



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2020-0456

TO: Mayor and City Council Members
FROM: Joe Snyder, Chief Financial Officer, x 2534
DATE: December 14, 2020
SUBJECT: FY 2020 – RARA 4th Quarter Budget Amendment

REQUEST:

We are requesting that City Council approve the Rochester-Avon Recreation Authority's (RARA) proposed FY 2020 4th Quarter Budget Amendments.

BACKGROUND:

The Rochester Avon Recreation Authority (RARA) in coordination with the City of Rochester Hills Finance Division has prepared the following 4th Quarter Budget Amendments to the current FY 2020 RARA Budget.

The FY 2020 RARA 4th Quarter Budget Amendment proposes a decrease in total revenues of (\$1,119,464) and a decrease in total expenses of (\$907,032). The proposed decrease in revenues less the proposed decrease in expenses results in a final proposed RARA revenue budget of \$1,643,466 and a final proposed expense budget of \$1,685,058. The net impact of RARA Fund Balance in FY 2020 is (\$41,592).

RARA's Fund Balance as of 12/31/2019 was \$365,335, which equated to 14.5% of FY 2019 operating expenses. RARA's Fund Balance is projected to decrease by (\$41,592) to \$323,743 as of 12/31/2020. Due to the large decrease in FY 2020 operating expenses, RARA's Fund Balance is projected to be 19.3% of FY 2020 annual operating expenses.

The FY 2020 4th Quarter Budget Amendments were approved unanimously by the RARA Board on December 2, 2020.

The requested amendment amounts are detailed in the attached Line-Item Detail Summary Report.

RECOMMENDATION:

We are requesting that City Council approve the Rochester-Avon Recreation Authority's (RARA) proposed FY 2020 4th Quarter Budget Amendments.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney

Yes

N/A