



To: Rochester Hills City Council
From: Tim Soave, OPC Financial Director
In Re: 2016 Budget Amendments
Date: September 12, 2016

In April 2016, the Rochester Hills City Council, the Rochester City Council, and the Oakland Township Board of Trustees, approved an amendment to the Interlocal Agreement specifying that the OPC Board had the authority to establish the fiscal year for the OPC. Prior to this amendment, the OPC fiscal year matched that of the City of Rochester Hills, January 1 to December 31.

Subsequently, at the May 5, 2016 OPC Board meeting, the OPC Board adopted an October 1 – September 30 fiscal year for the OPC beginning October 1, 2016. On July 7, 2016, the OPC Board approved an amendment to the 2016 OPC budget, reducing the January 1 – December 31, 2016 budget (12 months) to a January 1 – September 30, 2016 budget (9 months) so as to accommodate the change in fiscal years beginning October 1, 2016.

This amendment, reducing the OPC 2016 budget from a 12 month budget to a 9 month budget (and subsequent reporting period) is the subject of tonight's agenda item. There are NO substantive changes to the OPC budget, simply a restructuring to reflect the shorted budgetary and reporting period for 2016. Revenue should exceed expenditures in this revised 2016 budget due to the fact that property taxes are collected within the first nine months of the calendar year. This excess revenue, in the anticipated amount of \$435,000 has been budgeted to contingency. This amount will fall to fund balance at the end of September 2016 and will be used to support OPC operations for the first quarter of FY 2017.

Should you have any questions please contact me at 248-659-1028.

OPC Governing Board

Stuart Bikson • Kevin Brown • John Dalton • Dale Hetrick
William Jandeska • Stephanie Morita • Micheline Sommers • Lucy Strand