



CITY of NOVI CITY COUNCIL

**Agenda Item 3
May 19, 2014**

SUBJECT: Approval of Resolution Acknowledging the Multi-Year Budget, Including Projections of Future Fiscal-Years 2015-2016 and 2016-2017.

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

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 attached to this motion sheet 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 incorporates the long-range elements of the Capital Improvement Plan (CIP) as approved by the City's Planning Commission and presented to the Public Hearing on March 12, 2014.

Attached for your consideration is the Resolution acknowledging the Multi-Year Budget, including projections of future fiscal-years 2015-2016 and 2016-2017.

RECOMMENDED ACTION: Approval of Resolution Acknowledging the Multi-Year Budget, Including Projections of Future Fiscal-Years 2015-2016 and 2016-2017.

| | 1 | 2 | Y | N |
|------------------------|---|---|---|---|
| Mayor Gatt | | | | |
| Mayor Pro Tem Staudt | | | | |
| Council Member Casey | | | | |
| Council Member Fischer | | | | |

| | 1 | 2 | Y | N |
|------------------------|---|---|---|---|
| Council Member Markham | | | | |
| Council Member Mutch | | | | |
| Council Member Wrobel | | | | |

Resolution Acknowledging the Multi-Year Budget Including Projections of Future Fiscal-Years 2015-2016 and 2016-2017

WHEREAS, the City Manager's recommended budget is based upon the January 11, 2014 City Council early budget input session which approved strategic themes and broad goal categories, the December 17, 2013 property tax projection presentation to City Council and the March 3, 2014 pre board of review property tax assessments as presented by the City assessor, and

WHEREAS, this budget takes into consideration the City's Multi-Year Budget and financial planning through fiscal-year 2016-2017, and

NOW, THEREFORE, BE IT RESOLVED, that the City Council acknowledges the Multi-Year Budget, Including Projections of Future Fiscal-Years 2015-2016 and 2016-2017.

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 19th day of May 2014.

Maryanne Cornelius, City Clerk

MULTI-YEAR BUDGET 2014 through 2017

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 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.

Under Michigan law, the maximum debt Novi can issue is \$336,519,000. The City's current debt applicable to this limit is \$37,960,000 or 11.3% of the amount allowed. The City had twelve debt issues in 1999 and currently has three debt issues (excluding the debt for the Ice Arena and Senior Housing facilities and Special Assessment Bonds). The reduction relates to both retirements of debt and refunding (refinancing). The City has taken advantage of both the decline in interest rates and its excellent credit rating (AA+ and Aa2) to obtain more favorable rates – lowering interest expenditures. The outstanding debt is related to long-term assets - infrastructure and facilities: roads, library facility, fire station, purchase of parkland, etc.

The City has focused on long-term financial planning since the 1990's. Since 2004 the City has prepared a multi-year line item budget, going beyond the requirement for adoption of an annual budget.

Throughout the document, and in particular in the City Manager's message, the reader will find the key financial indicators for Novi and used in preparation of the multi-year budget.

Total property tax revenue, which is the primary revenue source, reflects an incline for 2013-14 of approximately 2.7%, and then moving forward the estimate is for moderate increases of 3-4%. For the General Fund the property tax revenue is estimated at \$15.014 million, \$15.504 million, and \$15.962 million for fiscal years 2014-15, 2015-16 and 2016-17, respectively. The General Fund property tax revenue peaked in 2009-10 at \$17.429 million. In the next two years multi-year projections, City of Novi has factored in the potential decrease from the personal property tax revenues as the result of the new State Law that exempts businesses with personal property under \$40,000 starting January 1, 2014. Furthermore, the law exempts the manufacturing equipment from tax starting on January 1, 2016. Our projection lowers the personal property taxable value for the next three years by approximately 43 million dollars.

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. The current multi-year budget assumes the increases/decreases in wages and benefits pursuant to the collective bargaining agreements. In addition the 2014-15 and 2015-16 fiscal years include a 1.0% increase in total personnel cost factor for potential increases in retiree health care and pension as a result of closed plans, health care, and workers compensation. The City continues to fund 100% of its annual required contributions (ARC) for retirement benefits.

The following pages include the three-year budget used in preparation for the annual 2014-15 budget to be adopted in May. 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. Major assumptions can be found at the end of this section. The following pages provide the multi-year budget for key governmental Funds as well as the property tax revenue and taxable value assumptions.

CITY OF NOVI
MULTI-YEAR BUDGET 2014 through 2017
GENERAL FUND

| DESCRIPTION | REVENUE | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual 2012-13 | Estimated 2013-14 | Budget 2014-15 | Projected | |
| | | | | 2015-16 | 2016-17 |
| TAXES | | | | | |
| Current Property Taxes | \$ 14,463,208 | \$ 14,553,000 | \$ 15,014,000 | \$ 15,504,000 | \$ 15,962,000 |
| Trailer Fees | 7,885 | 7,500 | 7,800 | 7,800 | 7,800 |
| Penalty and Interest | 176,120 | 180,000 | 185,000 | 190,000 | 195,000 |
| | <u>\$ 14,647,213</u> | <u>\$ 14,740,500</u> | <u>\$ 15,206,800</u> | <u>\$ 15,701,800</u> | <u>\$ 16,164,800</u> |
| LICENSES, PERMITS & CHARGES FOR SERVICES | | | | | |
| Clerks Dept Fees (previously included Bus. Regis.) | 28,855 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| Liquor Licenses | 69,504 | 60,000 | 60,000 | 61,800 | 63,700 |
| Engineering Review Fees | 132,716 | 130,000 | 120,000 | 123,600 | 127,300 |
| Planning & Landscape Review Fees | 77,416 | 78,000 | 78,000 | 80,300 | 82,700 |
| Landscape Inspection Fees | 31,165 | 35,000 | 31,500 | 32,400 | 33,400 |
| Grading Permit Fees | 5,523 | 7,000 | 7,000 | 7,200 | 7,400 |
| Building Permits | 693,757 | 599,000 | 720,000 | 741,600 | 763,800 |
| Plan Review Fees | 326,899 | 252,000 | 300,000 | 309,000 | 318,300 |
| South Lyon Inspection Fees | 73,348 | 43,000 | - | - | - |
| Refrigeration Permits | 64,325 | 50,000 | 50,000 | 51,500 | 53,000 |
| Electrical Permits | 218,635 | 177,000 | 200,000 | 206,000 | 212,200 |
| Heating Permits | 233,410 | 185,000 | 210,000 | 216,300 | 222,800 |
| Plumbing Permits | 133,965 | 115,000 | 110,000 | 113,300 | 116,700 |
| Other Charges | 172,766 | 272,000 | 672,000 | 192,200 | 198,000 |
| Court Abatement | 381 | 13,000 | 13,000 | 13,400 | 13,800 |
| Soil Erosion Fees | 6,965 | 16,000 | 16,000 | 16,500 | 17,000 |
| Cable Television Fee | 991,272 | 775,000 | 800,000 | 824,000 | 824,000 |
| Cable Television PEG Fees (restricted) | 231,749 | 170,000 | 180,000 | 185,400 | 191,000 |
| Weed Cutting | 4,634 | 10,000 | 9,000 | 9,000 | 9,000 |
| Board of Appeals | 20,096 | 21,000 | 21,000 | 21,000 | 21,000 |
| Public Safety - Police | 686,568 | 541,970 | 439,761 | 444,159 | 448,600 |
| Public Safety - Fire | 7,200 | 7,200 | 7,200 | 7,200 | 7,200 |
| Administrative Reimbursement | 54,838 | 91,000 | 75,000 | 77,250 | 79,570 |
| Insurance Reimbursement | - | 43,300 | - | - | - |
| | <u>\$ 4,265,987</u> | <u>\$ 3,716,470</u> | <u>\$ 4,144,461</u> | <u>\$ 3,758,109</u> | <u>\$ 3,835,470</u> |
| FEDERAL GRANTS | <u>\$ 18,768</u> | <u>\$ 10,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| STATE SOURCES | | | | | |
| Police Training Grant | \$ 809 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| State Revenue Sharing | 4,074,589 | 4,160,522 | 4,316,470 | 4,402,800 | 4,490,900 |
| | <u>\$ 4,075,398</u> | <u>\$ 4,185,522</u> | <u>\$ 4,341,470</u> | <u>\$ 4,427,800</u> | <u>\$ 4,515,900</u> |

MULTI-YEAR BUDGET 2014 through 2017
GENERAL FUND

| DESCRIPTION | REVENUE | | | Projected | |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual 2012-13 | Estimated 2013-14 | Budget 2014-15 | 2015-16 | 2016-17 |
| OTHER REVENUE | | | | | |
| Fire Department | \$ 9,437 | \$ 12,500 | \$ 12,000 | \$ 12,120 | \$ 12,240 |
| Miscellaneous Income | 161,609 | 300,000 | 300,000 | 303,000 | 306,030 |
| Filming Permit Revenue | 225 | 200 | 200.00 | 200.00 | 200.00 |
| Novi Township assessment | 14,718 | 15,000 | 15,000 | 15,300 | 15,610 |
| Municipal Service Charges | 365,270 | 365,270 | 365,270 | 400,000 | 400,000 |
| Library Network Charges | - | 35,000 | 35,000 | 35,000 | 35,000 |
| State of the City Revenue | 5,169 | 5,500 | 5,500 | 5,500 | 5,500 |
| | <u>\$ 556,428</u> | <u>\$ 733,470</u> | <u>\$ 732,970</u> | <u>\$ 771,120</u> | <u>\$ 774,580</u> |
| FINES AND FORFEITURES | | | | | |
| Court Fees and Fines | \$ 539,584 | \$ 500,000 | \$ 515,000 | \$ 530,500 | \$ 546,400 |
| Motor Carrier Fines and Fees | 9,750 | 9,000 | 10,000 | 10,000 | 10,000 |
| | <u>\$ 549,334</u> | <u>\$ 509,000</u> | <u>\$ 525,000</u> | <u>\$ 540,500</u> | <u>\$ 556,400</u> |
| INTEREST ON INVESTMENTS | \$ (81,620) | \$ 254,000 | \$ 260,000 | \$ 260,000 | \$ 260,000 |
| TRANSFERS FROM OTHER FUNDS | | | | | |
| Transfer from Police and Fire Fund | \$ 5,300,000 | \$ 5,300,000 | \$ 5,300,000 | \$ 5,200,000 | \$ 5,100,000 |
| | <u>\$ 5,300,000</u> | <u>\$ 5,300,000</u> | <u>\$ 5,300,000</u> | <u>\$ 5,200,000</u> | <u>\$ 5,100,000</u> |
| TOTAL REVENUE | <u>\$ 29,331,508</u> | <u>\$ 29,448,962</u> | <u>\$ 30,510,701</u> | <u>\$ 30,659,329</u> | <u>\$ 31,207,150</u> |

