



**CITY OF NOVI CITY COUNCIL**  
**MAY 4, 2026**

**SUBJECT:** Approval of resolution to authorize Budget Amendment #2026-4

**SUBMITTING DEPARTMENT:** Finance

**KEY HIGHLIGHTS:**

- \$151,522 use of General Fund fund balance. Overall, the General Fund budgeted revenues exceed budgeted expenditures by \$103,951 after this amendment resolution.
- There is a reduction in the Drain Fund due to a project budgeted twice.
- Library budgets were amended as approved by the Library's Board.
- Public Safety Building Fund 464 has no net change. Expenditure budgets need to be increased awaiting funds from the spring bond sale.
- Water and Sewer Fund has an increase in expenditures for various capital, overtime and other charges and services.

**BACKGROUND INFORMATION:**

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

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

**RECOMMENDED ACTION:** Approval of resolution to authorize Budget Amendment #2026-4.

**RESOLUTION**

NOW, THEREFORE BE IT RESOLVED that the following Budget  
Amendment #2026-4 is authorized:

	<b>INCREASE (DECREASE)</b>				
<b>GENERAL FUND</b>					
<b>REVENUES</b>					
State Sources	\$ 60,000				
<b>TOTAL REVENUES</b>	<b>\$ 60,000</b>				
<b>APPROPRIATIONS</b>					
<b>Integrated Solutions - FM: Parks Maintenance</b>					
Capital Outlay	(104,834)				
<b>City Attorney, Insurance, &amp; Claims Department</b>					
Capital Outlay	(40,000)				
<b>Police Department</b>					
Personnel Services	32,400				
Other Services and Charges	27,600				
Capital Outlay	(965,308)				
<b>Department of Public Works - Administration</b>					
Capital Outlay	(19,940)				
<b>Department of Public Works - Field Operations</b>					
Other Services and Charges	151,522				
Capital Outlay	(151,971)				
<b>Department of Public Works - Fleet Asset</b>					
Capital Outlay	(244,070)				
<b>Community Relations - Admin</b>					
Capital Outlay	(30,000)				
<b>Capital Outlay</b>					
Capital Outlay	1,556,123				
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 211,522</b>				
<b>Net Increase (Decrease) to Fund Balance</b>	<b>\$ (151,522)</b>				
<table border="0"> <tr> <td><b>Ending Fund Balance</b></td> <td align="right"><b>\$13,130,285</b></td> </tr> <tr> <td><b>Fund Balance as a % of total annual expenditures</b></td> <td align="right"><b>28%</b></td> </tr> </table>		<b>Ending Fund Balance</b>	<b>\$13,130,285</b>	<b>Fund Balance as a % of total annual expenditures</b>	<b>28%</b>
<b>Ending Fund Balance</b>	<b>\$13,130,285</b>				
<b>Fund Balance as a % of total annual expenditures</b>	<b>28%</b>				

**INCREASE  
(DECREASE)**

<b>DRAIN FUND</b>
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**APPROPRIATIONS**

Capital Outlay	\$ (911,317)
<b>TOTAL APPROPRIATIONS</b>	<b>\$ (911,317)</b>

<b>Net Increase (Decrease) to Fund Balance</b>	<b>\$ 911,317</b>
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<b>CRASH AND CITATION FUND</b>
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**APPROPRIATIONS**

Capital Outlay	\$ 4,600
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 4,600</b>

<b>Net Increase (Decrease) to Fund Balance</b>	<b>\$ (4,600)</b>
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<b>LIBRARY FUND</b>
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**REVENUES**

Property tax revenue	\$ 46,362
State sources	\$ (6,098)
Fines and forfeitures	(1,400)
Interest Income	(708)
Other Revenue	9,074
<b>TOTAL REVENUES</b>	<b>\$ 47,230</b>

**APPROPRIATIONS**

Personnel Services	\$ (95,571)
Supplies	(35,350)
Other Services and Charges	(22,148)
<b>TOTAL APPROPRIATIONS</b>	<b>\$ (153,069)</b>

<b>Net Increase (Decrease) to Fund Balance</b>	<b>\$ 200,299</b>
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<b>LIBRARY CONTRIBUTION FUND</b>
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**REVENUES**

Donations	34,176
Interest Income	32,500
<b>TOTAL REVENUES</b>	<b>\$ 66,676</b>

**APPROPRIATIONS**

Supplies	14,700
Capital Outlay	\$ (30,600)
<b>TOTAL APPROPRIATIONS</b>	<b>\$ (15,900)</b>

