

2023-25 Standard Budget Adjustments

Paper #105



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #105

Standard Budget Adjustments and 27th Biweekly Payroll

BACKGROUND

In the summer of each even-numbered year, the Department of Administration issues budget instructions to state agencies regarding the preparation of biennial budget requests. The instructions include a detailed listing of the technical aspects of budget preparation for the ensuing biennium.

The instructions include, among other things, directions on submittal of "standard budget adjustments." Standard budget adjustments are a category of changes that are common to all agencies to continue a base level of services into the next biennium. The items included as standard budget adjustments are listed below.

Turnover Reduction. With limited exception, a reduction of 3% is to be applied to permanent salaries of each appropriation that funds 50 or more FTE positions.

Removal of Noncontinuing Elements from the Base. Funding for one-time items in the base year is to be deleted.

Full Funding of Continuing Position Salaries and Fringe Benefits. Adjust funding for salaries and fringe benefits of positions to levels as of August of the base year.

Funding of Ongoing 13.10 Supplements. Adjust appropriations for funding and positions authorized by the Joint Committee on Finance on a permanent basis that are not included in the base year.

Reclassifications and Semiautomatic Pay Progression. Provide increases for any appropriation with fewer than 40 FTE positions where reclassifications or pay progression amounts have occurred in the base year.

Overtime. Overtime amounts that are budgeted in the base year are removed under "Full Funding of Continuing Positions Salaries and Fringe Benefits" and then included in each year of the ensuing biennium.

Night and Weekend Differential Pay. Similar to overtime, amounts for this item are removed under "Full Funding of Continuing Positions Salaries and Fringe Benefits" in the current biennium and may be restored for the ensuing biennium.

Full Funding of Lease and Directed Moves Costs. Funding can be provided for increases in lease costs or office relocations if required by the Department of Administration.

Minor Transfers within the same Appropriation. Provide technical adjustments within an appropriation if they net to zero.

Program Supplements. In addition, in most fiscal years, employees who are paid on a biweekly basis receive 26 biweekly paychecks. However, depending on the calendar, every 11 or 12 years a total of 27 paychecks must be issued, due to the number of dates upon which checks are issued for the fiscal year. The attachment includes estimated costs of having to pay for a 27th pay period in 2023-24 for such employees, including costs for UW System employees on the biweekly payroll system of UW, but not including any assumption of a general wage adjustment that may be provided in 2023-24. A similar adjustment was made in 2011-12, when this last occurred. To provide for costs associated with UW employees, the supplemental appropriations established to pay the costs of a 27th pay period would specify that this funding could be used for permanent UW System employees, including permanent project employees, on the biweekly payroll system of the UW System.

This office has reviewed the standard budget adjustments for each agency to determine if the amounts conform to the budget instructions and calculations made over the past several biennia. In some instances, adjustments have been made to the amounts submitted by agencies and included in the Governor's 2023-25 budget recommendations. In total, the standard budget adjustments and the 27th pay period for 2023-25 equal \$284,505,700 and a deletion of 413.50 positions. This is an adjustment of -\$6,749,700 and 2.0 positions to the amounts in the Governor's budget bill.

Attached is a listing of the standard budget adjustment amounts by agency and fund source. Following is a comparison of the 2023-25 standard budget adjustments and the 27th pay period of the Governor's budget bill and those reflected in the attachment.

	<u>2023-25</u>		
	<u>Governor</u>	<u>Attachment</u>	<u>Difference</u>
GPR	\$116,644,400	\$113,248,900	-\$3,395,500
FED	83,942,000	83,083,900	-858,100
PR	50,981,000	49,451,800	-1,529,200
SEG	<u>39,688,000</u>	<u>38,721,100</u>	<u>-966,900</u>
Total	\$291,255,400	\$284,505,700	-\$6,749,700

The difference of -\$6,749,700 is shown below.

