

FISCAL YEAR 2015
2nd QUARTER PROPOSED BUDGET AMENDMENT

	Current 2015 Budget	2nd Qtr Amendment	Proposed 2015 Budget
Total Revenues	\$ 117,659,530	\$ 3,320,780	\$ 120,980,310
<i>Operating Expense</i>	\$ 88,251,490	\$ 707,410	\$ 88,958,900
<i>Capital Outlay Expense</i>	36,113,990	1,726,940	37,840,930
<i>Transfer-Out Expense</i>	23,865,080	2,050,180	25,915,260
Total Expenses	\$ 148,230,560	\$ 4,484,530	\$ 152,715,090
<i>To/(From) Fund Balance</i>	<i>\$ (30,571,030)</i>	<i>\$ (1,163,750)</i>	<i>\$ (31,734,780)</i>

Grand Total Citywide Revenue, Expense, and Fund Balance Impact:

The FY 2015 2nd Quarter Budget Amendment proposes an increase in total revenues of \$3,320,780 and an increase in total expenses of \$4,484,530. The proposed increase in revenues less the increase in expenses will have a net impact on citywide fund balances and retained earnings of (\$1,163,750).

Summary by Fund

101 - General Fund

General Fund Revenues are proposed to increase by \$123,800 due to:

- Increases in actual Property Tax, Personal Property Tax, License & Permit – Cable Fees, and Fees – Tax Administration (due to reimbursement of demolition services); offset by reductions in License & Permit – Clerk Fees (due to new Mechanical Amusement License Fee structure) and Interfund Charges: W&S Building Dept (due to Building Department staff no longer performing W&S Cross-Connection inspections)

General Fund expenditures are proposed to increase by \$1,372,990 due to:

- Increase of \$58,340 in operating expenditures due to:
 - Increase of \$29,940 in Salaries & Wages (Mayor’s Office / Media) to upgrade the Part-Time Media Technician to a Full-Time Media Technician position for the remainder of FY 2015. It is proposed to continue this position as a permanent full-time position (and to delete the Part-Time position) for FY 2016 and beyond.
 - In years preceding FY 2011, the City had two (2) full-time positions in the Media Division to manage demand. In FY 2011, mostly driven by financial concerns, the City moved to one (1) full-time position and one (1) part-time position. However, since FY 2012, it has become clear that existing staffing levels cannot keep up with demands.
 - A recent change in the legal ruling regarding how Public Educational Government (PEG) funding received by the City can be expended has provided a permanent funding source for providing government cable access. Previously, PEG funding could only be used to fund “capital expenditures” but not operational costs related to providing government access. Due to the new ruling, it was determined that PEG funding may now be utilized for operating expenditures related to government access which include staffing, services, support, and maintenance.
 - The City receives approximately \$195,000 each year in PEG funding. Due to the change in legal ruling regarding the acceptable use of PEG funding, this proposed position can be funded without a negative impact on the General Fund.

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- Decrease of (\$1,600) in Interfund-DPS Facility Charges as the Clerk’s Office is no longer storing files at the DPS Garage
- Increase of \$30,000 in Contractual Services in the Ordinance Division for demolition services at 2230 Hickory Leaf
- Increase of \$1,314,650 in transfer-out expenditures due to:
 - Decrease of (\$195,000) in transfer-out to the Capital Improvement Fund (420) due to the City now being able to utilize PEG funding for government access operating expenditures instead of only for public access capital expenditures.
 - The General Fund (101) receives the PEG revenue through the License & Permits – Cable Fees account, and will now retain these funds to offset public access costs incurred within the General Fund.
 - Increase of \$1,509,650 in transfer-out to the Local Street Fund (203) due to an increased “2015” Local Street Concrete Program [Option #2]

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$1,249,190).

202 - Major Road Fund

Major Road Fund revenues are proposed to increase by \$257,000 due to:

- Increases in State Transportation funds (Act 51) of \$105,000
- Increase in State – Misc. Road funds of \$152,000 from Public Act 252, which was established to assist local communities as a result of the record winter conditions in FY 2014.