MULTI-YEAR BUDGET 2014 through 2017
GENERAL FUND

| DESCRIPTION | APPROPRIATIONS | | | | |
|--|---------------------|----------------------|---------------------|---------------------|---------------------|
| | Actual 2012-13 | Estimated 2013-14 | Budget 2014-15 | Projected | |
| | | | | 2015-16 | 2016-17 |
| CITY COUNCIL | | | | | |
| Personnel Services | \$ 3,906 | \$ 4,748 | \$ 4,757 | \$ 4,830 | \$ 4,900 |
| Other Services and Charges | 6,145 | 8,500 | 10,000 | 10,300 | 10,610 |
| | <u>\$ 10,051</u> | <u>\$ 13,248</u> | <u>\$ 14,757</u> | <u>\$ 15,130</u> | <u>\$ 15,510</u> |
| CITY MANAGER | | | | | |
| Personnel Services | \$ 394,683 | \$ 396,670 | \$ 453,214 | \$ 460,010 | \$ 466,910 |
| Supplies | 345 | 800 | 800 | 8,030 | 8,030 |
| Other Services and Charges | 28,683 | 20,159 | 89,253 | 30,000 | 30,900 |
| Capital Outlay | - | 275 | - | - | - |
| | <u>\$ 423,711</u> | <u>\$ 417,904</u> | <u>\$ 543,267</u> | <u>\$ 498,040</u> | <u>\$ 505,840</u> |
| FINANCE & PURCHASING | | | | | |
| Personnel Services | \$ 618,900 | \$ 550,634 | \$ 630,637 | \$ 640,100 | \$ 649,700 |
| Other Services and Charges | 92,715 | 141,772 | 59,769 | 61,560 | 63,410 |
| Capital outlay | - | 19,541 | 10,000 | - | - |
| | <u>\$ 711,615</u> | <u>\$ 711,947</u> | <u>\$ 700,406</u> | <u>\$ 701,660</u> | <u>\$ 713,110</u> |
| INFORMATION TECHNOLOGY | | | | | |
| Personnel Services | \$ 543,984 | \$ 558,589 | \$ 609,475 | \$ 618,620 | \$ 627,900 |
| Supplies | 23,896 | 28,620 | 25,150 | 25,900 | 26,680 |
| Other Services and Charges | 90,073 | 111,177 | 140,101 | 144,300 | 148,630 |
| Capital Outlay | 36,021 | 169,552 | 180,929 | - | - |
| | <u>\$ 693,974</u> | <u>\$ 867,938</u> | <u>\$ 955,655</u> | <u>\$ 788,820</u> | <u>\$ 803,210</u> |
| ASSESSING | | | | | |
| Personnel Services | \$ 442,412 | \$ 462,189 | \$ 468,540 | \$ 475,570 | \$ 482,700 |
| Supplies | 11,968 | 11,700 | 11,700 | 12,050 | 12,410 |
| Other Services and Charges | 438,206 | 355,625 | 335,500 | 345,570 | 355,940 |
| | <u>\$ 892,586</u> | <u>\$ 829,514</u> | <u>\$ 815,740</u> | <u>\$ 833,190</u> | <u>\$ 851,050</u> |
| CITY ATTORNEY | | | | | |
| Other Services and Charges | \$ 384,736 | \$ 455,000 | \$ 430,000 | \$ 436,450 | \$ 443,000 |
| | <u>\$ 384,736</u> | <u>\$ 455,000</u> | <u>\$ 430,000</u> | <u>\$ 436,450</u> | <u>\$ 443,000</u> |
| CITY CLERK | | | | | |
| Personnel Services | \$ 488,441 | \$ 449,687 | \$ 470,676 | \$ 477,740 | \$ 484,910 |
| Supplies | 20,802 | 16,000 | 21,000 | 21,630 | 22,280 |
| Other Services and Charges | 19,651 | 31,370 | 41,850 | 20,000 | 20,600 |
| | <u>\$ 528,894</u> | <u>\$ 497,057</u> | <u>\$ 533,526</u> | <u>\$ 519,370</u> | <u>\$ 527,790</u> |
| TREASURY | | | | | |
| Personnel Services | \$ 258,351 | \$ 226,554 | \$ 232,955 | \$ 236,450 | \$ 240,000 |
| Supplies | 22,605 | 25,500 | 26,500 | 27,300 | 28,120 |
| Other Services and Charges | 32,200 | 50,300 | 59,180 | 60,960 | 62,790 |
| | <u>\$ 313,156</u> | <u>\$ 302,354</u> | <u>\$ 318,635</u> | <u>\$ 324,710</u> | <u>\$ 330,910</u> |
| FACILITY OPERATIONS | | | | | |
| Personnel Services | \$ 233,589 | \$ 284,850 | \$ 284,510 | \$ 288,780 | \$ 293,110 |
| Supplies | 15,096 | 22,800 | 24,800 | 25,540 | 26,310 |
| Other Services and Charges | 416,928 | 461,074 | 429,305 | 442,180 | 455,450 |
| Capital Outlay | 422,335 | 546,755 | 130,000 | - | - |
| | <u>\$ 1,087,948</u> | <u>\$ 1,315,479</u> | <u>\$ 868,615</u> | <u>\$ 756,500</u> | <u>\$ 774,870</u> |
| HUMAN RESOURCES | | | | | |
| Personnel Services | \$ 359,872 | \$ 369,077 | \$ 368,446 | \$ 373,970 | \$ 379,580 |
| Other Services and Charges | 48,739 | 83,330 | 91,700 | 60,000 | 61,800 |
| | <u>\$ 408,611</u> | <u>\$ 452,407</u> | <u>\$ 460,146</u> | <u>\$ 433,970</u> | <u>\$ 441,380</u> |
| NEIGHBORHOOD & BUSINESS RELATIONS GROUP | | | | | |
| Personnel Services | \$ 352,165 | \$ 390,129 | \$ 441,565 | \$ 448,190 | \$ 454,910 |
| Supplies | 9,013 | 9,850 | 9,850 | 10,150 | 10,450 |
| Other Services and Charges | 371,136 | 496,953 | 480,678 | 495,100 | 509,950 |
| Capital Outlay | 228,102 | 6,286 | 7,000 | - | - |
| | <u>\$ 960,416</u> | <u>\$ 903,218</u> | <u>\$ 939,093</u> | <u>\$ 953,440</u> | <u>\$ 975,310</u> |
| GENERAL ADMINISTRATION | | | | | |
| Personnel Services | \$ 1,317,268 | \$ 884,770 | \$ 948,863 | \$ 977,330 | \$ 1,006,650 |
| Supplies | 50,117 | 57,000 | 55,000 | 56,650 | 58,350 |
| Other Services and Charges | 361,458 | 484,092 | 454,700 | 479,700 | 504,700 |
| Capital Outlay | 374,224 | 51,765 | 70,000 | - | - |
| | <u>\$ 2,103,067</u> | <u>\$ 1,477,627</u> | <u>\$ 1,528,563</u> | <u>\$ 1,513,680</u> | <u>\$ 1,569,700</u> |

