

FISCAL YEAR 2012
4th QUARTER PROPOSED BUDGET AMENDMENT

Summary Presentation of 4th Qtr Budget Amendment

	Original 2012 Budget	Current 2012 Budget	4th Qtr Amendment	Proposed 2012 Budget
Total Revenues	\$ 101,846,730	\$ 104,356,050	\$ 2,687,890	\$ 107,043,940
<i>Operating Expense</i>	\$ 79,496,000	\$ 78,124,930	\$ (858,280)	\$ 77,266,650
<i>Capital Outlay Expense</i>	6,316,360	9,352,920	(2,675,620)	6,677,300
<i>Transfer-Out Expense</i>	18,634,960	19,729,320	458,790	20,188,110
Total Expenses	\$ 104,447,320	\$ 107,207,170	\$ (3,075,110)	\$ 104,132,060
To/(From) Fund Balance	\$ (2,600,590)	\$ (2,851,120)	\$ 5,763,000	\$ 2,911,880

Revenue, Expense, and Fund Balance Impact:

The FY 2012 4th Quarter Budget Amendment proposes an increase in total revenues of \$2,687,890 and a decrease in total expenses of (\$3,075,110). The net increase in revenues less the decrease in expenses will have a net impact on citywide fund balances and retained earnings of +\$5,763,000.

As compared to the original FY 2012 adopted budget, overall city revenues are anticipated to be approximately 5.1% higher than originally projected, while overall city expenses are anticipated to be approximately -0.3% below the original budget. The original FY 2012 adopted budget projected a decrease in citywide fund balances of \$2.6 million, this figure was amended to a revised decrease of \$2.8 million through the first three (3) FY 2012 quarterly Budget Amendments. However, it is now anticipated to increase citywide fund balances for year-end FY 2012 by \$2.9 million over FY 2011 year-end fund balance levels.

It should also be noted that there are several projects which will not be completed in FY 2012 and shall request project funding to be "carried over" into the FY 2013 Budget.

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
Major Road Summary	\$ 2,164,350	\$ (400,550)	\$ 1,763,800	\$ 178,050
Local Street Summary	\$ 2,002,500	\$ (35,000)	\$ 1,967,500	\$ 35,000
Water Resources Summary	\$ 48,000	\$ 7,500	\$ 55,500	\$ -
Fire Capital Summary	\$ 40,000	\$ -	\$ 40,000	\$ -
Pathway Construction Summary	\$ 477,500	\$ (3,000)	\$ 474,500	\$ 3,000
Capital Improvement Fund Summary	\$ 10,000	\$ (10,000)	\$ -	\$ -
Water & Sewer Capital Summary	\$ 1,991,500	\$ (1,574,380)	\$ 417,120	\$ 1,691,000
Facilities Summary	\$ 877,000	\$ (182,180)	\$ 694,820	\$ 163,000
MIS Summary	\$ 187,190	\$ (37,520)	\$ 149,670	\$ 14,520
Fleet Summary	\$ 1,554,880	\$ (440,490)	\$ 1,114,390	\$ 442,890
Capital Project Total	\$ 9,352,920	\$ (2,675,620)	\$ 6,677,300	\$ 2,527,460

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It is currently estimated that of the total Capital Project decreases proposed for FY 2012 (\$2,675,620), \$2,527,460 is projected to be requested to be “carried forward” into the FY 2013 Budget (typically as part of the 1st Quarter FY 2013 Budget Amendment) to continue projects/purchases that were not completed in FY 2012.

- **Note:** There is a potential for this “carry forward” target amount to increase due to the potential for less work/costs to be completed in FY 2012 (due to weather, etc...), meaning more work/costs to be performed in FY 2013 than is projected here.

Summary by Fund

101 - General Fund

General Fund revenues are proposed to increase by \$586,580 due to:

- Increase of \$586,580 in operating revenues due primarily to additional Building and Parks Department revenues, as well as increased cable fees and state revenue sharing

General Fund expenditures are proposed to decrease by (\$194,380) due to:

- Decrease of (\$135,720) in operating expenditures
- Decrease of (\$58,660) in transfers-out primarily due to less funding required to balance Local Street Fund operations

The increase in revenues less the decrease in expenditures will have a net impact on fund balance of +\$780,960.

