

FISCAL YEAR 2018
1st QUARTER PROPOSED BUDGET AMENDMENT

| | Current 2018 Budget | 1st Qtr Amendment | Proposed 2018 Budget |
|-------------------------------|------------------------|------------------------|-------------------------|
| Total Revenues | \$ 120,215,110 | \$ 3,733,520 | \$ 123,948,630 |
| <i>Operating Expense</i> | \$ 94,916,030 | \$ 587,280 | \$ 95,503,310 |
| <i>Capital Outlay Expense</i> | 16,911,530 | 14,669,320 | 31,580,850 |
| <i>Transfer-Out Expense</i> | 17,122,810 | 425,000 | 17,547,810 |
| Total Expenses | \$ 128,950,370 | \$ 15,681,600 | \$ 144,631,970 |
| To/(From) Fund Balance | \$ (8,735,260) | \$ (11,948,080) | \$ (20,683,340) |

Grand Total Citywide Revenue, Expense, and Fund Balance Impact:

The FY 2018 1st Quarter Budget Amendment proposes an increase in total revenues of \$3,733,520 and an increase in total expenses of \$15,681,600. The proposed increase in revenues less the increase in expenses will have a net impact on citywide fund balances and retained earnings of (\$11,948,080).

Some of the most significant financial items presented as part of this FY 2018 1st Quarter Budget Amendment include:

- Increase of \$3,733,520 in Total Revenues
 - Primarily due to MDOT reimbursement for Hamlin Road Reconstruction [City Limits to East of Adams] that the City is paying 100% up front
- Increase of \$587,280 in operating expenditures
 - Primarily due to Hamlin site development agreement work in LDFA.
- Increase of \$14,669,320 million in capital project funding due primarily to the carryover of projects not completed in FY 2017
 - \$3,827,610 = Major Road Fund
 - \$415,000 = Local Street Fund
 - \$110,000 = Water Resources Fund
 - \$1,000,000 = Fire Capital Fund
 - \$5,200 = Pathway Construction Fund
 - \$2,637,920 = Water & Sewer Capital Fund
 - \$6,206,850 = Facilities Fund
 - Funding primarily for Fire Station #4 construction
 - \$177,160 = MIS Fund
 - \$289,580 = Fleet Fund
- Increase of \$425,000 in Transfers-Out
 - Primarily due to transfer-Out from the (101) General Fund to balance (203) Local Streets Fund.

Summary by Fund

101 - General Fund

General Fund expenditures are proposed to increase by +\$571,200 due to:

- Increase of +\$146,200 in operating expenditures due to:
 - Mayor's Office / Professional Services = +\$8,700
 - Resident Opinion Survey (carryover from FY 2017)
 - Human Resources / Professional Services = +\$14,000

FISCAL YEAR 2018 1st QUARTER PROPOSED BUDGET AMENDMENT

- Employee Compensation Study (carryover from FY 2017)
 - Cemetery / Operating Supplies = +\$10,000
 - Cemetery Software System (carryover from FY 2017)
 - Planning / Professional Services = +100,000
 - Master Land Use Plan (carryover from FY 2017)
 - Planning Consultant (carryover from FY 2017)
 - Natural Resources / Supplies = +\$3,500
 - Natural Resources supplies (carryover from FY 2017)
 - Ordinance / Contractual Services = +\$10,000
 - Additional No Haz funding needed for FY 2018
- Increase of +\$425,000 due to:
 - Transfer-Out to the Local Street fund to balance
 - Transfer-Out to the Water Resources fund to balance

The increase in expenditures will have a net impact on fund balance of (\$571,200).

202 - Major Road Fund

Major Road Fund revenues are proposed to increase by +\$2,908,520 due to:

- MDOT 50% reimbursement of Hamlin Road Reconstruction [City limit to East of Adams]
- RCOC reimbursement of preliminary engineering of Hamlin Road Reconstruction

Major Road Fund expenditures are proposed to increase by +\$3,827,610 due to:

- Increase of +\$3,827,610 in capital projects:

| Major Road Fund Capital Project Change Summary | | | |
|---|---------------------------|----------------------|---------------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendment | 2018 Amended Budget |
| MR-08: Horizon Court Rehabilitation | \$ - | \$ 1,000 | \$ 1,000 |
| MR-11: Rochester Industrial Drive Reconstruction | \$ - | \$ 1,000 | \$ 1,000 |
| MR-16A: Auburn Road Corridor P/E | \$ - | \$ 430,370 | \$ 430,370 |
| MR-02J: Hamlin Reconstruction [City Limits to E of Adams] | \$ - | \$ 2,836,880 | \$ 2,836,880 |
| MR-02J: Hamlin Reconstruction P/E | \$ - | \$ 18,000 | \$ 18,000 |
| MR- 07A: Auburn Rd Turn Lane Improvements | \$ - | \$ 51,870 | \$ 51,870 |
| MR-26F: Livernois NB Right Turn Lane at Auburn / MR-31E: John R NB Right Turn Lane at Auburn | \$ - | \$ 53,200 | \$ 53,200 |
| Eddington Realignment | \$ - | \$ 225,350 | \$ 225,350 |
| MR-13A: Dequindre [Auburn - South] / ROW | \$ - | \$ 149,940 | \$ 149,940 |
| MR-40A: Tienken [Livernois - Rochester] / ROW | \$ - | \$ 60,000 | \$ 60,000 |
| All Other Major Road Capital Projects | \$ 4,879,630 | \$ - | \$ 4,879,630 |
| Capital Project Total | \$ 4,879,630 | \$ 3,827,610 | \$ 8,707,240 |

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$919,090).