<u>Agency</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2023-25</u>
Children and Families	\$45,300	\$23,900	\$69,200
Corrections	908,500	908,500	1,817,000
Elections	16,300	12,200	28,500
Justice	155,800	155,800	311,600
Military Affairs	9,000	9,000	18,000
Natural Resources	-35,400	-35,400	-70,800
Program Supplements (27 th Payroll)	<u>-8,923,200</u>	<u>0</u>	<u>-8,923,200</u>
Total	-\$7,823,700	\$1,074,000	-\$6,749,700

CONCLUSION

If the Committee includes the standard budget adjustments and funding for the 27th pay period shown in the attachment in its version of the budget, the fiscal and position effects are shown below as a change to base.

	<u>2023-24</u>	<u>2024-25</u>	<u>Total</u>	<u>Positions</u>
GPR	\$100,529,400	\$12,719,500	\$113,248,900	-1.50
FED	55,672,100	27,411,800	83,083,900	-401.00
PR	35,460,100	13,991,700	49,451,800	-9.00
SEG	<u>25,408,200</u>	<u>13,312,900</u>	<u>38,721,100</u>	<u>-2.00</u>
Total	\$217,069,800	\$67,435,900	\$284,505,700	-413.50

Attachment

ATTACHMENT

2023-25 Standard Budget Adjustments

<u>Agency</u>	<u>Fund</u>	<u>2023-24</u>	<u>2024-25</u>	<u>Total</u>	<u>Positions</u>
Administration	GPR	-\$72,200	-\$72,000	-\$144,200	0.00
	FED	3,226,200	2,849,200	6,075,400	-9.00
	PR	725,000	732,200	1,457,200	0.00
	SEG	<u>58,900</u>	<u>58,900</u>	<u>117,800</u>	<u>0.00</u>
	Subtotal	\$3,937,900	\$3,568,300	\$7,506,200	-9.00
Agriculture, Trade and Consumer Protection	GPR	\$583,300	\$479,300	\$1,062,600	0.00
	FED	676,600	401,600	1,078,200	0.00
	PR	556,200	517,000	1,073,200	0.00
	SEG	<u>2,617,700</u>	<u>2,585,700</u>	<u>5,203,400</u>	<u>0.00</u>
	Subtotal	\$4,433,800	\$3,983,600	\$8,417,400	0.00
Board for People with Developmental Disabilities	GPR	\$3,100	\$3,100	6,200	0.00
	FED	<u>-58,900</u>	<u>-58,900</u>	<u>-117,800</u>	<u>0.00</u>
	Subtotal	-\$55,800	-\$55,800	-\$111,600	0.00
Board of Commissioners of Public Lands	GPR	-\$22,300	-\$22,300	-\$44,600	0.00
Board on Aging and Long-Term Care	GPR	\$107,800	\$111,500	\$219,300	0.00
	PR	<u>39,200</u>	<u>45,900</u>	<u>85,100</u>	<u>0.00</u>
	Subtotal	\$147,000	\$157,400	\$304,400	0.00
Child Abuse and Neglect Prevention Board	FED	-\$8,200	-\$8,200	-\$16,400	0.00
	PR	<u>163,800</u>	<u>163,800</u>	<u>327,600</u>	<u>0.00</u>
	Subtotal	\$155,600	\$155,600	\$311,200	0.00
Children and Families	GPR	-\$795,200	-\$779,400	-\$1,574,600	0.00
	FED	1,249,300	-373,300	876,000	-27.00
	PR	<u>-999,500</u>	<u>-908,600</u>	<u>-1,908,100</u>	<u>0.00</u>
	Subtotal	-\$545,400	-\$2,061,300	-\$2,606,700	-27.00