202 - Major Road Fund

Major Road Fund revenues are proposed to increase by \$68,830 due to:

- Increase of \$68,830 in operating revenue primarily due to additional Act 51 revenues

Major Road Fund expenditures are proposed to decrease by (\$441,830) due to:

- Decrease of (\$41,280) in operating expenditures
- Decrease of (\$400,550) in capital projects:
 - Note: It is projected that \$178,050 shall be requested to be “carried over” into the FY 2013 Budget for capital projects not completed in FY 2012

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
MR-01E: Crooks Road [Star Batt - Hamlin]	\$ 124,500	\$ (112,500)	\$ 12,000	\$ -
MR-03A: Major Road Concrete Program	\$ 336,250	\$ (5,000)	\$ 331,250	\$ 5,000
MR-26E: Avon & Livernois Enhancements	\$ 178,000	\$ (15,000)	\$ 163,000	\$ 15,000
MR-27: Major Road Bridge Rehabilitation Program	\$ 137,000	\$ (3,000)	\$ 134,000	\$ 3,000
MR-43: Rain Tree Drive Reconstruction - Additional	\$ 17,500	\$ 15,000	\$ 32,500	\$ -
MR-49D: Avon Road [Crooks - Livernois]	\$ 87,050	\$ (87,050)	\$ -	\$ 87,050
MR-51: Rochester Hills Drive Rehabilitation	\$ 195,150	\$ (21,000)	\$ 174,150	\$ 21,000
PW-01: Pathway Rehab Program [Grosse Pines]	\$ 40,000	\$ (5,000)	\$ 35,000	\$ 5,000
PW-49D: Avon PW [Old Perch - Stag Ridge]	\$ 24,000	\$ (24,000)	\$ -	\$ 24,000
MR-01E: Crooks [Star Batt - Hamlin] ROW	\$ 125,000	\$ (125,000)	\$ -	\$ -
PW-49D: Avon PW [Old Perch - Stag Ridge] ROW	\$ 18,000	\$ (18,000)	\$ -	\$ 18,000
Capital Project Total	\$ 1,282,450	\$ (400,550)	\$ 881,900	\$ 178,050

The increase in revenues less the decrease in expenditures will have a net impact on fund balance of +\$510,660.

203 – Local Street Fund

Local Street Fund revenues are proposed to decrease by (\$51,890) due to:

- Increase of \$27,410 in operating revenues

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- Decrease of (\$79,300) in Transfers-In from the General Fund as less funding is required to balance Local Street Fund operations

Local Street Fund expenditures are proposed to decrease by (\$86,890) due to:

- Decrease of (\$51,890) in operating expenditures
- Decrease of (\$35,000) in capital projects:
 - Note: It is projected that \$35,000 shall be requested to be “carried over” into the FY 2013 Budget for capital projects not completed in FY 2012

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
LS-01: Local Street Asphalt Program	\$ 1,000,000	\$ (25,000)	\$ 975,000	\$ 25,000
LS-03: Local Street Concrete Program	\$ 1,002,500	\$ (10,000)	\$ 992,500	\$ 10,000
Capital Project Total	\$ 2,002,500	\$ (35,000)	\$ 1,967,500	\$ 35,000

The decrease in revenues less the decrease in expenditures will have a net impact on fund balance of +\$35,000.

206 – Fire Fund

Fire Fund revenues are proposed to increase by \$22,930 due to:

- Increase of \$22,930 in operating revenues

Fire Fund expenditures are proposed to increase by \$616,850 due to:

- Increase of \$210,860 in operating expenditures
- Increase of \$405,990 in transfers-out to the Fire Capital Fund to transfer-out all additional annual operating revenues less expenditures to fund future Fire capital purchases.

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$593,920), which will leave the FY 2012 year-end fund balance total the same as FY 2011 year-end fund balance.

207 – Special Police Fund

Special Police Fund revenues are proposed to decrease by (\$14,630) due to:

- Decrease of (\$35,270) in operating revenues
- Increase of \$20,640 in Transfers-In from the General Fund to balance Special Police operations

Special Police Fund expenditures are proposed to decrease by (\$14,630) due to:

- Decrease of (\$14,630) in operating expenditures

The decrease in revenues less the decrease in expenditures has no impact on fund balance.

