



CITY of NOVI CITY COUNCIL

Agenda Item 4
May 8, 2017

SUBJECT: Approval of Resolution for Fiscal-Year 2017-2018 Budget and Acknowledging the Multi-Year Budget, Including Projections of Future Fiscal-Years 2018-2019 and 2019-2020.

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

Attached for your consideration is the adopting resolution for the Fiscal-Year 2017-2018 Budget and acknowledgement of the multi-year budget. The budget process started in August 2016 with development of the capital improvement plan, continued with the early budget input session where City Council's strategic themes were discussed in January 2017, and finally multiple meetings were held with all departments in order to draft a budget that complied with the overall goals set by the Novi City Council. The recommended budget was presented to City Council on March 27, 2017.

The attached pages are specific pages from the Financial Summaries section of the Recommended Budget document and reflect the Council's five amendments discussed at the April 5, 2017 Budget Session. One of the changes included a use of fund balance within the General Fund in the amount of \$250,000 for FY 2017-18. This use of fund balance is a contribution to the Local Road Fund to help fund the Concrete Panel Replacement Program for FY 2017-18. The Concrete Panel Replacement Program, therefore, increased from \$750,000 to \$1,000,000. The projected fund balance of the General Fund for the 2017-2018 fiscal year is estimated at 32% which exceeds the newly approved Fund Balance Policy of the City of Novi and City Council's objectives of 22% to 25%. All budgeted funds are within the required fund balances of the City's aforementioned policy and most of the funds' budgets presented with this Resolution are projected to cover expenditures with incoming revenues.

The Capital Improvement Program as approved by the City's Planning Commission and presented at the Public Hearing held on February 22, 2017, is incorporated in the budget document and includes the amendments passed by City Council at the Budget Session held on April 5, 2017.

The City of Novi utilizes multi-year budgets as a planning tool to fulfill the City Council's strategic goals and objectives as well as operate within its means by maintaining a low tax burden on its citizens. The Multi-Year Budget balances future revenues with the corresponding expenditures and maintains the fund balances for the General Fund and Special Revenue Funds within the limits set by the City of Novi's Fund Balance Policy. Furthermore, the Multi-Year Budget also incorporates the long-range elements of the Capital Improvement Program (CIP) as approved by the City's Planning Commission and presented to the Public Hearing on February 22, 2017.

RECOMMENDED ACTION: Approval of Resolution for Fiscal-Year 2017-2018 Budget and Acknowledging the Multi-Year Budget, Including Projections of Future Fiscal-Years 2018-2019 and 2019-2020.

**Resolution of Adoption Fiscal-Year 2017-2018 Budget and
Acknowledging the Multi-Year Budget Including Projections of Future
Fiscal-Years 2018-2019 and 2019-2020**

WHEREAS, the City Manager's recommended budget is based upon the January 14, 2017 City Council early budget input session where City Council's strategic themes were discussed, and the December 18, 2016 property tax projection presentation to City Council, and

WHEREAS, this budget has incorporated the CIP plan as approved by the City's Planning Commission at the public hearing held on February 22, 2017, and

WHEREAS, pursuant to Section 8.3 of the Novi City Charter, a detailed revenue and expenditure plan has been presented in accordance with all applicable City, State and Federal Statutes, and

WHEREAS, the City Council passed five amendments to the recommended budget during the April 5, 2017 Special Budget Meeting, and

WHEREAS, a public hearing was also held on April 24, 2017 on the proposed budget, and

WHEREAS, this budget takes into consideration the City's Multi-Year Budget and financial planning through fiscal-year 2019-2020, and

NOW, THEREFORE, BE IT RESOLVED, that the fiscal year 2017-18 attached budget is adopted and that the City Council acknowledges the Multi-Year Budget, Including Projections of Future Fiscal-Years 2018-2019 and 2019-2020 as part of this resolution.

I 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 this 8th day of May 2017.

Cortney Hanson, City Clerk

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
ESTIMATED REVENUES					
PROPERTY TAX REVENUE					
Property Tax Revenue - Current Levy	\$ 16,004,663	\$ 16,496,545	\$ 17,098,669	\$ 17,748,418	\$ 18,422,858
Property Tax Revenue- County Chargebacks	1,022	(22,713)	(25,000)	(50,000)	(50,000)
Property Tax Revenue - Tx Tribunal Accr	132,391	-	(5,000)	(5,000)	(5,000)
Property Tax Revenue -Brownfield Capture	(1,396)	(1,412)	(1,465)	(1,521)	(1,579)
Property Tax Revenue -Police & Fire Levy	-	-	4,848,000	5,033,000	5,225,000
Property Tax Revenue - C/Y Del PPT	(31,518)	(35,000)	(35,000)	(40,000)	(40,000)
Trailer fees	8,337	8,000	8,500	8,600	8,700
Penalty and interest	138,841	140,000	175,000	175,000	185,000
PROPERTY TAX REVENUE	<u>\$ 16,252,340</u>	<u>\$ 16,585,420</u>	<u>\$ 22,063,704</u>	<u>\$ 22,868,497</u>	<u>\$ 23,744,979</u>
DONATIONS					
Police Dept Donations	\$ 900	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Restricted Fire donations	575	500	500	500	500
DONATIONS	<u>\$ 1,475</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>
LICENSES, PERMITS & CHARGES FOR SVCS					
Clerks Dept Fees (prior business regist)	\$ 25,315	\$ 25,000	\$ 26,000	\$ 27,000	\$ 28,000
Liquor license fees	60,918	65,000	65,000	65,000	65,000
Engineering review fees	203,272	300,000	250,000	250,000	250,000
Plan and landscape review fees	111,025	130,000	130,000	130,000	130,000
Wet, Wood, Landscape insp/review fees	818,895	500,000	432,500	437,500	440,500
Grading permit fees	9,343	12,000	-	-	-
Building permits	821,421	727,000	850,000	850,000	870,000
Plan review fees	356,913	375,000	375,000	375,000	375,000
Refrigeration permits	52,893	55,000	65,000	65,000	65,000
Electrical permits	201,066	225,000	200,000	200,000	210,000
Heating permits	190,028	200,000	200,000	190,000	200,000
Plumbing permits	115,356	125,000	125,000	125,000	125,000
Other charges	597,700	425,000	425,000	400,000	425,000
Court abatement revenue	-	5,000	-	-	-
Soil erosion fees	27,292	30,000	25,000	25,000	25,000
Cable television fee	951,481	875,000	975,000	975,000	1,025,000
Weed cutting revenue	6,825	10,000	6,000	6,000	6,000
Board of appeals	20,078	21,000	21,000	21,000	21,000
Police department-miscellaneous revenue	114,793	139,000	139,000	139,000	139,000
Police dispatch service revenue	113,946	116,276	118,602	120,974	123,393
Police contracted services	50,910	100,000	100,000	75,000	75,000
Police OWI revenue	23,757	1,000	-	-	-
Police Department - Hosted Training	17,145	10,000	20,000	20,000	20,000
Administrative reimburse	94,204	140,000	140,000	140,000	140,000
Fire Station CEMS revenue	7,200	7,200	7,200	7,200	7,200
LICENSES, PERMITS & CHARGES FOR SVCS	<u>\$ 4,991,776</u>	<u>\$ 4,618,476</u>	<u>\$ 4,695,302</u>	<u>\$ 4,643,674</u>	<u>\$ 4,765,093</u>
FEDERAL GRANTS					
Federal Grants	\$ 7,060	\$ -	\$ -	\$ -	\$ -
TIA Grant	15,127	8,000	8,000	8,000	8,000
Federal forfeitures-reimbursement only	31,190	30,000	30,000	30,000	30,000
SS Task Force Reimbursement	15,557	20,000	20,000	20,000	20,000
FEDERAL GRANTS	<u>\$ 68,934</u>	<u>\$ 58,000</u>	<u>\$ 58,000</u>	<u>\$ 58,000</u>	<u>\$ 58,000</u>

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
FINES AND FORFEITURES					
Court fees and fines	\$ 549,841	\$ 550,000	\$ 535,000	\$ 520,000	\$ 540,000
Motor carrier fines and fees	28,750	20,000	25,000	25,000	25,000
FINES AND FORFEITURES	\$ 578,591	\$ 570,000	\$ 560,000	\$ 545,000	\$ 565,000
INTEREST INCOME					
Interest on Investments	\$ 291,149	\$ 175,000	\$ 190,000	\$ 165,000	\$ 175,000
Unrealized gain (loss) on investments	166,306	150,000	150,000	150,000	150,000
Interest on Trust & Agency Funds	423,985	248,418	253,273	249,882	256,563
INTEREST INCOME	\$ 881,440	\$ 573,418	\$ 593,273	\$ 564,882	\$ 581,563
OTHER REVENUE					
Insurance Reimbursement	\$ 24,264	\$ 16,441	\$ 50,000	\$ 20,000	\$ 20,000
Intergovernmental reimbursement	22,500	-	-	-	-
Fire Department	7,558	10,000	10,000	10,000	10,000
Novi Youth Council	9,388	9,500	9,500	9,500	9,500
Miscellaneous income	284,823	245,000	245,000	240,000	245,000
Filming permit revenue	150	200	200	200	200
Library Network Charges	17,918	35,000	35,000	35,000	35,000
State of the City revenue	3,626	4,000	4,000	4,000	4,000
Novi Township assessment	15,985	15,000	16,100	16,100	16,100
RRRASOC Hosting Fees	16,000	16,000	16,000	16,000	16,000
Cell tower revenue	3,000	5,000	5,000	5,000	5,000
Municipal service charges	365,270	365,270	365,270	365,270	365,270
OTHER REVENUE	\$ 770,482	\$ 721,411	\$ 756,070	\$ 721,070	\$ 726,070
STATE SOURCES					
Police training grant	\$ 35,172	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
State revenue sharing	4,326,321	4,403,392	4,481,881	4,526,700	4,571,967
STATE SOURCES	\$ 4,361,493	\$ 4,428,392	\$ 4,506,881	\$ 4,551,700	\$ 4,596,967
TRANSFERS IN					
Transfer from Public Safety Fund	\$ 5,300,000	\$ 5,855,000	\$ -	\$ -	\$ -
Transfer from Library Fund	40,000	-	-	-	-
TRANSFERS IN	\$ 5,340,000	\$ 5,855,000	\$ -	\$ -	\$ -
TOTAL ESTIMATED REVENUES	\$ 33,246,531	\$ 33,411,617	\$ 33,234,730	\$ 33,954,323	\$ 35,039,172

