
CITY OF ROCHESTER HILLS

**Fiscal
Team**

Robert Spaman, Finance Director

DATE: September 15, 2003

TO: Mayor Pat Somerville

RE: Third Quarter Budget
Adjustments

The purpose of these budget adjustments is to reflect actions taken in the last 4 months (June thru September) of 2003. This budget adjustment also takes into account some housekeeping adjustments in the 2003 budget.

The proposed amendments to the 2002 Budget affect several funds including the General Fund, Major Roads, Local Roads, Fire, Special Police, Drains, Local Road SAD-2001 Debt, Pathway Construction, Local Road-1987 Local Road Bond Debt, Water/Sewer, Building & Grounds, and Fleet.

The proposed line item adjustments affect the Bike Path Fund. These line item adjustments are of the housekeeping nature to primarily reallocate expenses in the appropriate line items involving a transfer from one fund to another fund.

Closing Funds from Current Budget Years

In these budget adjustments we are closing Fund 332, which is the Local Road-1987 Bond Debt Fund. This fund was used to recognize the payments for bond debt associated this project. All bond payments have been made so the fund can be closed. The fund balance at the end of 2002 will be transferred in the General Fund fund balance.

General Fund

1. Increase License & Permits-Sidewalk revenue from sidewalk permits.
2. Increase License & Permits-Fire Suppression revenue for an anticipated increase.
3. Increase License & Permits-Passports revenue for an anticipated increase.
4. Increase License & permits-Grading Review revenue for an anticipated increase.
5. Adjust Weed Control revenues and costs for less activity.
6. Correct revenue account for planning revenue for tree consultant.
7. Account for final revenues and expenses for the July 3rd Fireworks Program.
8. Account for SOCRRA litigation fees from Adkinson, Need & Allen as approved by City Council on August 6.
9. Account for memberships & dues that were originally budgeted in miscellaneous expense.
10. Decrease Equipment-Capitalized in Communications budget to reflect the purchase of one receiver instead of three.
11. Account for consultant cost for the Rochester College historical issue.
12. Account for items in the Parks Maintenance line item that are actually Operating Supplies.

13. Account for grant revenue and expenses for two assessors for the federal Conservation Assessment Grant.
14. Account for the closing of Fund 332-Local Road 1987 Bond Debt.
15. Account for purchase of trailer for the Parks Department as a capital expense in Fleet as opposed to Capital in the Parks Department.
16. Account for purchase of Aerator for the Parks Department as a capital expense in Fleet as opposed to Capital in the Parks Department.
17. Account for purchase of a freezer as Capital instead of Operating Equipment.
18. Account for employee costs, fleet rentals and third party costs associated with the April 2003 ice storm.

Major Roads

1. Delete reimbursements for the Tienken Road/Bridge Repair and Tienken @ Kings Cove projects, as the reimbursements will actually be made in 2004.
2. Delete budget for John R (Auburn to Hamlin)
3. Account for Grandview project costs per City Council action on July 16.
4. Account for final Tienken Roundabout costs.
5. Increase Contractual Service-Traffic Services costs for additional traffic marking expenses.

Local Roads

1. Delete bond proceeds and SAD projects for Avondale, Midvale/Devondale and Hillview Lane projects.
2. Increase Contractual Services-Construction costs for repairs to dead lawns on prior road construction projects.
3. Decrease Equipment-Traffic Service to reflect actual cost for purchase of a cutter plotter.
4. Account for final costs for Sheldon Road paving project

Fire

1. Account for revenue and expense for 911 training.
2. Increase Operating Supplies-Administration to reflect actual activity.
3. Decrease Legal Expenses-Administration costs due to settlement of the KME fire pumper lawsuit.
4. Increase various Vehicle maintenance costs to reflect anticipated actual costs.
5. Decrease Operating Equipment for Paid-on-Call Firefighters and book as Capital Outlay-Administration for the purchase of four thermal cameras.
6. Increase maintenance Software-Dispatch for dispatch software costs.
7. Decrease Equipment-Capitalized-Dispatch for the postponement of the communication recorder until 2004.

Special Police

1. Increase Fines-District Court revenue, Operating Supplies-police Liaison and Transfer Out-Buildings & Grounds while decreasing Contribution-Avondale Schools for deletion of school liaison program in the Avondale Schools.
2. Correct account number for purchase of Office Supplies instead of Operating Supplies.

Bike Path

1. Reduce Contractual Services for the maintenance of pathways to the Path Construction Fund.

Drains

1. Delete revenue from Contributions from developers as none is anticipated.
2. Increase Reimbursement from Oakland County to reflect 2003 payments from the Oakland County Infrastructure Fund. This is the final payment.
3. Increase expense for Land Improvements for Nancy Dingledey and Charles Moon Drains.

Local Road SAD-2001 Debt

1. Increase Paying Agent Fees for the debt payments.

Local Roads-1987 Bond Debt

1. Close fund

Pathway Construction Fund

1. Account for the 2003 Pathway Rehabilitation Program costs as well as 2002 carryover projects in this fund.

Water/Sewer Fund

1. Increase Rental Space revenues for additional anticipated revenues.
2. Increase Professional Services for banking services for water/sewer payments.
3. Account for South Boulevard costs per City Council action on September 3.

Building & Grounds

1. Increase Paying Agent for paying agent fees on police substation bond debt.
2. Increase Land for land purchase at the Northeast corner of Hamlin and Crooks.
3. Account for Park Vault Toilets and Borden Park Pathway project costs.

Fleet

1. Account for purchase of trailer for the Parks Department.
2. Account for purchase of Aerator for the Parks Department.
3. Decrease Equipment-Capitalized for the postponement of eight pieces of equipment until 2004.

A summary of the effects of these budget adjustments follows

FUND	PROPOSED AMENDMENT	PROPOSED FUND TOTAL
101 – General Fund	\$147,520	\$24,045,294
202 – Major Roads	\$(811,814)	\$9,202,633
203 – Local Roads	\$(1,955,684)	\$7,360,864
206 – Fire	\$(29,645)	\$6,637,299
207 – Special Police	\$14,176	\$6,846,521
244 – Drains	\$650,922	\$3,058,444
314 – Local Road SAD-2001 Debt	\$275	\$202,800

332 – Local Road-1987 Local Road Bond Debt	\$5,350	\$5,671
403 – Pathway Construction	\$183,720	\$987,063
592 – Water/Sewer	\$(31,906)	\$31,036,461
631 – Building & Grounds	\$105,176	\$5,309,330
661 – Fleet	\$343,033	\$2,970,655

A public hearing will be necessary before the adoption of the resolution to approve these budget adjustments.

Respectfully submitted,

Robert Spaman
Finance Director