

October 17, 2011

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HONORABLE CITY COUNCIL

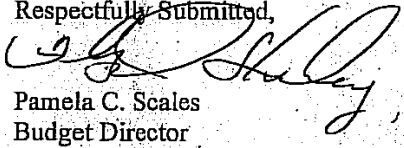
RE: AUTHORIZATION TO AMEND THE FY 2011-12 BUDGET

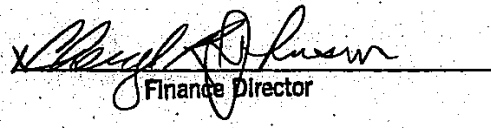
The Budget Department is requesting authorization to amended fiscal year 2011-12 budget by increasing revenues anticipated from the State of Michigan, Economic Vitality Program, formerly known as the Statutory- State Revenue Sharing Program. Subsequent information received from the state has the city estimated to receive an additional \$1.6 million in revenue sharing payments than was originally budgeted. The city has submitted to the State of Michigan all the required documents to be eligible for the stated funds. The additional funds will be used in part for the Ernst & Young, LLP professional services contract. Ernst & Young is currently engaged in the development of a model for forecasting the city's cash position. This includes preparation of the city's current cash forecast and a five year projection of future sources and uses of cash. They will also develop the protocols to use for future cash forecasting and reporting requirements.

Increase Revenue Appropriation No.	04739	Non-Departmental (State Revenue Sharing)	\$1,050,123
Increase Revenue Appropriation No.	04739	Non-Departmental (Wagering Tax)	\$ 602,123
Increase Appropriation No.	00063	Treasury Division	\$1,050,123

The attached resolution authorizes the increase of budgeted revenues for state revenue sharing and a related increase in expenditures for contractual services. A waiver of reconsideration is requested.

Respectfully Submitted,


Pamela C. Scales
Budget Director


Cheryl Johnson
Finance Director

cc: Cheryl Johnson, Finance Director
Denise Gardner, City Council Liaison