GENERAL FUND

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
APPROPRIATIONS					
Dept 101.00-CITY COUNCIL					
PERSONNEL SERVICES	\$ 36,512	\$ 39,797	\$ 36,121	\$ 36,123	\$ 36,125
SUPPLIES	70	550	500	500	500
OTHER SERVICES AND CHARGES	7,710	10,772	7,000	7,000	7,000
TOTAL Dept 101.00-CITY COUNCIL	\$ 44,292	\$ 51,119	\$ 43,621	\$ 43,623	\$ 43,625
Dept 172.00-CITY MANAGER					
PERSONNEL SERVICES	\$ 483,383	\$ 437,627	\$ 508,383	\$ 523,383	\$ 535,256
SUPPLIES	1,197	2,500	1,500	1,500	1,500
OTHER SERVICES AND CHARGES	121,253	196,275	129,120	129,120	129,120
TOTAL Dept 172.00-CITY MANAGER	\$ 605,833	\$ 636,402	\$ 639,003	\$ 654,003	\$ 665,876
<i>Financial Services</i>					
Dept 201.00-FINANCE DEPARTMENT					
PERSONNEL SERVICES	\$ 826,533	\$ 874,509	\$ 930,187	\$ 957,190	\$ 980,579
SUPPLIES	12,164	13,085	13,200	13,200	13,200
OTHER SERVICES AND CHARGES	61,317	74,904	72,960	75,210	76,960
CAPITAL OUTLAY	6,561	-	-	-	-
TOTAL Dept 201.00-FINANCE DEPARTMENT	\$ 906,575	\$ 962,498	\$ 1,016,347	\$ 1,045,600	\$ 1,070,739
Dept 253.00-TREASURY					
PERSONNEL SERVICES	\$ 250,339	\$ 278,801	\$ 277,029	\$ 286,893	\$ 294,391
SUPPLIES	29,768	30,659	31,000	31,000	31,000
OTHER SERVICES AND CHARGES	34,291	55,948	52,820	53,020	55,020
TOTAL Dept 253.00-TREASURY	\$ 314,398	\$ 365,408	\$ 360,849	\$ 370,913	\$ 380,411
<i>Financial Services Total</i>	\$ 1,220,973	\$ 1,327,906	\$ 1,377,196	\$ 1,416,513	\$ 1,451,150
Dept 205.00-INFORMATION TECHNOLOGY DEPT					
PERSONNEL SERVICES	\$ 636,535	\$ 685,254	\$ 733,394	\$ 755,701	\$ 772,101
SUPPLIES	25,080	33,400	33,540	34,650	35,650
OTHER SERVICES AND CHARGES	164,394	220,562	221,510	228,210	284,330
CAPITAL OUTLAY	232,949	157,679	6,500	13,415	-
TOTAL Dept 205.00-INFO TECHNOLOGY DEPT	\$ 1,058,958	\$ 1,096,895	\$ 994,944	\$ 1,031,976	\$ 1,092,081

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
Dept 209.00-ASSESSING DEPARTMENT					
PERSONNEL SERVICES	\$ 535,618	\$ 576,942	\$ 607,023	\$ 628,854	\$ 646,967
SUPPLIES	11,790	25,200	26,000	27,000	28,000
OTHER SERVICES AND CHARGES	109,636	149,820	159,680	197,130	199,580
CAPITAL OUTLAY	23,058	22,222	-	-	-
TOTAL Dept 209.00-ASSESSING DEPARTMENT	\$ 680,102	\$ 774,184	\$ 792,703	\$ 852,984	\$ 874,547
Dept 210.00-CITY ATTORNEY, INSURANCE, & CLAIMS					
OTHER SERVICES AND CHARGES	\$ 709,980	\$ 705,000	\$ 747,000	\$ 790,000	\$ 770,000
CAPITAL OUTLAY	26,544	50,000	50,000	50,000	50,000
TOTAL Dept 210.00-CITY ATTRNY, INSUR, & CLAIMS	\$ 736,524	\$ 755,000	\$ 797,000	\$ 840,000	\$ 820,000
Dept 215.00-CITY CLERK					
PERSONNEL SERVICES	\$ 583,375	\$ 571,550	\$ 594,013	\$ 620,043	\$ 641,396
SUPPLIES	47,380	40,573	42,000	42,000	42,000
OTHER SERVICES AND CHARGES	94,292	227,464	135,050	135,050	135,050
CAPITAL OUTLAY	-	8,275	7,500	-	-
TOTAL Dept 215.00-CITY CLERK	\$ 725,047	\$ 847,862	\$ 778,563	\$ 797,093	\$ 818,446
Dept 265.00-FACILITY MANAGEMENT					
PERSONNEL SERVICES	\$ 264,432	\$ 311,741	\$ 333,468	\$ 343,667	\$ 351,023
SUPPLIES	24,209	29,000	18,500	18,500	18,500
OTHER SERVICES AND CHARGES	442,344	500,035	543,390	533,940	533,940
CAPITAL OUTLAY	17,721	167,034	-	-	172,000
TOTAL Dept 265.00-FACILITY MANAGEMENT	\$ 748,706	\$ 1,007,810	\$ 895,358	\$ 896,107	\$ 1,075,463
Dept 265.10-FACILITY MANAGEMENT - PARKS MAINT					
PERSONNEL SERVICES	\$ 320,751	\$ 400,838	\$ 408,679	\$ 498,190	\$ 502,271
SUPPLIES	4,031	23,500	22,500	22,500	22,500
OTHER SERVICES AND CHARGES	65,979	301,809	300,970	300,970	300,970
CAPITAL OUTLAY	32,968	471,841	154,500	16,000	43,699
TOTAL Dept 265.10-FAC MGMNT - PARKS MAINT	\$ 423,729	\$ 1,197,988	\$ 886,649	\$ 837,660	\$ 869,440
Dept 270.00-HUMAN RESOURCES					
PERSONNEL SERVICES	\$ 329,681	\$ 329,494	\$ 357,423	\$ 369,175	\$ 372,725
SUPPLIES	885	1,050	1,000	1,000	1,000
OTHER SERVICES AND CHARGES	84,011	131,313	107,930	99,430	99,430
CAPITAL OUTLAY	-	16,000	-	5,730	-
TOTAL Dept 270.00-HUMAN RESOURCES	\$ 414,577	\$ 477,857	\$ 466,353	\$ 475,335	\$ 473,155

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
Dept 295.00-NEIGHBORHOOD & BUSINESS RELATIONS GROUP					
PERSONNEL SERVICES	\$ 352,739	\$ 355,552	\$ 510,551	\$ 527,575	\$ 542,397
SUPPLIES	22,072	10,900	10,900	10,900	10,900
OTHER SERVICES AND CHARGES	382,827	396,164	405,530	405,530	405,530
TOTAL Dept 295.00-NEIGHBOR & BUSINESS REL	\$ 757,638	\$ 762,616	\$ 926,981	\$ 944,005	\$ 958,827
<i>Public Safety</i>					
Dept 301.00-POLICE DEPARTMENT					
PERSONNEL SERVICES	\$ 10,410,756	\$ 10,917,761	\$ 11,016,811	\$ 11,363,876	\$ 11,626,529
SUPPLIES	254,896	261,600	306,825	256,500	256,500
OTHER SERVICES AND CHARGES	998,005	1,086,342	1,050,735	1,050,735	1,050,735
CAPITAL OUTLAY	98,326	436,541	402,760	238,000	100,100
TOTAL Dept 301.00-POLICE DEPARTMENT	\$ 11,761,983	\$ 12,702,244	\$ 12,777,131	\$ 12,909,111	\$ 13,033,864
Dept 337.00-FIRE DEPARTMENT					
PERSONNEL SERVICES	\$ 4,163,963	\$ 4,401,691	\$ 4,838,005	\$ 4,964,770	\$ 5,040,236
SUPPLIES	157,813	182,845	166,500	166,500	206,665
OTHER SERVICES AND CHARGES	554,396	618,189	652,575	606,575	612,075
CAPITAL OUTLAY	103,389	557,704	116,550	333,020	219,790
TOTAL Dept 337.00-FIRE DEPARTMENT	\$ 4,979,561	\$ 5,760,429	\$ 5,773,630	\$ 6,070,865	\$ 6,078,766
<i>Public Safety Total</i>	\$ 16,741,544	\$ 18,462,673	\$ 18,550,761	\$ 18,979,976	\$ 19,112,630
<i>Community Development</i>					
Dept 371.00-COMMUNITY DEVELOPMENT-BUILDING					
PERSONNEL SERVICES	\$ 1,346,015	\$ 1,397,911	\$ 1,541,508	\$ 1,596,907	\$ 1,637,128
SUPPLIES	30,755	32,544	32,600	32,900	33,200
OTHER SERVICES AND CHARGES	256,497	361,633	338,160	339,660	408,160
CAPITAL OUTLAY	455,003	48,094	27,000	-	-
TOTAL Dept 371.00-COMM DEVELOP-BUILDING	\$ 2,088,270	\$ 1,840,182	\$ 1,939,268	\$ 1,969,467	\$ 2,078,488
Dept 807.00-COMMUNITY DEVELOPMENT-PLANNING					
PERSONNEL SERVICES	\$ 454,411	\$ 469,807	\$ 467,543	\$ 481,452	\$ 493,447
SUPPLIES	4,024	7,450	5,500	5,700	5,900
OTHER SERVICES AND CHARGES	270,128	129,351	51,600	50,600	50,600
CAPITAL OUTLAY	-	80,000	50,000	50,000	50,000
TOTAL Dept 807.00-COMM DEVELOP-PLANNING	\$ 728,563	\$ 686,608	\$ 574,643	\$ 587,752	\$ 599,947
<i>Community Development Total</i>	\$ 2,816,833	\$ 2,526,790	\$ 2,513,911	\$ 2,557,219	\$ 2,678,435

