



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

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Legislative File No: 2014-0305

TO: Mayor and City Council Members

FROM: Gerald Carvey, Chair, GSAB, Mike Hartner, Director of Parks and Keith Sawdon, Director of Finance

DATE: June 15, 2015

SUBJECT: Additional Funding Request for the Green Space Perpetual Care Trust

REQUEST:

The Green Space Advisory Board and the City's Finance Director are requesting that City Council approve additional funding of the Green Space Perpetual Care Trust as presented.

BACKGROUND:

As you may recall, in November, 2013 residents approved revising the permissible use of the Green Space Millage fund to include future stewardship in order to protect, care, and maintain, and improve pedestrian accessibility to and within green spaces and natural features owned, acquired, or controlled by City, in addition to funding the purchase of land and interests in open space land in Rochester Hills.

As the GSAB transitions from a board that made property acquisition recommendations to a board that recommends stewardship activity it became very apparent that a perpetual funding source be put in place to assure stewardship activity for many generations to come. That is the basis for forming the Green Space Perpetual Care Trust.

In April, 2014, City Council approved the creation of a perpetual care trust to provide a permanent funding source to provide for those stewardship activities as envisioned by the residents. The earnings from the trust would provide and maintain a continual funding source that can be used for stewardship activities and grant fund matching without using Green Space principal to fund those activities.

On December 8, 2014, Niswander Environmental, LLC provided City Council with an overview presentation of what some of that stewardship activity might entail plus estimates of cost.

As part of the approved Fiscal Year 2015 budget, City Council did provide an initial funding of \$1 million to the Trust.

The Fiscal year 2014 audit is now complete and the Green Space Special Revenue Fund has ended FY 2014 with a Fund Balance of \$5.8 million. Based on the FY 2015 budget plan, we are expecting

the Green Space Special Revenue Fund to end FY2015 with a fund balance of just over \$5.6 million (which is after the initial\$1 million Trust funding).

RECOMMENDATION:

We are recommending City Council authorize an additional \$2 million to be placed in the Green Space Perpetual Care Trust for FY2015.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
Deputy Clerk		