

Reply to Common Council File No. 011059

From DOA-Budget and Management Division

December 17, 2001

Ref: 01013(55)

This Substitute resolution authorizes the Department of Public Works to expend funding for equipment that was set aside as part of the 2001 Budget Adjustment Plan to fund unanticipated expenses incurred in 2001.

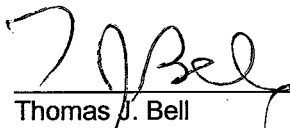
This resolution amends Common Council File 001659, a resolution authorizing year 2001 budget reductions, to authorize the Department of Public Works to transfer and expend equipment funds for unanticipated expenses related to the December 2000 snowfall and higher than anticipated utility costs totaling approximately \$1.1 million.

As a result of the 50-inch snowfall in December of 2000 in Milwaukee, DPW incurred excessive costs for snow plowing operations and had to undertake an additional snow clearing operation in January 2001 at a cost of approximately \$800,000. DPW incurred additional unforeseen expenses because the price of natural gas increased dramatically in 2001. Natural gas had a low per unit cost of \$11.81 in 2001, compared to a low per unit cost of \$4.29 in 2000. This cost increase caused an additional shortfall of approximately \$300,000 in the 2001 budget.

This resolution also authorizes the City Comptroller to transfer \$1,043,910 from DPW- Buildings and Fleet equipment account #0001-5450-R999-006800 to DPW - Buildings and Fleet operating expenditure account #0001-5450-R999-06300 and transfer \$25,800 from DPW- Forestry equipment account #0001-5810-R999-006800 to DPW - Buildings and Fleet operating expenditure account #0001-5450-R999-06300.

Amending resolution #001659 has no levy impact. These funds were originally appropriated as part of the 2001 budget.

RECOMMENDATION: ADOPT COMMON COUNCIL RESOLUTION, #011059, THAT AMMENDS COMMON COUNCIL RESOLUTION #001659, THAT SET ASIDE FUNDING FOR EQUIPMENT AS PART OF THE 2001 BUDGET ADJUSTMENT PLAN.



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