

Reply to Common Council File No. 110999
From DOA-Budget and Management Division

November 21, 2011

Ref: 11010

Common Council File 110999 contains a resolution appropriating revenues greater than anticipated to the Department of Public Works. This resolution will increase expenditure authority for the DPW Operations Division's Operating Expenditure Account. The Comptroller has indicated revenue recognition consistent with the resolution.

The 2011 DPW Operations division is expected to exceed its Operating Expenditure budget by \$2.5 to \$3 million. These overruns will occur as a result of:

- Reduction to the State Recycling grant of \$1.3 million
- Fuel costs of \$1.1 million higher than budgeted (year to date)
- First quarter Snow and Ice Operations depleted the amount budgeted for 2011

DPW Operations has generated greater than anticipated revenues totaling approximately \$2.56 million. The increased revenue occurred as a result of the following:

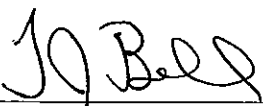
- **Snow and Ice Fee:** Snow and Ice expenditures for the first quarter of 2011 totaled approximately \$7.9 million. This exceeded the 2011 budgeted amount for Snow and Ice operation by \$1.4 million. The Common Council amended the 2011 Snow and Ice Control Fee to generate an additional \$1.4 million.

The 2011 amended Snow and Ice Fee will resolve 2011 first quarter challenges. The amended fee does not address fourth quarter Snow and Ice Operation expenses.

- **FEMA Reimbursement:** FEMA has reimbursed the city a total of \$467,850 for costs related to equipment rentals occurring as a result of the February 2 – 4 blizzard.
- **Recycling Processing Revenue:** The 2011 budget includes revenue of \$750,000 from recycling. Year to date recycling revenues amount to \$1,407,753 or \$657,753 more than the 2011 budgeted amount.

Approval of this resolution will allow DPW Operations to make remaining year end payments and bridge a major portion of the total projected shortfall

**RECOMMENDATION: ADOPT COMMON COUNCIL RESOLUTION
110999 APPROPRIATING REVENUES GREATER THAN ANTICIPATED
TO THE DEPARTMENT OF PUBLIC WORKS**



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