



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

**1000 Rochester Hills Dr.
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248.656.4630
www.rochesterhills.org**

Legislative File No: 2008-0025

TO: City Council Members
FROM: Julie Jenuwine, Finance Director 248.841.2535
DATE: January 17, 2008
SUBJECT: FY2008 1st Quarter Budget Amendments

REQUEST:

To request that City Council approve the Mayor's proposed 2008 budgeted fund totals and/or line-item changes for the following funds: General Fund, Major Road Fund, Pathway Maintenance Fund, Drain Maintenance Fund, Fire Capital Fund, Pathway Construction Fund, Water & Sewer Capital Fund, Facilities Fund, Management Information Systems Fund, Fleet Fund, and Local Development Finance Authority Fund.

BACKGROUND:

In accordance with the State's Uniform Budgeting and Accounting Act and City Charter Section 3.7, the Mayor's Office has prepared suggested budget amendments to the original 2007 budget. These 1st quarter budget amendments reflect the current estimated revenues and expenditures by line-item. The amendments reflect changes based on current updates regarding operating expenditures and revenues along with capital project work to be carried over from FY2007 budget. Carryover projects represent approximately 99%/\$10,547,720 and operating budget changes represent approximately 1%/\$134,080 of the proposed amendment. A significant portion of the operating budget increase is for the re-appropriation of funding for studies (dispatch, Nowicki Concept, Facilities Master Plan, Pathway Master Plan, Master Thoroughfare Plan) not completed in FY2007.

Interest revenue is being closely monitored, as there is speculation of additional declines in interest rates in the near future. Budget amendments to adjust Interest Earnings may be proposed in the second quarter should interest rates continue to decline.

Only line-items requested to be changed are included on the enclosed schedule, as opposed to providing the budget in its entirety. The enclosed budget amendment schedule reports the "Original Budget", "Current Budget" and *proposed* "Amended Budget" totals for each line-item change requested. A brief description for each request is provided in the "Explanation" column. Should you wish to have further explanation, please do not hesitate to inquire. The enclosed resolutions provide the new requested fund totals.

Note: "R" represents a revenue account and "E" represents an expenditure/expense account on the enclosed budget amendment schedule.

* Represents line-item changes that don't change fund totals.

PROCESS:

Vendor Name and Address:

N/A

Reason for Selection:

N/A

Method of Purchase:

N/A

BUDGET:

RECOMMENDATION:

To recommend that City Council approve the Mayor's proposed 2008 budgeted fund totals and/or line-item changes for the following funds: General Fund, Major Road Fund, Pathway Maintenance Fund, Drain Maintenance Fund, Fire Capital Fund, Pathway Construction Fund, Water & Sewer Capital Fund, Facilities Fund, Management Information Systems Fund, Fleet Fund, and Local Development Finance Authority Fund.

Attachments:

Public Hearing Notice

Resolution

Spreadsheet detailing line-item budget changes

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

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