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
<i>Department of Public Services</i>					
Dept 442.00-DPS ADMINISTRATION DIVISION					
PERSONNEL SERVICES	\$ 219,078	\$ 231,295	\$ 270,902	\$ 280,104	\$ 288,445
SUPPLIES	9,809	12,700	11,200	11,200	11,200
OTHER SERVICES AND CHARGES	381,114	187,266	176,390	177,790	178,290
CAPITAL OUTLAY	4,867	19,223	6,700	-	-
TOTAL Dept 442.00-DPS ADMINISTRATION	\$ 614,868	\$ 450,484	\$ 465,192	\$ 469,094	\$ 477,935
Dept 442.10-DPS ENGINEERING DIVISION					
PERSONNEL SERVICES	\$ 97,768	\$ 76,218	\$ 161,521	\$ 175,427	\$ 179,631
SUPPLIES	1,497	2,000	2,000	2,000	2,000
OTHER SERVICES AND CHARGES	70,844	303,884	202,650	202,650	202,650
CAPITAL OUTLAY	114,604	994,365	77,929	-	-
TOTAL Dept 442.10-DPS ENGINEERING DIVISION	\$ 284,713	\$ 1,376,467	\$ 444,100	\$ 380,077	\$ 384,281
Dept 442.20-DPS FIELD OPERATIONS DIVISION					
PERSONNEL SERVICES	\$ 169,041	\$ 320,658	\$ 295,758	\$ 457,358	\$ 510,187
SUPPLIES	92,135	94,349	94,500	95,500	96,500
OTHER SERVICES AND CHARGES	482,017	570,592	494,060	483,060	483,060
CAPITAL OUTLAY	13,278	904,216	851,200	540,000	990,000
TOTAL Dept 442.20-DPS FIELD OPERATIONS	\$ 756,471	\$ 1,889,815	\$ 1,735,518	\$ 1,575,918	\$ 2,079,747
Dept 442.30-DPS FLEET ASSET DIVISION					
PERSONNEL SERVICES	\$ 289,838	\$ 396,401	\$ 366,319	\$ 383,702	\$ 393,323
SUPPLIES	29,309	30,000	27,000	27,000	27,000
OTHER SERVICES AND CHARGES	209,839	369,175	330,040	348,240	358,240
CAPITAL OUTLAY	175,401	314,425	62,000	-	-
TOTAL Dept 442.30-DPS FLEET ASSET DIVISION	\$ 704,387	\$ 1,110,001	\$ 785,359	\$ 758,942	\$ 778,563
<i>Department of Public Services Total</i>	\$ 2,360,439	\$ 4,826,767	\$ 3,430,169	\$ 3,184,031	\$ 3,720,526
Dept 665.00-NOVI YOUTH ASSISTANCE					
PERSONNEL SERVICES	\$ 46,378	\$ 46,689	\$ 47,376	\$ 47,656	\$ 47,829
SUPPLIES	4,193	9,642	9,642	9,642	9,642
TOTAL Dept 665.00-NOVI YOUTH ASSISTANCE	\$ 50,571	\$ 56,331	\$ 57,018	\$ 57,298	\$ 57,471
Dept 803.00-HISTORICAL COMMISSION					
OTHER SERVICES AND CHARGES	\$ 7,993	\$ 14,000	\$ 14,500	\$ 14,500	\$ 14,500
TOTAL Dept 803.00-HISTORICAL COMMISSION	\$ 7,993	\$ 14,000	\$ 14,500	\$ 14,500	\$ 14,500

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 940.00-TRANSFER TO OTHER FUNDS					
TRANSFERS OUT	\$ 2,465,220	\$ 1,494,000	\$ 320,000	\$ 372,000	\$ 313,000
TOTAL Dept 940.00-TRANSFER TO OTHER FUNDS	\$ 2,465,220	\$ 1,494,000	\$ 320,000	\$ 372,000	\$ 313,000
TOTAL APPROPRIATIONS	\$ 31,858,979	\$ 36,316,200	\$ 33,484,730	\$ 33,954,323	\$ 35,039,172
NET OF REVENUES/APPROPRIATIONS	\$ 1,387,552	\$ (2,904,583)	\$ (250,000)	\$ -	\$ -
BEGINNING FUND BALANCE	12,357,650	13,745,202	10,840,619	10,590,619	10,590,619
ENDING FUND BALANCE	\$ 13,745,202	\$ 10,840,619	\$ 10,590,619	\$ 10,590,619	\$ 10,590,619

Fund balance as a percentage of total annual expenditures	43%	30%	32%	31%	30%
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Ending Fund Balance (22% min)	\$ 7,008,975	\$ 7,989,564	\$ 7,366,641	\$ 7,469,951	\$ 7,708,618
Funds above / (below) 22% min	\$ 6,736,227	\$ 2,851,055	\$ 3,223,978	\$ 3,120,668	\$ 2,882,001

Ending Fund Balance (25% max)	\$ 7,964,745	\$ 9,079,050	\$ 8,371,183	\$ 8,488,581	\$ 8,759,793
Funds above / (below) 25% max	\$ 5,780,457	\$ 1,761,569	\$ 2,219,437	\$ 2,102,038	\$ 1,830,826

Estimated Change in Fund Balance	11%	-21%	-2%	0%	0%
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* **Total Appropriations** include service improvements, capital outlay, vehicles, and capital improvements. The level of such expenditures is dictated by available funds from accumulated fund balance and anticipated revenue above annual expenditures in conjunction with the targeted fund balance.

MAJOR STREET FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 48,835	\$ 2,730	\$ 2,732	\$ 3,500	\$ 3,500
State sources	3,225,227	3,411,852	3,669,926	3,726,526	3,873,458
Transfers in	-	1,105,000	777,000	-	2,710,000
TOTAL ESTIMATED REVENUES	\$ 3,274,062	\$ 4,519,582	\$ 4,449,658	\$ 3,730,026	\$ 6,586,958
APPROPRIATIONS					
Other services and charges	\$ 1,237,562	\$ 1,439,490	\$ 1,539,340	\$ 1,539,690	\$ 1,539,690
Capital outlay	1,573,084	3,214,108	2,909,532	1,462,506	4,775,805
Transfers out	600,753	-	-	727,000	-
TOTAL APPROPRIATIONS	\$ 3,411,399	\$ 4,653,598	\$ 4,448,872	\$ 3,729,196	\$ 6,315,495
NET OF REVENUES/APPROPRIATIONS - FUND 202	\$ (137,337)	\$ (134,016)	\$ 786	\$ 830	\$ 271,463
BEGINNING FUND BALANCE	832,658	695,321	561,305	562,091	562,921
ENDING FUND BALANCE	\$ 695,321	\$ 561,305	\$ 562,091	\$ 562,921	\$ 834,384

Fund balance as a percentage of total annual expenditures	20%	12%	13%	15%	13%
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Ending Fund Balance (10% minimum)	\$ 341,140	\$ 465,360	\$ 444,887	\$ 372,920	\$ 631,550
Funds above / (below) 10% minimum	\$ 354,181	\$ 95,945	\$ 117,204	\$ 190,001	\$ 202,835

Ending Fund Balance (20% maximum)	\$ 682,280	\$ 930,720	\$ 889,774	\$ 745,839	\$ 1,263,099
Funds above / (below) 20% maximum	\$ 13,041	\$ (369,415)	\$ (327,683)	\$ (182,918)	\$ (428,715)

Estimated Change in Fund Balance	-16%	-19%	0%	0%	48%
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LOCAL STREET FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
ESTIMATED REVENUES					
Interest income	\$ 61,218	\$ 2,796	\$ 3,400	\$ 3,500	\$ 3,500
Other revenue	4,000	1,050	-	-	-
State sources	1,125,929	1,191,854	1,282,328	1,302,128	1,338,887
Transfers in	1,090,013	3,563,200	3,735,000	3,619,000	3,532,000
TOTAL ESTIMATED REVENUES	\$ 2,281,160	\$ 4,758,900	\$ 5,020,728	\$ 4,924,628	\$ 4,874,387
APPROPRIATIONS					
Other services and charges	\$ 1,394,106	\$ 1,559,163	\$ 1,522,890	\$ 1,524,240	\$ 1,524,240
Capital outlay	1,047,738	3,236,950	3,596,952	3,400,000	3,350,000
TOTAL APPROPRIATIONS	\$ 2,441,844	\$ 4,796,113	\$ 5,119,842	\$ 4,924,240	\$ 4,874,240
NET OF REVENUES/APPROPRIATIONS - FUND 203	\$ (160,684)	\$ (37,213)	\$ (99,114)	\$ 388	\$ 147
BEGINNING FUND BALANCE	846,138	685,454	648,241	549,127	549,515
ENDING FUND BALANCE	\$ 685,454	\$ 648,241	\$ 549,127	\$ 549,515	\$ 549,662

Fund balance as a percentage of total annual expenditures	28%	14%	11%	11%	11%
Ending Fund Balance (10% minimum)	\$ 244,184	\$ 479,611	\$ 511,984	\$ 492,424	\$ 487,424
Funds above / (below) 10% minimum	\$ 441,270	\$ 168,630	\$ 37,143	\$ 57,091	\$ 62,238
Ending Fund Balance (20% maximum)	\$ 488,369	\$ 959,223	\$ 1,023,968	\$ 984,848	\$ 974,848
Funds above / (below) 20% maximum	\$ 197,085	\$ (310,982)	\$ (474,841)	\$ (435,333)	\$ (425,186)
Estimated Change in Fund Balance	-19%	-5%	-15%	0%	0%

MUNICIPAL STREET FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 4,803,774	\$ 4,864,695	\$ 5,069,973	\$ 5,265,151	\$ 5,466,708
Interest income	147,217	45,000	66,000	10,000	10,000
Licenses, permits & charges for services	106,080	25,000	25,000	25,000	25,000
Other revenue	309,433	323,852	320,000	295,000	295,000
Special assessments levied	15,245	15,200	13,769	13,031	-
Transfers in	190,100	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 5,571,849	\$ 5,273,747	\$ 5,494,742	\$ 5,608,182	\$ 5,796,708
APPROPRIATIONS					
Other services and charges	\$ 417,744	\$ 596,575	\$ 668,325	\$ 587,675	\$ 582,175
Capital outlay	2,053,454	2,921,437	1,045,000	752,452	216,260
Transfers out	5,186,133	4,668,200	4,262,000	2,892,000	6,242,000
TOTAL APPROPRIATIONS	\$ 7,657,331	\$ 8,186,212	\$ 5,975,325	\$ 4,232,127	\$ 7,040,435
NET OF REVENUES/APPROPRIATIONS - FUND 204	\$ (2,085,482)	\$ (2,912,465)	\$ (480,583)	\$ 1,376,055	\$ (1,243,727)
BEGINNING FUND BALANCE	6,092,887	4,007,405	1,094,940	614,357	1,990,412
ENDING FUND BALANCE	\$ 4,007,405	\$ 1,094,940	\$ 614,357	\$ 1,990,412	\$ 746,685