MULTI-YEAR BUDGET 2014 through 2017
GENERAL FUND

| DESCRIPTION | APPROPRIATIONS | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual 2012-13 | Estimated 2013-14 | Budget 2014-15 | Projected | |
| | | | | 2015-16 | 2016-17 |
| PUBLIC SAFETY - POLICE DEPARTMENT | | | | | |
| Personnel Services | \$ 9,852,832 | \$ 10,429,278 | \$ 10,337,359 | \$ 10,492,420 | \$ 10,649,810 |
| Supplies | 215,881 | 316,958 | 229,500 | 236,390 | 243,480 |
| Other Services and Charges | 1,027,463 | 1,051,964 | 1,138,600 | 1,172,760 | 1,207,940 |
| Capital Outlay | 280,021 | 102,830 | 174,800 | - | 165,000 |
| | <u>\$ 11,376,197</u> | <u>\$ 11,901,030</u> | <u>\$ 11,880,259</u> | <u>\$ 11,901,570</u> | <u>\$ 12,266,230</u> |
| PUBLIC SAFETY - FIRE DEPARTMENT | | | | | |
| Personnel Services | \$ 3,845,999 | \$ 3,919,729 | \$ 3,900,193 | \$ 3,958,700 | \$ 4,018,080 |
| Supplies | 147,082 | 133,620 | 144,485 | 148,820 | 153,280 |
| Other Services and Charges | 456,633 | 582,738 | 569,430 | 586,510 | 604,110 |
| Capital Outlay | 98,851 | 625,310 | 179,000 | - | - |
| | <u>\$ 4,548,565</u> | <u>\$ 5,261,397</u> | <u>\$ 4,793,108</u> | <u>\$ 4,694,030</u> | <u>\$ 4,775,470</u> |
| PUBLIC SAFETY TOTAL | <u>\$ 15,924,762</u> | <u>\$ 17,162,427</u> | <u>\$ 16,673,367</u> | <u>\$ 16,595,600</u> | <u>\$ 17,041,700</u> |
| COMMUNITY DEVELOPMENT - BUILDING DIVISION | | | | | |
| Personnel Services | \$ 1,276,108 | \$ 1,326,552 | \$ 1,367,391 | \$ 1,387,900 | \$ 1,408,720 |
| Supplies | 38,344 | 32,100 | 35,600 | 36,670 | 37,770 |
| Other Services and Charges | 70,927 | 102,002 | 110,459 | 93,770 | 96,580 |
| Capital Outlay | 63,917 | 45,993 | 23,500 | 24,210 | 24,940 |
| | <u>\$ 1,449,296</u> | <u>\$ 1,506,647</u> | <u>\$ 1,536,950</u> | <u>\$ 1,542,550</u> | <u>\$ 1,568,010</u> |
| COMMUNITY DEVELOPMENT - PLANNING DIVISION | | | | | |
| Personnel Services | \$ 449,886 | \$ 466,223 | \$ 510,030 | \$ 517,680 | \$ 525,450 |
| Supplies | 4,036 | 4,400 | 8,850 | 9,120 | 9,390 |
| Other Services and Charges | 35,143 | 124,757 | 312,605 | 66,980 | 68,990 |
| Capital Outlay | - | - | - | - | - |
| | <u>\$ 489,065</u> | <u>\$ 595,380</u> | <u>\$ 831,485</u> | <u>\$ 593,780</u> | <u>\$ 603,830</u> |
| COMMUNITY DEVELOPMENT TOTAL | <u>\$ 1,938,361</u> | <u>\$ 2,102,027</u> | <u>\$ 2,368,435</u> | <u>\$ 2,136,330</u> | <u>\$ 2,171,840</u> |
| DPS - GENERAL/ADMINISTRATIVE | | | | | |
| Personnel Services | \$ 258,987 | \$ 280,010 | \$ 270,667 | \$ 278,790 | \$ 287,150 |
| Supplies | 11,016 | 28,212 | 11,200 | 11,370 | 11,540 |
| Other Services and Charges | 295,254 | 384,860 | 337,140 | 342,200 | 347,330 |
| Capital Outlay | 145,297 | 175,473 | - | - | - |
| | <u>\$ 710,554</u> | <u>\$ 868,555</u> | <u>\$ 619,007</u> | <u>\$ 632,360</u> | <u>\$ 646,020</u> |
| DPS - ENGINEERING | | | | | |
| Personnel Services | \$ 395,337 | \$ 493,428 | \$ 496,320 | \$ 503,760 | \$ 511,320 |
| Supplies | 1,112 | 1,250 | 2,000 | 2,060 | 2,120 |
| Other Services and Charges | 84,054 | 106,763 | 107,750 | 110,980 | 114,310 |
| Capital Outlay | - | - | 40,000 | - | - |
| Allocated to Other Funds | (166,524) | (371,784) | (371,784) | (371,784) | (371,784) |
| | <u>\$ 313,979</u> | <u>\$ 229,657</u> | <u>\$ 274,286</u> | <u>\$ 245,016</u> | <u>\$ 255,966</u> |
| DPS - FIELD OPERATIONS | | | | | |
| Personnel Services | \$ 1,881,961 | \$ 2,083,691 | \$ 2,121,339 | \$ 2,153,160 | \$ 2,185,460 |
| Supplies | 75,955 | 80,530 | 102,815 | 88,900 | 91,570 |
| Other Services and Charges | 264,208 | 297,691 | 478,025 | 492,370 | 507,140 |
| Capital Outlay | 347,595 | 411,232 | 56,200 | 57,040 | 57,900 |
| Allocated to Other Funds | (1,757,046) | (1,877,000) | (1,877,000) | (1,877,000) | (1,877,000) |
| | <u>\$ 812,673</u> | <u>\$ 996,144</u> | <u>\$ 881,379</u> | <u>\$ 914,470</u> | <u>\$ 965,070</u> |
| DPS - FLEET ASSET | | | | | |
| Personnel Services | \$ 348,789 | \$ 347,069 | \$ 396,878 | \$ 408,780 | \$ 421,040 |
| Supplies | 21,493 | 27,200 | 24,600 | 25,340 | 26,100 |
| Other Services and Charges | 401,932 | 376,493 | 379,640 | 391,030 | 402,760 |
| Capital Outlay | 84,168 | - | 110,000 | - | - |
| | <u>\$ 856,382</u> | <u>\$ 750,762</u> | <u>\$ 911,118</u> | <u>\$ 825,150</u> | <u>\$ 849,900</u> |
| DEPT OF MUNICIPAL SERVICES TOTAL | <u>\$ 2,693,588</u> | <u>\$ 2,845,118</u> | <u>\$ 2,685,790</u> | <u>\$ 2,616,996</u> | <u>\$ 2,716,956</u> |
| PLANNING COMMISSION | | | | | |
| Supplies | \$ 194 | \$ - | \$ - | \$ - | \$ - |
| Other Services and Charges | 6,550 | - | - | - | - |
| | <u>\$ 6,744</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| TRANSFERS TO OTHER FUNDS, CAPITAL OUTLAY & OTHER NON-RECURRING ITEMS | | | | | |
| Debt Service Fund* | \$ 282,013 | \$ - | \$ - | \$ - | \$ - |
| Parks, Recreation & Cultural Services Fund | 720,310 | 250,000 | 588,000 | 591,000 | 110,000 |
| One-time capital items, service improvements, etc.** | - | - | - | 1,293,676 | 1,420,800 |
| TOTAL APPROPRIATIONS/EXPENDITURES | <u>\$ 30,084,543</u> | <u>\$ 30,603,265</u> | <u>\$ 30,423,995</u> | <u>\$ 31,008,562</u> | <u>\$ 31,412,976</u> |

*Final debt service payment on taxable bonds in 2012-13

MULTI-YEAR BUDGET 2014 through 2017
GENERAL FUND

| DESCRIPTION | FUND BALANCE | | | | |
|--|-------------------|----------------------|-------------------|---------------|---------------|
| | Actual 2012-13 | Estimated 2013-14 | Budget 2014-15 | Projected | |
| | | | | 2015-16 | 2016-17 |
| General Fund-Fund Balance Summary | | | | | |
| Fund Balance, beginning | \$ 9,380,096 | 8,627,418 | \$ 7,473,115 | \$ 7,559,821 | \$ 7,210,587 |
| Restricted for communication equipment (c) | 184,507 | 184,147 | 184,147 | 184,147 | 184,147 |
| Total Fund Balance, beginning | \$ 9,564,600 | \$ 8,811,565 | \$ 7,657,262 | \$ 7,743,968 | \$ 7,394,734 |
| Annual Revenue | \$ 29,331,508 | \$ 29,448,962 | \$ 30,510,701 | \$ 30,659,329 | \$ 31,207,150 |
| Annual Expenditures * (a) | (30,084,543) | (30,603,265) | (30,423,995) | (31,008,562) | (31,412,976) |
| Total estimated Fund Balance, ending (d) | \$ 8,811,565 | \$ 7,657,262 | \$ 7,743,968 | \$ 7,394,734 | \$ 7,188,909 |
| Estimated Fund Balance (unrestricted) (b) | \$ 8,627,419 | \$ 7,473,115 | \$ 7,559,821 | \$ 7,210,587 | \$ 7,004,762 |
| Estimated Restricted Fund Balance | 184,147 | 184,147 | 184,147 | 184,147 | 184,147 |
| | \$ 8,811,566 | \$ 7,657,262 | \$ 7,743,968 | \$ 7,394,734 | \$ 7,188,909 |
| Fund balance (unrestricted) as a percentage of total annual expenditures (b/a) | | 24.42% | 24.85% | 23.25% | 22.30% |
| Fund Balance Ending minimum 18% of (a) (e) | | | \$ 5,476,319 | \$ 5,581,541 | \$ 5,654,336 |
| Funds above / (below) 18% minimum of ((d-c)-e) | | | \$ 2,083,502 | \$ 1,629,046 | \$ 1,350,426 |
| Fund Balance Ending - 22% of (a) (f) | | | \$ 6,693,279 | \$ 6,821,884 | \$ 6,910,855 |
| Funds above / (below) 22% of ((d-c)-f) | | | \$ 866,542 | \$ 388,703 | \$ 93,907 |

* The **Annual Expenditures** include service improvements, one-time expenditures, capital outlay 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.

MULTI-YEAR BUDGET 2014 through 2017
MAJOR STREET FUND (excluding SAD's)