203 – Local Street Fund

Local Street Fund revenues are proposed to increase by +\$415,000 due to:

- Increase of +\$415,000 Transfer-In from General Fund

Local Street Fund expenditures are proposed to increase by +\$415,000 due to:

- Increase of +\$415,000 in capital projects:

FISCAL YEAR 2018
1st QUARTER PROPOSED BUDGET AMENDMENT

| Local Street Capital Project Change Summary | | | |
|---|---------------------------|-----------------------|---------------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendmdent | 2018 Amended Budget |
| LS-01: "2017" Local Street Asphalt Program | \$ - | \$ 5,000 | \$ 5,000 |
| LS-01: "2017" Local Street Concrete Program | | \$ 10,000 | \$ 10,000 |
| LS-01: Section #33 LS Rehabilitation | | \$ 400,000 | \$ 400,000 |
| All Other Local Street Capital Projects | \$ 5,125,000 | \$ - | \$ 5,125,000 |
| Capital Project Total | \$ 5,125,000 | \$ 415,000 | \$ 5,540,000 |

The increase in revenues less the increase in expenditures will have no impact on fund balance.

244 – Water Resources Fund

Water Resource Fund revenues are proposed to increase by +\$110,000 due to:

- Increase of \$100,000 in Federal Grant revenues (offsetting expenditure)
- Increase of \$10,000 in Transfer-In from General Fund

Water Resources Fund expenditures are proposed to increase by +\$110,000 due to:

- Increase of +\$110,000 in capital projects:

| Water Resource Capital Project Change Summary | | | |
|---|---------------------------|-----------------------|---------------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendmdent | 2018 Amended Budget |
| Avon Creek Phase IV | \$ - | \$ 110,000 | \$ 110,000 |
| All Other Water Resource Capital Projects | \$ 740,000 | \$ - | \$ 740,000 |
| Capital Project Total | \$ 740,000 | \$ 110,000 | \$ 850,000 |

The increase in revenues less the increase in expenditures will have no impact on fund balance.

402 – Fire Capital Fund

Fire Capital Fund expenditures are proposed to increase by +\$1,021,980 due to:

- Increase of +\$21,980 in operating expenditures due to:
 - Operating equipment carried over from FY 2017
- Increase of +\$1,000,000 in capital projects:

| Fire Capital Project Change Summary | | | |
|-------------------------------------|---------------------------|-----------------------|---------------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendmdent | 2018 Amended Budget |
| 105' Heavy Duty Aerial Truck | \$ - | \$ 1,000,000 | \$ 1,000,000 |
| All Other Fire Capital Projects | \$ 359,000 | \$ - | \$ 359,000 |
| Capital Project Total | \$ 359,000 | \$ 1,000,000 | \$ 1,359,000 |

The increase expenditures will have a net impact on fund balance of (\$1,021,980).

403 – Pathway Construction Fund

Pathway Construction Fund expenditures are proposed to increase by +\$5,200 due to:

- Increase of +\$5,200 in capital projects:

FISCAL YEAR 2018
1st QUARTER PROPOSED BUDGET AMENDMENT

| Pathway Capital Project Change Summary | | | |
|--|---------------------|--------------------|---------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendmdent | 2018 Amended Budget |
| PW-07A: Technology Drive Pathway | \$ - | \$ 5,200 | \$ 5,200 |
| All Other Pathway Capital Projects | \$ 578,260 | \$ - | \$ 578,260 |
| Capital Project Total | \$ 578,260 | \$ 5,200 | \$ 583,460 |

The increase in expenditures will have a net impact on fund balance of (\$5,200).

510 –Sewer Division

Sewer Division expenses are proposed to increase by +\$11,100 due to:

- Increase of +\$11,100 in SCADA Maintenance carried over from FY 2017

The increase in expense will have a net impact on retained earnings of (\$11,100).