Fund balance as a percentage of total annual expenditures	52%	13%	10%	47%	11%
Ending Fund Balance (10% minimum)	\$ 765,733	\$ 818,621	\$ 597,533	\$ 423,213	\$ 704,044
Funds above / (below) 10% minimum	\$ 3,241,672	\$ 276,319	\$ 16,825	\$ 1,567,199	\$ 42,642
Ending Fund Balance (20% maximum)	\$ 1,531,466	\$ 1,637,242	\$ 1,195,065	\$ 846,425	\$ 1,408,087
Funds above / (below) 20% maximum	\$ 2,475,939	\$ (542,302)	\$ (580,708)	\$ 1,143,987	\$ (661,402)
Estimated Change in Fund Balance	-34%	-73%	-44%	224%	-62%

PUBLIC SAFETY FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 4,574,743	\$ 4,623,317	\$ -	\$ -	\$ -
Interest income	67,931	46,683	-	-	-
TOTAL ESTIMATED REVENUES	\$ 4,642,674	\$ 4,670,000	\$ -	\$ -	\$ -
APPROPRIATIONS					
Transfers out	\$ 5,300,000	\$ 5,908,982	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ 5,300,000	\$ 5,908,982	\$ -	\$ -	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 205	\$ (657,326)	\$ (1,238,982)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	1,896,308	1,238,982	-	-	-
ENDING FUND BALANCE	\$ 1,238,982	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures	23%	0%	0%	0%	0%
Estimated Change in Fund Balance	-35%	-100%	0%	0%	0%

PARKS, RECREATION & CULTURAL SERVICES FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 1,235,317	\$ 1,275,051	\$ 1,295,457	\$ 1,345,366	\$ 1,397,179
Donations	143,275	33,500	4,500	4,500	4,500
Interest income	42,598	45,531	28,685	37,088	38,287
Older adult program revenue	181,785	181,650	166,750	166,750	166,750
Other revenue	38,822	7,400	7,400	7,400	7,400
Program revenue	1,259,906	1,210,553	1,143,450	1,143,450	1,162,250
State grants	368,230	402,500	-	-	-
Transfers in	365,220	450,000	70,000	372,000	313,000
TOTAL ESTIMATED REVENUES	\$ 3,635,153	\$ 3,606,185	\$ 2,716,242	\$ 3,076,554	\$ 3,089,366
APPROPRIATIONS					
Personnel services	\$ 1,087,936	\$ 1,134,443	\$ 1,201,408	\$ 1,236,420	\$ 1,273,382
Supplies	59,808	86,875	73,180	73,180	73,180
Other services and charges	1,279,027	1,406,013	1,391,654	1,394,954	1,429,804
Capital outlay	1,295,504	2,047,445	50,000	372,000	313,000
TOTAL APPROPRIATIONS	\$ 3,722,275	\$ 4,674,776	\$ 2,716,242	\$ 3,076,554	\$ 3,089,366
NET OF REVENUES/APPROPRIATIONS - FUND 208	\$ (87,122)	\$ (1,068,591)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	1,718,366	1,631,244	562,653	562,653	562,653
ENDING FUND BALANCE	\$ 1,631,244	\$ 562,653	\$ 562,653	\$ 562,653	\$ 562,653

Fund balance as a percentage of total annual expenditures	44%	12%	21%	18%	18%
Ending Fund Balance (12% minimum)	\$ 446,673	\$ 560,973	\$ 325,949	\$ 369,186	\$ 370,724
Funds above / (below) 12% minimum	\$ 1,184,571	\$ 1,680	\$ 236,704	\$ 193,467	\$ 191,929
Ending Fund Balance (22% maximum)	\$ 818,901	\$ 1,028,451	\$ 597,573	\$ 676,842	\$ 679,661
Funds above / (below) 22% maximum	\$ 812,344	\$ (465,798)	\$ (34,920)	\$ (114,189)	\$ (117,008)
Estimated Change in Fund Balance	-5%	-66%	0%	0%	0%

TREE FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Interest income	\$ 78,536	\$ 55,415	\$ 58,668	\$ 55,123	\$ 56,522
Other revenue	1,384,840	340,000	420,000	395,000	395,000
TOTAL ESTIMATED REVENUES	\$ 1,463,376	\$ 395,415	\$ 478,668	\$ 450,123	\$ 451,522
APPROPRIATIONS					
Personnel services	\$ 63,420	\$ 81,420	\$ 93,408	\$ 94,863	\$ 96,262
Supplies	1,345	1,000	1,000	1,000	1,000
Other services and charges	176,745	324,995	354,260	354,260	354,260
Capital outlay	-	4,133	30,000	-	-
TOTAL APPROPRIATIONS	\$ 241,510	\$ 411,548	\$ 478,668	\$ 450,123	\$ 451,522
NET OF REVENUES/APPROPRIATIONS - FUND 209	\$ 1,221,866	\$ (16,133)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	2,494,798	3,716,664	3,700,531	3,700,531	3,700,531
ENDING FUND BALANCE	\$ 3,716,664	\$ 3,700,531	\$ 3,700,531	\$ 3,700,531	\$ 3,700,531

Fund balance as a percentage of total annual expenditures	1539%	899%	773%	822%	820%
Ending Fund Balance (\$500,000 minimum)	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Funds above / (below) \$500,000 minimum	\$ 3,216,664	\$ 3,200,531	\$ 3,200,531	\$ 3,200,531	\$ 3,200,531
Estimated Change in Fund Balance	49%	0%	0%	0%	0%

DRAIN FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Property tax revenue	\$ 1,096	\$ 650,000	\$ 690,937	\$ 717,535	\$ 745,143
Interest income	115,025	50,000	59,810	59,639	44,929
Other revenue	14,265	25,000	10,000	10,000	10,000
Transfers in	-	1,927,490	2,242,000	910,000	1,707,000
TOTAL ESTIMATED REVENUES	\$ 130,386	\$ 2,652,490	\$ 3,002,747	\$ 1,697,174	\$ 2,507,072
APPROPRIATIONS					
Other services and charges	\$ 647,487	\$ 936,862	\$ 836,318	\$ 836,668	\$ 836,668
Capital outlay	405,066	5,475,702	1,662,429	860,506	1,670,404
Transfers out	-	-	504,000	-	-
TOTAL APPROPRIATIONS	\$ 1,052,553	\$ 6,412,564	\$ 3,002,747	\$ 1,697,174	\$ 2,507,072
NET OF REVENUES/APPROPRIATIONS - FUND 210	\$ (922,167)	\$ (3,760,074)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	4,682,241	3,760,074	-	-	-
ENDING FUND BALANCE	\$ 3,760,074	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures	357%	0%	0%	0%	0%
Estimated Change in Fund Balance	-20%	-100%	0%	0%	0%

RUBBISH COLLECTION FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Licenses, permits & charges for services	\$ -	\$ 1,795,000	\$ 1,920,000	\$ 2,000,000	\$ 2,100,000
Other revenue	-	5,000	-	-	-
Transfers in	-	44,000	-	-	-
TOTAL ESTIMATED REVENUES	\$ -	\$ 1,844,000	\$ 1,920,000	\$ 2,000,000	\$ 2,100,000
APPROPRIATIONS					
Supplies	\$ -	\$ 5,000	\$ -	\$ -	\$ -
Other services and charges	-	1,839,000	1,920,000	2,000,000	2,100,000
TOTAL APPROPRIATIONS	\$ -	\$ 1,844,000	\$ 1,920,000	\$ 2,000,000	\$ 2,100,000
NET OF REVENUES/APPROPRIATIONS - FUND 210					
BEGINNING FUND BALANCE	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures

0% 0% 0% 0% 0%

Estimated Change in Fund Balance

0% 0% 0% 0% 0%

PEG CABLE FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 9,796	\$ 2,418	\$ 2,733	\$ 2,388	\$ 3,325
Licenses, permits & charges for services	382,655	258,000	300,000	303,000	307,000
Other revenue	1,267	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 393,718	\$ 260,418	\$ 302,733	\$ 305,388	\$ 310,325
APPROPRIATIONS					
Personnel services	\$ 55,048	\$ 256,668	\$ 204,534	\$ 209,488	\$ 213,325
Supplies	10,631	3,050	-	-	-
Other services and charges	153,110	38,700	26,000	22,000	22,000
Capital outlay	212,724	47,126	46,199	16,900	37,000
TOTAL APPROPRIATIONS	\$ 431,513	\$ 345,544	\$ 276,733	\$ 248,388	\$ 272,325
NET OF REVENUES/APPROPRIATIONS - FUND 263					
BEGINNING FUND BALANCE	407,457	369,662	284,536	310,536	367,536
ENDING FUND BALANCE	\$ 369,662	\$ 284,536	\$ 310,536	\$ 367,536	\$ 405,536

Fund balance as a percentage of total annual expenditures

86% 82% 112% 148% 149%

Estimated Change in Fund Balance

-9% -23% 9% 18% 10%

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Federal grants	\$ 53,721	\$ 108,932	\$ 98,481	\$ 100,000	\$ 100,000
TOTAL ESTIMATED REVENUES	\$ 53,721	\$ 108,932	\$ 98,481	\$ 100,000	\$ 100,000
APPROPRIATIONS					
Other services and charges	\$ 71,805	\$ 75,000	\$ 98,481	\$ 100,000	\$ 100,000
TOTAL APPROPRIATIONS	\$ 71,805	\$ 75,000	\$ 98,481	\$ 100,000	\$ 100,000
NET OF REVENUES/APPROPRIATIONS - FUND 264	\$ (18,084)	\$ 33,932	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	(15,848)	(33,932)	-	-	-
ENDING FUND BALANCE	\$ (33,932)	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures

-47% 0% 0% 0% 0%

Estimated Change in Fund Balance

114% -100% 0% 0% 0%

FORFEITURE FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Federal grants	\$ 1,901	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Fines and forfeitures	100,380	276,723	66,000	86,000	106,000
Interest income	5,538	2,500	2,500	2,500	2,500
Other revenue	46,537	22,950	3,000	3,000	3,000
TOTAL ESTIMATED REVENUES	\$ 154,356	\$ 307,173	\$ 76,500	\$ 96,500	\$ 116,500
APPROPRIATIONS					
Supplies	\$ 3,952	\$ 124,950	\$ 20,000	\$ 20,000	\$ 20,000
Other services and charges	475	500	475	525	525
Capital outlay	188,327	53,664	307,000	30,000	280,000
TOTAL APPROPRIATIONS	\$ 192,754	\$ 179,114	\$ 327,475	\$ 50,525	\$ 300,525
NET OF REVENUES/APPROPRIATIONS - FUND 266	\$ (38,398)	\$ 128,059	\$ (250,975)	\$ 45,975	\$ (184,025)
BEGINNING FUND BALANCE	299,364	260,966	389,025	138,050	184,025
ENDING FUND BALANCE	\$ 260,966	\$ 389,025	\$ 138,050	\$ 184,025	\$ -

Fund balance as a percentage of total annual expenditures

135% 217% 42% 364% 0%

Estimated Change in Fund Balance

-13% 49% -65% 33% -100%

LIBRARY FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Property tax revenue	\$ 2,472,349	\$ 2,491,457	\$ 2,604,070	\$ 2,703,774	\$ 2,807,275
Donations	9,472	6,000	1,000	1,000	1,000
Fines and forfeitures	178,812	153,000	162,000	162,000	162,000
Interest income	64,630	30,000	35,000	36,000	37,000
Other revenue	65,103	65,269	64,950	65,076	65,205
State sources	34,496	29,000	34,000	34,000	34,000
TOTAL ESTIMATED REVENUES	\$ 2,824,862	\$ 2,774,726	\$ 2,901,020	\$ 3,001,850	\$ 3,106,480
APPROPRIATIONS					
Personnel services	\$ 1,745,141	\$ 1,784,000	\$ 1,825,896	\$ 1,873,390	\$ 1,921,080
Supplies	494,118	601,300	615,000	623,000	613,000
Other services and charges	441,036	523,700	517,000	498,500	501,500
Capital outlay	68,881	126,900	133,100	38,100	11,100
Transfers out	40,000	-	-	-	-
TOTAL APPROPRIATIONS	\$ 2,789,176	\$ 3,035,900	\$ 3,090,996	\$ 3,032,990	\$ 3,046,680
NET OF REVENUES/APPROPRIATIONS - FUND 268	\$ 35,686	\$ (261,174)	\$ (189,976)	\$ (31,140)	\$ 59,800
BEGINNING FUND BALANCE	1,719,423	1,755,109	1,493,935	1,303,959	1,272,819
ENDING FUND BALANCE	\$ 1,755,109	\$ 1,493,935	\$ 1,303,959	\$ 1,272,819	\$ 1,332,619

Fund balance as a percentage of total annual expenditures

63% 49% 42% 42% 44%

Estimated Change in Fund Balance

2% -15% -13% -2% 5%

LIBRARY CONTRIBUTION FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Donations	\$ 27,620	\$ 12,000	\$ 11,965	\$ 12,000	\$ 12,000
Interest income	44,778	20,000	42,000	42,000	42,000
TOTAL ESTIMATED REVENUES	\$ 72,398	\$ 32,000	\$ 53,965	\$ 54,000	\$ 54,000
APPROPRIATIONS					
Supplies	\$ 30,191	\$ 13,000	\$ 53,965	\$ 32,000	\$ 32,000
TOTAL APPROPRIATIONS	\$ 30,191	\$ 13,000	\$ 53,965	\$ 32,000	\$ 32,000
NET OF REVENUES/APPROPRIATIONS - FUND 269	\$ 42,207	\$ 19,000	\$ -	\$ 22,000	\$ 22,000
BEGINNING FUND BALANCE	1,629,605	1,671,812	1,690,812	1,690,812	1,712,812
ENDING FUND BALANCE	\$ 1,671,812	\$ 1,690,812	\$ 1,690,812	\$ 1,712,812	\$ 1,734,812

Fund balance as a percentage of total annual expenditures

5537% 13006% 3133% 5353% 5421%

Estimated Change in Fund Balance

3% 1% 0% 1% 1%

STREET LIGHTING (WEST OAKS STREET) FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Special assessments levied	\$ -	\$ 7,529	\$ 7,529	\$ 7,529	\$ 7,529
Interest income	68	100	71	21	21
TOTAL ESTIMATED REVENUES	\$ 68	\$ 7,629	\$ 7,600	\$ 7,550	\$ 7,550
APPROPRIATIONS					
Other services and charges	\$ 8,209	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
TOTAL APPROPRIATIONS	\$ 8,209	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
NET OF REVENUES/APPROPRIATIONS - FUND 854	\$ (8,141)	\$ (2,371)	\$ (2,400)	\$ (2,450)	\$ (2,450)
BEGINNING FUND BALANCE	51,385	43,244	40,873	38,473	36,023
ENDING FUND BALANCE	\$ 43,244	\$ 40,873	\$ 38,473	\$ 36,023	\$ 33,573

Fund balance as a percentage of total annual expenditures

527% 409% 385% 360% 336%

Estimated Change in Fund Balance

-16% -5% -6% -6% -7%

STREET LIGHTING (WEST LAKE DRIVE) FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Special assessments levied	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
Interest income	6	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 3,306	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
APPROPRIATIONS					
Other services and charges	\$ 3,161	\$ 3,300	\$ 3,450	\$ 3,500	\$ 3,550
TOTAL APPROPRIATIONS	\$ 3,161	\$ 3,300	\$ 3,450	\$ 3,500	\$ 3,550
NET OF REVENUES/APPROPRIATIONS - FUND 855	\$ 145	\$ -	\$ (150)	\$ (200)	\$ (250)
BEGINNING FUND BALANCE	2,168	2,313	2,313	2,163	1,963
ENDING FUND BALANCE	\$ 2,313	\$ 2,313	\$ 2,163	\$ 1,963	\$ 1,713

Fund balance as a percentage of total annual expenditures

73% 70% 63% 56% 48%

Estimated Change in Fund Balance

7% 0% -6% -9% -13%

STREET LIGHTING (TOWN CENTER STREET) FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Special assessments levied	\$ 15,000	\$ 15,000	\$ 25,000	\$ 25,000	\$ 25,000
Interest income	70	50	-	-	-
TOTAL ESTIMATED REVENUES	\$ 15,070	\$ 15,050	\$ 25,000	\$ 25,000	\$ 25,000
APPROPRIATIONS					
Other services and charges	\$ 2,292	\$ 15,050	\$ 25,000	\$ 25,000	\$ 25,000
TOTAL APPROPRIATIONS	\$ 2,292	\$ 15,050	\$ 25,000	\$ 25,000	\$ 25,000
NET OF REVENUES/APPROPRIATIONS - FUND 856	\$ 12,778	\$ -	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	40,665	53,443	53,443	53,443	53,443
ENDING FUND BALANCE	\$ 53,443	\$ 53,443	\$ 53,443	\$ 53,443	\$ 53,443

Fund balance as a percentage of total annual expenditures

2332% 355% 214% 214% 214%

Estimated Change in Fund Balance

31% 0% 0% 0% 0%

LIBRARY CONSTRUCTION DEBT FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 1,472,133	\$ 1,482,113	\$ 1,344,100	\$ 1,355,250	\$ 1,370,450
Interest income	734	500	500	500	500
Other financing sources (uses)	9,995,301	-	-	-	-
Transfers in	52,734	96,000	-	-	-
TOTAL ESTIMATED REVENUES	\$ 11,520,902	\$ 1,578,613	\$ 1,344,600	\$ 1,355,750	\$ 1,370,950
APPROPRIATIONS					
Debt service	\$ 1,654,364	\$ 1,293,928	\$ 1,344,100	\$ 1,355,250	\$ 1,370,450
Other financing sources (uses)	9,887,462	-	-	-	-
Other services and charges	475	500	500	500	500
TOTAL APPROPRIATIONS	\$ 11,542,301	\$ 1,294,428	\$ 1,344,600	\$ 1,355,750	\$ 1,370,950
NET OF REVENUES/APPROPRIATIONS - FUND 317	\$ (21,399)	\$ 284,185	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	92,653	71,254	355,439	355,439	355,439
ENDING FUND BALANCE	\$ 71,254	\$ 355,439	\$ 355,439	\$ 355,439	\$ 355,439

Fund balance as a percentage of total annual expenditures

1% 27% 26% 26% 26%

Estimated Change in Fund Balance

-23% 399% 0% 0% 0%

2002 STREET & REFUNDING BOND DEBT FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 1,043,409	\$ 749,317	\$ -	\$ -	\$ -
Interest income	1,060	800	-	-	-
TOTAL ESTIMATED REVENUES	\$ 1,044,469	\$ 750,117	\$ -	\$ -	\$ -
APPROPRIATIONS					
Debt service	\$ 747,305	\$ 1,462,407	\$ -	\$ -	\$ -
Other services and charges	475	475	-	-	-
Transfers out	-	96,000	-	-	-
TOTAL APPROPRIATIONS	\$ 747,780	\$ 1,558,882	\$ -	\$ -	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 397	\$ 296,689	\$ (808,765)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	512,076	808,765	-	-	-
ENDING FUND BALANCE	\$ 808,765	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures

108% 0% 0% 0% 0%

Estimated Change in Fund Balance

58% -100% 0% 0% 0%

SPECIAL ASSESSMENT REVOLVING FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Interest income	\$ 106,156	\$ 65,000	\$ 50,475	\$ 50,500	\$ 50,500
TOTAL ESTIMATED REVENUES	\$ 106,156	\$ 65,000	\$ 50,475	\$ 50,500	\$ 50,500
APPROPRIATIONS					
Other services and charges	\$ 475	\$ 500	\$ 475	\$ 500	\$ 500
Transfers out	-	-	-	-	-
TOTAL APPROPRIATIONS	\$ 475	\$ 500	\$ 475	\$ 500	\$ 500
NET OF REVENUES/APPROPRIATIONS - FUND 235	\$ 105,681	\$ 64,500	\$ 50,000	\$ 50,000	\$ 50,000
BEGINNING FUND BALANCE	3,806,154	3,911,835	3,976,335	4,026,335	4,076,335
ENDING FUND BALANCE	\$ 3,911,835	\$ 3,976,335	\$ 4,026,335	\$ 4,076,335	\$ 4,126,335

