

**Subject:** Budget Amendment  
**Reviewed By:** City Manager: Dana L. Muscott; Deputy City Manager: Tony Reyes; Fiscal Services Director: George Martini; Chief Accountant: Angela Willsie  
**Prepared By:** Andrea Szymanski, Sr Staff Accountant

**PERTINENT FACTS:**

During the annual budget process, each division/department manager is expected to project a budget for their respective departments. As part of this process, the division/department manager estimates the dollar amount of anticipated costs for many line items, including labor costs, operating costs, professional services, capital purchases and construction projects to be completed during the fiscal year.

However, as the year progresses, there are many factors that can affect revenues and expenditures and may require an adjustment to the line items within the budget. There are two budget amendments being recommended at this time.

The first budget amendment is in the General Fund (101) and the Solid Waste Fund (226) in the amount of \$4,000. This amendment budgets for a transfer of \$4,000 from the General Fund (101) to the Solid Waste Fund (226) as part of the Deficit Reduction Plan submitted to the State of Michigan. **This amendment increases revenue in the amount of \$4,000, increases expenses in the amount of \$4,000, decreases fund balance in the General Fund in the amount of \$4,000 and increases fund balance in the Solid Waste Fund in the amount of \$4,000.**

The second budget amendment utilizes fund balance in the Public Improvement Fund (245) in the amount of \$25,000 for clean-up costs of the old DPW building. **This amendment will have no impact on revenue, increases expenses in the amount of \$25,000 and decreases fund balance in the amount of \$25,000.**

The attached budget amendments increase revenue in the amount of \$4,000, increase expenses in the amount of \$29,000 and decrease fund balance in the amount of \$25,000 as detailed above.

**LEGAL ISSUES:**

These amendments are required to ensure compliance with the State Uniform Budgeting Act.

**TIME SENSITIVITY:**

Routine

**BRIEFLY DESCRIBE THE NATURE OF THE TIME SENSITIVITY:**

**FINANCIAL CONSIDERATIONS:**

The following funds will be amended to increase/(decrease) both revenues and expenditures in the amounts indicated:

	Revenue	Expenditures	Fund Balance Impact
General Fund	\$4,000	(\$4,000)	
Solid Waste	\$4,000	-	4,000
Public Improvement	-	25,000	(25,000)

**RECOMMENDED ACTION:**

\*City Manager recommending budget amendments in the amount of \$25,000 for the Fiscal Year 2020/2021 budget.

RECOMMENDATION: Approve.

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**ATTACHMENTS:**

1. BA GF Transfer to Sainitation 2
2. BA DPW Clean up costs