

DRAFT

Fiscal Year 2019

6/20/19 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
A DEPARTMENTAL

Action Required
Finance and Audit Committee

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 2019 appropriations of the respective listed departments:

1)		<u>From</u>	<u>To</u>
	<u>3700 – Office of the Comptroller</u>		
	5199 – Salaries – Wages Budget	\$108,704	
	6050 – Contract Pers Serv-Short		\$108,704

Due to demands of the Enterprise Resource Planning (ERP) project and staffing turnover, the Comptroller’s Central Accounting Division requires a temporary contracted accountant for the remainder of 2019. The Comptroller’s Office is requesting to transfer \$108,704 from its Salaries & Wages account to its Contract Personal Services-Short Term account.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 12, 2019.

2)		<u>From</u>	<u>To</u>
	<u>4800 – Office of Emergency Management</u>		
	5199 – Salaries – Wages Budget		\$2,624
	6329 – Tel and Tel Outside Vendor	\$2,624	

The Director of the Office of Emergency Management is requesting a fund transfer of \$2,624 from the services account series to the personal services account series to fund a pay increase for a Lead Command Duty Officer.

The funding source for the transfer is the surplus in object 6329 Tel and Tel Outside Ven for division 4801 estimated at \$10,000 for year 2019. The savings from object 6329 Tel and Tel Outside Ven are expected to continue in future years.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 13, 2019.

3)		<u>From</u>	<u>To</u>
	<u>1940 – Countywide Non-Departmental Expenditures</u>		
	3898 – Interdepartmental Fringe Benefit Charges		\$98,426,807
	5420 – Employee Health Care	\$19,380,606	
	5421 – Employee Pension	\$10,886,061	
	5422 – Legacy Healthcare	\$33,421,165	
	5423 – Legacy Pension	\$34,738,975	

To break even for 2019, the Office of the Comptroller is requesting that the entire \$98,426,807 expense budget in Org 1951-Centralized Legacy Fringe be eliminated and the revenue budget in Revenue Source 3898-Interdepartmental Fringe Benefit Charges in Org 1950-Employee Fringe Benefits, will be reduced by the same amount.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 13, 2019.

6-20-19 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
B DEPARTMENTAL RECEIPT OF REVENUE

Action Required

Finance and Audit Committee
2/3's County Board

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 2019 appropriations of the respective listed departments:

1)	<u>From</u>	<u>To</u>
<u>7900 – Department on Aging</u>		
6999 - Sundry Services		\$29,338
6149 - Professional Serv Non- Recurring		\$40,000
6809 - Conference Expense		\$15,000
7910 - Office Supplies		\$5,000
7999 - Sundry Materials & Supplies		\$5,000
8131 - Vendor #1 Payments		\$40,000
7300 - Food & Provisions		\$39,024
5199 - Salaries & Wages		\$5,785
2699 - Other Fed Grants Reimb		\$14,810
8123 - Purchase of Service		\$26,849
2699 - Other Fed Grants Reimb	\$130,211	
6148 - Professional Serv Recurring	\$10,000	
5199 - Salaries & Wages	\$74,145	
7999 - Sundry Materials & Supplies	\$665	
2299 - Other State Grants and Reimb	\$5,785	

A transfer of \$220,806 is requested to by the Department on Aging to realign grant revenues and expenditures within the Department on Aging.

This transfer reflects a net revenue increase of \$121,186. Revenue increases total \$135,996, including \$61,849 in Title III-B Supportive Services, \$7,693 in Title III-C2 Home Delivered Meals, \$4,674 in Title III-C1 Congregate Meal Program, \$26,657 in Nutrition Supplemental Income Program (NSIP) reimbursement, \$29,338 in Area Agency Administration grant funds and \$5,785 in Alzheimer's Family Caregiver Support. Increased revenues are partially offset by a reduction of \$14,810 including \$9,145 in Title III-E Family Caregiver Support, \$5,000 in MIPPA and \$665 in Title III-D.

Operating expense increases include \$15,000 in conference expenses for staff development, \$30,000 in professional services due to workload increase and higher than normal vacancies, \$5,000 in office related supplies, \$40,000 due to an increase demand in direct client services, \$27,000 in service contracts, \$39,000 in food catering and related costs, and \$34,000 service-based experience. Operating expenses are partially offset by a reduction in salaries of \$68,000 due to a projected surplus related to staffing turnover.

There is no tax levy impact from this fund transfer.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 13, 2019.

6-20-19 FINANCE AND AUDIT COMMITTEE APPROPRIATION TRANSFERS
C UNALLOCATED CONTINGENCY

Action Required

Finance and Audit Committee
2/3’s County Board

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 2019 appropriations of the respective listed

1)	<u>From</u>	<u>To</u>
<u>1945 - Appropriation for Contingency</u>		
8902 – Unallocated Contingency		\$265,000
4959 – Recoveries (“Courthouse Fire Insurance Proceeds”)	\$265,000	

An appropriation transfer of \$265,000 is requested by the Comptroller to recognize the final settlement from the State of Wisconsin Local Government Property Insurance Fund (“LGPIF”) related to the Courthouse fire by creating revenue budget and increasing expenditure authority in Org. Unit 1945 Appropriation for Contingency.