<u>Agency</u>	<u>Fund</u>	<u>2023-24</u>	<u>2024-25</u>	<u>Total</u>	<u>Positions</u>
Circuit Courts	GPR	-\$1,189,300	-\$1,189,300	-\$2,378,600	0.00
Corrections	GPR	\$6,958,700	\$6,958,700	\$13,917,400	0.00
	FED	-500	-500	-1,000	0.00
	PR	<u>586,400</u>	<u>586,400</u>	<u>1,172,800</u>	<u>0.00</u>
	Subtotal	\$7,544,600	\$7,544,600	\$15,089,200	0.00
Court of Appeals	GPR	-\$401,300	-\$379,000	-\$780,300	0.00
District Attorneys	GPR	-\$2,969,700	-\$2,383,400	-\$5,353,100	0.00
	FED	2,668,000	0	2,668,000	-46.00
	PR	<u>-759,900</u>	<u>-759,900</u>	<u>-1,519,800</u>	<u>-4.00</u>
	Subtotal	-\$1,061,600	-\$3,143,300	-\$4,204,900	-50.00
Educational Communications Board	GPR	\$269,600	\$273,000	\$542,600	0.00
	PR	<u>430,400</u>	<u>441,600</u>	<u>872,000</u>	<u>0.00</u>
	Subtotal	\$700,000	\$714,600	\$1,414,600	0.00
Elections Commission	GPR	\$209,900	\$209,900	\$419,800	0.00
	FED	13,700	15,200	28,900	0.00
	PR	<u>99,300</u>	<u>99,300</u>	<u>198,600</u>	<u>0.00</u>
	Subtotal	\$322,900	\$324,400	\$647,300	0.00
Employee Trust Funds	SEG	\$671,400	\$671,400	\$1,342,800	0.00
Employment Relations Commission	GPR	-\$4,800	-\$3,000	-\$7,800	0.00
Ethics Commission	GPR	-\$4,300	-\$4,300	-\$8,600	0.00
	PR	<u>-2,700</u>	<u>-2,700</u>	<u>-5,400</u>	<u>0.00</u>
	Subtotal	-\$7,000	-\$7,000	-\$14,000	0.00
Financial Institutions	PR	\$305,000	\$305,000	\$610,000	0.00
	SEG	<u>-50,100</u>	<u>-50,100</u>	<u>-100,200</u>	<u>0.00</u>
	Subtotal	\$254,900	\$254,900	\$509,800	0.00
Governor	GPR	\$172,200	\$172,200	\$344,400	0.00

<u>Agency</u>	<u>Fund</u>	<u>2023-24</u>	<u>2024-25</u>	<u>Total</u>	<u>Positions</u>
Health Services	GPR	\$1,320,600	\$1,324,200	\$2,644,800	0.00
	FED	13,613,000	5,003,700	18,616,700	-139.00
	PR	5,719,300	5,726,600	11,445,900	0.00
	SEG	<u>8,000</u>	<u>8,000</u>	<u>16,000</u>	<u>0.00</u>
	Subtotal	\$20,660,900	\$12,062,500	\$32,723,400	-139.00
Higher Educational Aids Board	GPR	\$10,500	\$10,500	\$21,000	0.00
Historical Society	GPR	-\$272,400	-\$272,400	-\$544,800	0.00
	FED	-30,200	-30,000	-60,200	0.00
	PR	-259,000	-257,500	-516,500	0.00
	SEG	<u>595,500</u>	<u>595,500</u>	<u>1,191,000</u>	<u>0.00</u>
	Subtotal	\$33,900	\$35,600	\$69,500	0.00
Judicial Commission	GPR	-\$1,100	-\$400	-\$1,500	0.00
Justice	GPR	-\$341,400	-\$342,500	-\$683,900	1.50
	FED	2,389,000	1,494,600	3,883,600	-25.00
	PR	-348,100	-348,100	-696,200	0.00
	SEG	<u>-54,700</u>	<u>-54,700</u>	<u>-109,400</u>	<u>0.00</u>
	Subtotal	\$1,644,800	\$749,300	\$2,394,100	-23.50
Kickapoo Reserve Management Board	PR	\$2,700	\$2,700	\$5,400	0.00
	SEG	<u>-23,500</u>	<u>-23,500</u>	<u>-47,000</u>	<u>0.00</u>
	Subtotal	-\$20,800	-\$20,800	-\$41,600	0.00
Labor and Industry Review Commission	GPR	\$9,900	\$9,900	\$19,800	0.00
	PR	134,000	134,000	268,000	0.00
	SEG	<u>29,500</u>	<u>29,500</u>	<u>59,000</u>	<u>0.00</u>
	Subtotal	\$173,400	\$173,400	\$346,800	0.00
Legislature*	GPR	\$429,300	\$465,400	\$894,700	0.00
	PR	<u>52,900</u>	<u>57,900</u>	<u>110,800</u>	<u>0.00</u>
	Subtotal	\$482,200	\$523,300	\$1,005,500	0.00