Fund balance as a percentage of total annual expenditures

823544% 795267% 847649% 0% 0%

Estimated Change in Fund Balance

3% 2% 1% 0% 0%

CAPITAL IMPROVEMENT PROGRAM (CIP) FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Property tax revenue	\$ -	\$ -	\$ 3,419,871	\$ 3,549,016	\$ 3,683,106
Interest income	-	742	18,105	19,984	19,894
Other financing sources (uses)	-	190,000	12,371,088	3,777,791	-
Transfers in	2,100,000	1,000,000	2,736,000	-	-
TOTAL ESTIMATED REVENUES	\$ 2,100,000	\$ 1,190,742	\$ 18,545,064	\$ 7,346,791	\$ 3,703,000
APPROPRIATIONS					
Debt service	\$ -	\$ -	\$ 2,096,000	\$ 2,096,000	\$ 2,096,000
Capital outlay	-	3,290,742	16,449,064	5,250,791	-
TOTAL APPROPRIATIONS	\$ -	\$ 3,290,742	\$ 18,545,064	\$ 7,346,791	\$ 2,096,000
NET OF REVENUES/APPROPRIATIONS - FUND 402	\$ 2,100,000	\$ (2,100,000)	\$ -	\$ -	\$ 1,607,000
BEGINNING FUND BALANCE	-	2,100,000	-	-	-
ENDING FUND BALANCE	\$ 2,100,000	\$ -	\$ -	\$ -	\$ 1,607,000

Fund balance as a percentage of total annual expenditures

0% 0% 0% 0% 77%

Estimated Change in Fund Balance

0% -100% 0% 0% 0%

GUN RANGE FACILITY FUND

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUES					
Licenses, permits & charges for services	\$ 103,505	\$ 110,000	\$ 110,000	\$ 100,000	\$ 100,000
Interest income	3,293	2,000	1,000	1,000	2,000
TOTAL ESTIMATED REVENUES	\$ 106,798	\$ 112,000	\$ 111,000	\$ 101,000	\$ 102,000
APPROPRIATIONS					
Capital outlay	\$ -	\$ -	\$ 330,000	\$ 90,800	\$ -
TOTAL APPROPRIATIONS	\$ -	\$ -	\$ 330,000	\$ 90,800	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 402	\$ 106,798	\$ 112,000	\$ (219,000)	\$ 10,200	\$ 102,000
BEGINNING FUND BALANCE	110,545	217,343	329,343	110,343	120,543
ENDING FUND BALANCE	\$ 217,343	\$ 329,343	\$ 110,343	\$ 120,543	\$ 222,543

Fund balance as a percentage of total annual expenditures

0% 0% 33% 133% 0%

Estimated Change in Fund Balance

97% 52% -66% 9% 85%

STREET IMPROVEMENT FUND

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUES					
Transfers in	\$ 4,696,873	\$ -	\$ -	\$ -	\$ -
TOTAL ESTIMATED REVENUES	\$ 4,696,873	\$ -	\$ -	\$ -	\$ -
APPROPRIATIONS					
Capital outlay	\$ 3,093,258	\$ 4,696,874	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ 3,093,258	\$ 4,696,874	\$ -	\$ -	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 403	\$ 1,603,615	\$ (4,696,874)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	3,093,259	4,696,874	-	-	-
ENDING FUND BALANCE	\$ 4,696,874	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures

152% 0% 0% 0% 0%

Estimated Change in Fund Balance

52% -100% 0% 0% 0%

DRAIN PERPETUAL MAINTENANCE FUND

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 183,000	\$ 135,000	\$ 70,000	\$ 35,000	\$ 22,000
Tap-in fees	21,217	25,000	25,000	25,000	25,000
TOTAL ESTIMATED REVENUES	\$ 204,217	\$ 160,000	\$ 95,000	\$ 60,000	\$ 47,000
APPROPRIATIONS					
Transfers out	\$ -	\$ 1,927,490	\$ 2,242,000	\$ 910,000	\$ 1,707,000
TOTAL APPROPRIATIONS	\$ -	\$ 1,927,490	\$ 2,242,000	\$ 910,000	\$ 1,707,000
NET OF REVENUES/APPROPRIATIONS - FUND 211	\$ 204,217	\$ (1,767,490)	\$ (2,147,000)	\$ (850,000)	\$ (1,660,000)
BEGINNING FUND BALANCE	6,521,300	6,725,517	4,958,027	2,811,027	1,961,027
ENDING FUND BALANCE	\$ 6,725,517	\$ 4,958,027	\$ 2,811,027	\$ 1,961,027	\$ 301,027

Fund balance as a percentage of total annual expenditures

0% 257% 125% 215% 18%

Estimated Change in Fund Balance

3% -26% -43% -30% -85%

ICE ARENA FUND

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUES					
Program revenue	\$ 2,105,758	\$ 2,012,310	\$ 2,007,970	\$ 2,024,202	\$ 2,041,893
Interest income	45,193	20,000	25,000	25,000	25,000
Other revenue	96,273	89,300	89,400	89,400	89,900
TOTAL ESTIMATED REVENUES	\$ 2,247,224	\$ 2,121,610	\$ 2,122,370	\$ 2,138,602	\$ 2,156,793
APPROPRIATIONS					
Supplies	\$ 14,717	\$ 12,150	\$ 11,000	\$ 11,800	\$ 11,800
Other services and charges	1,567,595	1,332,017	1,352,809	1,356,049	1,366,822
Capital outlay	47,878	319,000	50,000	27,000	201,600
Debt service	104,820	585,420	563,660	562,140	560,380
TOTAL APPROPRIATIONS	\$ 1,735,010	\$ 2,248,587	\$ 1,977,469	\$ 1,956,989	\$ 2,140,602
NET OF REVENUES/APPROPRIATIONS - FUND 590	\$ 512,214	\$ (126,977)	\$ 144,901	\$ 181,613	\$ 16,191
BEGINNING FUND BALANCE	3,474,665	3,986,879	3,859,902	4,004,803	4,186,416
ENDING FUND BALANCE	\$ 3,986,879	\$ 3,859,902	\$ 4,004,803	\$ 4,186,416	\$ 4,202,607

Fund balance as a percentage of total annual expenditures

230% 172% 203% 214% 196%

Estimated Change in Fund Balance

15% -3% 4% 5% 0%

WATER AND SEWER FUND

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUES					
Operating revenue	\$ 24,420,550	\$ 23,336,000	\$ 25,591,000	\$ 25,916,000	\$ 26,241,000
Capital contributions	5,337,278	2,850,000	2,850,000	2,850,000	2,850,000
Federal Grants	-	1,470,167	-	-	-
Interest income	1,469,812	800,000	850,000	900,000	950,000
Other revenue	285,479	215,345	220,593	221,785	222,978
TOTAL ESTIMATED REVENUES	\$ 31,513,119	\$ 28,671,512	\$ 29,511,593	\$ 29,887,785	\$ 30,263,978
APPROPRIATIONS					
Personnel services	\$ 1,261,519	\$ 1,353,109	\$ 1,420,553	\$ 1,453,572	\$ 1,490,619
Supplies	61,383	76,175	61,600	63,600	65,600
Other services and charges	25,921,524	19,888,550	21,842,646	22,951,301	24,144,236
Capital outlay	24,004	8,688,595	8,471,167	2,380,868	1,739,917
Debt service	13,779	159,563	153,750	-	-
Transfers out	-	-	2,232,000	-	-
TOTAL APPROPRIATIONS	\$ 27,282,209	\$ 30,165,992	\$ 34,181,716	\$ 26,849,341	\$ 27,440,372
NET OF REVENUES/APPROPRIATIONS - FUND 592	\$ 4,230,910	\$ (1,494,480)	\$ (4,670,123)	\$ 3,038,444	\$ 2,823,606
BEGINNING FUND BALANCE	175,033,894	179,264,804	177,770,324	173,100,201	176,138,645
ENDING FUND BALANCE	\$ 179,264,804	\$ 177,770,324	\$ 173,100,201	\$ 176,138,645	\$ 178,962,251

Fund balance as a percentage of total annual expenditures

657% 589% 506% 656% 652%

Estimated Change in Fund Balance

2% -1% -3% 2% 2%

SENIOR HOUSING FUND

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUES					
Operating revenue	\$ 2,002,871	\$ 2,011,791	\$ 2,026,310	\$ 2,049,210	\$ 2,069,977
Interest income	38,941	15,000	11,000	12,000	13,000
Other revenue	21,526	19,200	19,200	19,200	19,200
TOTAL ESTIMATED REVENUES	\$ 2,063,338	\$ 2,045,991	\$ 2,056,510	\$ 2,080,410	\$ 2,102,177
APPROPRIATIONS					
Supplies	\$ 6,379	\$ 11,475	\$ 11,475	\$ 11,475	\$ 11,475
Other services and charges	1,072,716	835,725	836,700	847,824	864,400
Capital outlay	27,563	1,143,219	194,000	-	-
Debt service	795,772	1,053,028	1,053,220	1,048,010	1,017,744
TOTAL APPROPRIATIONS	\$ 1,902,430	\$ 3,043,447	\$ 2,095,395	\$ 1,907,309	\$ 1,893,619
NET OF REVENUES/APPROPRIATIONS - FUND 594	\$ 160,908	\$ (997,456)	\$ (38,885)	\$ 173,101	\$ 208,558
BEGINNING FUND BALANCE	2,881,194	3,042,102	2,044,646	2,005,761	2,178,862
ENDING FUND BALANCE	\$ 3,042,102	\$ 2,044,646	\$ 2,005,761	\$ 2,178,862	\$ 2,387,420

Fund balance as a percentage of total annual expenditures	160%	67%	96%	114%	126%
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Estimated Change in Fund Balance	6%	-33%	-2%	9%	10%
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RETIREE HEALTHCARE BENEFITS FUND

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUES					
Contributions-Employer	\$ 871,702	\$ 617,207	\$ 613,678	\$ 613,678	\$ 613,678
Interest income	148,449	750,000	1,466,322	1,477,322	1,475,322
Other revenue	-	5,000	-	-	-
TOTAL ESTIMATED REVENUES	\$ 1,020,151	\$ 1,372,207	\$ 2,080,000	\$ 2,091,000	\$ 2,089,000
APPROPRIATIONS					
Personnel Services	\$ 784,904	\$ 768,990	\$ 945,000	\$ 1,000,000	\$ 1,070,000
Other services and charges	245,157	68,000	260,000	272,000	284,000
TOTAL APPROPRIATIONS	\$ 1,030,061	\$ 836,990	\$ 1,205,000	\$ 1,272,000	\$ 1,354,000
NET OF REVENUES/APPROPRIATIONS - FUND 590	\$ (9,910)	\$ 535,217	\$ 875,000	\$ 819,000	\$ 735,000
BEGINNING FUND BALANCE	24,439,563	24,429,653	24,964,870	25,839,870	26,658,870
ENDING FUND BALANCE	\$ 24,429,653	\$ 24,964,870	\$ 25,839,870	\$ 26,658,870	\$ 27,393,870

Fund balance as a percentage of total annual expenditures	2372%	2983%	2144%	2096%	2023%
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Estimated Change in Fund Balance	0%	2%	4%	3%	3%
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Long-Range Financial Plan – Multi-Year Budget 2017-2020

The City of Novi has long recognized the need for planning to provide quality services to its residents. This is evident in the work performed by the elected officials, City staff and various committees and boards. The City has conducted many studies and has developed plans, policies and procedures that have guided the City in making sound decisions regarding infrastructure and services.