| | REVENUE | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Gas and Weight Tax | \$ 2,472,920 | \$ 2,565,976 | \$ 2,642,955 | \$ 2,722,244 | \$ 2,803,911 |
| Interest on Investments | 932 | 2,000 | 2,000 | 2,000 | 2,000 |
| Miscellaneous Income | - | 1,000 | - | - | - |
| Transfer from Municipal Street | - | - | 195,000 | 900,000 | 1,445,000 |
| TOTAL REVENUE | \$ 2,473,852 | \$ 2,568,976 | \$ 2,839,955 | \$ 3,624,244 | \$ 4,250,911 |
| | APPROPRIATIONS | | | | |
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| ENGINEERING | | | | | |
| Engineering - City Services | \$ 8,328 | \$ 86,090 | \$ 86,090 | \$ 86,090 | \$ 86,090 |
| Engineering - Beck (9 Mile to Cheltenham) | 376 | - | - | - | - |
| Engineering - Fountain Walk Drive | 12,451 | - | - | - | - |
| Engineering - West Oak Drive | 38,214 | - | - | - | - |
| Engineering - Meadowbrook (10 MI to Cherry Hill) | 363 | - | - | - | - |
| Engineering - Nine Mile (Beck to Taft) | 50,255 | - | - | - | - |
| Engineering - Nine Mile Rehab (Meadowbrook/Novi) | - | 41,000 | - | - | - |
| Engineering -Town Center Dr (Gr River to 11) | - | 30,415 | 67,885 | - | - |
| Engineering - Town Center (Crescent Blvd to 11) | - | 15,524 | 58,776 | - | - |
| Engineering - Heslip Dr Rehab | - | 58,100 | - | - | - |
| Engineering - 11 Mi Rd (Town Center to Meadowbrook) | - | 196,272 | - | - | - |
| CONSTRUCTION | | | | | |
| Construction - Meadowbrook Rd Repave (10 Mile to Cherry Hi | 42 | - | - | - | - |
| Construction - Nine Mile Rd (Novi to Taft) | (37,816) | - | - | - | - |
| Construction - Meadowbrook (8 to 9 Mile) | (10,152) | - | - | - | - |
| Construction - Novi/Old Novi Singnalization | 19,795 | 215,978 | - | - | - |
| Construction - Fountain Walk Drive | 55,532 | 15,519 | - | - | - |
| Construction - West Oak Drive | 300,307 | 15,710 | - | - | - |
| Construction - Nine Mile Rd (Beck to Taft) | 237,075 | 15,805 | - | - | - |
| Construction - Nine Mile Rd (Meadowbrook to Haggerty | (14,609) | - | - | - | - |
| Construction - Town Center Dr (Gr River to 11) | - | - | 471,700 | - | - |
| Construction - Town Center (Crescent Blvd to 11) | - | - | 356,630 | - | - |
| Construction - 11 Mile Path (Town Center to Meadowbrook) | - | - | 406,100 | - | - |
| Construction - Heslip Dr Rehab | - | 278,600 | - | - | - |
| Construction - 11 Mi (Town Center to Meadowbrook) | - | 955,600 | - | - | - |
| Construction -Crescent Blvd (Novi to Town Center) | - | - | - | - | - |
| Construction - West Road Repaving | - | - | 167,050 | - | - |
| Construction - Taft and 9 mile roundabout | - | - | - | 82,394 | - |
| Construction - Crescent Blvd (Novi to Town Center) | - | - | - | 890,200 | - |
| Construction - Karim Blvd Rehab | - | - | - | 662,500 | - |
| Construction- Novi Road (12 Mile to 13 Mile Rehab) | - | - | - | 399,185 | - |
| Construction - 9 Mile Rehab (Meadowbrook to Novi Road) | - | - | - | 216,817 | - |
| Construction - Beck Road (8 Mile to 9 Mile) | - | - | - | 92,500 | 815,925 |
| Construction - Taft (9 mile to 10 mile) | - | - | - | - | 828,036 |
| Construction - Taft (10 mile to Grand River) | - | - | - | - | 271,611 |
| Construction - Meadowbrook Rd Rehab (I96 to 12 Mile) | - | - | - | - | 407,375 |
| Construction - 11 Mile Rd & Wixom roundabout | - | - | - | - | 875,750 |
| TOTAL CONSTRUCTION | \$ 660,161 | \$ 1,924,613 | \$ 1,614,231 | \$ 2,429,686 | \$ 3,284,787 |

MULTI-YEAR BUDGET 2014 through 2017
MAJOR STREET FUND (excluding SAD's) - continued

| | APPROPRIATIONS | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Routine Maintenance | \$ 510,082 | \$ 475,000 | \$ 565,000 | \$ 505,000 | \$ 505,000 |
| Capital Preventive Maintenance Program | 176,041 | 370,959 | 177,500 | 100,000 | 100,000 |
| Traffic Services | 280,286 | 220,000 | 223,400 | 220,000 | 220,000 |
| Traffic Consultant | 38,598 | 35,000 | 35,000 | 35,000 | 35,000 |
| Traffic Control Sign Replacement Program | 6,557 | 28,843 | 15,000 | 15,000 | 15,000 |
| Winter Maintenance | 282,234 | 340,000 | 285,000 | 300,000 | 300,000 |
| TOTAL MAINTENANCE | \$ 1,293,798 | \$ 1,469,802 | \$ 1,300,900 | \$ 1,175,000 | \$ 1,175,000 |
| Administration | \$ 510 | \$ 510 | \$ 1,865 | \$ 1,865 | \$ 1,865 |
| Transfer to Local Street Fund | \$ 618,230 | \$ 475,450 | \$ - | \$ - | \$ - |
| TOTAL APPROPRIATIONS | \$ 2,572,699 | \$ 3,870,375 | \$ 2,916,996 | \$ 3,606,551 | \$ 4,461,652 |
| | FUND BALANCE | | | | |
| Fund Balance Beginning | \$ 2,118,597 | \$ 2,019,749 | \$ 718,350 | \$ 641,309 | \$ 659,002 |
| Revenue less Expenditures | (98,847) | (1,301,399) | (77,041) | 17,693 | (210,741) |
| Ending Fund Balance | \$ 2,019,749 | \$ 718,350 | \$ 641,309 | \$ 659,002 | \$ 448,262 |
| 10% minimum fund balance for contingencies | | \$ 387,037 | \$ 291,700 | \$ 360,655 | \$ 446,165 |
| Funds above minimum 10% | | \$ 331,314 | \$ 349,610 | \$ 298,347 | \$ 2,096 |

NOTE: Capital Preventive Maintenance Program line-Item includes \$50,000 in FY 2013-14 for 11 Mile (Town Center to Meadowbrook)

MULTI-YEAR BUDGET 2014 through 2017
LOCAL STREET FUND (excluding SAD's)

| | REVENUE | | | | |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Gas and Weight Tax | \$ 878,116 | \$ 921,785 | \$ 958,656 | \$ 997,003 | \$ 1,036,883 |
| Interest on Investments | 1,435 | 3,000 | 2,000 | 2,000 | 2,000 |
| Miscellaneous Income | - | 500 | - | - | - |
| Transfer from Major Street | 618,230 | 475,450 | - | - | - |
| Transfer from Municipal Street | 1,300,000 | 2,615,000 | 3,025,000 | 2,500,000 | 2,540,000 |
| TOTAL REVENUE | \$ 2,797,781 | \$ 4,015,735 | \$ 3,985,656 | \$ 3,499,003 | \$ 3,578,883 |

| | APPROPRIATIONS | | | | |
|---|----------------|-----------|-----------|-----------|-----------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| ENGINEERING | | | | | |
| Engineering - City Services | \$ 13,320 | \$ 74,640 | \$ 74,640 | \$ 74,640 | \$ 74,640 |
| Engineering - Neighborhood Roads 2011 | 10,751 | - | - | - | - |
| Engineering - Neighborhood Roads 2012 | 108,788 | - | - | - | - |
| Engineering - Neighborhood Roads 2012 | - | - | - | - | - |
| Engineering - Neighborhood Roads 2013 | 158,700 | 239,771 | - | - | - |
| Engineering - Neighborhood Roads 2014 | - | 290,000 | - | - | - |
| Engineering - Neighborhood Roads 2015 | - | - | 290,000 | - | - |
| Engineering - Neighborhood Roads 2016 | - | - | - | 290,000 | - |
| Engineering - Neighborhood Roads 2017 | - | - | - | - | 300,000 |
| Engineering - S Karevich (old Sheraton Drive) | 28,219 | - | - | - | - |

| | CONSTRUCTION | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Construction - Vista Hills | 853 | - | - | - | - |
| Construction - S Karevich (old Sheraton Dr) | 166,146 | 4,400 | - | - | - |
| Construction - Neighborhood Roads 2011 | 30,450 | - | - | - | - |
| Construction - Neighborhood Roads 2012 | 1,065,403 | - | - | - | - |
| Construction - Neighborhood Roads 2013 | 132,159 | 1,647,842 | - | - | - |
| Construction - Neighborhood Roads 2014 | - | 1,429,000 | 600,000 | - | - |
| Construction - Neighborhood Roads 2015 | - | - | 1,800,000 | - | - |
| Construction - Neighborhood Roads 2016 | - | - | - | 1,800,000 | - |
| Construction - Neighborhood Roads 2017 | - | - | - | - | 1,800,000 |
| TOTAL CONSTRUCTION | \$ 1,714,789 | \$ 3,685,653 | \$ 2,764,640 | \$ 2,164,640 | \$ 2,174,640 |
| Routine Maintenance | \$ 509,455 | \$ 550,000 | \$ 544,000 | \$ 550,000 | \$ 550,000 |
| Routine Maintenance - joint/crack sealing | 77,205 | 130,343 | 105,250 | 110,000 | 120,000 |
| Routine Maintenance - spray patch | 58,960 | 141,040 | 54,500 | 100,000 | 100,000 |
| Capital Preventive Maintenance Program | 99,176 | 285,068 | 209,800 | 200,000 | 200,000 |
| Traffic Services | 107,569 | 110,000 | 110,000 | 130,000 | 130,000 |
| Traffic Consultant | 12,990 | 14,500 | 14,500 | 14,500 | 14,500 |
| Traffic Control Sign Replacement Program | 5,863 | 10,000 | 10,000 | 20,000 | 20,000 |
| Winter Maintenance | 224,958 | 430,000 | 291,000 | 300,000 | 300,000 |
| TOTAL MAINTENANCE | \$ 1,096,176 | \$ 1,670,951 | \$ 1,339,050 | \$ 1,424,500 | \$ 1,434,500 |
| Administration | \$ 510 | \$ 510 | \$ 1,865 | \$ 1,865 | \$ 1,865 |
| TOTAL APPROPRIATIONS | \$ 2,811,475 | \$ 5,357,114 | \$ 4,105,555 | \$ 3,591,005 | \$ 3,611,005 |

| FUND BALANCE | | | | | |
|----------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| Fund Balance Beginning | \$ 1,963,599 | \$ 1,949,906 | \$ 608,527 | \$ 488,628 | \$ 396,626 |
| Revenue less Expenditures | (13,693) | (1,341,379) | (119,899) | (92,002) | (32,122) |
| Ending Fund Balance | \$ 1,949,906 | \$ 608,527 | \$ 488,628 | \$ 396,626 | \$ 364,504 |

| | | | | |
|--|------------|------------|------------|------------|
| 10% minimum fund balance for contingencies | \$ 535,711 | \$ 410,556 | \$ 359,101 | \$ 361,101 |
| Funds above minimum 10% | \$ 72,816 | \$ 78,073 | \$ 37,526 | \$ 3,403 |

