

**Local Development Finance Authority  
2019-2021 Proposed Budget Notes**

**Revenues:**

- 401002 / Balance Required From Fund Balance
  - Decrease by (100%) or to \$0
    - No funding required from LDFA Fund Balance projected in 2019-2021
- 404000 / Taxes: Real Property
  - Increase by 24% or +\$32,600
    - Increase due to Jenoptic and Molex
- 405000 / Taxes: Personal Property
  - Decrease by (35%) or (\$36,030)
    - Decrease due to phase out of Personal Property Tax (PPT)
- 406000 / Taxes: Personal Property Reimbursement
  - Increase by 53% or +\$128,300
    - Increase due to reimbursement of projected loss of PPT
    - Increase due to City's efforts on House Bill 5086 which favorably changed the millage rate formula used in the State of Michigan Department of Treasury PPT Reimbursement calculation benefitting the LDFA and the City of Rochester Hills PPT Reimbursement funds
- 594000-596000 / Municipal Contributions
  - Decrease by (1.8%) or (\$2,990)
    - Decrease due to phase out of Personal Property Tax (PPT)
- 664001 / Interest & Dividend Earnings
  - Decrease by (16%) or (\$7,140)
    - Decrease due to lower levels of LDFA Fund Balance anticipated as of 12/31/2018 due to LDFA contributions for Hamlin Road & Technology Drive Pathway

**Expenditures:**

- 701001 / Balance Contributed To Fund Balance
  - Increase of 100% or +\$488,520
    - Increase due to LDFA Revenues exceeding LDFA Expenditures
    - This is the anticipated amount of funds to be contributed into LDFA Fund Balance each year
- 703000-721000 / Personnel Services
  - Increase of 7.7% or +\$5,620
    - Due to new City of Rochester Hills Compensation Study as well as anticipated Healthcare increases
- 807000 / Contractual Services
  - Decrease of (100%) or (\$403,000)
    - Due to remaining LDFA Infrastructure contribution for Jenoptic property
    - Note: If funds are not expended in FY 2018, the unspent balance shall be "carried over" into FY 2019
- 999202 / Transfer-Out: Major Road Fund
  - Decrease of (90%) or (\$1,800,000)
    - Due to completion of LDFA contribution for Hamlin Road in FY 2018, offset by reinstatement of annual \$200,000 LDFA contribution for LDFA Road Rehabilitation Program in 2019-2021+
- 999403 / Transfer-Out: Pathway Construction Fund
  - Decrease of (100%) or (\$300,000)
    - Due to completion of second year of LDFA contribution for Technology Drive Pathway in FY 2018