



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

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

Legislative File No: 2010-0091

TO: City Council Members

FROM: Keith Sawdon, Director of Finance, Ext 2535

DATE: February 4, 2010

SUBJECT: FY 2010 1st Quarter Budget Amendment

REQUEST:

We are requesting that City Council approve the Mayor's proposed amendments to the 2010 Budget for the following funds: General Fund, Major Road Fund, Local Street Fund, Drain Maintenance Fund, Local Street SAD Improvements – 1995 Series Debt Fund, Fire Capital Fund, Pathway Construction Fund, Sewer and Water Operating Fund, Water & Sewer Capital Fund, Facilities Fund, Management Information Systems Fund, Fleet Fund, and Local Development Finance Authority Fund.

BACKGROUND:

As required by the State's Uniform Budgeting and Accounting Act and City Charter Section 3.7, the Mayor's Office has prepared recommended budget amendments to the original adopted 2010 budget. A large majority of this proposed Budget Amendment or \$5.055 million (\$4.793 million + \$262 Thousand) is related to FY 2009 capital projects that are being carried forward to the FY 2010 budget.

The overall impact of the proposed Budget Amendment is a net increase in the uses of fund balances of \$4,643,490. The amounts being requested to be carried over into the FY 2010 budget for each individual project is either equal to or less than the amount that had been approved in the FY 2009 budget unless appropriately noted.

Capital accounts represent \$4,102,830 of the increase with operating accounts representing \$956,650 which is primarily related to professional service carry over and account reclassifications. Inter-fund transfers-out represent an increase of \$18,980 and \$434,970 in additional revenue will help off-set part of the capital project carry over.

The attached Budget Amendment Summary Report shows the requested budget amendments at the Total Budget level which includes an overview and then the Report presents the requested changes at the Fund level. A description of the requested changes is provided in the Tables used throughout the attached report. We have also attached a line item detail report to help with your understanding of the requested budget amendments.

In addition, the Uniform Budgeting and Accounting Act authorize City Council to permit the Mayor to execute *adjustments* to the budget within limits. Adjustments are intended to reduce the amount of insignificant budget amendments and allow for more efficient and uninterrupted City operations. Administrative adjustments are not intended to increase a Fund's total expenditures previously approved by the City Council. We have enclosed a list of administrative adjustments that were made in the first quarter.

RECOMMENDATION:

We recommend that City Council approve the Mayor's proposed first quarter Budget Amendment to the 2010 budget as proposed.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		

Attachments:

Public Hearing Notice

Resolution

Budget Amendment Summary Report