The City has focused on long-term financial planning since the 1990's and as a result, continues its strong financial position. Since 2004 the City has prepared a three-year budget, going beyond the requirement for adoption of an annual budget. The City of Novi continues its strong financial position as a result of long-term financial planning; maintaining responsible fund balances in conformance with GFOA recommended practices and low debt obligations, as well as complying with the City's own fund balance policies.

Under Michigan law, the maximum debt Novi can issue is \$397,313,659. The City's current debt applicable to this limit is \$23,235,000 or 5.8% of the amount allowed. The City had twelve debt issues in 1999 and currently has one debt issue (excluding the debt reported in the enterprise funds and special assessment bonds). In addition to paying down debt thru annual debt services payments, the City has taken advantage of both the decline in interest rates and its excellent credit rating (AAA) to obtain more favorable rates through refinancing – lowering interest expenditures and paying off debt sooner than anticipated.

The City's long-range financial plans, which are defined throughout this budget document, include focuses and investments on the following:

- Investing in public safety; including increasing the number of police officers and fire protection officers,
- Investing in roads, intersections & signals, and sidewalks & pathways,
- Improvements to existing parks and cultural services,
- Increasing community engagement (residential, commercial, and neighboring communities).
- Acquiring and developing land

These long range financial plans link to the entity's strategic goals, which have been mentioned in the Budget Overview section, and are illustrated in the matrix on the next page:

Strategic Goals/Long-Range Financial Plans Matrix	
Strategic Goals	Long-Range Financial Plans
N	<p>Nurture public services that residents want and value.</p> <p>Work with Road Commission to develop a plan of improvements for 10 Mile Road corridor that improves traffic flow but respects residential areas. expand local senior transportation to include more hours, days, special event, and additional population access. Evaluate need for additional senior citizen housing and determine if Novi will continue to provide these types of facilities or leave to private companies. Upgrade pathways along south side of 10 Mile Road from Haggerty to Napier to provide ITC Trail-like experience. Beck Road.</p>
O	<p>Operate a world-class and sustainable local government.</p> <p>Create a searchable online database of all City expenditures. Eliminate Lakeshore Park entry fees. Establish renewable energy goals for 2020 and 2025 (evaluate City building strategies and equipment capabilities, to reduce fossil fuel consumption where practical within Novib government operations. support education and other efforts to help residents reduce their carbon footprint.) Analyze land uses to identify which developments will generate the most taxes and encourage those through zoning changes and incentives.</p>
V	<p>Value and build a desirable and vibrant community for residents and businesses alike now and into the future.</p> <p>Create a plan for upgrading all of our major commercial corridors with streetlights, landscaping, etc. Encourage Development of Adell Property. Revamp Drain Millage to expand purpose to include funding preservation of natural areas and acquisition of park land. Acquire park land north of I-96 suitable for athletic fields.</p>
I	<p>Invest properly in being a Safe Community at all times for all people.</p> <p>Develop a plan to add street lights at major intersections across the City over the next 5 years. Evaluate alternative locations for Fire Stations #3 (Nine Mile and RR tracks). Relieve traffic congestion in the Novi Road I-96 area (implement recommendations from Transportation Master Plan of 2015). Make improvements to top 12 high crash intersections over 5 years (signals, streetlights, etc.)</p>

The 2018-19 and 2019-20 budgets include the following items related to the goals and plans above:

- \$19.2 million investment in roads, pathways, sidewalks and intersections
- \$1.9 million investment in water and sewer infrastructure
- \$2.4 million investment in storm sewer and drainage
- \$600,000 investment in parks, recreation, and cultural services capital projects
- \$5.1 million investment in machinery, equipment, and technology, including \$2.1 million investment in replacing meters for the advanced metering infrastructure project in the water and sewer fund
- Hiring an additional full-time staff for parks maintenance

The annual 2017-18 budget is to be adopted by Council in May. The Council will also acknowledge the multi-year budget in the form of a resolution. The City prepares the multi-year projection based on the best data available at the time. The research includes obtaining data from the County and the State of Michigan. This future outlook allows the City to plan rather than react to anticipated financial conditions. Significant revenue and expenditure assumptions for the 2017/2018 fiscal year budget and the subsequent two years are included at the end of this section.

Major Revenue Sources, Assumptions, and Trends

Revenue forecasting is a standard practice for the City of Novi. Individual revenue line-items are reviewed for their historical trends in order to project revenues over the next three years. The forecast is also based on economic factors, as well as information provided by the State and County. In order to be prepared for unexpected events and lower than anticipated revenues or higher than anticipated expenditures, the City budgets conservatively. The following are summaries of revenue sources including underlying assumptions and significant trends.

Property Tax Revenue

The maximum allowable millage rates are used for all funds except the Drain Fund. Taxable value projections are as of March 7, 2017. The 2017 taxable value increased approximately \$64,234,000 for net new construction. The future property values for 2018 and beyond include approximately \$92,000,000 in cumulative net new construction. Penalties and interest are based on historical collections. Inflation for the 2017 tax year was 0.9% but due to new construction, the City anticipates an overall net increase (see loss of personal property taxes discussed below) in revenue of 3.6%. The City closed the Public Safety Fund as of June 30, 2017 and the dedicated public safety millage is recorded directly in the General Fund rather than a transfer in.

The proposed millage rate is 10.5376 mills, increased from 9.95, due to the new 1.0 voted mill for capital improvements offset by expiring voted debt mills. A significant factor that has been taken into account for the future year's taxable value is the expected decrease in the personal property tax, per the new State of Michigan law (SB 10) that erases the personal property tax on the industrial property and other businesses with equipment less than \$40,000.

Licenses, Permits & Charges for Services

This revenue includes fees for various services and licenses. Revenues also include estimated fees paid by developers and contractors for the plan review, inspection of commercial, industrial and residential construction which partially covers the cost of the Community Development Department. This revenue is difficult to project since it is directly related to construction activity. The City's building activity is projected to remain strong with a 1% increase in most fees projected each for the next fiscal years. The remaining revenue relates to liquor licenses and other fees collected by the Clerks Department.

Transfers In

The transfers into the special revenue funds represent transfers between the three street funds to cover construction costs as detailed in the six-year CIP plan. The primary source of the transfers is a dedicated road millage in the Municipal Street Fund. The new Capital Improvement Fund has transfers from various enterprise funds to cover their share of the costs for the department of public works building improvement project.

State Sources

State Revenue Sharing The State Shared Revenue program distributes sales tax collected by the State of Michigan to local governments as unrestricted revenues on a per capita basis (2010 Census population for Novi was 55,224). The distribution of funds is authorized by the State Revenue Sharing Act, Public Act 140 of 1971, as amended (MCL 141.901). For fiscal year (FY) 2016, the legislature established the City, Village, and Township Revenue Sharing (CVTRS) program (a simplified version of the Economic Vitality Incentive Program (EVIP)). Each eligible local unit must meet all of the requirements of Accountability and Transparency in order to receive the full CVTRS payments. A Consolidation of Services Plan and an Unfunded Accrued Liability Plan are not required under the CVTRS program. The City estimates a 2% increase in overall revenue sharing in fiscal year 17/18 and a 1% increase in 18/19 and 19/20.

MDOT Act 51 The City receives monthly payments from the State of Michigan, Department of Transportation for their share of the motor fuels taxes collected that are earmarked specifically for use on the roads. The distribution is based on the number of miles of road within the city. The City anticipates a onetime 7.5% increase in 17/18 and an annual increase in this revenue of 1% in 18/19 and 19/20.

Interest on Investments

This revenue is from investing available cash balances based on cash flow forecasts, capital reserves, and fund balance reserves. Interest rates are budgeted to increase over the next few years resulting in greater overall earnings however this will be offset by lower cash balances due significant planned investments in capital projects. The net result is little or no growth in overall earnings.

Program Revenue/Older Adult Program Revenue

This revenue source is from the many programs offered by the Parks, Recreation, and Cultural Services department and Ice Arena. The Parks, Recreation, and Cultural Services Fund have approximately half its revenue funded from a dedicated property tax levy and the balance funded by program revenue. Program revenue is anticipated to remain flat for all future years.

Operating Revenue

This revenue represents charges to customers for water and sewer usage as well as fees collected at the ice arena and rents collected at the senior housing facility. Operating revenue in the Water and Sewer Fund is anticipated to increase by 9% in 17/18 (primarily due to increased consumption) and future annual increases of 1-2% annually based on projections and anticipated new customers. Ice arena and senior housing revenues are anticipating 1-2% annual inflationary increases.

The revenues discussed above are the major revenue categories as identified by the City and make up the majority of the total revenues of all appropriated funds, including enterprise funds. The schedule on the following page summarizes total revenue for all fund types of the City.