Major Road Fund expenditures are proposed to increase by \$823,260 due to:

- Increase of \$823,260 in capital projects:

Major Road Fund Capital Project Change Summary			
Project Title	2015 Current Budget	2015 Proposed Budget	Difference
MR-40B: Tienken Road Rehabilitation [Adams - Livernois]	\$ 3,047,820	\$ 3,721,930	\$ 674,110
PW-08D: Tienken Pathway [Adams - Livernois]	\$ 44,750	\$ 193,900	\$ 149,150
Capital Project Total	\$ 3,092,570	\$ 3,915,830	\$ 823,260

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$566,260).

203 – Local Street Fund

Local Street Fund revenues are proposed to increase by \$1,662,340 due to:

- Increases in actual Property Tax and State Transportation funds (Act 51) of \$65,190
- Increase in State – Misc. Road funds of \$50,000 from Public Act 252, which was established to assist local communities as a result of the record winter conditions in FY 2014.
- Increase of \$37,500 in pass-through revenue related to As-Needed Construction Inspection Services
- Increase of \$1,509,650 in transfer-in from the General Fund (101) due to an increased “2015” Local Street Concrete Program [Option #2]

Local Street Fund expenditures are proposed to increase by \$1,662,340 due to:

- Increase of \$37,500 in operating expenditures due to:
 - Increase of \$37,500 for As-Needed Construction Inspection Services (pass-through revenue to offset actual expenditures)
- Increase of \$1,624,840 in capital projects:
 - Due to an increased “2015” Local Street Concrete Program [Option #2]

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Local Street Fund Capital Project Change Summary			
Project Title	2015 Current Budget	2015 Proposed Budget	Difference
LS-01: "2015" Local Street Concrete Reconstruction Program	\$ 1,512,520	\$ 3,137,360	\$ 1,624,840
Capital Project Total	\$ 1,512,520	\$ 3,137,360	\$ 1,624,840

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

206 – Fire Fund

Fire Fund revenues are proposed to increase by \$10,810 due to:

- Increases in actual Property Tax

Fire Fund expenditures are proposed to increase by \$10,810 due to:

- Increase of \$7,500 in operating expenditures due to:
 - Increase in Dispatch Services Contract
- Increase of \$3,310 in transfers-out to the Fire Capital Fund (402) to balance the Fire Operating Fund (206) and to provide funding for future Fire Capital & Apparatus

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

207 – Special Police Fund

Special Police Fund revenues are proposed to increase by \$52,420 due to:

- Increases in actual Property Tax

The increase in revenues will have a net impact on fund balance of +\$52,420.

213 – RARA Millage Fund

RARA Millage Fund revenues are proposed to increase by \$3,460 due to:

- Increases in actual Property Tax

RARA Millage Fund expenditures are proposed to increase by \$3,460 due to:

- Increases in Transfer-out to RARA Operating Fund (808)

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

214 – Pathway Maintenance Fund

Pathway Maintenance Fund revenues are proposed to increase by \$3,280 due to:

- Increases in actual Property Tax

Pathway Maintenance Fund expenditures are proposed to increase by \$3,280 due to:

- Increase in transfers-out to the Pathway Construction Fund (403) to balance the Pathway Maintenance Fund (214)

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

232 – Tree Fund

Tree Fund expenditures are proposed to decrease by \$300 due to:

- Amend FY 2015 Transfer-out to General Fund equal to actual FY 2014 Interest Earnings (per Tree Fund Policy)

The decrease in expenditures will have a net impact on fund balance of +\$300.

244 – Water Resources Fund

Water Resource Fund revenues are proposed to increase by \$579,000 due to:

- Increase of \$37,500 in pass-through revenue related to As-Needed Construction Inspection Services

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- Increase of \$541,500 in transfers-in from the Capital Improvement Fund (420) to provide funding for SAW Grant expenditures

Water Resources Fund expenditures are proposed to increase by \$579,000 due to:

- Increase of \$579,000 in operating expenditures due to:
 - Increase of \$37,500 for As-Needed Construction Inspection Services (pass-through revenue to offset actual expenditures)
 - Increase of \$541,500 for SAW Grant expenditures

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

265 – OPC Millage Fund

OPC Millage Fund revenues are proposed to increase by \$5,790 due to:

- Increases in actual Property Tax

OPC Millage Fund expenditures are proposed to increase by \$5,790 due to:

- Increases in Transfer-out to OPC Operating Fund (820)

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

299 – Green Space Fund

Green Space Fund revenues are proposed to increase by \$5,330 due to:

- Increases in actual Property Tax

The increase in revenues will have a net impact on fund balance of +\$5,330.

