

From: Marianne Walsh
To: mmurph
Date: 1/18/2005 11:51:15 AM
Subject: Contingent Borrowing Question

Hello, Ald. Murphy:

Last week when I met with you and Terry MacDonald in your office to discuss the agenda for the Jan. 26 Finance Committee meeting, you asked me to verify (again) with the Comptroller's Office that we will not need contingent borrowing to close out the 2004 books.

I spoke with Deputy Comptroller John Egan this morning (Tues., Jan. 18) regarding your concerns. As you are aware, the Common Council approved at its Jan. 11 meeting the appropriation of up to \$800,000 from the Common Council Contingent Fund to cover the outstanding needs of the Remission of Taxes Fund for 2004. According to Mr. Egan, the Comptroller's Office and its auditors and the Budget Office are working together very closely to close out the City's 2004 budget using whatever remaining departmental funds are available, as well as trying to avoid booking additional accruals to 2004 whenever possible. Mr. Egan does not contemplate having to use contingent borrowing, although there is no exact certitude, of course, until the last account is closed out.

According to Mr. Egan, there are 2 files scheduled for Finance on Jan. 26 that may be held to the call of the chair: CCFN #041171 and #041172, both of which deal with issuance and sale of General Obligation promissory notes (contingent borrowing). These 2 files were put in as "place-holders" and are are not needed at this time.

CC: FISCAL; jegan; tmacdo; whines