MULTI-YEAR BUDGET 2014 through 2017
MUNICIPAL STREET FUND (excluding SAD's)

| | REVENUE | | | | |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Property Taxes | \$ 2,226,168 | \$ 4,350,000 | \$ 4,488,000 | \$ 4,634,000 | \$ 4,771,000 |
| Special Assessment Levied | 17,212 | 15,000 | 15,000 | 15,000 | 15,000 |
| Federal Grants | 23,643 | - | - | - | - |
| Interest on Special Assessments | 5,809 | 6,000 | 5,000 | 5,000 | 5,000 |
| Interest on Investments | 7,322 | 10,000 | 8,000 | 5,000 | 5,000 |
| Unrealized gain (loss) on investments | 904 | - | - | - | - |
| Miscellaneous Income | 64,045 | 152,000 | 100,000 | 75,000 | 75,000 |
| Metro Act ROW restricted revenue | 162,816 | 160,000 | 160,000 | 160,000 | 160,000 |
| TOTAL REVENUE | \$ 2,507,919 | \$ 4,693,000 | \$ 4,776,000 | \$ 4,894,000 | \$ 5,031,000 |

| | APPROPRIATIONS | | | | |
|--|----------------|-----------|-----------|-----------|-----------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| ENGINEERING | | | | | |
| Engineering - City Services | \$ 41,628 | \$ 97,380 | \$ 97,375 | \$ 97,375 | \$ 97,375 |
| ADA Compliance Plan | 34,792 | 115,208 | 50,000 | 50,000 | 50,000 |
| Engineering - NW Quadrant Ring Road | - | 49,250 | - | - | - |
| Engineering - SW Quadrant Ring Road | 5,750 | - | - | - | - |
| Engineering - Joe Drive Rehab | - | 32,089 | - | - | - |
| Engineering -12 Mile Road Widening (Beck Rd to Dixon) | - | - | 75,000 | - | - |
| Engineering -Ext Rt Turn Ln (WB Gr River @ Beck) | - | 45,550 | - | - | - |
| Engineering -Haggerty @ Gr River -add SB Rt Turn | - | 33,248 | - | - | - |
| RIGHT-OF-WAY | | | | | |
| Easements - Novi Rd GR to 10 Mile | 78,620 | 21,428 | - | - | - |
| ROW - Other Costs Ext Rt Turn Ln WB Gr River @ Beck | - | 8,000 | - | - | - |
| ROW - Sidewalks seg 16 13mi s of novi | - | 7,000 | - | - | - |
| INTERSECTION & TRAFFIC SIGNAL | | | | | |
| Traffic Signal - Meadowbrook & Nine Mile Upgrade | 71,968 | - | - | - | - |
| Engineering - New Traffic Signal (Wixom & Glennwood) | - | 36,980 | - | - | - |
| Construction - New Traffic Signal (Wixom & Glennwood) | - | 161,200 | - | - | - |
| Engineering - Traffic Signal Improve (Meadowbrook @ 8 MI Rd) | 1,301 | 38,899 | - | - | - |
| Construction -Traffic Signal Improve (Meadowbrook @ 8 MI Rd) | - | 145,000 | - | - | - |
| Engineering - Traffic Signal Improvement 13 Mi & Cabot | - | 16,415 | - | - | - |
| Traffic Signal - Grand River & Meadowbrook Modernization | - | 100,000 | - | - | - |
| 13 Mile and Cabot-New Signal | - | - | 101,500 | - | - |
| Add Dual Left Turn Lane East Bound Grand River at Beck Road | - | - | - | - | 54,000 |
| CONSTRUCTION | | | | | |
| Construction - Novi Rd (Gr River to 10 Mile) | 5,214 | 7,000 | - | - | - |
| Construction - Ext Rt Turn Ln (WB Gr River @ Beck) | - | 62,000 | - | - | - |
| Construction - Haggerty @ Gr River -add SB Rt Turn | - | 46,590 | - | - | - |
| Construction - Gr River (Beck to City Limits) | - | 30,389 | - | - | - |
| Construction - Ice Arena Drive | 91,009 | - | - | - | - |
| Construction - Novi Rd/GR to 12 Mile Rd | 1,333 | - | - | - | - |
| Construction - Grand River Rehab (Novi Rd to Haggerty) | 104,091 | - | - | - | - |
| Construction - MDOT Projects (local share) | 1,819 | 23,384 | - | - | - |
| Construction - Cranbrook Drive Bridge | - | - | - | - | - |
| Construction - Eight Mile Rd Rehab (Beck to Napier) | 174,476 | - | - | - | - |
| Construction - Haggerty Road (9 Mile to 10 Mile) | - | - | - | - | - |
| Widening | - | - | 55,000 | - | - |
| Construction - Paving of Napier (9mile to 10 mile) | - | - | - | 350,000 | - |
| Construction - Crescent Blvd Extension (NW Quadrant Ring Rd) | - | - | - | 627,580 | - |

MULTI-YEAR BUDGET 2014 through 2017
MUNICIPAL STREET FUND (excluding SAD's) - continued

| | APPROPRIATIONS | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| SIDEWALK / PATHWAY | | | | | |
| Sidewalks-eng & ROW-seg#145 10 MI | 9,674 | 7,000 | - | - | - |
| Sidewalk construction-Seg#145 10 MI | 27,321 | 724 | - | - | - |
| Sidewalks-Seg# 83 9 Mile | 31,095 | 600 | - | - | - |
| Sidewalks-Seg# 144- Meadowbrook GR to CH | 56,380 | 1,617 | - | - | - |
| Sidewalk-Seg#36 Taft Rd - 11MI-GR | 117,218 | 1,656 | - | - | - |
| Sidewalks M-5/I-275 Trail Connector | 100,035 | 50,432 | - | - | - |
| Neighborhood connector seg. 2-Brookfarm | 38,041 | - | - | - | - |
| ITC Corridor - Beck Rd to Medilodge site | 20,939 | 266,319 | - | - | - |
| Segment #92 Novi Rd 9 Mi to 10 Mi west | 29,234 | 202,000 | - | - | - |
| Sidewalks-Eng-Seg NC1 E Lake Dr to Novi | - | 46,801 | - | - | - |
| Sidewalks-Con-Seg NC1 E Lake Dr to Novi | - | 190,000 | - | - | - |
| Sidewalks-Eng-M5/I275 Trail Connector | - | 135,667 | - | - | - |
| Sidewalks-Con-M5/I275 Trail Connector | - | 261,765 | - | - | - |
| Sidewalks-Eng-Beck @ Cheltenham | - | 15,500 | - | - | - |
| Sidewalks-Con-Beck @ Cheltenham | - | 57,000 | - | - | - |
| Sidewalks-Eng-Haggerty @ 9 Mile | - | 12,340 | - | - | - |
| Sidewalks-Con-Haggerty @ 9 Mile | - | 73,420 | - | - | - |
| Sidewalk-Eng-Seg16-13Mi S of Novi&Holmes | - | 5,000 | - | - | - |
| Sidewalk-Con-Seg16-13Mi S of Novi&Holmes | - | 30,628 | - | - | - |
| Sidewalk-Eng-Seg73-1Meadowbrook E-Gr-11M | - | 59,585 | - | - | - |
| Sidewalk-Con-Seg73-Meadowbrook E-GR-11M | - | 138,000 | - | - | - |
| Sidewalk Eng - Lebost to Village Oaks | - | 16,000 | - | - | - |
| Sidewalk - Segment 89-Novl Road, East Side 10 Mile Road | - | - | 125,950 | - | - |
| Sidewalk - Segment 145-10 Mile Road -CSX to Catherine Ind | - | - | 51,360 | - | - |
| Sidewalk - Pontiac Tr at Geisler Middle School-Pedestrian Cross | - | - | 99,250 | - | - |
| Sidewalks - Segment 109 - 8 mile btn Garfield and Beck | - | - | 444,670 | - | - |
| Sidewalk - Segment 76--Grand River, North Side, East of Seeley | - | - | 30,560 | - | - |
| Sidewalk - Segment 62--10 Mile Road, Eaton Center to Churchill | - | - | - | 161,330 | - |
| Sidewalks - Segment 129 - 14 mile Haverhill to Maples | - | - | - | 95,464 | - |
| Sidewalk - Seg NC4--Connect Btn Main & Meadowbrook Glens | - | - | - | 94,400 | - |
| Sidewalk - Taft Road at Jacob Drive - Non-Motorized Crossing | - | - | - | 25,000 | - |
| Sidewalk - Segment 10--Beck Road, East Side, South of Pontiac Tr | - | - | - | 30,930 | - |
| Sidewalk - Segment 9--Pontiac Tr, S Side Beck Road to West Pk Dr | - | - | - | 46,410 | 409,085 |
| Sidewalk - Seg 53--Beck Road, West Side,11 Mileto Kirkway Place | - | - | - | - | 81,000 |
| Sidewalk - Segment 127A--Novi Way, East Side | - | - | - | - | 27,387 |
| TOTAL CONSTRUCTION | \$ 1,041,937 | \$ 2,649,064 | \$ 1,130,665 | \$ 1,578,489 | \$ 718,847 |
| Routine Maintenance | \$ 131,317 | \$ 170,000 | \$ 280,400 | \$ 300,000 | \$ 275,000 |
| Meadowbrook Bridge over Ingersol Creek | 6,560 | 122,970 | - | - | - |
| Bridge inspection/repair bi-annual | 3,492 | - | 3,500 | - | - |
| Trailblazing sign - I96 Study | 4,080 | 720 | - | - | - |
| Winter Maintenance | 57,376 | 300,000 | 210,000 | 300,000 | 300,000 |
| TOTAL MAINTENANCE | \$ 202,825 | \$ 593,690 | \$ 493,900 | \$ 600,000 | \$ 575,000 |
| Data Processing | 4,475 | 3,500 | 3,500 | 3,500 | 3,500 |
| Memberships and Dues | \$ 13,900 | \$ 16,700 | \$ 16,700 | \$ 16,700 | \$ 16,700 |
| TOTAL OTHER SERVICES & CHARGES | \$ 18,375 | \$ 20,200 | \$ 20,200 | \$ 20,200 | \$ 20,200 |
| Administration | \$ 1,720 | \$ 1,720 | \$ 1,865 | \$ 1,865 | \$ 1,865 |
| Transfer to Major Street Fund | \$ - | \$ - | \$ 195,000 | \$ 900,000 | \$ 1,445,000 |
| Transfer to Local Street Fund | 1,300,000 | 2,615,000 | 3,025,000 | 2,500,000 | 2,540,000 |
| TOTAL TRANSFER OUTS | \$ 1,300,000 | \$ 2,615,000 | \$ 3,220,000 | \$ 3,400,000 | \$ 3,985,000 |
| Capital Outlay | \$ 23,799 | \$ - | \$ - | \$ - | \$ - |
| TOTAL APPROPRIATIONS | \$ 2,588,656 | \$ 5,879,674 | \$ 4,866,630 | \$ 5,600,554 | \$ 5,300,912 |
| Fund Balance Beginning | \$ 2,881,654 | \$ 2,800,917 | \$ 1,614,243 | \$ 1,523,613 | \$ 817,059 |
| Revenue less Expenditures | (80,737) | (1,186,674) | (90,630) | (706,554) | (269,912) |
| Ending Fund Balance | \$ 2,800,917 | \$ 1,614,243 | \$ 1,523,613 | \$ 817,059 | \$ 547,147 |
| 10% minimum fund balance for contingencies | | 587,967 | 486,663 | 560,055 | 530,091 |
| Funds above/(below) minimum 10% | | \$ 1,026,276 | \$ 1,036,950 | \$ 257,004 | \$ 17,056 |