Revenue Schedule

	Governmental Funds							TOTAL FY 2017-18 BUDGET	% of Total Revenues	% of Total Revenues (discussed)
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS	ENTERPRISE FUNDS	FIDUCIARY FUNDS			
	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18			
ESTIMATED REVENUES										
Property tax revenue	\$ 22,063,704	\$ 9,660,437	\$ 1,344,100	\$ 3,419,871	\$ -	\$ -	\$ -	\$ 36,488,112	32%	32%
Capital Contributions	-	-	-	-	-	2,850,000	-	2,850,000	2%	-
Contributions-Employer	-	-	-	-	-	-	613,678	613,678	1%	-
Donations	1,500	17,465	-	-	-	-	-	18,965	0%	-
Federal grants	58,000	103,481	-	-	-	-	-	161,481	0%	-
Fines and forfeitures	560,000	228,000	-	-	-	-	-	788,000	1%	-
Interest income	593,273	301,599	500	69,580	70,000	329,193	1,466,322	2,830,467	2%	2%
Licenses, permits, and charges for services	4,695,302	2,245,000	-	110,000	-	-	-	7,050,302	6%	6%
Older adult program revenue	-	166,750	-	-	-	-	-	166,750	0%	-
Operating Revenue	-	-	-	-	-	27,617,310	-	27,617,310	24%	24%
Other financing sources (uses)	-	-	-	12,371,088	-	-	-	12,371,088	11%	11%
Other revenue	756,070	825,350	-	-	-	886,000	-	2,467,420	2%	-
Program Revenue	-	1,143,450	-	-	-	2,007,970	-	3,151,420	3%	3%
Special Assessments Levied	-	49,598	-	-	-	-	-	49,598	0%	-
State grants	-	-	-	-	-	-	-	-	0%	-
State sources	4,506,881	4,986,254	-	-	-	-	-	9,493,135	8%	8%
Tap in Fees	-	-	-	-	25,000	-	-	25,000	0%	-
Transfers in	-	6,824,000	-	2,736,000	-	-	-	9,560,000	8%	8%
TOTAL ESTIMATED REVENUES	\$ 33,234,730	\$ 26,551,384	\$ 1,344,600	\$ 18,706,539	\$ 95,000	\$ 33,690,473	\$ 2,080,000	\$ 115,702,726	100%	94%

Revenue Trends

The following is a historical look at projected and actual taxable values as well as the property tax revenue and mileage rates (including rollback) required based on the estimated taxable values:

CITY OF NOVI TAXABLE VALUE, MILLAGE RATE AND PROPERTY TAX REVENUE HISTORY, BUDGET AND PROJECTIONS

ACTUAL (as billed, excluding adjustments for tribunals, write-off of accounts receivable, etc.) Property Tax Year Fiscal Year	2010	2011	2012	2013	2014	2015	Estimated 2016	BUDGET 2017	PROJECTED		Expiration Year
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	
Taxable Value - Real - Res	\$ 2,984,101,470	\$ 2,758,932,940	\$ 2,699,988,360	\$ 2,748,382,830	\$ 1,984,120,840	\$ 2,087,604,500	\$ 2,169,188,620	\$ 2,223,556,787	\$ 2,334,734,626	\$ 2,451,471,358	
Taxable Value - Real - Com/Ind	-	-	-	-	861,684,810	878,128,690	916,563,180	930,192,952	972,051,635	1,010,933,700	
Taxable Value - Personal Property	220,466,950	220,678,540	220,345,290	223,698,750	225,066,560	239,836,740	237,292,830	225,121,800	220,000,000	200,000,000	
Taxable Value - New Construction	-	-	-	-	-	-	-	64,234,051	46,000,000	46,000,000	
Total Taxable Value	\$ 3,204,568,420	\$ 2,979,611,480	\$ 2,920,333,650	\$ 2,972,081,580	\$ 3,070,872,210	\$ 3,205,569,930	\$ 3,323,044,630	\$ 3,443,105,590	\$ 3,572,786,261	\$ 3,708,405,058	
% Change in total taxable value from the prior year without new construction estimate	-	-	-	-	-	-	-	1.7%	2.4%	2.5%	
% Change in total taxable value from the prior year	-9.9%	-7.0%	-2.0%	1.8%	3.3%	7.9%	8.2%	3.6%	3.8%	3.8%	
Less various allowances	-	-	-	(40,000,000)	35,000,000	(57,000,000)	(31,000,000)	(25,000,000)	(27,000,000)	(28,000,000)	
Adjusted Taxable Value*	\$ 3,204,568,420	\$ 2,979,611,480	\$ 2,920,333,650	\$ 2,932,081,580	\$ 3,105,872,210	\$ 3,148,569,930	\$ 3,292,044,630	\$ 3,418,105,590	\$ 3,545,786,261	\$ 3,680,405,058	
Millage Rate **											
General Fund	5.0182	5.0182	5.0182	5.0182	5.0182	5.0056	4.9925	4.9206	4.9206	4.9206	
Municipal Street Fund	0.7719	0.7719	0.7719	1.5000	1.5000	1.4962	1.4923	1.4708	1.4708	1.4708	
Police and Fire Fund	1.4282	1.4282	1.4282	1.4282	1.4282	1.4246	1.4208	1.4003	1.4003	1.4003	
Parks and Recreation Fund	0.3857	0.3857	0.3857	0.3857	0.3857	0.3847	0.3836	0.3780	0.3780	0.3780	
Drain Revenue Fund	0.0885	0.2642	0.3435	0.1057	-	-	0.2120	0.2648	0.2648	0.2648	
Capital Improvement Fund	-	-	-	-	-	-	-	0.9856	0.9856	0.9856	
Library Fund	0.7719	0.7719	0.7719	0.7719	0.7719	0.7699	0.7678	0.7567	0.7567	0.7567	
Total Operating Millage	8.4644	8.6401	8.7194	9.2097	9.1040	9.0810	9.2690	10.1768	10.1768	10.1768	
2000 Street Debt Fund	0.2254	-	-	-	-	-	-	-	-	-	
Library Construction Debt Fund	0.2008	0.1930	0.3281	0.3852	0.3716	0.4566	0.4540	0.3608	0.3608	0.3608	
1993 Refunding Debt Fund	-	-	-	-	-	-	-	-	-	-	
2010 Refunding Debt Fund	0.0629	0.3843	0.3698	0.3487	0.3462	0.3374	-	-	-	-	
2003 Refunding Debt Fund	0.2891	0.3459	0.3488	-	-	-	-	-	-	-	
2002 Street & Refunding Debt Fund	1.2990	0.9783	0.4339	0.2564	0.3782	0.3250	0.2270	-	-	-	
Total Debt Millage	2.0772	1.9015	1.4806	0.9903	1.0960	1.1190	0.6810	0.3608	0.3608	0.3608	
Total City Millage Rate	10.5416	10.5416	10.2000	10.2000	10.2000	10.2000	9.9500	10.5376	10.5376	10.5376	
Tax Revenue											
General Fund	\$ 16,081,000	\$ 14,952,000	\$ 14,463,208	\$ 14,699,475	\$ 15,618,990	\$ 15,898,000	\$ 16,436,000	\$ 17,065,000	\$ 17,702,000	\$ 18,375,000	
Municipal Street Fund	2,474,000	2,300,000	2,226,168	4,293,742	4,754,081	4,747,000	4,913,000	5,101,000	5,291,000	5,492,000	
Police and Fire Fund	4,577,000	4,255,000	4,119,209	4,211,853	4,390,579	4,469,000	4,677,000	4,856,000	5,038,000	5,229,000	
Parks and Recreation Fund	1,236,000	1,149,000	1,112,311	1,137,385	1,185,648	1,215,000	1,263,000	1,311,000	1,360,000	1,412,000	
Drain Revenue Fund	284,000	787,000	982,539	315,771	9,920	(8,000)	698,000	344,000	357,000	370,000	
Capital Improvement Fund	-	-	-	-	-	-	-	3,418,000	3,546,000	3,680,000	2026-27
Library Fund	2,474,000	2,300,000	2,226,168	2,276,337	2,372,929	2,408,000	2,528,000	2,624,000	2,722,000	2,826,000	
2000 Street Debt Fund	722,310	-	-	-	-	-	-	-	-	-	
Library Construction Debt Fund	643,477	575,065	943,480	1,134,064	1,141,259	1,284,000	1,495,000	1,299,000	1,347,000	1,399,000	2027-28
1993 Refunding Debt Fund	-	-	-	-	-	-	-	-	-	-	
2010 Refunding Debt Fund	201,567	1,145,065	1,063,856	1,029,037	1,065,166	1,061,000	-	-	-	-	
2003 Refunding Debt Fund	926,441	1,030,648	1,018,612	-	-	-	-	-	-	-	
2002 Street & Refunding Debt Fund	4,162,734	2,914,954	1,330,622	780,142	1,134,897	1,040,000	747,000	-	-	-	
Total City Property Tax Revenue	\$ 33,782,530	\$ 31,408,731	\$ 29,486,173	\$ 29,877,806	\$ 31,673,469	\$ 32,114,000	\$ 32,757,000	\$ 36,018,000	\$ 37,363,000	\$ 38,783,000	

*Includes reduction for Personal Property Tax write-off, Tax Tribunals Adjustments and chargebacks

** Headlee rollback has been assumed for fiscal years 2018 and 2019

Additional revenue trends for property taxes, revenue sharing, MDOT Act 51 and overall revenue by fund is available in the Budget Overview section.

Expenditure Analysis

Personnel Services

The City of Novi budgets for full employment, maintaining a strong staff position control and budgeting system. Any additional cost savings as a result of vacancies, or positions filled at lower than budgeted amounts increases the fund balance, and is used in planning for the subsequent year's budget.

Personnel cost increases and decreases are pursuant to each of the current collective bargaining agreements. An increase of 0-2.5% each year, using 2016-17 as base year, is assumed based on total personnel costs. Defined benefit pension contributions increased 25.7% for 17/18 and are assumed to increase by approximately 8% annually for the subsequent two years (increase in required contributions primarily due to changes in MERS assumptions along with unfavorable investment returns). Employee health insurance costs are assumed to increase 2.5% for 17/18 and at 7% annually for the subsequent two years. The personnel assumptions are based on the number of staff as presented in the Departmental Information - Personnel Summary section for the fiscal year 2017-18.

Supplies, Maintenance, and Other Services and Charges

Most expenditures range from 0%-3% increase; certain maintenance items increased based on historical median rate (i.e. road maintenance items). Liability and property and workers compensation insurance are assumed to increase 2-9% annually.

Capital Outlay, Non-Recurring Items, & Technology

The Capital Outlay and/or non-recurring items are based on actual budget requests from departments. The City of Novi has a track record of replacing and maintaining assets, which not unlike businesses, allows the City flexibility in deferring capital purchases for a period of time during financially tight years.

Certain programs, like PC replacement, are included in the 2017-18 budget and while department allocation may change, total estimated replacement remains the same plus inflationary adjustment of 3%.

Capital Improvements

The General, Major Street, Local Street, Municipal Street, Drain, Parks, Recreation and Cultural Services, PEG Cable, and Forfeiture Funds reflect anticipated expenditures for each year based on the Capital Improvement Program.