
CITY OF ROCHESTER HILLS

Fiscal
Office

Julie Jenuwine, Finance Director

DATE: May 14, 2008

TO: City Council Members

RE: Financial Policy Feedback

Please find the responses that I received back from the March City Council's Financial Policy discussion for fiscal year 2009.

President Hooper offered the following opinions:

- ❖ Drop the 0.1 mil transfer from the General Fund to the Capital Improvement Fund
- ❖ Drop the 0.1 mil transfer from General Fund to the Major Road Fund
- ❖ Agrees with the proposed temporary phase out for the collection of future facility replacement dollars. Should the economy worsen then have the complete elimination of the collection of future replacement dollars.
- ❖ Re: the budget adjustment policy, add the word "operating" before "budget". So it is clear that adjustments can only be done for operating budget line-items.
- ❖ Recommends 15% for each year after 2009.

Council Member Yalamanchi offered the following opinions:

- ❖ The total elimination (for FY2009) of the collections of future facility replacement costs for the assets held in the Facilities fund for FY2009, as opposed to only a percentage. Cease the collection of future replacement costs for possibly 5 years (or until the taxable values improve), yet Council will annually re-consider this policy in each of the next 4 years.
- ❖ Keep the 0.1 mill transfer from the General Fund to the Major Road Fund

Council Member Webber offered the following opinions:

- ❖ Keep the General Fund 0.1000 mill transfer to the Major Road Fund.
- ❖ *Temporarily* phase out the collection of future replacement dollars for the Facility assets.
- ❖ Keep the existing healthcare cost assumptions

C: Mayor Barnett