MULTI-YEAR BUDGET 2014 through 2017
PUBLIC SAFETY FUND

| | REVENUE | | | | |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Property Taxes | \$ 4,119,209 | \$ 4,142,000 | \$ 4,273,000 | \$ 4,412,000 | \$ 4,543,000 |
| Interest | 33,153 | 35,000 | 23,000 | 23,000 | 23,000 |
| Unrealized gain (loss) on investments | (115,925) | - | - | - | - |
| TOTAL REVENUE | \$ 4,036,437 | \$ 4,177,000 | \$ 4,296,000 | \$ 4,435,000 | \$ 4,566,000 |

| | APPROPRIATIONS | | | | |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Transfer to General Fund | \$ 5,300,000 | \$ 5,300,000 | \$ 5,300,000 | \$ 5,200,000 | \$ 5,100,000 |
| TOTAL APPROPRIATIONS | \$ 5,300,000 | \$ 5,300,000 | \$ 5,300,000 | \$ 5,200,000 | \$ 5,100,000 |

| | FUND BALANCE | | | | |
|----------------------------|---------------------|---------------------|---------------------|-------------------|-------------------|
| | Actual | Estimated | Budget | | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Fund Balance Beginning | \$ 4,975,211 | \$ 3,711,648 | \$ 2,588,648 | \$ 1,584,648 | \$ 819,648 |
| Revenue less Expenditures | (1,263,563) | (1,123,000) | (1,004,000) | (765,000) | (534,000) |
| Ending Fund Balance | \$ 3,711,648 | \$ 2,588,648 | \$ 1,584,648 | \$ 819,648 | \$ 285,648 |

PARKS, RECREATION AND CULTURAL SERVICES FUND

| | REVENUE | | | | |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Property Taxes | \$ 1,112,311 | \$ 1,137,422 | \$ 1,154,000 | \$ 1,192,000 | \$ 1,227,000 |
| Grants | 252,880 | 290,869 | - | - | - |
| Program Revenue | 1,225,948 | 1,039,360 | 1,059,882 | 1,070,500 | 1,081,200 |
| Older Adult Program Revenue | 205,435 | 198,183 | 183,330 | 185,200 | 187,100 |
| Interest | 5,667 | 5,000 | 5,000 | 5,080 | 5,080 |
| Miscellaneous Income | 4,498 | 27,533 | 25,000 | 25,380 | 25,760 |
| Transfer from other funds | 763,550 | 250,000 | 591,000 | 591,000 | 110,000 |
| TOTAL REVENUE | \$ 3,570,289 | \$ 2,948,367 | \$ 3,018,212 | \$ 3,069,160 | \$ 2,636,140 |

| | APPROPRIATIONS | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Personnel Services | \$ 898,400 | \$ 888,862 | \$ 871,104 | \$ 879,800 | \$ 888,600 |
| Supplies | 38,744 | 37,559 | 40,180 | 41,400 | 42,600 |
| Other Services and Charges | 513,380 | 537,481 | 462,116 | 476,000 | 490,300 |
| Program Expenditures | 584,495 | 668,852 | 764,010 | 786,900 | 810,500 |
| Older Adult Program Expenditures | 219,106 | 237,106 | 290,932 | 299,700 | 308,700 |
| Capital Outlay (including park development) | 1,734,408 | 1,403,765 | 589,992 | 565,187 | 85,000 |
| TOTAL APPROPRIATIONS | \$ 3,988,533 | \$ 3,773,625 | \$ 3,018,334 | \$ 3,048,987 | \$ 2,625,700 |

| | FUND BALANCE | | | | |
|----------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Estimated | Budget | | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Fund Balance Beginning | \$ 1,701,445 | \$ 1,283,201 | \$ 457,943 | \$ 457,821 | \$ 477,994 |
| Revenue less Expenditures | (418,244) | (825,258) | (122) | 20,173 | 10,440 |
| Ending Fund Balance | \$ 1,283,201 | \$ 457,943 | \$ 457,821 | \$ 477,994 | \$ 488,434 |

| | | | | |
|--|--|------------|------------|------------|
| 12% minimum fund balance for contingencies | | \$ 362,200 | \$ 365,878 | \$ 315,084 |
| Funds above/(below) minimum 12% | | \$ 95,621 | \$ 112,116 | \$ 173,350 |

NOTE : Potential grant funds for future park projects will impact the timing of future park improvements.

MULTI-YEAR BUDGET 2014 through 2017
TREE FUND

| | REVENUE | | | | |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Interest | (20,001) | 11,000 | 14,000 | 10,000 | 10,000 |
| Tree Fund Revenue | 68,799 | 75,000 | 70,000 | 75,000 | 75,000 |
| Tree Fund Maintenance Revenue | 1,750 | 10,000 | 10,000 | 10,000 | 10,000 |
| TOTAL REVENUE | \$ 50,548 | \$ 96,000 | \$ 94,000 | \$ 95,000 | \$ 95,000 |

| | APPROPRIATIONS | | | | |
|-----------------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Tree Fund Maintenance | \$ (5,067) | \$ 39,490 | \$ 7,900 | \$ - | \$ - |
| Trees - Capital Outlay | 89,374 | 128,075 | 120,000 | 120,000 | 120,000 |
| TOTAL APPROPRIATIONS | \$ 84,307 | \$ 167,565 | \$ 127,900 | \$ 120,000 | \$ 120,000 |

| | FUND BALANCE | | | | |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Fund Balance Beginning | \$ 1,519,721 | \$ 1,485,962 | \$ 1,414,397 | \$ 1,380,497 | \$ 1,355,497 |
| Revenue less Expenditures | (33,759) | (71,565) | (33,900) | (25,000) | (25,000) |
| Ending Fund Balance | \$ 1,485,962 | \$ 1,414,397 | \$ 1,380,497 | \$ 1,355,497 | \$ 1,330,497 |

| | | | | | |
|--|--|--|------------|------------|------------|
| Minimum fund balance for contingencies | | | \$ 500,000 | \$ 500,000 | \$ 500,000 |
| Funds above/(below) minimum \$500,000 | | | \$ 880,497 | \$ 855,497 | \$ 830,497 |

DRAIN FUND (excluding SAD's)

| | REVENUE | | | | |
|---------------------------------------|---------------------|-------------------|------------------|-------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Property Taxes | \$ 982,539 | \$ 307,000 | \$ - | \$ 446,000 | \$ 1,784,000 |
| Interest on Investments | 30,297 | 30,000 | 31,000 | 32,090 | 33,210 |
| Unrealized gain/(loss) on investments | (75,339) | - | - | - | - |
| Miscellaneous Income | 8,602 | 10,000 | 10,000 | 10,000 | 10,000 |
| Grants/Contributions from Others | 136,212 | - | - | - | - |
| TOTAL REVENUE | \$ 1,082,312 | \$ 347,000 | \$ 41,000 | \$ 488,090 | \$ 1,827,210 |

| | APPROPRIATIONS | | | | |
|--|-------------------|-------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Construction | \$ 317,263 | \$ 314,171 | \$ 599,173 | \$ - | \$ - |
| Storm Maintenance | 309,567 | 300,000 | 500,000 | 685,500 | 696,000 |
| Other Services and charges | 8,475 | 61,059 | 19,000 | - | - |
| Middle Rouge at Flint Street Stabilization | 251,079 | 22,640 | - | - | - |
| Bishop District New Sedimentation Dredging | 78,169 | 85,000 | 85,000 | 85,000 | 85,000 |
| Administration | 1,113 | 800 | 3,730 | 1,000 | 1,000 |
| Capital Outlay | 19,255 | - | 113,335 | 1,806,430 | 361,732 |
| TOTAL APPROPRIATIONS | \$ 984,920 | \$ 783,670 | \$ 1,320,238 | \$ 2,577,930 | \$ 1,143,732 |

| | FUND BALANCE | | | | |
|----------------------------|---------------------|---------------------|---------------------|-------------------|-------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Fund Balance Beginning | \$ 3,907,477 | \$ 4,004,869 | \$ 3,568,199 | \$ 2,288,961 | \$ 199,121 |
| Revenue less Expenditures | 97,392 | (436,670) | (1,279,238) | (2,089,840) | 683,478 |
| Ending Fund Balance | \$ 4,004,869 | \$ 3,568,199 | \$ 2,288,961 | \$ 199,121 | \$ 882,599 |

| | | | | | |
|---|--------------|--------------|--------------|------------|------------|
| Fund Balance Available for future construction, dredging projects, etc. | \$ 4,004,869 | \$ 3,568,199 | \$ 2,288,961 | \$ 199,121 | \$ 882,599 |
|---|--------------|--------------|--------------|------------|------------|