<b>Net Increase (Decrease) to Fund Balance</b>	<b>\$ 82,576</b>
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**INCREASE  
(DECREASE)**

<b>GUN RANGE FACILITY FUND</b>
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**APPROPRIATIONS**

Capital Outlay	5,000
<b>TOTAL APPROPRIATIONS</b>	<u><b>\$ 5,000</b></u>
<b>Net Increase (Decrease) to Fund Balance</b>	<u><b>\$ (5,000)</b></u>

<b>PUBLIC SAFETY BUILDING FUND</b>
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**REVENUES**

Sale of Bonds	1,600,000
<b>TOTAL REVENUES</b>	<u><b>\$ 1,600,000</b></u>

**APPROPRIATIONS**

Capital Outlay	\$ 1,600,000
<b>TOTAL APPROPRIATIONS</b>	<u><b>\$ 1,600,000</b></u>
	<u><b>\$ -</b></u>

<b>WATER &amp; SEWER FUND</b>
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**APPROPRIATIONS**

Personnel Services	66,000
Supplies	2,787
Other Services and Charges	82,678
Capital Outlay	147,246
<b>TOTAL APPROPRIATIONS</b>	<u><b>\$ 298,711</b></u>
<b>Net Increase (Decrease) to Fund Balance</b>	<u><b>\$ (298,711)</b></u>

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

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Cortney Hanson  
City Clerk

Budget Amendment# 2026-4 - May 4, 2026

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
<b>Revenues</b>			
101-000.00-543.200	Police Training Grant	State Shared Revenue	60,000
			<u>\$ 60,000</u>
<b>Expenditures</b>			
101-301.00-704.000	Permanent Salaries	Personnel Services	32,400
101-301.00-957.007	Education and Training Grant	Other services and charges	27,600
101-441.20-816.550	R.R.R.A.S.O.C. Consortium	Other services and charges	39,822
101-441.20-816.575	Recycling Center	Other services and charges	25,000
101-441.20-816.577	Tip Fees	Other services and charges	86,700
Capital Changes to Establish a Capital Outlay Department:			
101-265.10-977.043	Building Generator & GenTrack - ITC	Capital Outlay	(64,266)
101-265.10-982.078	COR020 Zero Turn Mower #B2	Capital Outlay	(17,040)
101-265.10-982.081	Electric Gator (Grant)	Capital Outlay	(23,528)
101-266.00-971.000	Land acquisition	Capital Outlay	(40,000)
101-301.00-980.006	POL023 InCar Cameras & Body Cameras	Capital Outlay	(170,000)
101-301.00-982.056	POL021 LPR System	Capital Outlay	(30,500)
101-301.00-983.000	Vehicles	Capital Outlay	(272,786)
101-301.00-983.100	Vehicle-new install	Capital Outlay	(476,164)
101-301.00-986.044	COR018 ID Card Readers Replace	Capital Outlay	(15,858)
101-441.00-986.050	COR021 Server Replace - Cameras (DPW)	Capital Outlay	(19,940)
101-441.20-976.125	FLD045 Salt Dome Replace w/Pit & Conveyor	Capital Outlay	(151,971)
101-441.30-984.024	FLD026 Dump Truck w/plw (replace #634)	Capital Outlay	(34,335)
101-441.30-984.040	FLT017 RDS Truck w/ scrap & plow (602)	Capital Outlay	(209,735)
101-725.00-982.077	COR040 Wayfinding & Park Sign Replace	Capital Outlay	(30,000)
101-901.00-977.043	Building Generator & GenTrack - ITC	Capital Outlay	64,266
101-901.00-982.078	COR020 Zero Turn Mower #B2	Capital Outlay	17,040
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101-901.00-982.077	COR040 Wayfinding & Park Sign Replace	Capital Outlay	30,000
			<u>\$ 211,522</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ (151,522)</b>

<b>Ending Fund Balance</b>	<b>\$13,130,285</b>
<b>Fund Balance as a % of total annual expenditures</b>	<b>28%</b>

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
<b>Revenues</b>			\$ -
			<u>\$ -</u>
<b>Expenditures</b>			
211-445.00-976.125	Salt Dome Replace budget carried forward twice in error		\$ (911,317)
			<u>\$ (911,317)</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ 911,317</b>