593 – Water & Sewer Capital Fund

Water & Sewer Capital Fund expenses are proposed to increase by +\$2,637,920 due to:

- Increase of +\$2,637,920 in capital projects including:

| Water & Sewer Capital Fund Project Change Summary | | | |
|---|---------------------|---------------------|---------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendmdent | 2018 Amended Budget |
| WS-07: Booster Station #2 Replacement | \$ - | \$ 1,930,350 | \$ 1,930,350 |
| WS-36: Section 33 Water Main Replacement | \$ - | \$ 100,000 | \$ 100,000 |
| Urgent Water & Sanitary Sewer Repairs | \$ - | \$ 69,270 | \$ 69,270 |
| Eddington Realignment / Water Main | \$ - | \$ 1,400 | \$ 1,400 |
| Fire Station #4 / Water Main | \$ - | \$ 121,900 | \$ 121,900 |
| SS-01B: SCADA System Upgrade | \$ - | \$ 415,000 | \$ 415,000 |
| All Other Water & Sewer Capital Projects | \$ 2,089,080 | \$ - | \$ 2,089,080 |
| Capital Project Total | \$ 2,089,080 | \$ 2,637,920 | \$ 4,727,000 |

The increase in expenditures will have a net impact on retained earnings of (\$2,637,920).

631 - Facilities Fund

Facilities Fund revenues are proposed to increase by +\$300,000 due to:

- Contributions and Donations anticipated for Innovation Hills

Facilities Fund expenses are proposed to increase by +\$6,216,850 due to:

- Increase of +\$10,000 in operating expenses due to:
 - Mayor’s Office Furniture carried over from 2017
- Increase of +\$6,206,850 in capital projects:

FISCAL YEAR 2018
1st QUARTER PROPOSED BUDGET AMENDMENT

| Facilities Fund Project Change Summary | | | |
|---|---------------------|---------------------|---------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendmdnt | 2018 Amended Budget |
| PK-13: Innovation Hills Development | \$ 1,400,000 | \$ 1,972,000 | \$ 3,372,000 |
| PK-05H: Borden Office Relocation | \$ - | \$ 214,000 | \$ 214,000 |
| PK-05J: Borden Park Maintenance Yard | \$ - | \$ 335,000 | \$ 335,000 |
| Fire Station #1 Training Tower | \$ - | \$ 37,000 | \$ 37,000 |
| Fire Station #1 Solid Interceptor / Fire Station #2 Oil Interceptor | \$ - | \$ 20,000 | \$ 20,000 |
| Fire Station #4 Renovation | \$ - | \$ 3,570,850 | \$ 3,570,850 |
| Museum Exhibits | \$ - | \$ 58,000 | \$ 58,000 |
| All Other Facilities Capital Projects | \$ 352,000 | \$ - | \$ 352,000 |
| Capital Project Total | \$ 1,752,000 | \$ 6,206,850 | \$ 7,958,850 |

The increase in revenues less the increase in expenses will have a net impact on retained earnings of (\$5,916,850).

636 - MIS Fund

MIS Fund expenses are proposed to increase by +\$172,160 due to:

- Decrease of (\$5,000) in operating expenditures due to:
 - Professional Services carried over from FY 2017
 - Copier Lease Principal and Interest ending with purchase of new devices
- Increase of +\$177,160 in capital projects

| MIS Fund Project Change Summary | | | |
|---|---------------------|-------------------|---------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendmdnt | 2018 Amended Budget |
| Multi-Function Devices & Printer Management | \$ - | \$ 177,160 | \$ 177,160 |
| All Other MIS Capital Projects | \$ 95,000 | \$ - | \$ 95,000 |
| Capital Project Total | \$ 95,000 | \$ 177,160 | \$ 272,160 |

The increase in expenses will have a net impact on retained earnings of (\$172,160).

661 - Fleet Fund

Fleet Fund expenses are proposed to increase by +\$289,580 due to:

- Increase of +\$289,580 in capital projects:

| Fleet Fund Project Change Summary | | | |
|--|---------------------|-------------------|---------------------|
| Project Title | 2018 Adopted Budget | 1st Qtr Amendmdnt | 2018 Amended Budget |
| Equipment Trailer [OSCO/Cert] | \$ - | \$ 8,260 | \$ 8,260 |
| Utility Structure Trailer | \$ - | \$ 7,500 | \$ 7,500 |
| Equipment Trailer [Parks] | \$ - | \$ 4,980 | \$ 4,980 |
| Water System Truck | \$ - | \$ 228,190 | \$ 228,190 |
| Cargo Van [Building] | \$ - | \$ 22,890 | \$ 22,890 |
| Pickup 2wd [DPS] | \$ - | \$ 17,760 | \$ 17,760 |
| Reclassify 2 Utility Vehicles to Capital Equipment | \$ - | \$ 70,000 | \$ 70,000 |
| Reclassify 2 Utility Vehicles from Vehicles | \$ - | \$ (70,000) | \$ (70,000) |
| All Other Fleet Capital Projects | \$ 1,268,560 | \$ - | \$ 1,268,560 |
| Capital Project Total | \$ 1,268,560 | \$ 289,580 | \$ 1,558,140 |

The increase in expenses will have a net impact on retained earnings of (\$289,580).

FISCAL YEAR 2018
1st QUARTER PROPOSED BUDGET AMENDMENT

848 – LDFA Fund

LDFA Fund expenses are proposed to increase by +\$403,000 due to:

- Hamlin site development agreement work in LDFA

The increase in expenses will have a net impact on fund balance of (\$403,000).