MULTI-YEAR BUDGET 2014 through 2017
LIBRARY FUND

| | REVENUE | | | | |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Property Taxes | \$ 2,226,168 | \$ 2,254,000 | \$ 2,309,000 | \$ 2,385,000 | \$ 2,455,000 |
| State Sources | 26,409 | 20,000 | 20,000 | 20,000 | 20,000 |
| Library Book Fines | 76,718 | 73,000 | 74,000 | 74,000 | 74,000 |
| State Penal Fines | 74,701 | 73,540 | 73,000 | 73,150 | 73,300 |
| Interest | 44,879 | 25,000 | 25,700 | 26,500 | 27,300 |
| Unrealized gain/(loss) on investments | (18,073) | - | - | - | - |
| Miscellaneous Income | 16,933 | 16,500 | 17,000 | 17,500 | 18,000 |
| Copier | 2,482 | 2,800 | 2,500 | 2,500 | 2,500 |
| Electronic Media | 530 | 400 | 3,100 | 3,100 | 3,100 |
| Library Programming - Book It | 6,906 | - | - | - | - |
| Library fund raising revenue | 360 | 1,000 | 3,000 | 3,000 | 3,000 |
| Meeting Room | 21,180 | 20,000 | 23,000 | 23,000 | 23,000 |
| Library Café | 5,198 | 5,000 | 5,000 | 5,000 | 5,000 |
| Novi Township assessment | 5,681 | 5,787 | 5,900 | 6,000 | 6,100 |
| Gifts and Donations | 6,706 | 3,500 | 5,000 | 5,000 | 5,000 |
| Transfer from Walker Fund | - | - | - | 1,522,406 | - |
| TOTAL REVENUE | \$ 2,496,778 | \$ 2,500,527 | \$ 2,566,200 | \$ 4,166,156 | \$ 2,715,300 |

| | APPROPRIATIONS | | | | |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Personnel Services | \$ 1,775,062 | \$ 1,875,300 | \$ 1,965,900 | \$ 1,985,559 | \$ 2,005,415 |
| Supplies | 484,759 | 578,700 | 585,600 | 591,456 | 597,371 |
| Other Services & Charges | 435,831 | 473,908 | 451,150 | 460,173 | 469,376 |
| Capital Outlay | - | 43,800 | 53,550 | - | - |
| TOTAL APPROPRIATIONS | \$ 2,695,652 | \$ 2,971,708 | \$ 3,056,200 | \$ 3,037,188 | \$ 3,072,162 |

| | FUND BALANCE | | | | |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | 2015-16 | 2016-17 |
| | 2012-13 | 2013-14 | 2014-15 | | |
| Fund Balance Beginning | \$ 2,322,294 | \$ 2,123,420 | \$ 1,652,239 | \$ 1,162,239 | \$ 2,291,207 |
| Revenue less Expenditures | (198,874) | (471,181) | (490,000) | 1,128,968 | (356,862) |
| Ending Fund Balance | \$ 2,123,420 | \$ 1,652,239 | \$ 1,162,239 | \$ 2,291,207 | \$ 1,934,345 |

| | | | |
|---|--------|--------|--------|
| Fund balance as a percentage of total annual expenditures | 38.03% | 75.44% | 62.96% |
|---|--------|--------|--------|

WALKER LIBRARY FUND

| | REVENUE | | | | |
|-------------------------------|------------------|------------------|-------------|-------------|-------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Interest on Investments | \$ 20,105 | \$ 15,000 | \$ - | \$ - | \$ - |
| Walker Fund General Donations | (27,056) | - | - | - | - |
| Transfer from Library Fund | 40,688 | 10,000 | - | - | - |
| TOTAL REVENUE | \$ 33,738 | \$ 25,000 | \$ - | \$ - | \$ - |

| | APPROPRIATIONS | | | | |
|-----------------------------|------------------|------------------|-------------|---------------------|-------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Supplies | \$ 16,465 | \$ 25,000 | \$ - | \$ - | \$ - |
| Transfers to Library Fund | - | - | - | 1,522,406 | - |
| TOTAL APPROPRIATIONS | \$ 16,465 | \$ 25,000 | \$ - | \$ 1,522,406 | \$ - |

| | FUND BALANCE | | | | |
|----------------------------|---------------------|---------------------|---------------------|--------------|-------------|
| | Actual | Estimated | Budget | 2015-16 | 2016-17 |
| | 2012-13 | 2013-14 | 2014-15 | | |
| Fund Balance Beginning | \$ 1,505,133 | \$ 1,522,406 | \$ 1,522,406 | \$ 1,522,406 | \$ - |
| Revenue less Expenditures | 17,273 | - | - | (1,522,406) | - |
| Ending Fund Balance | \$ 1,522,406 | \$ 1,522,406 | \$ 1,522,406 | \$ - | \$ - |

NOTE 1 : The Novi Library Board authorizes expenditures from the Walker Library Fund. Donations are restricted for library purposes.

NOTE 2 : The Walker Fund will be merged into the Library Fund.

MULTI-YEAR BUDGET 2014 through 2017
LIBRARY CONSTRUCTION DEBT FUND

| DESCRIPTION | REVENUE | | | | |
|---------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Current property taxes | \$ 943,480 | \$ 1,124,650 | \$ 1,111,873 | \$ 1,093,750 | \$ 1,319,375 |
| Interest on investments | 173 | 100 | 100 | 100 | 100 |
| Transfer from construction fund | - | - | - | - | - |
| | <u>\$ 943,653</u> | <u>\$ 1,124,750</u> | <u>\$ 1,111,973</u> | <u>\$ 1,093,850</u> | <u>\$ 1,319,475</u> |

| DESCRIPTION | APPROPRIATIONS | | | | |
|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Principal | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 750,000 |
| Audit | - | - | 5,223 | 5,225 | 5,225 |
| Interest expense | 641,250 | 624,750 | 606,750 | 588,625 | 564,250 |
| | <u>\$ 1,141,250</u> | <u>\$ 1,124,750</u> | <u>\$ 1,111,973</u> | <u>\$ 1,093,850</u> | <u>\$ 1,319,475</u> |

2010 REFUNDING DEBT FUND

| DESCRIPTION | REVENUE | | | | |
|-------------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Current property taxes | \$ 1,063,855 | \$ 1,018,340 | \$ 1,035,713 | \$ 1,093,765 | \$ - |
| Interest on investments | 44 | 50 | 50 | 50 | - |
| | <u>\$ 1,063,899</u> | <u>\$ 1,018,390</u> | <u>\$ 1,035,763</u> | <u>\$ 1,093,815</u> | <u>\$ -</u> |

| DESCRIPTION | APPROPRIATIONS | | | | |
|------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Principal | \$ 940,000 | \$ 940,000 | \$ 990,000 | \$ 1,075,000 | \$ - |
| Audit | - | - | 5,223 | 5,225 | - |
| Interest expense | 122,498 | 78,390 | 40,540 | 13,590 | - |
| | <u>\$ 1,062,498</u> | <u>\$ 1,018,390</u> | <u>\$ 1,035,763</u> | <u>\$ 1,093,815</u> | <u>\$ -</u> |

2002 STREET & REFUNDING DEBT FUND

| DESCRIPTION | REVENUE | | | | |
|-------------------------|---------------------|-------------------|---------------------|-------------------|-------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Current property taxes | \$ 1,330,622 | \$ 749,788 | \$ 1,131,458 | \$ 753,360 | \$ 383,423 |
| Interest on investments | 146 | 125 | 125 | 125 | 125 |
| | <u>\$ 1,330,768</u> | <u>\$ 749,913</u> | <u>\$ 1,131,583</u> | <u>\$ 753,485</u> | <u>\$ 383,548</u> |

| DESCRIPTION | APPROPRIATIONS | | | | |
|------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Estimated | Budget | Projected | |
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Principal | \$ 1,055,000 | \$ 595,000 | \$ 625,000 | \$ 655,000 | \$ 695,000 |
| Audit | - | - | 5,223 | 5,225 | 5,225 |
| Interest expense | 192,798 | 154,913 | 126,860 | 93,260 | 57,823 |
| | <u>\$ 1,247,798</u> | <u>\$ 749,913</u> | <u>\$ 757,083</u> | <u>\$ 753,485</u> | <u>\$ 758,048</u> |

