

LRB-RESEARCH AND ANALYSIS SECTION

FINANCE AND PERSONNEL COMMITTEE

ITEM 7, FILE # 061215

FEBRUARY 22, 2007

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The Proposed Substitute for File # 061215 is a substitute resolution appropriating remaining funds from the 2006 Common Council Contingent Fund for the purpose of closing the 2006 financial books due to unanticipated shortfalls in current year (2006) operating expenses.

Background

This substitute resolution will transfer funds in the 2006 Common Council Contingent Fund to various the Board of Zoning Appeals, City Attorney, Department of Employee Relations, Assessor's Office, Police Department, Health Department accounts.

Discussion

1. The BOZA operating account requires up to \$1,756 for various operating expenses.
2. The City Attorneys salary account requires up to \$327,320 for costs relating to the manner staff salaries for legal services provided to RACM were accounted for and the retirement of 2 City Attorneys. RACM deposited funds for City Attorney legal services into City's General Fund rather than to a City Attorney's Office account, creating a shortfall in the City Attorney's salaries account. A portion of the shortage is also due to benefit payouts that were made out of the Salary account for two attorneys that retired in 2006.
3. The Department of Employee Relations salaries account requires up to an additional \$33,181.
4. The Department of Employee Relations operating account requires up to an additional \$8,007 for various expenses.
5. The Department of Employee Relations' Employee Training Fund SPA requires up to an additional \$2,195 due to unanticipated expenses that occurred after funds were transferred to the Tuition Reimbursement Fund SPA.
6. The Department of Employee Relations' Tuition Reimbursement Fund SPA requires up to an additional \$16,033 due to greater than anticipated reimbursements.
7. The Assessor's Office salaries account requires up to \$158,048 due to lower than anticipated vacancies, unpaid leaves, etc. than were anticipated in the department's 2006 Personnel Cost Adjustment.
8. The Fire Department salaries account requires up to \$962,177 for costs related greater than anticipated expenses for sick leave and FMLA leave.
9. The Fire Department salaries account requires up to \$459,383 for energy related costs.

10. The majority of the up to \$2,182,787 being transferred to the Police Department salaries account is related to overtime expenses.
11. The Police Department operating account requires up to \$17,522 for energy related expenses.
12. The Health Department salaries account requires up to \$77,820 due to lower than anticipated vacancies, unpaid leaves, etc.

Fiscal Effect

1. The 2006 Budget included \$5,500,000 in funding for the Common Council Contingent Fund. On January 26, 2007, the 2006 Common Council Contingent Fund available balance was \$4,264,786.
2. The proposed resolution authorizes up to \$4,246,229 be withdrawn from the 2006 Common Contingent Fund.
3. If the full \$4,246,229 is withdrawn, the 2006 Common Council Fund balance will be \$18,557.

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