



**CITY OF NOVI CITY COUNCIL
JULY 13, 2026**

SUBJECT: Approval of resolution to authorize Budget Amendment #2027-1

SUBMITTING DEPARTMENT: Finance

KEY HIGHLIGHTS:

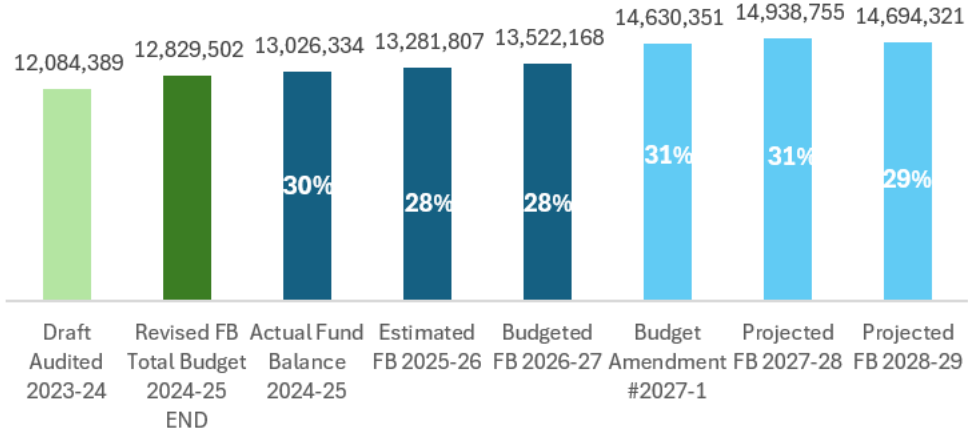
- An increase to the General Fund fund balance of \$1,108,183.
- Individual General Fund departments are adjusted per the resolution adopted on June 22, 2026.
- 10 FTEs are removed from the General Fund.
- General Fund revenue has increased \$117,321 for anticipated tax revenue increases.
- Overall, the General Fund budgeted revenues exceed budgeted expenditures by \$1,348,544 after this amendment resolution. Fund balance is projected at 31% of expenditures.

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.

This budget amendment is part of a plan to reduce costs over the next three budget cycles and is amending the fiscal year 2026-27 budget adopted by Council on May 4, 2026. The budget amendment resolution and budget amendment details are attached.

General Fund Fund Balance (Recent History)



RECOMMENDED ACTION: Approval of resolution to authorize Budget Amendment #2027-1.

RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following Budget
Amendment #2027-1 is authorized:

	INCREASE (DECREASE)
GENERAL FUND	
REVENUES	
Property Tax Revenue	\$ 117,321
TOTAL REVENUES	\$ 117,321
 APPROPRIATIONS	
City Council	
Other Services and Charges	(5,250)
City Manager	
Other Services and Charges	(12,150)
Integrated Solutions - Technology	
Other Services and Charges	(5,898)
Assessing Department	
Other Services and Charges	(505)
Integrated Solutions - Facility Management	
Other Services and Charges	(89,869)
Integrated Solutions - FM: Parks Maintenance	
Other Services and Charges	(1,375)
Police Department	
Personnel Services	(588,553)
Other Services and Charges	(10,000)
Fire Department	
Personnel Services	(120,000)
Other Services and Charges	(16,250)
Community Development - Building	
Personnel Services	(126,196)
Other Services and Charges	(6,524)
Department of Public Works - Administration	
Other Services and Charges	(1,750)
Department of Public Works - Engineering	
Personnel Services	(112,805)
Department of Public Works - Field Operations	
Other Services and Charges	(7,500)
Department of Public Works - Fleet Asset	
Other Services and Charges	(1,375)

	INCREASE (DECREASE)
Community Development - Planning	
Personnel Services	(241,092)
Other Services and Charges	37,000
Community Relations - Admin	
Other Services and Charges	(5,125)
Community Relations - Studio 6	
Other Services and Charges	(1,750)
Capital Outlay	
Capital Outlay	326,105
Debt Service	
Debt Service	-
TOTAL APPROPRIATIONS	<u>\$ (990,862)</u>
Net Increase (Decrease) to Fund Balance	<u>\$ 1,108,183</u>

Ending Fund Balance	\$14,630,351
Fund Balance as a % of total annual expenditures	31%

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 July 13, 2026.

Cortney Hanson
City Clerk

Budget Amendment# 2027-1- July 13, 2026

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
General Fund 101			
Revenues			
101-000.00-402.000	Property Tax Revenue-Current Levy	Property Taxes	117,321
			<u>\$ 117,321</u>
Expenditures			
101-101.00-956.000	Conferences and workshops	Other Charges and Services	(3,500)
101-101.00-956.101	Conferences & Workshops -Council Members	Other Charges and Services	(1,750)
101-172.00-956.000	Conferences and workshops	Other Charges and Services	(4,650)
101-172.00-956.200	City-wide training & workshops	Other Charges and Services	(7,500)
101-228.00-956.000	Conferences and workshops	Other Charges and Services	(5,898)
101-257.00-956.000	Conferences and workshops	Other Charges and Services	(505)
101-265.00-814.200	Facilities	Other Charges and Services	(87,869)
101-265.00-956.000	Conferences and workshops	Other Charges and Services	(2,000)
101-265.10-956.000	Conferences and workshops	Other Charges and Services	(1,375)
101-301.00-704.000	Permanent salaries	Personnel	(588,553)
101-301.00-956.000	Conferences and workshops	Other Charges and Services	(10,000)
101-336.00-704.000	Permanent salaries	Personnel	(120,000)
101-336.00-956.000	Conferences and workshops	Other Charges and Services	(16,250)
101-371.00-704.000	Permanent salaries	Personnel	(126,196)
101-371.00-956.000	Conferences and workshops	Other Charges and Services	(6,524)
101-441.00-956.000	Conferences and workshops	Other Charges and Services	(1,750)
101-441.10-704.000	Permanent salaries	Personnel	(112,805)
101-441.20-956.000	Conferences and workshops	Other Charges and Services	(7,500)
101-441.30-956.000	Conferences and workshops	Other Charges and Services	(1,375)
101-701.00-704.000	Permanent salaries	Personnel	(241,092)
101-701.00-816.000	Professional Services	Other Charges and Services	40,000
101-701.00-956.000	Conferences and workshops	Other Charges and Services	(3,000)
101-725.00-956.000	Conferences and workshops	Other Charges and Services	(5,125)
101-725.10-956.000	Conferences and workshops	Other Charges and Services	(1,750)
101-901.00-983.441	DPW VEHICLES	Capital Outlay	326,105
			<u>\$ (990,862)</u>

Net Increase (decrease) to fund balance \$ 1,108,183

Ending Fund Balance	\$14,630,351
Fund Balance as a % of total annual expenditures	31%