211 – Perpetual Care Fund

Perpetual Care Fund revenues are proposed to decrease by (\$21,600) due to:

- Decrease of (\$21,600) in operating revenues

The decrease in revenues will have a net impact on fund balance of (\$21,600).

214 – Pathway Maintenance Fund

Pathway Maintenance Fund revenues are proposed to decrease by (\$480) due to:

- Decrease of (\$480) in operating revenues

Pathway Maintenance Fund expenditures are proposed to increase by \$54,520 due to:

- Decrease of (\$126,320) in operating expenditures
- Increase of \$180,840 in Transfers-Out to the Pathway Construction Fund

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The decrease in revenues less the increase in expenditures will have a net impact on fund balance of (\$55,000), which will leave the FY 2012 year-end Pathway Maintenance Fund Balance at just over 20% of annual operating expenditures (keeping the fund in compliance with the City's adopted Fund Balance Policy).

232 – Tree Fund

Tree Fund revenues are proposed to increase by \$720 due to:

- Increase of \$720 in operating revenues

The increase in revenues will have a net impact on fund balance of \$720.

244 – Water Resources Fund

Water Resources Fund revenues are proposed to increase by \$22,860 due to:

- Increase of \$15,360 in operating revenues
- Increase of \$7,500 in Federal Grant Reimbursement related to the anticipated portion of the Avon Creek Phase III project completed in FY 2012

Water Resources Fund expenditures are proposed to increase by \$38,430 due to:

- Increase of \$30,930 in operating expenditures
- Increase of \$7,500 in capital projects:

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
SW-09C: Avon Creek Restoration (Phase III)	\$ -	\$ 7,500	\$ 7,500	\$ -

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$15,570).

299 – Green Space Fund

Green Space Fund revenues are proposed to decrease by (\$680) due to:

- Decrease of (\$680) in operating revenues

Green Space Fund expenditures are proposed to decrease by (\$29,820) due to:

- Decrease of (\$29,820) in operating expenditures

The decrease in revenues less the decrease in expenditures will have a net impact on fund balance of +\$29,140.

314 – 2001 SAD Debt Fund

2001 SAD Debt Fund revenues are proposed to increase by \$10,660 due to:

- Increase of \$10,660 in operating revenues

The increase in revenues will have a net impact on fund balance of +\$10,660.

331 – Drain Debt Fund

Drain Debt Fund revenues are proposed to increase by \$430 due to:

- Increase of \$430 in operating revenues

Drain Debt Fund expenditures are proposed to increase by \$1,310 due to:

- Increase of \$1,310 in operating expenditures due to Tax Tribunals

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$880).

369 – OPC Refunding Debt Fund

OPC Refunding Debt Fund revenues are proposed to decrease by (\$700) due to:

- Decrease of (\$700) in operating revenues

The decrease in revenues will have a net impact on fund balance of (\$700).

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402 – Fire Capital Fund

Fire Capital Fund revenues are proposed to increase by \$418,990 due to:

- Increase of \$13,000 in operating revenues
- Increase of \$405,990 in transfers-in from the Fire Operating Fund

The increase in revenues will have a net impact on fund balance of +\$418,990.

403 – Pathway Construction Fund

Pathway Construction Fund revenues are proposed to increase by \$180,640 due to:

- Decrease of (\$200) in operating revenues
- Increase of \$180,840 in transfers-in from the Pathway Maintenance Fund (214)

Pathway Construction Fund expenditures are proposed to decrease by (\$3,000) due to:

- Decrease of (\$3,000) in capital projects:
 - Note: It is projected that \$3,000 shall be requested to be “carried over” into the FY 2013 Budget for capital projects not completed in FY 2012

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
PW-01: Pathway Rehabilitation Program	\$ 305,000	\$ (3,000)	\$ 302,000	\$ 3,000
Capital Project Total	\$ 305,000	\$ (3,000)	\$ 302,000	\$ 3,000

The increase in revenues less the decrease in expenditures will have a net impact on fund balance of +\$183,640.

420 – Capital Improvement Fund

Capital Improvement Fund expenditures are proposed to change due to:

- Decrease of (\$10,000) in capital projects:

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
Media: Capital Equipment Replacement	\$ 10,000	\$ (10,000)	\$ -	\$ -
Capital Project Total	\$ 10,000	\$ (10,000)	\$ -	\$ -

- Increase of \$10,000 in transfers-out to the Facilities Fund for Acoustical Engineering Consultant services related to IS-19: Auditorium Media Upgrade project [PEG Funded]

The change in expenditures has no net impact on fund balance.

