



**City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.  
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[www.rochesterhills.org](http://www.rochesterhills.org)**

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**Legislative File No: 2009-0031**

**TO:** City Council Members  
**FROM:** Julie Jenuwine, Finance Director 248.841.2535  
**DATE:** January 15, 2009  
**SUBJECT:** FY 2009 1st Quarter Budget Amendments / Appropriation

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**REQUEST:**

To request that City Council approve the Mayor's proposed 2009 budgeted fund totals and/or line-item changes for the following funds: General Fund, Major Road Fund, Local Street Fund, Police Fund, Pathway Maintenance Fund, Drain Maintenance Fund, Fire Capital Fund, Pathway Construction Fund, Water & Sewer Capital Fund, Facilities Fund, Management Information Systems Fund, Fleet Fund, and Local Development Finance Authority Fund.

**BACKGROUND:**

In accordance with the State's Uniform Budgeting and Accounting Act and City Charter Section 3.7, the Mayor's Office has prepared suggested budget amendments to the original 2009 budget. These 1st quarter budget amendments reflect the current estimated revenues and expenditures by line-item. The amendments reflect changes based on current updates regarding operating revenue and expenditures along with capital project work to be carried over from FY 2008 budget.

The combined Budget Amendment requests a net increase of \$5,963,570. Capital project carryover amounts represent a net increase of \$6,291,150; operating expenditure changes represent a net decrease of (\$9,950); interfund transfers-out represent a decrease of (\$326,060); and net change in fund balance of an additional \$8,430 is included in the proposed amendment.

Interest revenue is being closely monitored. Budget amendments to adjust Interest Earnings may be proposed in the second quarter in certain funds (such as Fire Operating, Police, Tree, Green Space, Debt Service, Fire Capital and Water & Sewer Funds).

Only line-items requested to be changed are included on the enclosed schedule, as opposed to providing the budget in its entirety. The enclosed budget amendment schedule reports the "Original Budget", "Current Budget" and *proposed* "Amended Budget" totals for each line-item change requested. A brief description for each request is provided in the "Explanation" column. Should you wish to have further explanation, please do not hesitate to inquire. The enclosed resolutions provide the new requested fund totals.

Public Act 2 of 1968, the Uniform Budgeting and Accounting Act Section 19, authorizes the City Council to permit the Mayor to execute *adjustments* to the budget within limits, as discussed during the City Council Financial Policy review session last year and authorized when the FY 2009 Original budget was adopted. Adjustments are intended to reduce the amount of insignificant budget amendments and allow for more efficient and uninterrupted City operations. In no case will total expenditures of a particular fund exceed that which is

appropriated by the City Council without a budget amendment. Budget adjustments shall not conflict with the City Council's expressed programs or policies. There are no FY 2009 *adjustments* to report at this time.

Should you wish to have further explanation, please do not hesitate to inquire.

Note: "R" represents a revenue account and "E" represents an expenditure/expense account on the enclosed budget amendment schedule.

**RECOMMENDATION:**

To recommend that City Council approve the Mayor's proposed 2009 budgeted fund totals and/or line-item changes for the following funds: General Fund, Major Road Fund, Local Street Fund, Police Fund, Pathway Maintenance Fund, Drain Maintenance Fund, Fire Capital Fund, Pathway Construction Fund, Water & Sewer Capital Fund, Facilities Fund, Management Information Systems Fund, Fleet Fund, and Local Development Finance Authority Fund.

**Attachments:**

**Public Hearing Notice**

**Resolution**

**Spreadsheet detailing line-item budget changes**

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**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

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<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
<b>Department Review</b>		
<b>Department Director</b>		
<b>Budget Content: Finance Director</b>		
<b>Purchasing Process: Supervisor of Procurement</b>		
<b>Mayor</b>		
<b>City Council Liaison</b>		