*Reallocate lease funding among service agencies.

<u>Agency</u>	<u>Fund</u>	<u>2023-24</u>	<u>2024-25</u>	<u>Total</u>	<u>Positions</u>
Lieutenant Governor	GPR	\$13,100	\$13,100	\$26,200	0.00
Lower Wisconsin State Riverway Board	SEG	\$3,000	\$3,000	\$6,000	0.00
Military Affairs	GPR	\$155,700	\$155,700	\$311,400	0.00
	FED	4,303,900	4,308,100	8,612,000	-16.00
	PR	120,000	120,000	240,000	0.00
	SEG	<u>148,600</u>	<u>148,600</u>	<u>297,200</u>	<u>0.00</u>
	Subtotal	\$4,728,200	\$4,732,400	\$9,460,600	-16.00
Natural Resources	GPR	-\$25,600	-\$25,600	-\$51,200	0.00
	FED	4,272,900	4,091,000	8,363,900	-5.00
	PR	-499,300	-523,600	-1,022,900	-2.00
	SEG	<u>3,736,700</u>	<u>3,736,700</u>	<u>7,473,400</u>	<u>-2.00</u>
	Subtotal	\$7,484,700	\$7,278,500	\$14,763,200	-9.00
Office of the Commissioner of Insurance	PR	-\$84,800	-\$84,800	-\$169,600	0.00
	SEG	<u>50,800</u>	<u>50,800</u>	<u>101,600</u>	<u>0.00</u>
	Subtotal	-\$34,000	-\$34,000	-\$68,000	0.00
Program Supplements (27 th Payroll)	GPR	\$88,383,400	\$0	\$88,383,400	0.00
	FED	12,267,100	0	12,267,100	0.00
	PR	21,529,500	0	21,529,500	0.00
	SEG	<u>12,101,700</u>	<u>0</u>	<u>12,101,700</u>	<u>0.00</u>
	Subtotal	\$134,281,700	\$0	\$134,281,700	0.00
Public Defender Board	GPR	-\$907,400	-\$926,500	-\$1,833,900	0.00
	FED	1,600	1,600	3,200	-63.00
	PR	<u>-26,000</u>	<u>-26,400</u>	<u>-52,400</u>	<u>0.00</u>
	Subtotal	-\$931,800	-\$951,300	-\$1,883,100	-63.00
Public Instruction	GPR	-\$379,100	-\$379,100	-\$758,200	0.00
	FED	3,000	3,000	6,000	0.00
	PR	<u>-58,100</u>	<u>-112,600</u>	<u>-170,700</u>	<u>-1.00</u>
	Subtotal	-\$434,200	-\$488,700	-\$922,900	-1.00