510 - Sanitary Sewer Division

Sanitary Sewer Division revenues are proposed to increase by \$255,270 due to:

- Increase of \$255,270 in operating revenues

Sanitary Sewer Division expenses are proposed to decrease by (\$134,890) due to:

- Decrease of (\$55,510) in operating expenses
- Decrease of (\$79,380) in transfers-out due to a reduction in annual Sanitary Sewer debt service

The increase in revenues less the decrease in expenses will have a net impact on retained earnings of +\$390,160.

530 - Water Division

Water Division revenues are proposed to increase by \$1,040,700 due to:

- Increase of \$1,040,700 in operating revenues

Water Division expenses are proposed decrease by (\$176,170) due to:

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- Decrease of (\$176,170) in operating expenses

The increase in revenues less the decrease in expenses will have a net impact on retained earnings of +\$1,216,870.

593 – Water & Sewer Capital Fund

Water & Sewer Capital Fund expenses are proposed to decrease by (\$1,515,380) due to:

- Increase of \$59,000 in operating expenses
 - Due to preliminary engineering services related to FA-04C / DPS Salt Storage Facility
 - Funding reclassified from capital project budget
- Decrease of (\$1,574,380) in capital projects:
 - Note: It is projected that \$1,691,000 shall be requested to be “carried over” into the FY 2013 Budget for capital projects not completed in FY 2012

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
SS-22B: Grant Pump Station Replacement	\$ 770,000	\$ (695,000)	\$ 75,000	\$ 695,000
No CIP: Michelson Pump Station Safety Enhancements	\$ -	\$ 5,000	\$ 5,000	\$ -
SS-02B: Sanitary Sewer Rehabilitation (Less Project Completed in FY 2011, More in FY 2012)	\$ 60,000	\$ 50,000	\$ 110,000	\$ -
WS-25B: South Blvd. Water Main [Livernois - Rochester]	\$ 615,000	\$ (615,000)	\$ -	\$ 615,000
FA-04C: DPS Salt Storage Facility	\$ 440,000	\$ (440,000)	\$ -	\$ 381,000
SS-01B: SCADA System - Propagation Study	\$ -	\$ 120,620	\$ 120,620	\$ -
Capital Project Total	\$ 1,885,000	\$ (1,574,380)	\$ 310,620	\$ 1,691,000

The decrease in expenses will have a net impact on retained earnings of (\$1,515,380).

595 - Water & Sewer Debt Fund

Water & Sewer Debt Fund revenues are proposed to decrease by (\$70,090) due to:

- Decrease of (\$70,090) in transfers-in from the Sanitary Sewer Division

Water & Sewer Debt Fund expenses are proposed decrease by (\$70,090) due to:

- Decrease of (\$70,090) in operating expenses due to a reduction in annual debt service

The decrease in revenues less the decrease in expenses has no impact on retained earnings.

631 - Facilities Fund

Facilities Fund revenues are proposed to decrease by (\$48,600) due to:

- Decrease of (\$58,000) in Federal Grant Funding (EECBG Grant) due to completing projects up to the federal spending limit
- Decrease of (\$600) in operating revenues
- Increase of \$10,000 in transfers-in from the Capital Improvement Fund for Acoustical Engineering Consultant services related to IS-19: Auditorium Media Upgrade project [PEG Funded]

Facilities Fund expenses are proposed to decrease by (\$295,080) due to:

- Decrease of (\$112,900) in operating expenses
- Decrease of (\$182,180) in capital projects:
 - Note: It is projected that \$163,000 will be requested to be “carried over” into the FY 2013 Budget for capital projects not completed in FY 2012

