



**COMMISSION FILE NO:** 26-053-4 **DATE INTRODUCED:** April 13, 2026

**INTRODUCED BY:** Executive Director (Signature on File in the Office of the Commission)

**REFERRED BY COMMISSION CHAIRPERSON TO:** Policy, Finance, and Personnel Committee

**RELATING TO:** Amending the Adopted 2026 Operations and Maintenance Budget to Reflect Carryover of Unexpected Funds

**SUMMARY:**

The Commission is requested to amend the adopted 2026 Operations and Maintenance Budget by approving the carryover of unexpended 2025 funds into 2026. Carryovers are permitted when goods, materials, and services required for the operation and maintenance of District facilities are not delivered or completed during the previous fiscal year and have authorized budgets that have not been expended.

Carryover requests totaling \$5,203,400 were submitted to the Budget Office. Of those, staff recommend carrying over the full request into 2026. A preliminary analysis of the 2025 surplus, subject to final audit, indicates a yearend surplus of \$14,076,163. After carryovers, this would leave approximately \$8,872,763 of the preliminary surplus to be used in the 2027 Operations and Maintenance Budget as surplus applied and a reduction to user charge billings.

A two-thirds affirmative vote of the Commission is required for approval.

**ATTACHMENTS:** **BACKGROUND**  **KEY ISSUES**  **RESOLUTION**   
**FISCAL NOTE**  **SBE**  **OTHER**  \_\_\_\_\_

*PFPP\_Carryovers\_to\_2026\_legislative\_file.docx*  
03-26-26

**COMMITTEE ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**COMMISSION ACTION:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

## BACKGROUND

### Amending the Adopted 2026 Operations and Maintenance Budget to Reflect Carryover of Unexpected Funds

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**Cost Center: Office of Contract Compliance**  
**Account: 66100 Amount: \$657,900**

The requested carryover for \$657,900 is for repairs to water reclamation facilities and conveyance sites that were damaged due to the August 2025 major flooding event. The work related to the flood response is ongoing.

**Cost Center: Office of Contract Compliance**  
**Account: 67100 Amount: \$27,300**

The requested carryover for \$27,300 is for repairs to water reclamation facilities and conveyance sites that were damaged due to the August 2025 major flooding event. The work related to the flood response is ongoing.

**Cost Center: Office of Contract Compliance**  
**Account: 64500 Amount: \$168,000**

The requested carryover for \$168,000 is for consultant engineers working on repair and replacement projects due to an ongoing backlog. Due to the learning curve of these projects, project engineers are more efficient in executing projects now that they are more informed.

**Cost Center: Engineering Services**  
**Account: 64900 Amount: \$969,200**

The requested carryover for \$969,200 is for repairs to watercourse sites that were damaged due to the August 2025 major flooding event. The work related to the flood response is ongoing.

**Cost Center: Engineering Services**  
**Account: 64500 Amount: \$93,000**

The requested carryover for \$93,000 is for a condition assessment on watercourse culverts owned by the District. Due to staff turnover, the project was delayed but is intended to be started in early 2026.

## **BACKGROUND (Cont'd)**

### **Amending the Adopted 2026 Operations and Maintenance Budget to Reflect Carryover of Unexpected Funds**

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**Cost Center: Information Technology**  
**Account: 64500 Amount: \$200,000**

The requested carryover for \$200,000 is for the Data and Information Strategy project related to data analytics and artificial intelligence development. The project was delayed due to the August 2025 major flooding event and the organization-wide pause in spending.

**Cost Center: Information Technology**  
**Account: 64900 Amount: \$47,000**

The requested carryover for \$47,000 for uninterruptible power supply (UPS) systems repair and replacements due to the age of the devices. The UPS systems were delayed due to the August 2025 major flooding event and the organization-wide pause in spending.

**Cost Center: Information Technology**  
**Account: 55100 Amount: \$25,000**

The requested carryover of \$25,000 is for training for Information Technology Systems staff. Due to the pause in spending from the August 2025 major flooding event, these dollars were not spent. Because of staff turnover, employee training dollars are still needed.

**Cost Center: Information Governance (Records)**  
**Account: 64900 Amount: \$6,000**

The requested carryover for \$6,000 is for third party scanning digitization services as a part of the District's information governance digitization efforts. These services were put on hold due to the August 2025 major flooding event and the organization-wide pause in spending.

**Cost Center: Administration**  
**Account: 64500 Amount: \$10,000**

The requested carryover for \$10,000 is for Workforce Development Committee programming funds that were underspent in 2025 due to lower than anticipated programming costs. The 2026 budget does not include funds for this committee due to the Headquarters remodel project, but, since this project was delayed due to the August 2025 major flooding event, programming funds are needed for 2026.

## **BACKGROUND (Cont'd)**

Amending the Adopted 2026 Operations and Maintenance Budget to Reflect Carryover  
of Unexpected Funds

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**Cost Center: Operations**  
**User Charge Stabilization Fund Contribution**  
**Amount: \$3,000,000**

The Commission is requested to amend the 2025 Operations and Maintenance Budget for an unbudgeted \$3,000,000 contribution to the user charge stabilization fund to offset potential future user charge increases, especially due to the start of a new operator contract in 2028. The 2025 contribution amount was originally budgeted at \$0, the 2025 yearend balance of this fund was \$14,076,953, and a \$1,500,000 contribution is budgeted for 2026.

## RESOLUTION

Amending the Adopted 2026 Operations and Maintenance Budget to Reflect Carryover  
of Unexpected Funds

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**RESOLVED**, by the Milwaukee Metropolitan Sewerage Commission, that the Adopted 2026 Operations and Maintenance Budget be amended to include the following amounts carried forward from 2025 to 2026:

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<b>Division</b>	<b>Cost Center</b>	<b>Account</b>	<b>Amount</b>
Office of the Executive Director	Administration	64500	\$10,000
Tech Services	Engineering Services	64500	\$93,000
	Engineering Services	64900	\$969,200
	Office of Contract Compliance	66100	\$657,900
	Office of Contract Compliance	67100	\$27,300
	Office of Contract Compliance	64900	\$168,000
Information Technology	Information Technology	64500	\$200,000
	Information Technology	55100	\$25,000
	Information Technology	64900	\$47,000
	Information Governance (Records)	60900	\$6,000
Operations	User Charge Stabilization Fund		\$3,000,000
<b>Total</b>			<b>\$5,203,400</b>

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