

Reply to Common Council File No. 021579

From DOA-Budget and Management Division

February 24, 2003

Ref: 02009

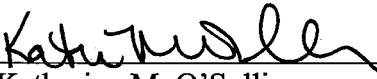
Common Council file 021579 contains a substitute resolution appropriating funds from the 2002 Common Council Contingent Fund for the purpose of closing the 2002 financial books due to unanticipated shortfalls in current year operating expenditures.

This resolution transfers up to \$1,064,000 in funding from the 2002 Common Council Contingent Fund for unanticipated shortfalls in the following accounts.

- City Attorney Office Operating Expenditures Account – Up to \$24,000
- City Attorney Office Equipment Purchases Account – Up to \$9,000
- Workers' Compensation Special Purpose – Up to \$55,000
- Department of Employee Relations Operating Expenditures – Up to \$800
- Assessor's Office's Operating Expenditures – Up to \$200
- Library's Reciprocal Borrowing (MCFLS) – Up to \$1,000,000. The shortfall in the Reciprocal Borrowing (MCFLS) account is due to the accrual of the 2002 payment, which was not anticipated in the deliberations of either the 2002 or 2003 budgets.

Any Contingent Funds not transferred to the above accounts will be transferred to the Police Department's Salary account. The shortfall in the Police Department salary account is primarily due to a \$5.9 million shortage in the overtime account leading to a net shortage of \$3.9 million in the salary account. The Contingent Fund will fund part of this \$3.9 million shortage (approximately \$1.1 million) and the Wages Supplement Fund will fund the remainder.

**RECOMMENDATION: APPROVE COMMON COUNCIL FILE 021579 WHICH APPROPRIATES FUNDS FROM THE 2002 CONTINGENT FUND TO FUND SHORTFALLS IN VARIOUS DEPARTMENT ACCOUNTS.**

  
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