



CITY COUNCIL ACTION REPORT

June 12, 2009

TO: The Honorable Mayor and City Council Members

FROM: John Szerlag, Acting City Manager
John M. Lamerato, Assistant City Manager-Finance & Admin.

SUBJECT: 2008/09 Budget Amendment No. 3

In June of every fiscal year, after May financials are complete, we review all budgetary centers in the General Fund and Special Revenue Funds to determine whether a budget amendment is necessary based on eleven months of actual expenditures and estimating June expenditures.

Several of the budget amendments are a result of reclassifying capital expenditures from the Capital Fund to operating accounts of the General Fund, per accounting standards, recognition of State Grants and private contributions. An explanation of the 2008/09 Budget Amendment No. 3 is as follows:

General Fund

- Fire Companies (\$100,000) – Incentive Program contribution and miscellaneous other charges
- Fire Prevention (\$100,000) – Personnel and operating supplies allocations
- Finance – Treasurer (\$100,000) – Tax refunds as a result of tax tribunal judgments
- County Road Maintenance (\$50,000) – Winter maintenance charges
- Police – Patrol (\$50,000) – Record receipt and expenditures of bullet proof vest grant
- Civic Center Maintenance (\$50,000) – Increased maintenance cost
- Street Island Maintenance – Major Streets (\$50,000) – Increased water charges
- Nature Center (\$100,000) – Reclassify Capital funds for tree removal

Refuse Fund

- Contractors Service (\$50,000) – Reflect the estimated cost of refuse collection, disposal and recycling charges.

Major Street Fund

- Transfer to General Fund (\$300,000) – Transfer of additional operating funds to the General Fund for winter maintenance and other maintenance charges

Budget Stabilization Fund

- Transfer to General Fund (\$20,000) – Transfer of additional investment earnings to the General Fund

The budget amendments will keep us in compliance with P.A. 621 of 1978 Uniform Budgeting Act, which calls for budgets to be amended when necessary.

It is requested that City Council approve Budget Amendment No. 3 as recommended by City Management.

2008-2009 BUDGET AMENDMENT NO. 3

	<u>CURRENT BUDGET</u>	<u>AMENDMENT</u>	<u>AMENDED BUDGET</u>
<u>GENERAL FUND</u>			
REVENUE			
STATE - GRANTS	\$ 6,500	\$ 50,000	\$ 56,500
DRUG FORFEITURE PROCEEDS - STATE	-	50,000	50,000
PRIVATE CONT. - MUSEUM	-	70,000	70,000
TAX - PENALTIES & INT.	600,000	80,000	680,000
TRSF. FROM MAJOR STREETS FUND	2,221,300	250,000	2,471,300
TRSF. FROM CAPITAL PROJECTS FUND	-	100,000	100,000
TOTAL AMENDMENT TO REVENUES		<u>\$ 600,000</u>	
EXPENDITURES			
FIRE COMPANIES	\$ 1,284,740	\$ 100,000	\$ 1,384,740
FIRE PREVENTION	986,320	100,000	1,086,320
FINANCE - TREASURER	507,100	100,000	607,100
COUNTY ROAD MAINTENANCE	419,740	50,000	469,740
POLICE - PATROL	9,766,390	50,000	9,816,390
CIVIC CENTER MAINTENANCE	255,950	50,000	305,950
STREET ISLAND MAINT. - MAJOR	134,630	50,000	184,630
NATURE CENTER	453,620	100,000	553,620
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 600,000</u>	
<u>REFUSE FUND</u>			
REVENUE			
FUND BALANCE	\$ 542,465	\$ 50,000	\$ 492,465
TOTAL AMENDMENT TO REVENUES		<u>\$ 50,000</u>	
EXPENDITURES			
CONTRACTORS SERVICE	\$ 3,745,120	\$ 50,000	\$ 3,795,120
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 50,000</u>	
<u>MAJOR STREET FUND</u>			
REVENUE			
FUND BALANCE	\$ 1,703,504	\$ 300,000	\$ 1,403,504
TOTAL AMENDMENT TO REVENUES		<u>\$ 300,000</u>	
EXPENDITURES			
TRANSFER TO GENERAL FUND	\$ 2,207,280	\$ 300,000	\$ 2,507,280
TOTAL AMENDMENT TO EXPENDITURES		<u>\$ 300,000</u>	

2008-2009 BUDGET AMENDMENT NO. 3

	<u>CURRENT BUDGET</u>	<u>AMENDMENT</u>	<u>AMENDED BUDGET</u>
<u>BUDGET STABILIZATION FUND</u>			
REVENUE			
INVESTMENT INCOME	\$ 40,000	<u>\$ 20,000</u>	\$ 60,000
TOTAL AMENDMENT TO EXPENDITURES		<u><u>\$ 20,000</u></u>	
EXPENDITURES			
TRANSFER TO GENERAL FUND	40,000	<u>\$ 20,000</u>	\$ 60,000
TOTAL AMENDMENT TO EXPENDITURES		<u><u>\$ 20,000</u></u>	

E - 2008/09 Budget Amendment No. 3

RESOLVED, That Troy City Council hereby **APPROVES** the 2008/09 Budget Amendment No. 3 as submitted, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.