<b>Revenues</b>			\$ -
			<u>\$ -</u>
<b>Expenditures</b>			
218-326.00-982.000	Miscellaneous Equipment	Capital Outlay	\$ 4,600
			<u>\$ 4,600</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ (4,600)</b>

<b>Revenues</b>			
271-000.00-402.000	Tax Revenue - Current Levy	Property Taxes	\$ 43,216
271-000.00-404.003	Tax Revenue - Brownfield B1	Property Taxes	\$ (54)
271-000.00-415.000	Tax Revenue - Cnty Chargebk	Property Taxes	\$ 3,200
271-000.00-567.000	State Aid	State Revenue	\$ (1,350)
271-000.00-573.000	State Grants - Local Comm	State Revenue	\$ (4,748)
271-000.00-659.000	Library book fees	Fines and Forfeitures	\$ (1,400)
271-000.00-665.000	Interest on Investments	Interest Income	\$ (35,000)
271-000.00-669.500	Unrealized gain(loss) invest	Interest Income	\$ 34,292
271-000.00-674.289	Adult Programming	Other Revenue	\$ (300)
271-000.00-675.006	Car Charging	Other Revenue	\$ 200
271-000.00-675.100	Copier	Other Revenue	\$ 3,500
271-000.00-675.300	Meeting Room	Other Revenue	\$ 5,000
271-000.00-675.404	Novi Township Assessment	Other Revenue	\$ 674
			<u>\$ 47,230</u>
<b>Expenditures</b>			
271-000.00-704.000	Permanent Salaries	Personnel Services	\$ (22,800)
271-000.00-704.100	Severance/Incentive Pay	Personnel Services	\$ 12,000
271-000.00-704.250	Final Payout	Personnel Services	\$ 6,800
271-000.00-705.000	Temporary Salaries	Personnel Services	\$ (40,500)
271-000.00-706.000	Overtime	Personnel Services	\$ 300
271-000.00-715.000	Social Security	Personnel Services	\$ (4,847)
271-000.00-716.000	Insurance	Personnel Services	\$ (45,600)
271-000.00-716.999	Ins. Employee Reimbursement	Personnel Services	\$ (924)
271-000.00-726.400	Supplies - Cash Over/Under	Supplies	\$ (50)
271-000.00-727.000	Office supplies	Supplies	\$ (2,000)
271-000.00-728.000	Postage	Supplies	\$ (1,500)
271-000.00-734.000	Computer software/licensing	Supplies	\$ (28,000)
271-000.00-740.000	Operating supplies	Supplies	\$ (3,000)
271-000.00-740.200	Supplies desk, chairs, cabinets	Supplies	\$ 500
271-000.00-742.010	Library Books - Lending	Supplies	\$ (2,400)
271-000.00-743.000	Library Periodicals	Supplies	\$ 1,100
271-000.00-745.200	Electronic media (Digital Books)	Supplies	\$ 14,600
271-000.00-745.300	Electronic Resources - Online	Supplies	\$ (14,600)
271-000.00-802.000	Data Processing - OnBase	Other Services and Charges	\$ (700)
271-000.00-802.100	Bank Service Charges	Other Services and Charges	\$ (1,000)
271-000.00-803.000	Independent Audit	Other Services and Charges	\$ (39)
271-000.00-804.000	Medical Service	Other Services and Charges	\$ (500)
271-000.00-806.000	Legal Fees	Other Services and Charges	\$ (1,500)
271-000.00-816.000	Professional services	Other Services and Charges	\$ (5,000)
271-000.00-817.000	Custodial Services	Other Services and Charges	\$ 1,000
271-000.00-818.000	TLN Central Services	Other Services and Charges	\$ (5)
271-000.00-820.000	Property & Liability Insurance	Other Services and Charges	\$ (1,204)
271-000.00-820.001	Ins deduct/Uninsured claims	Other Services and Charges	\$ (10,000)
271-000.00-851.000	Telephone	Other Services and Charges	\$ (10,100)
271-000.00-862.000	Mileage	Other Services and Charges	\$ (500)
271-000.00-880.000	Community Promotion	Other Services and Charges	\$ (2,500)
271-000.00-922.000	Electricity	Other Services and Charges	\$ (1,300)
271-000.00-923.000	Water and Sewer	Other Services and Charges	\$ 300
271-000.00-934.000	Building Maintainence	Other Services and Charges	\$ 8,000
271-000.00-936.300	Grounds Maint.	Other Services and Charges	\$ 3,000
271-000.00-942.100	Records storage	Other Services and Charges	\$ (100)
			<u>\$ (153,069)</u>

