

June 17, 2002

To the Honorable
Common Council

RE: Inventory Reserve Report

Dear Council Members:

Section 304-29-4-f of the Milwaukee Code requires that the Comptroller provide the Common Council with a separate report of adjustments for inventory reserve made to the Reserve for Tax Stabilization. Attached is a copy of the *Schedule of Inventory Balances and adjustments to the Inventory Reserve and Reserve for Tax Stabilization* for fiscal year end 2001.

Inventory items are purchased and retained as assets of the City of Milwaukee. Since inventory items are not recorded as expenditures of the City until they are used by an operating department they are reserved and segregated as a portion of the Tax Stabilization Balance.

The attached schedule details returns (decreases in inventory) and withdrawals (increases in inventory) from the Reserve for Tax Stabilization for the individual inventory accounts. This schedule indicates a net addition to the Reserve for Tax Stabilization of \$335,969.81 for the year 2001.

This office will gladly assist with any general questions regarding this schedule, however, detailed questions pertaining to individual balances may be better directed to appropriate departments.

Respectfully submitted,

W. MARTIN MORICS
Comptroller

WMM:BL:

Attachment

File: 01 inventory report to council

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