CITY OF NOVI CITY COUNCIL
NOVEMBER 23, 2026

SUBJECT: Approval of resolution to authorize Budget Amendment #2027-3

SUBMITTING DEPARTMENT: Finance

KEY HIGHLIGHTS:

- No use of General Fund fund balance. The Clerk's Department is recognizing a $15,000 grant and the corresponding $15,000 in expenses.
- Forfeiture Fund recognizes $75,000 in revenue and an equal amount in corresponding expenditures.
- Clemis Fund is recognizing expenses related to Clemis /Dispatch Services.
- Water and Sewer Fund is using fund balance that rolled over from FY26.
- Drain Fund is completing a project that is rolled over from FY26.

BACKGROUND INFORMATION:

The City's annual budget is adopted by the third Monday in May each year and is effective July 1st each year. The budget is adopted at a function level (vs. line item). In accordance with the State Budget Act, budget amendments are completed throughout the fiscal year to reflect the most current information available related to revenue and expenditure budgets. Budget amendments that have a positive or negative impact on fund balance or change the function total are prepared for Council approval. Amendments between line items within the same budget function (that do not have any impact on fund balance) are managed at the administration level. The amendments are based on actual and projected activity to date.

The first quarter budget amendment resolution and budget amendment details are attached.

RECOMMENDED ACTION: Approval of resolution to authorize Budget Amendment #2027-3

RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following Budget Amendment# 2027-3 is authorized:

		INCREASE (DECREASE)
GENERAL FUND		
REVENUES		
State Sources	$	15,000
		-
		-
TOTAL REVENUES	**$**	**15,000**
APPROPRIATIONS		
City Clerk		
Other Services and Charges		15,000
TOTAL APPROPRIATIONS	**$**	**15,000**
Net Increase (Decrease) to Fund Balance	**$**	**-**

Ending Fund Balance	**$12,814,527**
Fund Balance as a % of total annual expenditures	**28%**

		INCREASE (DECREASE)
DRAIN FUND		
APPROPRIATIONS		
Capital Outlay	$	577,976
TOTAL APPROPRIATIONS	**$**	**577,976**
Net Increase (Decrease) to Fund Balance	**$**	**(577,976)**
CLEMIS FUND		
APPROPRIATIONS		
Capital Outlay	$	124,331
TOTAL APPROPRIATIONS	**$**	**124,331**
Net Increase (Decrease) to Fund Balance	**$**	**(124,331)**

		INCREASE (DECREASE)
FORFEITURE FUND		
REVENUES		
Other Revenue	$	75,000
TOTAL REVENUES	**$**	**75,000**
APPROPRIATIONS		
Capital Outlay	$	75,000
TOTAL APPROPRIATIONS	**$**	**75,000**
Net Increase (Decrease) to Fund Balance	**$**	**-**

		INCREASE (DECREASE)
WATER AND SEWER FUND		
APPROPRIATIONS		
Capital Outlay	$	756,910
TOTAL APPROPRIATIONS	**$**	**756,910**
Net Increase (Decrease) to Fund Balance	**$**	**(756,910)**

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi at a regular meeting held on November 23, 2026

Cortney Hanson
City Clerk

Budget Amendment# 2027-3 - November 23,2026

GL #	Project/Item Description	Budget Category	Amount
	General Fund 101		
Revenues			
101-000.00-540.350	State and other grants	State sources	15,000
			$ 15,000
Expenditures			
101-215-00.740.000	City Clerk	Supplies	15,000
			$ 15,000
		Net Increase (decrease) to fund balance	**$ -**

Ending Fund Balance	**$12,814,527**
Fund Balance as a % of total annual expenditures	**28%**

Grant revenues offset expenditures
Election supplies grant reimbursement

GL #	Project/Item Description	Budget Category	Amount
	Drain Fund 211		
Expenditures			
211-445.00-975.137	ENG34 Basin Repairs Orchard Hill Place	Capital outlay	$ 577,976
			$ 577,976
		Net Increase (decrease) to fund balance	**$ (577,976)**
	Rollover from FY 2026		
	Clemis Fund 218		
Expenditures			
218-326.00-851.200	Carbyne Inc.	Emergency Communication Sevices	$ 52,742
218-326-00-851.200	Clemis Authority	Emergency Communication Sevices-Fire	6,695
218-326-00-851.200	Clemis Authority	Emergency Communication Sevices-Police	64,894
			$ 124,331
	Support Dispatch Services / Fire & Police		
		Net Increase (decrease) to fund balance	**$ (124,331)**
	Forfeitutire Fund 262		
Revenue			
262-000-00-569.000	State grant revenue	Forefeiture Revenue	$ 75,000
Expenditures			
262-000.00-971.000	Capitial Outlay -Fire Arms Purchase	Capital outlay	$ (75,000)
		Net Increase (decrease) to fund balance	**$ -**
	Purchase of Fire Arms for Police Department		
	Water and Sewer Fund 592		
Expenditures			
592-536-00-976.010	Captial Outlay -WL/N WWTP Upgrades	Capital outlay	756,910
			$ 756,910
	Rollover from FY26	**Net Increase (decrease) to fund balance**	**$ (756,910)**