



Rochester Hills

Minutes

Financial Services Committee

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Donald Atkinson, Bryan Barnett, John Dalton, Kurt Dawson, Rajeev Gudipati, Melinda Hill, Julie Jenuwine, Lang Liu, Lee Zendel

Thursday, July 22, 2004

5:00 PM

Rescheduled July 15, 2004 meeting

CALL TO ORDER

Chairperson Melinda Hill called the Financial Services meeting to order at 5:10 p.m.

ROLL CALL

Present: Melinda Hill, Donald Atkinson and Lee Zendel

Absent: Bryan Barnett and John Dalton

Non-Voting Members Present: Kurt Dawson, Julie Jenuwine, Rajeev Gudipati

Non-Voting Members Absent: Lang Lui

Committee Member John Dalton provided previous notice he would be unable to attend and asked to be excused.

Others Present: Barb Holder, Council Member

APPROVAL OF MINUTES

2004-0550

Joint Community Development & Viability Committee & Financial Services Committee Meeting - February 26, 2004

Attachments: 022604 CDV jt w FS Draft Minutes.pdf

A motion was made by Zendel, seconded by Atkinson, that this matter be Approved.

Resolved that the Financial Services Committee hereby approves the Minutes of the Joint Community Development & Viability Committee and Financial Services Meeting of February 26, 2004 as presented.

The motion carried by the following vote:

Aye: Hill, Atkinson and Zendel

Absent: Barnett and Dalton

COMMUNICATIONS

None

NEW BUSINESS

2004-0581

Youth Representative Appointments - 2004-2005

Attachments: Youth Appt Agenda Summary Sheet 063004.pdf; Byrne, David.pdf; Rataj, Jillian.pdf

Ms. Hill noted that information regarding the two students was provided in the packet.

A motion was made by Zendel, seconded by Atkinson, that this matter be Approved.

Resolved that the Financial Services Committee (FS) concur with the recommendation of the Community Development & Viability Committee and appoint David Byrne and Jillian Rataj as the 2004-2005 Youth Representatives to the FS Committee for a term to begin September 1, 2004 and end August 31, 2005.

The motion carried by the following vote:

Aye: Hill, Atkinson and Zendel

Absent: Barnett and Dalton

2004-0543

Proposed Budget - 2005

Julie Jenuwine, Interim Finance Director explained changes in the budget document for 2005.

** Main change in 2005 budget is the set-up of Major Road and Local Road Funds.*

** State requirement to separate Major and Local Road Funds.*

** 2005 Budget Plan Book provides Department's narrative description in detail that explains each Department's functions and staffing levels for multi users of the Budget Plan Book.*

** Significant Note section describes significant increases or decreases in line items; provides more detail to answer Council's questions prior to workshop.*

** 2005 numbers rounded to the dollar.*

** Revenues are conservative, but not as conservative as prior revenues.*

** City's conservative revenues holds City closer to true numbers, as opposed to being over conservative and then having to budget more revenue out of fund balance.*

Ms. Jenuwine discussed General Fund transfer of the Major Road Fund.

** Policy resolved in 1990 to transfer one-half mil from General Fund to Major Road Fund.*

** Policy in place for the last fifteen (15) years.*

** Transfer policy expired 2004.*

** Transfer policy is optional beginning 2005.*

** Transfer of one-half mil from General Fund reflected in the 2005 budget.*

** Transfer of one-half mil amounts to \$1.6 million for 2005*

** City Council can oppose 2005 General Fund transfer since policy expired 2004.*

** City Council can adopt transfer policy for the year 2005 and/or for future years.*

Ms. Jenuwine made mention of tree fund with the following explanation.

- * Initial Tree Fund budgeted for 2005.
- * Special Revenue Fund collected by Engineering, Planning and Forestry for replacement trees.
- * Initially Tree Fund used for replacement caused by Gypsy Moth Program.

Ms. Jenuwine continued review of the proposed 2005 budget noting the "biggest difference in the 2005 budget is the Major and Local Road Funds." She further noted that the Major and Local Roads are required by State to be separate.

Committee members discussed current five (5) Departments that fall under the Major and Local Roads which include the following:

- * Construction Department
- * Traffic Department
- * Administration Department
- * Winter Maintenance Department
- * Routine Maintenance Department

Ms. Jenuwine explained the changes to the cost out functions and track expenditures of the departments.

- * JD Edwards work order system assigns functions.
- * Departments perform functions (i.e. Planning Department has five (5) functions).
- * Cost out determined through work orders.
- * Separate work order report generated to cost out functions.

Committee members expressed the following concerns regarding these changes.

- * Request has to be made for a cost out to be run even with JD Edwards.
- * The format does not allow everyone to see the detail without requesting a report.
- * Consolidating the information into lump sums does not provide the breakdown of information as in the past, making it more difficult to track expenses.

Ms. Jenuwine indicated that the goal is to be sure the City qualifies for GFOA, noting the following four required criteria for each Department's statement of goals and objections:

- * Policy
- * Organization
- * Communication

ANY OTHER BUSINESS

Spencer Park

Committee members discussed:

- * Accountability for money collected daily.
- * Deposit done nightly
- * Confirmation of deposit faxed to Treasury Department.

NEXT MEETING DATE

August 19, 2004 - Regular Meeting

ADJOURNMENT

There being no further business to discuss, Chairperson Hill adjourned the meeting at 5:35 p.m.

Minutes prepared by Sue Busam

Minutes were approved as presented at the (date) 2004 Regular Financial Services Committee Meeting.