

EM SUBMISSION NO.: 2012 Em 173

PRESENTED: 3/19/12

ADOPTED: 3/27/12

BY THE EMERGENCY MANAGER:

**RESOLUTION AUTHORIZING APPROPRIATE CITY OF FLINT OFFICIALS
TO DO ALL THINGS NECESSARY TO PROCESS A BUDGET AMENDMENT
TO TRANSFER \$2,242.68 EXPENSE APPROPRIATION FROM
590-550.100-920.300/POWER TO ACCOUNTS
590-906.150-992.000/PRINCIPAL (\$2,000.00) AND
590-906.100-996.000/INTEREST (\$242.68)**

The DPW – Water Pollution Control Division desires to make adjustments to line items in the 590 Sewer Fund for the purpose of funding a lease to own agreement of capital equipment.

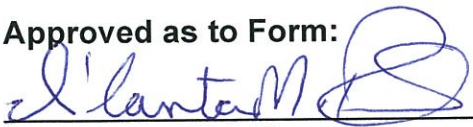
The DPW – Water Pollution Control Division had originally included the purchase of replacement lawnmowers for its facilities grounds maintenance in the current fiscal year budget, but it was postponed.

The Purchasing department has procured bids for these items, selecting Tri-County Equipment as the vendor.

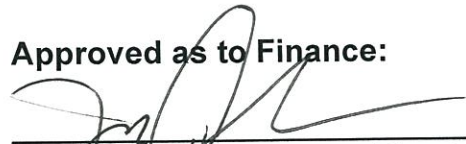
The sixty- (60) month lease to own agreement payments are estimated to begin prior to March 31, 2012 will require \$2,242.68 (\$560.67 per month for four months) to be included in the WPC 2012 fiscal year budget.

IT IS RESOLVED, That appropriate City Officials are authorized to do all things necessary to process a budget amendment to transfer \$2,242.68 expense appropriation from 590-550.100-920.300/Power to accounts 590-906.150-992.000/Principal (\$2,000.00) and 590-906.100-996.000/Interest (\$242.68).

Approved as to Form:


Peter Bade, Chief Legal Officer

Approved as to Finance:

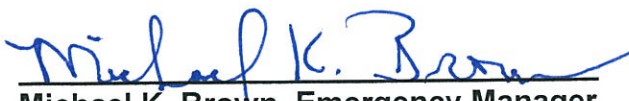

Jerry Ambrose, Finance Director

EM DISPOSITION:

ENACT ☒

FAIL ☐

DATED 3-27-12


Michael K. Brown, Emergency Manager

RESOLUTION STAFF REVIEW

March 9, 2012

Agenda Item Title: Budget amendment to transfer \$2,242.68 from 590-550.100-920.300/Power to 590-906.150-992.000/Principal and 590-906.100-996.000/Interest

Submitted By: Robert J. Case, WPC Supervisor

Background/Summary of Proposed Action:

WPC has requested a lease to own agreement with Tri-County Equipment of Burton, Michigan for John Deere mowers. The Bid agreement was procured by the Purchasing department and is for a period of sixty months. Payments will be \$560.67 per month (\$500.00 principal, \$60.67 interest). The City will attain full ownership of the equipment when the final lease payment is rendered.

Financial Implications:

The total lease to own agreement is \$33,640.20. Sixty monthly payments are to use funding from accounts 590-906.150-992.000 for principal amount (\$500.00 per month for sixty-(60) months, totaling \$30,000.00) and 590-906.100-996.000 for the interest (\$60.67 per month for sixty-(60) months, totaling \$3,640.20). These payments are expected to commence prior to March 31, 2012, therefore it is necessary to request a budget amendment to allow for the first four payments (\$2,242.68). Future fiscal year budgetary allocations are implied for the purpose of meeting the terms of the lease agreement. The lease provides that the City will own these machines at the end of the sixty-month payment schedule.

Budgeted Expenditure? Yes ☐ No ☒ **Please explain if no:**

Water Pollution Control Division had originally included the purchase of mowers in the current fiscal year budget, but it was underfunded.

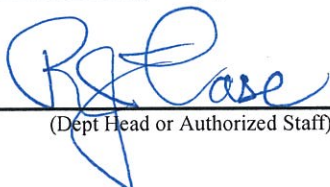
<u>Account No.:</u>	590-550.100-920.300/Power:	-\$2,242.68
	590-906.150-992.000/Principal	\$2,000.00
	590-906.100-996.000/Interest	\$242.68

Pre-encumbered? Yes ☐ No ☐ **Requisition:** N/A

Other Implications (i.e., collective bargaining): None.

Staff Recommendation: Approve

Staff Person:


(Dept Head or Authorized Staff)