“On Saturday, July 6, 2013, an electrical fire broke out in the basement of the Milwaukee County Courthouse. The fire event affected the Courthouse, Safety Building, and Criminal Justice Facility (CJF), comprising about 1.5 million square feet of space, one million of which was affected by smoke, and displaced approximately 1,200 employees. The fire knocked out power throughout the complex, and resulted in a months-long recovery, which had varying effects on the departments housed in the Courthouse.”¹

In May 2016, County Board Resolution File 16-255 Authorization to Lapse Certain Capital Expenditures and Revenues from 2015 to 2016 in accordance with Section 32.91 of the Milwaukee County Code of General Ordinances was approved. File 16-255 closed Project WO15001 Courthouse Fire and lapsed a cash deficit of approximately \$430,000. The \$430,000 was the net amount of an expenditure surplus of approximately \$570,000 and unrealized insurance proceeds of \$1,000,000. At the time, the final insurance payment was estimated to be approximately \$910,000 but had been significantly delayed. Full reimbursement was expected at the end of 2015. Representatives from the LGPIF had been providing assurances that a final estimated payment would be received; however, they had not been able to provide a definitive date. To alleviate the risk of a negative impact affecting the 2016 fiscal year, it was recommended by the Office of the Comptroller and the Department of Administrative Services – Office of Performance, Strategy, and Budget to close the project and lapse the project deficit in 2015. Language was included in File 16-255 that indicated that if the County received the insurance proceeds that an appropriation transfer will be submitted in order to transfer the funds to the Appropriations for Contingency Account.

In February 2019, after negotiations between the County and the Office of the Commissioner of Insurance (“OCI”), the final settlement of \$265,000 was received.

This appropriation transfer request would create the revenue budget for the final settlement in Org. Unit 1945 Appropriation for Contingency and the expenditure budget in the unallocated contingencies account.

This fund transfer has no tax levy impact.

TRANSFERS SIGNED BY THE COUNTY EXECUTIVE MAY 13, 2019.

¹ “Aftermath of Courthouse Fire Illustrates Need for Improved Insurance Claims Management and Business Continuity” Office of the Comptroller – Audit Services Division. December 2014

2019 BUDGETED CONTINGENCY APPROPRIATION SUMMARY

UNALLOCATED CONTINGENCY ACCOUNT	
2019 Budgeted Unallocated Contingency Appropriation Budget	\$5,009,655
Approved Transfers from Budget through May 15, 2019	
\$1,080,000 File 19-194 Correctional Medical Sevices Contract (from HOC)	\$1,080,000
(\$1,080,000) File 19-194 Correctional Medical Sevices Contract (to HOC)	(\$1,080,000)
\$150,000 North Shop Major Maintenance	\$150,000
(\$150,000) North Shop Major Maintenance	(\$150,000)
(\$144,500) Transfer to Employee Fringe for Contract with Funston (19-265)	(\$144,500)
(\$49,824) Transfer to IMSD for NEW IT Security Position (19-329)**	(\$49,824)
Unallocated Contingency Balance as of May 15, 2019	
	\$4,815,331
Transfers from the Unallocated Contingency PENDING May CB Approval, and Finance & Audit Committee through May 15, 2019	
(\$15,555) RPS to fund two reclasses (vacant)	(\$15,555)
\$265,000 Courthouse fire Insurance Proceeds (Recoveries)	\$265,000
Total Transfers PENDING in Finance and Audit Committee	
	\$249,445
Net Balance	\$5,064,776
ALLOCATED CONTINGENCY ACCOUNT	
2019 Budgeted Allocated Contingency Appropriation Budget	\$646,283
\$250,000 College Ave Box Culverts (Amendment 1B003)	\$250,000
\$196,283 Courts Operations (Amendment 1A005)	\$196,283
\$200,000 War Memorial Capital Project (Amendment 1B001)	\$200,000
Approved Transfers from Budget through May 15, 2019	
\$300,000 File 19-194 Due Diligence Costs related to insourcing inmate medical	\$300,000
(\$250,000) College Ave Box Culverts (Amendment 1B003)	(\$250,000)
(\$200,000) War Memorial Capital Project (Amendment 1B001)	(\$200,000)
Allocated Contingency Balance as of May 15, 2019	
	\$496,283
Transfers from the Allocated Contingency PENDING May CB Approval, and Finance & Audit Committee through May 15, 2019	
Total Transfers PENDING in Finance, Personnel & Audit Committee	
	\$0
Net Balance	\$496,283

** Approved, but not yet transfered.