



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

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2008-0425

TO: City Council Members
FROM: Julie Jenuwine, Finance Director
DATE: September 15, 2008
SUBJECT: FY 2009 Annual Appropriations (millage and budget adoption)

REQUEST:

To request that City Council approve the enclosed Appropriations Act in support of the proposed millage rates and Mayor’s proposed budget plan (as modified).

BACKGROUND:

In accordance with the City Charter, the Mayor delivered the Proposed FY2009 Budget Plan to the City Council at its first meeting in August. The City Council conducted three budget work sessions to discuss and offer comments on the Mayor’s proposed budget. After consideration of the City Councils’ comments the Mayor modified the *original* proposed budget. A Public Hearing was conducted September 15, 2008 at 7:30 p.m. to solicit final comments on the proposed budget plan.

From the *original* proposed budget, the Mayor removed \$55,660 in General Fund operating expenditures (increased Local Street construction by \$55,660), removed \$15,000 in the Fire Operating Fund expenditures, and removed \$26,000 in the MIS Fund. Rewold Drain construction project for \$320,000 was added to the Drain Fund and the water storage project was removed in the amount of \$1,430,000 (*see enclosed memo dated September 15, 2008 for modification details*). These changes reduce the total *original* FY2009 proposed budget by \$1,065,340 to \$118,551,090.

Below is a summary of all funds expenditures by class relative to the current FY2008 budget* and the FY2008 budget as it appears in the FY2009 Proposed Budget technical appendixes**:

GRAND TOTAL EXPENDITURE	<i>2008 2nd Qtr Budget**</i>	<i>2008 3rd Qtr Budget*</i>	<i>2009 Current Proposed Budget</i>
Personnel Services	\$ 26,823,090	\$ 26,817,200	\$ 26,066,400
Operating Supplies	1,792,220	1,793,320	1,744,850
Professional Services	12,617,060	12,852,850	13,153,030
Interfund Charges	12,441,300	11,475,350	12,739,730
Other Expenses	24,040,040	24,088,830	25,761,880
Capital Outlay	25,803,780	27,333,920	11,768,390
Debt Service	6,802,010	6,802,010	6,942,830
Transfer Out	19,625,070	21,114,260	20,373,980
GRAND TOTAL EXPENDITURE	\$ 129,944,570	\$ 132,277,740	\$ 118,551,090

Below is a summary of all funds expenditures by class (excluding the Water & Sewer utility) relative to the current FY2008 budget* and the FY2008 budget as it appears in the FY2009 Proposed Budget technical appendixes**:

TOTAL EXPENDITURE w\o W&S	<i>2008 2nd Qtr Budget**</i>	<i>2008 3rd Qtr Budget*</i>	<i>2009 Current Proposed Budget</i>
Personnel Services	\$ 22,893,990	\$ 22,888,100	\$ 22,397,570
Operating Supplies	1,335,720	1,336,820	1,280,850
Professional Services	12,204,960	12,440,750	12,804,230
Interfund Charges	8,841,460	8,057,150	8,750,740
Other Expenses	4,804,060	4,852,850	4,633,280
Capital Outlay	19,952,670	21,352,180	11,708,390
Debt Service	6,504,620	6,504,620	6,651,790
Transfer Out	14,555,270	16,044,460	15,905,510
TOTAL EXPENDITURE w\o W&S	\$ 91,092,750	\$ 93,476,930	\$ 84,132,360

The proposed millage rates remain the same as originally proposed and are detailed below. The total City millage rate remains the same as the currently adopted total City millage rate.

Millage Rates

General Levy	3.7298
Fire	1.8000
Special Police I	0.7823
Special Police II	0.4260
Pathway	0.1858
Green Space	0.2972
RARA Operating	0.1950
Library	0.7823
OPC Operating	0.2403
OPC Transportation	0.0891
OPC Building	0.1933
Drain Debt	0.5454
GO Refunding 1998	0.4395
TOTAL	9.7060

RECOMMENDATION: To recommend that City Council approve the enclosed Appropriations Act in support of the proposed millage rates and Mayor’s proposed budget (as modified).

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Council Liaison		