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Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
FA-13J: Fire Station #4 / Cement Apron	\$ 27,000	\$ (7,180)	\$ 19,820	\$ -
No CIP: Spencer Park Entrance Booth	\$ 24,000	\$ (24,000)	\$ -	\$ 24,000
PK-10A: Clinton River Trailway Bridge / Additional MDOT Invoice - Final Project Audit (Project Complete in FY 2005)	\$ -	\$ 40,000	\$ 40,000	\$ -
No CIP: Stoney Creek Schoolhouse ADA	\$ 45,000	\$ (11,000)	\$ 34,000	\$ -
FA-11: Fire Station #1 ADA Improvements (to 631.929000)	\$ 36,000	\$ (36,000)	\$ -	\$ -
FA-02J: Fire Station #1 Exterior Painting (to 631.929000)	\$ 15,000	\$ (15,000)	\$ -	\$ -
IS-19: Auditorium Media Upgrade / Acoustical Consultant	\$ -	\$ 10,000	\$ 10,000	\$ -
FA-01H: City Hall Energy Management System	\$ 139,000	\$ (139,000)	\$ -	\$ 139,000
Capital Project Total	\$ 286,000	\$ (182,180)	\$ 103,820	\$ 163,000

The increase in revenues less the decrease in expenses will have a net impact on retained earnings of +\$246,480.

636 – MIS Fund

MIS Fund revenues are proposed to decrease by (\$220) due to:

- Decrease of (\$220) in operating revenue

MIS Fund expenses are proposed to decrease by (\$197,840) due to:

- Decrease of (\$160,320) in operating expenses
- Decrease of (\$37,520) in capital projects:
 - Note: It is projected that \$14,520 shall be requested to be “carried over” into the FY 2013 Budget for capital projects not completed in FY 2012

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
IS-16: Ordinance Field Laptop Program	\$ 47,520	\$ (14,520)	\$ 33,000	\$ 14,520
IS-10B: CPU Network Upgrade Schedule	\$ 113,000	\$ (23,000)	\$ 90,000	\$ -
Capital Project Total	\$ 160,520	\$ (37,520)	\$ 123,000	\$ 14,520

The decrease in revenues less the decrease in expenses will have a net impact on retained earnings of +\$197,620.

661 – Fleet Fund

Fleet Fund revenues are proposed to increase by \$229,640 due to:

- Increase of \$229,640 in operating revenue

Fleet Fund expenses are proposed to decrease by (\$726,330) due to:

- Decrease of (\$285,840) in operating expenses
- Decrease of (\$440,490) in capital projects:
 - Note: It is projected that \$442,890 shall be requested to be “carried over” into the FY 2013 Budget for capital projects not completed in FY 2012

Citywide Capital Project Change Summary				
Project Title	Current 2012 Project Budget	Proposed Amendment	Revised 2012 Project Budget	2013 Project "Carry Over"
Hydroseeder [Parks]	\$ 22,510	\$ (22,510)	\$ -	\$ 22,510
* Cargo Van Storage Rack [Facilities]	\$ -	\$ 2,400	\$ 2,400	\$ -
Sanitary Sewer Truck [DPS-W&S]	\$ 390,000	\$ (390,000)	\$ -	\$ 390,000
Pickup Truck 4wd [DPS-Fleet]	\$ 30,380	\$ (30,380)	\$ -	\$ 30,380
Capital Project Total	\$ 442,890	\$ (440,490)	\$ 2,400	\$ 442,890

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The increase in revenues less the decrease in expenses will have a net impact on retained earnings of +\$955,970.

736– Retiree Healthcare Trust Fund

Retiree Healthcare Trust Fund revenues are proposed to increase by \$49,100 due to:

- Increase of \$49,100 in investment earnings revenue

Retiree Healthcare Trust Fund expenditures are proposed to increase by \$3,740 due to:

- Increase of \$3,740 in operating expenditures

The increase in revenues less the increase in expenditures will have a net impact on fund balance of \$45,360.

848 – Local Development Finance Authority (LDFA) Fund

LDFA Fund revenues are proposed to decrease by (\$70) due to:

- Decrease of (\$70) in operating revenues

LDFA Fund expenditures are proposed increase by \$77,110 due to:

- Increase of \$77,110 in operating expenditures due primarily to Tax Tribunals

The decrease in revenues less the increase in expenses will have a net impact on fund balance of (\$77,180).

851 – SmartZone Fund

SmartZone Fund revenues are proposed to increase by \$9,500 due to:

- Increase of \$9,500 in operating revenues

SmartZone Fund expenditures are proposed increase by \$19,260 due to:

- Increase of \$19,260 in operating expenditures due to Tax Tribunals

The increase in revenues less the increase in expenses will have a net impact on fund balance of +\$9,760.