



Legislation Text

File #: 08-0571, **Version:** 1

Resolution to Amend Ann Arbor City Budget for Fiscal Year 2007-2008 **(8 Votes Required)**

Attached for your review and approval, please find a resolution to amend the Ann Arbor City Budget for Fiscal Year 2007-2008.

The Michigan Public Act 621 of 1978, as amended, provides that the City shall not incur expenditures in excess of the amounts appropriated. In order to comply with PA 621, the City's auditors, Abraham & Gaffney, P.C., have suggested the City monitor expenditures against the adopted budget on a periodic basis and appropriate budget amendments be adopted by Council as needed.

Management of the City has monitored the revenue and expenditure activity against the adopted budget for the various funds throughout the year. In addition, management has attempted to periodically forecast the remainder of the fiscal year's revenue and expenditures.

In monitoring the various funds, management has forecasted certain variances versus budget that require budget amendments to remain in compliance with PA 621 as indicated above. These variances and the reasons for the variances are listed on the attachment.

The total requested General Fund budget amendment is \$223,000; of which \$123,000 will be covered by an increase in the City Clerk's revenue budget. The total budget amendment for all other funds is \$120,000; of which \$95,000 is covered by increased revenues. A detail of the requested appropriations is included in the resolution.

Passage of this Resolution and approval of the fiscal year 2007-2008 budget amendments as prepared is recommended.

Prepared by: Kenneth J. Bogan, Senior Finance Specialist

Mary Joan Fales, Senior Assistant City Attorney

Reviewed by: Matthew Horning, Treasurer and Acting CFO

Whereas, On May 21, 2007, City Council adopted the annual operating budget for FY 2007-08 for the City of Ann Arbor;

Whereas, The Michigan Public Act 621 of 1978, as amended, provides that the City shall not incur expenditures in excess of the amounts appropriated;

Whereas, The City's auditors, Abraham & Gaffney, P.C., have suggested the City monitor expenditures against the adopted budget on a periodic basis and appropriate budget amendments be adopted by Council as needed;

Whereas, The City's management have monitored revenues and expenditures and have forecasted revenues and expenditures against the adopted budget;

Whereas, The forecasted expenditures are in excess of the City's adopted budget for some units in

the General Fund, and certain other funds in total as listed below;

Whereas, The recommended appropriation will require a combination of an increased revenue budget, and the use of General Fund Balance; and

Whereas, The FY 2007-2008 Budget Resolution authorized the City Administrator to transfer funds between services units within the designated service areas;

RESOLVED, That Council amend the General Fund revenue and expenditure budgets for the FY 2007-2008 as indicated below, and that the remaining source of funding for the additional expenditures be use of prior years fund balance;

REVENUES

CITY ADMINISTRATOR

Clerk Services \$ 123,000

EXPENDITURES

CITY ADMINISTRATOR

Clerk Services \$ 123,000

COMMUNITY SERVICES

Planning and Development 25,000

SAFETY SERVICES

Police 10,000

FIFTEENTH DISTRICT COURT 65,000

TOTAL GENERAL FUND EXPENDITUR\$ 223,000

RESOLVED, That the following other funds' revenue and expenditure budgets for FY 2007-2008 be amended as follows, and that the remaining source of funding for these expenditures be use of prior years fund balance:

Revenues

Fund	Fund Name	Amount
0026	CONSTRUCTION CODE	\$ 95,000

EXPENDITURES

Fund	Fund Name	Amount
0048	AIRPORT	\$ 75,000
0026	CONSTRUCTION CODE	95,000

As Amended by Ann Arbor City Council on June 16, 2008.