N

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
		<b>Net Increase (decrease) to fund balance</b>	<b>\$ 200,299</b>
<b>N</b>	Approved per Library Board		
<b>Revenues</b>			
272-000.00-665.000	Interest on Investments	Interest Income	\$ 1,000
272-000.00-669.500	Unrealized gain (loss) Investments	Interest Income	\$ 31,500
272-000.00-674.046	Makerspace (iCube) Rev	Donations	\$ 476
272-000.00-674.230	Collections/Materials Rev	Donations	\$ 6,200
272-000.00-674.232	Programming Revenue	Donations	\$ 7,500
272-000.00-674.277	Youth Area Reno - M. Marten	Donations	\$ 20,000
			<u>\$ 66,676</u>
<b>Expenditures</b>			
272-000.00-742.230	Collections/Materials	Supplies	\$ 6,200
272-000.00-742.232	Programming Expenditures	Supplies	\$ 8,500
272-000.00-976.000	Bldg. Improvements/Furniture/Carpet	Capital Outlay	\$ (21,400)
272-000.00-976.140	Automated Return System (AST)	Capital Outlay	\$ 9,600
272-000.00-976.141	Main Entrance /Parking Lot	Capital Outlay	\$ 8,000
272-000.00-976.144	Server & Camera Upgrade/Intercom System	Capital Outlay	\$ 10,500
272-000.00-976.002	Capital Improvements	Capital Outlay	\$ (37,300)
			<u>\$ (15,900)</u>
		<b>Net Increase (decrease) to fund balance</b>	<b>\$ 82,576</b>
<b>N</b>	Approved per Library Board		
<b>Revenues</b>			
<u>\$ -</u>			
<b>Expenditures</b>			
409-303.00-982.000	Miscellaneous Equipment	Capital Outlay	\$ 5,000
			<u>\$ 5,000</u>
		<b>Net Increase (decrease) to fund balance</b>	<b>\$ (5,000)</b>
<b>Revenues</b>			
464-000.00-696.000	Proceeds from long-term debt	Sale of Debt	\$ 1,600,000
			<u>\$ 1,600,000</u>
<b>Expenditures</b>			
464-309.00-977.044	Public Safety Building	Capital outlay	\$ 1,600,000
			<u>\$ 1,600,000</u>
		<b>Net Increase (decrease) to fund balance</b>	<b>\$ -</b>
<b>Revenues</b>			
<u>\$ -</u>			
<b>Expenditures</b>			
592-536.00-706.811	Overtime - water activity	Personnel Services	\$ 66,000
592-536.00-740.000	Operating supplies	Supplies	\$ 2,600
592-536.00-740.003	Operating supplies - water emergency	Supplies	\$ 187
592-536.00-803.000	Independent audit	Other Charges and Services	\$ (871)
592-536.00-804.000	Medical service	Other Charges and Services	\$ 407
592-536.00-816.000	Professional services	Other Charges and Services	\$ (2,208)
592-536.00-935.000	Vehicle maintenance	Other Charges and Services	\$ 45,000
592-536.00-936.000	Sewer line maintenance	Other Charges and Services	\$ 15,000
592-536.00-936.010	Sanitary Maintenance (incl. CMOM)	Other Charges and Services	\$ (50,000)
592-536.00-936.025	Water line maintenance	Other Charges and Services	\$ 70,000
592-536.00-936.501	SCADA maintenance	Other Charges and Services	\$ 5,350
592-536.00-976.194	ENG090 Huron-Rouge Sew Disp Systm(HRSDS)	Capital Outlay	\$ 100,000
592-536.00-976.224	WM Valve & Gatewell Replacet-13 Mile/Nov	Capital Outlay	\$ (24,402)
592-536.00-983.098	LDV057 LDV w/plow & SB (701)	Capital Outlay	\$ (16,352)
592-536.00-976.259	12 MILE WIDENING (BECK-NOVI) WATER MAIN	Capital Outlay	\$ 88,000
			<u>\$ 298,711</u>
		<b>Net Increase (decrease) to fund balance</b>	<b>\$ (298,711)</b>