<u>Agency</u>	<u>Fund</u>	<u>2023-24</u>	<u>2024-25</u>	<u>Total</u>	<u>Positions</u>
Public Service Commission	FED	\$515,500	\$515,500	\$1,031,000	0.00
	PR	57,400	57,400	114,800	0.00
	SEG	<u>46,700</u>	<u>46,700</u>	<u>93,400</u>	<u>0.00</u>
	Subtotal	\$619,600	\$619,600	\$1,239,200	0.00
Revenue	GPR	-\$1,846,600	-\$1,835,300	-\$3,681,900	0.00
	PR	254,500	317,700	572,200	0.00
	SEG	<u>261,500</u>	<u>270,800</u>	<u>532,300</u>	<u>0.00</u>
	Subtotal	-\$1,330,600	-\$1,246,800	-\$2,577,400	0.00
Safety and Professional Services	FED	-\$16,800	-16,800	-\$33,600	0.00
	PR	<u>327,100</u>	<u>296,400</u>	<u>623,500</u>	<u>-2.00</u>
	Subtotal	\$310,300	\$279,600	\$589,900	-2.00
Secretary of State	PR	-\$6,500	-\$6,500	-\$13,000	0.00
State Fair Park Board	PR	\$199,600	\$199,600	\$399,200	0.00
State Treasurer	PR	-\$2,500	-\$2,500	-\$5,000	0.00
Supreme Court	GPR	-\$130,400	-\$117,900	-\$248,300	0.00
	FED	24,000	24,500	48,500	0.00
	PR	593,000	610,200	1,203,200	0.00
	SEG	<u>-3,700</u>	<u>-3,400</u>	<u>-7,100</u>	<u>0.00</u>
	Subtotal	\$482,900	\$513,400	\$996,300	0.00
Technical College System Board	GPR	\$66,800	\$66,800	\$133,600	0.00
	FED	-68,300	-68,300	-136,600	0.00
	PR	<u>-10,400</u>	<u>-10,400</u>	<u>-20,800</u>	<u>0.00</u>
	Subtotal	-11,900	-11,900	-\$23,800	0.00
Tourism	GPR	\$282,800	\$282,800	\$565,600	-3.00
	FED	100	100	200	0.00
	PR	<u>4,600</u>	<u>4,600</u>	<u>9,200</u>	<u>0.00</u>
	Subtotal	\$287,500	\$287,500	\$575,000	-3.00

<u>Agency</u>	<u>Fund</u>	<u>2023-24</u>	<u>2024-25</u>	<u>Total</u>	<u>Positions</u>
Transportation	FED	\$7,173,300	\$7,173,300	\$14,346,600	0.00
	PR	178,900	178,900	357,800	0.00
	SEG	<u>5,408,300</u>	<u>5,408,300</u>	<u>10,816,600</u>	<u>0.00</u>
	Subtotal	\$12,760,500	\$12,760,500	\$25,521,000	0.00
University of Wisconsin System	GPR	\$10,423,200	\$10,423,200	\$20,846,400	0.00
Veterans Affairs	GPR	\$700	\$700	\$1,400	0.00
	FED	49,300	49,300	98,600	0.00
	PR	7,171,500	7,171,500	14,343,000	0.00
	SEG	<u>-238,700</u>	<u>-209,900</u>	<u>-448,600</u>	<u>0.00</u>
	Subtotal	\$6,982,800	\$7,011,600	\$13,994,400	0.00
Workforce Development	GPR	\$491,900	\$491,900	\$983,800	0.00
	FED	3,408,500	2,037,100	5,445,600	-71.00
	PR	-733,400	-733,400	-1,466,800	0.00
	SEG	<u>40,600</u>	<u>40,600</u>	<u>81,200</u>	<u>0.00</u>
	Subtotal	\$3,207,600	\$1,836,200	\$5,043,800	-71.00
	GPR	\$100,529,400	\$12,719,500	\$113,248,900	-1.50
	FED	55,672,100	27,411,800	83,083,900	-401.00
	PR	35,460,100	13,991,700	49,451,800	-9.00
	SEG	<u>25,408,200</u>	<u>13,312,900</u>	<u>38,721,100</u>	<u>-2.00</u>
	Total	\$217,069,800	\$67,435,900	\$284,505,700	-413.50