



**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:** 2006-0203

**TO:** Mayor and City Council Members  
**FROM:** Julie Jenuwine, (Fiscal) Mayor's Department, ext 2535  
**DATE:** March 3, 2006  
**SUBJECT:** 2007 Budget – Discretionary Funding Sources

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**REQUEST:**

To request that City Council discuss the various discretionary funding sources listed below and come to a consensus on a direction for the various alternatives. A consensus is a desired outcome from these goal setting sessions, in order to provide guidance for the Administration, for the preparation of the 2007 Budget.

**BACKGROUND:**

For discussion, below is a list of specific discretionary alternatives for the funding of priority City services.

General Fund transfer to Major Road Fund Policy (currently 0.5 mill)  
*Forecast indicates the fund can afford to reduce transfer down by at least 0.25 mill*

General Fund transfer to Capital Improvement Fund (currently 0.25 mill)  
*Historically has funded Park capital projects and some other tech projects*

General Fund transfer to Special Police Fund (constant at \$2.566 million)  
*Fund balance is being depleted, GF transfer would need to increase or millage would need to increase in order to maintain same level of staffing.*

Special Police I and II Levy level (current levy at current max levy)  
*Full levy (and additional) is needed unless budget is decreased or GF transfer is increased*

Special Police levy II – (Funding through FY 2007)  
*Full levy (and additional) is needed unless budget is decreased or GF transfer is increased*

Fire Operating levy level (current max 1.9744, current levy 1.9000)  
*What level of funding/millage is supported by Council?*

General levy (current max 3.9492 mills, current levy 3.2169 mills)  
*What general millage levy is supported by Council?*

Pathway millage – expiring  
*Is a future millage request supported? If so, at what millage rate?*

A dedicated millage for program(s) currently funded by the General Fund  
*Is there support for a millage(s) to fund any program(s) currently funded with general millage levy?*

Administrative Fee (tax collection) to partially fund the Assessing and Treasury functions  
*Generate approximately \$1 million to \$1.3 million. Approximately 75% of Oakland County Cities charge.*

Desired Fund Balance levels  
*20% is a minimum recommendation*

Special Assessment  
*Will there be a SAD policy? If so, what level of City share is supported?*

Bond reconstruction/capital projects

Other

**RECOMMENDATION:**

To recommend that City Council, during its 2007 Budget goal setting sessions, discuss and come to a consensus on a direction for the various discretionary sources of funding. A consensus is recommended, in order to provide guidance for the Administration, for the preparation of the 2007 Budget.

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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>		