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

| Property Tax Year Fiscal Year | ACTUAL (as billed, excluding adjustments for tribunals, write-off of accounts receivable, etc) | | | | | | | | | | BUDGET | | PROJECTED | | Expiration Year | |
|--|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------|--|-----------|--|--------------------|----------------|
| | 2007 FY 2007-8 | 2008 FY 2008-9 | 2009 FY 2009-10 | 2010 FY 2010-11 | 2011 FY 2011-12 | 2012 FY 2012-13 | 2013 FY 2013-14 | 2014 FY 2014-15 | 2015 FY 2015-16 | 2016 FY 2016-17 | | | | | | |
| Taxable Value - Real - Res | \$ 3,349,788,910 | \$ 3,371,991,500 | \$ 3,321,773,470 | \$ 2,984,101,470 | \$ 2,758,932,940 | \$ 2,699,988,360 | \$ 2,748,382,830 | \$ 1,928,873,480 | \$ 2,030,545,310 | \$ 2,119,882,124 | | | | | | |
| Taxable Value - Real - Com/Ind | | | | | | | | \$ 864,871,190 | \$ 878,000,000 | \$ 895,000,000 | | | | | | |
| Taxable Value - Personal Property | 200,617,830 | 210,456,740 | 233,170,160 | \$ 220,466,950 | 220,678,540 | 220,345,290 | 223,698,750 | 202,000,000 | 195,000,000 | 180,000,000 | | | | | | |
| Taxable Value - New Construction | | | | | | | | \$ 56,140,320 | \$ 46,000,000 | \$ 46,000,000 | | | | | | |
| Total Taxable Value | \$ 3,550,406,740 | \$ 3,582,448,240 | \$ 3,554,943,630 | \$ 3,204,568,420 | \$ 2,979,611,480 | \$ 2,920,333,650 | \$ 2,972,081,580 | \$ 3,051,884,990 | \$ 3,149,545,310 | \$ 3,240,882,124 | | | | | | |
| % Change in total taxable value from the prior year without new construction estimate in 2015 & 2016 | 5.5% | 0.9% | -0.8% | -9.9% | -7.0% | -2.0% | 1.8% | 0.8% | 2.7% | 1.7% | | | | | | |
| % Change in total taxable value from the prior year | | | | | | | | | | | 1.4% | | | | | 2.9% |
| Less various allowances | | | | | | | | (60,000,000) | (60,000,000) | (60,000,000) | | | | | | |
| Adjusted Taxable Value* | \$ 3,550,406,740 | \$ 3,582,448,240 | \$ 3,554,943,630 | \$ 3,204,568,420 | \$ 2,979,611,480 | \$ 2,920,333,650 | \$ 2,900,081,580 | \$ 2,991,884,990 | \$ 3,089,545,310 | \$ 3,180,882,124 | | | | | | |
| Millage Rate ** | | | | | | | | | | | | | | | | |
| General Fund | 4.8287 | 4.8287 | 4.9027 | 5.0182 | 5.0182 | 5.0182 | 5.0182 | 5.0182 | 5.0182 | 5.0182 | | | | | | 5.0182 |
| Municipal Street Fund | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | | | | | | 1.5000 |
| Police and Fire Fund | 1.4282 | 1.4282 | 1.4282 | 1.4282 | 1.4282 | 1.4282 | 1.4282 | 1.4282 | 1.4282 | 1.4282 | | | | | | 1.4282 |
| Parks and Recreation Fund | 0.3857 | 0.3857 | 0.3857 | 0.3857 | 0.3857 | 0.3857 | 0.3857 | 0.3857 | 0.3857 | 0.3857 | | | | | | 0.3857 |
| Drain Revenue Fund | 0.5105 | 0.3590 | 0.1765 | 0.0885 | 0.2642 | 0.3435 | 0.1057 | - | 0.1442 | 0.5607 | | | | | | 0.5607 |
| Library Fund | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | 0.7719 | | | | | | 0.7719 |
| Total Operating Millage | 8.6969 | 8.5454 | 8.4369 | 8.4644 | 8.6401 | 8.7194 | 9.2097 | 9.1040 | 9.2482 | 9.6647 | | | | | | 9.6647 |
| 2000 Street Debt Fund | 0.2687 | 0.2894 | 0.3234 | 0.2254 | - | - | - | - | - | - | | | | | | - |
| Library Construction Debt Fund | - | 0.1790 | 0.2039 | 0.2008 | 0.1930 | 0.3281 | 0.3852 | 0.3716 | 0.3540 | 0.4148 | | | | | | 0.4148 |
| 1993 Refunding Debt Fund | 0.4218 | 0.4067 | 0.2291 | - | - | - | - | - | - | - | | | | | | - |
| 2010 Refunding Debt Fund | - | - | - | - | - | - | - | - | - | - | | | | | | - |
| 2003 Refunding Debt Fund | 0.2579 | 0.2485 | 0.2760 | 0.0629 | 0.3843 | 0.3698 | 0.3487 | 0.3462 | 0.3540 | - | | | | | | - |
| 2002 Street & Refunding Debt Fund | 0.8963 | 0.8726 | 1.0723 | 0.2891 | 0.3459 | 0.3488 | - | 0.3782 | 0.2438 | 0.1205 | | | | | | 0.1205 |
| Total Debt Millage | 1.8447 | 1.9962 | 2.1047 | 2.0772 | 1.9015 | 1.4806 | 0.9903 | 1.0960 | 0.9518 | 0.5353 | | | | | | 0.5353 |
| Total City Millage Rate | 10.5416 | 10.5416 | 10.5416 | 10.5416 | 10.5416 | 10.2000 | 10.2000 | 10.2000 | 10.2000 | 10.2000 | | | | | | 10.2000 |
| Tax Revenue | | | | | | | | | | | | | | | | |
| General Fund | \$ 17,143,849 | \$ 17,298,568 | \$ 17,428,822 | \$ 16,081,000 | \$ 14,952,000 | \$ 14,463,208 | \$ 14,553,000 | \$ 15,014,000 | \$ 15,504,000 | \$ 15,962,000 | | | | | | |
| Municipal Street Fund | 2,740,559 | 2,765,292 | 2,744,061 | 2,474,000 | 2,300,000 | 2,226,168 | 4,350,000 | 4,488,000 | 4,634,000 | 4,771,000 | | | | | | |
| Police and Fire Fund | 5,070,691 | 5,116,453 | 5,077,170 | 4,577,000 | 4,255,000 | 4,119,209 | 4,142,000 | 4,273,000 | 4,412,000 | 4,543,000 | | | | | | |
| Parks and Recreation Fund | 1,369,392 | 1,381,750 | 1,371,142 | 1,236,000 | 1,149,000 | 1,112,311 | 1,119,000 | 1,154,000 | 1,192,000 | 1,227,000 | | | | | | |
| Drain Revenue Fund | 1,812,483 | 1,286,099 | 627,448 | 284,000 | 787,000 | 982,539 | 307,000 | - | 446,000 | 1,784,000 | | | | | | |
| Library Fund | 2,740,559 | 2,765,292 | 2,744,061 | 2,474,000 | 2,300,000 | 2,226,168 | 2,239,000 | 2,309,000 | 2,385,000 | 2,455,000 | | | | | | |
| 2000 Street Debt Fund | 953,994 | 1,036,761 | 1,149,669 | 722,310 | - | - | - | - | - | - | | | | | | - |
| Library Construction Debt Fund | - | 641,258 | 724,853 | 643,477 | 575,065 | 943,480 | 1,117,000 | 1,111,873 | 1,093,750 | 1,319,375 | | | | | | 2027-28 |
| 1993 Refunding Debt Fund | 1,497,562 | 1,456,982 | 814,438 | - | - | - | - | - | - | - | | | | | | - |
| 2010 Refunding Debt Fund | - | 890,238 | 981,164 | 201,567 | 1,145,065 | 1,063,856 | 1,011,000 | 1,035,713 | 1,093,765 | - | | | | | | 2015-16 |
| 2003 Refunding Debt Fund | 915,650 | 926,441 | 926,441 | 926,441 | 1,030,648 | 1,018,612 | - | - | - | - | | | | | | - |
| 2002 Street & Refunding Debt Fund | 3,182,230 | 3,126,044 | 3,811,966 | 4,162,734 | 2,914,954 | 1,330,622 | 744,000 | 1,131,458 | 753,360 | 383,423 | | | | | | 2017-18 |
| Total City Property Tax Revenue | \$ 37,426,968 | \$ 37,764,736 | \$ 37,474,794 | \$ 33,782,530 | \$ 31,408,731 | \$ 29,486,173 | \$ 29,582,000 | \$ 30,517,044 | \$ 31,513,875 | \$ 32,444,798 | | | | | | |

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

** No Headlee rollback has been assumed for fiscal years 2016 and 2017

Note: Fiscal 2015 taxable values have incorporated board of review adjustments through March 17, 2014

Major Assumptions

Revenues

Property Tax :

Maximum allowable millage rates are used for all funds except the Drain Fund. Taxable value projections are as of March 17, 2014. The 2014 taxable value increased approximately \$56,000,000 for net new construction. The future property values for 2015 and beyond include approximately \$92,000,000 in cumulative net new construction. Penalties and interest are based on historical collections, not most recent years.

The current millage rate is at 10.2 mills. A significant factor that has been taken into account for the future years 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 \$40,000.00. For the last three years the estimated taxable values in the budget compared to the actuals have been within approximately 0.15% of each other, for example FY 2013-14 projection had the taxable value at \$2.970 million dollars and the current estimate as of 03/17/2014 is 2.972 million.

State Revenue Sharing :

Based on the 2010 Census, Novi's population is 55,224, which is a 16.5% increase from the 2000 Census population of 47,386. The 2010 Census data is required to be used for the Constitutional portion of State Shared Revenue distributions until 2020. The State Revenue Sharing for fiscal year 2014-15 is estimated to increase approximately \$156,000 compared with 2012-13 fiscal year. The statutory portion (now known as the Economic Vitality Incentive Program, or EVIP) of the revenue sharing is assumed to increase slightly to \$29,000. The revenue sharing projections come directly from the Michigan Department of Treasury.

Interest :

Varies with available cash balances and interest rate forecasts for Certificates of Deposits, Treasuries & Commercial Paper. It is assumed that interest rates and the revenues associated with it will continue at current levels.

Building Permits :

The current budget year includes an increase of 15 percent primarily as the result of one time closeouts of large construction projects. In the projections for 2016-2017 fiscal years we have factored in a 3% increase (after removing the one-time closeouts) in the permit revenue based on the overall economic outlook that has the economy in the expansion mode, based on the PMI (Purchasing Managers Index as published by Wayne State University) and given the City of Novi's idle building capacity.

Major Assumptions

Expenditures

Personnel Services :

Reflects increases and decreases pursuant to each of the current collective bargaining agreements. An increase of 1% each year, using 2014-15 as base year, is assumed based on total personnel costs, including the costs of pension and insurances. The personnel assumptions are based on the number of staff as presented in the Budget Overview - Personnel Summary section for the fiscal year 2014-15.

Other :

Most expenditures range from 1.5%-3%; certain maintenance items increased based on historical median rate (i.e. road maintenance items).

Capital Outlay & Technology :

The Capital Outlay and/or non-recurring items are based on actual amounts included in the Capital Improvement Program (CIP) and have been estimated for 2014-15. 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.

Vehicles for public safety are the only capital outlay purchases included in the projection period. Existing Federal Forfeiture funds are planned to cover these costs through 2014-2015. Minimal Federal Forfeiture funds are assumed for purposes of this fiscal analysis. Certain programs like PC replacement are included in 2014-15 budget and while department allocation may change, total estimated replacement remains the same plus inflationary adjustment of 3%.

Capital Improvements :

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

Line-Item Detail :

The Multi-Year Budget is presented based on the categories within each department and adjusted for individual line items. For example, in the General Fund, the Clerk's Department adjustments have been made based on election years.