313 – Street Improvements (2001 Series) Debt Fund

Street Improvement (2001 Series) Debt Fund revenues are proposed to decrease by (\$80) due to:

- Decreases in Interest Earnings

Street Improvement (2001 Series) Debt Fund expenditures are proposed to increase by \$50 due to:

- Increases in Paying Agent costs

The decrease in revenues less the increase in expenditures will have a net impact on fund balance of (\$100).

314 – SAD Street Improvements (2001 Series) Debt Fund

SAD Street Improvement (2001 Series) Debt Fund revenues are proposed to decrease by (\$120) due to:

- Decreases in Interest Earnings

SAD Street Improvement (2001 Series) Debt Fund expenditures are proposed to increase by \$50 due to:

- Increases in Paying Agent costs

The decrease in revenues less the increase in expenditures will have a net impact on fund balance of (\$170).

331 – Drain Debt Fund

Drain Debt Fund revenues are proposed to increase by \$2,410 due to:

- Increases in actual Property Tax

The increase in revenues will have a net impact on fund balance of +\$2,410.

369 – OPC Building Debt Fund

OPC Building Debt Fund revenues are proposed to increase by \$14,810 due to:

- Increases in actual Property Tax

The increase in revenues will have a net impact on fund balance of +\$14,810.

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402 – Fire Capital Fund

Fire Capital Fund revenues are proposed to increase by \$3,310 due to:

- Increase in transfers-in from the Fire Operating Fund (206)

The increase in revenues will have a net impact on fund balance of +\$3,310.

403 – Pathway Construction Fund

Pathway Construction Fund revenues are proposed to increase by \$3,280 due to:

- Increase in transfers-in from the Pathway Maintenance Fund (214)

Pathway Construction Fund expenditures are proposed to decrease by (\$176,050) due to:

- Decrease of (\$176,050) in capital projects:

Pathway Construction Fund Capital Project Change Summary			
Project Title	2015 Current Budget	2015 Proposed Budget	Difference
PW-07C: Adams Pathway [Powderhorn - Tienken] / Defer to 2016	\$ 176,050	\$ -	\$ (176,050)
Capital Project Total	\$ 176,050	\$ -	\$ (176,050)

The increase in revenues less the decrease in expenditures will have a net impact on fund balance of +\$179,330.

420 – Capital Improvement Fund

Capital Improvement Fund revenues are proposed to increase by \$292,350 due to:

- Increase of \$487,350 in Reimbursement revenue due to SAW Grant
- Decrease of (\$195,000) in transfer-in from the General Fund (101) as the City is now being able to utilize PEG funding for public access operating expenditures instead of only for public access capital expenditures.

Capital Improvement Fund expenditures are proposed to increase by \$541,500 due to:

- Increase of \$541,500 in transfers-out to the Water Resources Fund (244) to provide funding for SAW Grant expenditures

The increase in revenues less the increase in expenditures will have a net impact on fund balance of (\$249,150).

510 – Sanitary Sewer Division

Sanitary Sewer revenues are proposed to increase by \$62,500 due to:

- Increase of \$25,000 in W&S Late Payment Penalties
- Increase of \$37,500 in pass-through revenue related to As-Needed Construction Inspection Services

Sanitary Sewer expenses are proposed to increase by \$170,030 due to:

- Increase of \$37,500 in operating expenditures due to:
 - Increase of \$37,500 for As-Needed Construction Inspection Services (pass-through revenue to offset actual expenditures)
- Increase of \$132,530 in transfer-out expenditures due to:
 - Amend the FY 2015 Transfer-out from Sanitary Sewer (510) to Water & Sewer Capital Fund (593) to reflect actual FY 2014 Sanitary Sewer Capital & Lateral revenue and actual FY 2014 Sanitary Sewer depreciation amounts (per W&S Policy)

The increase in revenues less the increase in expenses will have a net impact on retained earnings of (\$107,530).

