

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

VOTE

IN CITY COUNCIL:

ORDER,

To transfer funds from the Manager's Contingency Account to a newly created Cyber Security Account.

ORDERED,

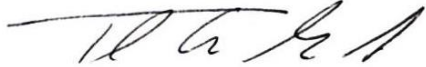
By the City Council of the City of Lowell, as follows:

That the amount of **Three Hundred Fifty Thousand and 00/100 (\$350,000.00) Dollars** be transferred:

FROM: Manager's Contingency, as more fully described in "Attachment A"

TO: Cyber Security Account, as more fully described in "Attachment A"

ORDER RECOMMENDED AND INTRODUCED BY:



Thomas A. Golden, Jr., City Manager



The City of Lowell
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 www.LowellMA.gov
 Office of the City Auditor

Budget Transfer Form

Requestor: Austin Ball, Deputy CFO

Date: 5/19/2023

| Fund | Organizational ID | Object | Amount Requested | (1) Source of Additional Funding*** | (1) Amount (transfers only) |
|------|-------------------|--------------|------------------|-------------------------------------|-----------------------------|
| | 01554157 | 563602-CYBER | \$ 350,000.00 | 01237056-561700 | \$ 350,000.00 |
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***Include Fund, Org, and Object if this is a budget transfer

Reason for budget adjustment:

To transfer funds for Lifelocksoftware for city employees

Department Head Approval: _____

CFO Approval: _____




Conor Baldwin
 Chief Financial Officer

Austin Ball
 Deputy CFO

MEMORANDUM

TO: Thomas A. Golden, Jr., City Manager

FROM: Conor Baldwin, Chief Financial Officer 

CC: Miran Fernandez, MIS Director

DATE: May 16, 2023

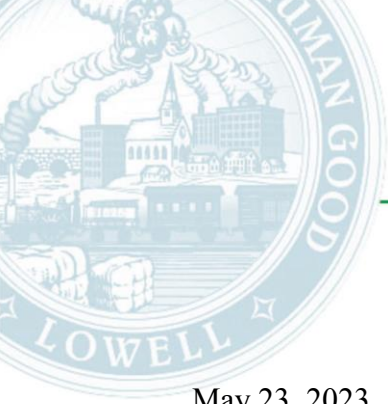
SUBJECT: Cyber Security Transfer - From City Manager's Contingency

Below is a request to transfer funds from the city manager's contingency account into a newly created cyber security line item. Since the cyber security incident a few weeks ago, the Finance team worked with the Auditor to setup a new corresponding account. The total amount of the transfer will be for \$350,000 and this funding will afford the city the opportunity to purchase Lifelock, an identity theft protective software for all city employees.

The funding to satisfy the transfer needs has been identified by the finance department from the Manager's Contingency account. This transfer will have no impact on the tax rate for FY2023.

Below is a summary of the impacted accounts:

| Account Name | Original Budget | Previous Transfers | Revised Budget | YTD Expenditures (Actual) | Encumbrances | Balance Before Transfer | Balance After Transfer | |
|---|-----------------|--------------------|----------------|---------------------------|--------------|-------------------------|------------------------|--------------|
| Transfer TO: | | | | | | | | |
| 1. Cyber Security Account | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 350,000 | \$ 350,000 |
| Transfer FROM: | | | | | | | | |
| 1. Manager's Contingency - Expenses | \$ 2,078,911 | \$ (1,589,566) | \$ 489,345 | \$ - | \$ - | \$ 489,345 | \$ (350,000) | \$ 139,345 |
| 2. Manager's Contingency - Salary Reserve | \$ 1,589,411 | \$ (462,400) | \$ 1,127,011 | \$ - | \$ - | \$ 1,127,011 | \$ - | \$ 1,127,011 |
| ***Manager's Contingency - Salary Reserve Pending Approval*** | \$ 1,589,411 | \$ (1,170,288) | \$ 419,123 | \$ - | \$ - | \$ 419,123 | \$ (419,123) | \$ - |
| ***Manager's Contingency - Salary Reserve Pending Approval*** | \$ 1,589,411 | \$ (462,400) | \$ 1,127,011 | \$ - | \$ - | \$ 1,127,011 | \$ (707,888) | \$ 419,123 |



Thomas A. Golden, Jr.
City Manager

May 23, 2023

Mayor Sokhary Chau
And
Members of the Lowell City Council

Dear Mayor Chau and Members of the Lowell City Council,

I am hereby requesting that the City Council vote to transfer funds from the contingency account to a new account for cyber security. The amount of this transfer is \$350,000 and will be transferred into a newly created cyber security account.

During the fiscal year 2023 budget proceedings, funds were allocated to the contingency account for strategic initiatives set forth by the council and also for unforeseen expenses. As you are all aware, several weeks ago the city experienced a cyber related incident. As a preventative initiative and to maintain an extra layer of security for our employees, I would like to make available to every city employee a service called LifeLock. LifeLock is an identity thief protection software that will notify an individual if there is any threat to their identity.

I would be remiss if at this point I also didn't point out and acknowledge the hard work our MIS team is doing to help get the city back up and running so quickly. I'm happy to answer any of the questions the council may have.

Sincerely,

Thomas A. Golden, Jr.
City Manager

CC: Conor Baldwin, Chief Financial Officer
Miran Fernandez, MIS Director