</u>		
9774	– Worker Comp – Med & WC Pay	\$66
1945 – Appropriation for Contingencies		
8901	– Appropriation for Contingencies	\$226,292

Request

The Director, Office of Performance, Strategy & Budget requests a fund transfer in the amount of \$2,889,090 to reallocate expenditure authority for excess Workers' Compensation Costs from the Risk

DRAFT

Fiscal Year 2014

Management Division of the Department of Administrative Services (DAS-Risk Management) to various departments Countywide as part of the closeout of fiscal year 2014.

In September 2014 DAS-Risk Management identified a deficit in Workers' Compensation costs due to a delay in implementing the third party administrator and due to higher than anticipated claims in late 2013 and early 2014. The deficit was estimated at \$2 million, and DAS-Risk Management was provided that amount of funding from the Contingency Fund to cover the deficit.

As Fiscal Year 2014 is being closed out, the total deficit is now estimated at \$2,444,545. In addition, because DAS-Risk Management is an internal service fund, its expenses must be charged out to user departments.

This fund transfer would provide additional expenditure authority to user departments to cover higher than budgeted crosscharges. \$2 million of this cost will be reallocated from DAS-Risk Management, \$218,253 will be recovered from outside revenue sources in the Departments of Child Support, Transportation (Airport), and Family Care, and an additional \$226,292 will come from the 2014 Appropriation for Contingencies.

There is no tax levy impact from this fund transfer.

TRANSFER SIGNED BY THE COUNTY EXECUTIVE FEBRUARY 26 , 2015.

2014 BUDGETED CONTINGENCY APPROPRIATION SUMMARY	
UNALLOCATED CONTINGENCY ACCOUNT	
2014 Budgeted Unallocated Contingency Appropriation Budget	\$4,344,544
Approved Transfers from Budget through March 19, 2015	
Corporation Counsel Positions	\$ (57,428)
County Board Crosscharge Fix	\$ (84,030)
Corporation Counsel Transit Legal Services	\$ (50,000)
Corporation Counsel Litigation Reserve	\$ (285,000)
Risk Management - Workers Compensation	\$ (2,000,000)
Civil Service Legal Fees	\$ (20,000)
ATC Easement Proceeds	\$ 607,697
Fleet Parts & Services Winter Costs	\$ (405,000)
July 2014 Fire Insurance Proceeds	\$ 3,500,000
Farm and Fish Hatchery Water Pump	\$ (200,000)
Election Commission Referenda Costs	\$ (19,216)
November 2014 Fire Insurance Proceeds	\$ 569,000
Corporation Counsel Estate of Paul Haugen Settlement	\$ (210,000)
Treasurer Property Tax Chargeback	\$ (841,000)
Courts Adversary Counsel Fees	\$ (655,000)
Election Commission Outdated File Destruction	\$ (25,633)
Comptroller Living Wage Compliance	\$ (78,374)
Unallocated Contingency Balance January 29, 2015	<u>\$4,090,560</u>
Transfers from the Unallocated Contingency Pending in Finance, Personnel & Audit Committee through March 19, 2015	
Risk Management - Workers Compensation	\$ (226,292)
Total Transfers Pending in Finance, Personnel & Audit Committee	\$ (226,292)
Net Balance	\$3,864,268
ALLOCATED CONTINGENCY ACCOUNT	
2014 Budgeted Allocated Contingency Appropriation Budget	\$3,314,130
Approved Transfers from Budget through March 19, 2015	
UWM Land Sale	\$ 3,750,000
Innovation Fund Allocation	\$ (3,740,000)
Sheriff Absconder Unit	\$ (338,130)
Allocated Contingency Balance March 19, 2015	<u>\$2,986,000</u>
Transfers from the Allocated Contingency Pending in Finance, Personnel & Audit Committee through March 19, 2015	
Total Transfers Pending in Finance, Personnel & Audit Committee	\$ -
Net Balance	\$ 2,986,000