530 – Water Division

Water revenues are proposed to increase by \$62,500 due to:

- Increase of \$25,000 in W&S Late Payment Penalties
- Increase of \$37,500 in pass-through revenue related to As-Needed Construction Inspection Services

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Water expenses are proposed to increase by \$83,460 due to:

- Increase of \$37,500 in operating expenditures due to:
 - Increase of \$37,500 for As-Needed Construction Inspection Services (pass-through revenue to offset actual expenditures)
 - Reclassification of Cross-Connection service charges from Interfund: Building Department to Contractual Services (due to Building Department staff no longer performing W&S Cross-Connection inspections)
- Increase of \$45,960 in transfer-out expenditures due to:
 - Amend the FY 2015 Transfer-out from Water (530) to Water & Sewer Capital Fund (593) to reflect actual FY 2014 Water Capital & Lateral revenue and actual FY 2014 Water depreciation amounts (per W&S Policy)

The increase in revenues less the increase in expenses will have a net impact on retained earnings of (\$20,960).

593 – Water & Sewer Capital Fund

Water & Sewer Capital Fund revenues are proposed to increase by \$176,890 due to:

- Decrease of (\$1,600) in Interfund-DPS Facility Charges as the Clerk’s Office is no longer storing files at the DPS Garage
- Increase of \$178,490 in FY 2015 Transfer-out from Water (530) & Sewer (510) to reflect actual FY 2014 Capital & Lateral revenue and actual FY 2014 depreciation amounts (per W&S Policy)

Water & Sewer Capital Fund expenses are proposed to decrease by (\$500,000) due to:

- Decrease of (\$500,000) in capital projects including:

Water & Sewer Capital Fund Capital Project Change Summary			
Project Title	2015 Current Budget	2015 Proposed Budget	Difference
SS-02B: Sanitary Sewer Rehabilitation Program	\$ 500,000	\$ -	\$ (500,000)
Capital Project Total	\$ 500,000	\$ -	\$ (500,000)

The increase in revenues less the decrease in expenses will have a net impact on retained earnings of +\$676,890

631 - Facilities Fund

Facilities Fund expenses are proposed to decrease by (\$50,000) due to:

- Decrease of (\$50,000) in operating expenses due to:
 - Defer (PS-10) Energy Efficiency Analysis to FY 2016
- Note:
 - (FA-06) Columbarium is proposed to be reclassified from (631.975000) Building to (631.974000) Land Improvement due to the nature of the project.

The decrease in expenses will have a net impact on retained earnings of +\$50,000.

636 - MIS Fund

MIS Fund expenses are proposed to increase by \$26,000 due to:

- Increase of \$26,000 in capital projects:

MIS Fund Capital Project Change Summary			
Project Title	2015 Current Budget	2015 Proposed Budget	Difference
DPS Sign Shop Printer	\$ -	\$ 26,000	\$ 26,000
Capital Project Total	\$ -	\$ 26,000	\$ 26,000

The increase in expenses will have a net impact on retained earnings of (\$26,000).

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661 - Fleet Fund

Fleet Fund expenses are proposed to decrease by (\$71,110) due to:

- Decrease of (\$71,110) in capital projects:

Fleet Fund Capital Project Change Summary			
Project Title	2015 Current Budget	2015 Proposed Budget	Difference
39-071: Backhoe	\$ 109,050	\$ 118,000	\$ 8,950
Dump Truck Body Insert [Parks]	\$ 6,400	\$ -	\$ (6,400)
Wheel Load Scale (x2) [OCSO]	\$ 9,840	\$ -	\$ (9,840)
39-174: Cargo Van [BU]	\$ 19,010	\$ -	\$ (19,010)
39-185: Pickup 2WD [BU]	\$ 17,240	\$ -	\$ (17,240)
39-281: Pickup 4WD w\ Plow [PKS]	\$ 27,570	\$ -	\$ (27,570)
Capital Project Total	\$ 189,110	\$ 118,000	\$ (71,110)

The decrease in expenses will have a net impact on retained earnings of +\$71,110.