



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

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

Legislative File No: 2012-0026

TO: Mayor and City Council Members
FROM: Keith Sawdon, Director of Finance, ext 2535
DATE: January 23, 2012
SUBJECT: FY 2012 – 1st Quarter Budget Amendment

REQUEST:

We are requesting that City Council approve the Mayor's proposed amendments to the 2012 Budget for the following funds: General Fund, Major Road Fund, Local Street Fund, Fire Fund, Special Police Fund, Pathway Maintenance Fund, Water Resources Fund, Street Improvement (2002 Series) Fund, Refunding Debt (2011 Series) Fund, Pathway Construction Fund, Water & Sewer Operating Fund, Water & Sewer Capital Fund, Water & Sewer Debt Fund, Facilities Fund, MIS 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 the following recommended budget amendments to the original adopted 2012 Budget.

A large majority of this proposed budget amendment (or \$2,984,990) is related to FY 2011 capital projects that are being carried forward into the FY 2012 Budget. The amounts being requested to be carried over for each individual project is detailed on the attached Overview Report and is somewhat equal to the amount that had been projected and approved in the FY 2011 4th Quarter Budget Amendment unless appropriately noted.

Capital accounts represent a net increase of \$2,913,120, interfund transfers represent a net increase of \$837,270, and operating expenditures represent a net decrease of (\$698,340). Additional revenue of \$940,770 will offset part of the expense. The overall impact of the proposed budget amendment is a net increase in the use of fund balance of \$2,111,280.

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 to allow for more efficient and uninterrupted City operations. Administrative adjustments are not intended to increase a fund's total expenditures previously

approved by 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 1st Quarter Budget Amendment to the FY 2012 Budget as proposed.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Council Liaison		