



CITY of NOVI CITY COUNCIL

Agenda Item 5 September 26, 2016

SUBJECT: Approval of resolution to authorize Budget Amendment #2016-17b.

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION: 

The City's annual budget is adopted by the third Monday in May each year and is effective July 1st each year. Quarterly budget amendments, along with rollover budget amendments, are approved by Council throughout the fiscal year.

Rollover budget amendments consist of projects or contracts that were budgeted for in the prior fiscal year and not completed by fiscal year-end. The balance of the incomplete contracts and projects as of June 30, 2016, will be expended in fiscal year 2016/2017, so it is necessary to amend the adopted FY 2016-17 Budget so these commitments can be completed. The FY 2016-17 Budget was already amended by Council in July 2016 to rollover several projects that were not complete as of June 30, 2016, because those projects were scheduled to begin immediately in July 2016. Final year-end closeout numbers for FY 2015-16 have become available, so this additional rollover budget amendment represents the remainder of the projects/commitments that are in progress and not completed by June 30, 2016.

FY 2016-17 Budget Rollover Summary

Fund	Total Rollovers	Early Rollover \$ Amount 201617a 7/11/2016	Rollover \$ Amount 201617b 9/26/2016
101 General Fund	\$ 1,884,723	\$ 722,630	\$ 1,162,093
202 Major Street Fund	\$ 4,078,639	\$ 2,430,271	\$ 1,648,368
203 Local Street Fund	\$ 1,189,423	\$ -	\$ 1,189,423
204 Municipal Street Fund	\$ 1,478,836	\$ 348,100	\$ 1,130,736
208 Parks, Recreation, & Cultural Services Fund	\$ 617,881	\$ 103,754	\$ 514,127
209 Tree Fund	\$ 4,133	\$ 4,133	\$ -
210 Drain Fund	\$ 3,778,093	\$ 2,452,308	\$ 1,325,785
263 PEG Cable Fund	\$ 50,126	\$ -	\$ 50,126
266 Federal Forfeiture Fund	\$ 26,664	\$ -	\$ 26,664
268 Library Fund	\$ 17,500	\$ -	\$ 17,500
590 Ice Arena Fund	\$ 87,500	\$ 45,400	\$ 42,100
592 Water & Sewer Fund	\$ 7,176,762	\$ 5,109,433	\$ 2,067,329
594 Senior Housing Fund (Meadowbrook Commons)	\$ 10,307	\$ -	\$ 10,307
TOTAL	\$ 20,400,587	\$ 11,216,029	\$ 9,184,558

It is important to note that the estimated beginning fund balance (from the fourth quarter amendment passed by council in June 2016) is higher than originally anticipated. The reason for a higher than anticipated beginning fund balance is because the activity related to these rollovers was budgeted for but did not take place in FY 2015/2016 and instead will take place in FY 2016/2017 (no net effect).

Below are summaries for all funds with minimum fund balance requirements:

GENERAL FUND

<u>GENERAL FUND</u>			
Projected Ending Fund Balance, June 30, 2016			\$ 11,810,482
	Favorable variance, including rollover items		1,884,723
	Restricted Fund Balance		50,000
Estimated Beginning Fund Balance, July 1, 2016			<u>\$ 13,745,205</u>
	Amended Revenue Budget as 9/12/2016	33,288,909	
201617b	Rollover Budget Amendment	<u>-</u>	
	Amended Revenue Budget as of 9/12/2016		33,288,909
	Amended Expenditure Budget as of 9/12/2016	35,011,539	
201617b	Rollover Budget Amendment	<u>1,162,093</u>	
	Amended Expenditure Budget as of 9/12/2016		<u>36,173,632</u>
Revenues over (under) Expenditures			<u>\$ (2,884,723)</u>
Estimated Unassigned Fund Balance for the end of FY 2016-17			\$ 10,810,482
Estimated Restricted Fund Balance for the end of FY 2016-17			50,000
Estimated Fund Balance for the end of FY 2016-17			<u><u>\$ 10,860,482</u></u>
Estimated Ending Fund Balance, June 30, 2017, as a % of budgeted expenditures :			30.0%

MAJOR STREET FUND

<u>MAJOR STREET FUND</u>			
Projected Ending Fund Balance, June 30, 2016			\$ 695,319
	Favorable variance, including rollover items		4,428,639
Estimated Beginning Fund Balance, July 1, 2016			<u>\$ 5,123,958</u>
	Amended Revenue Budget as 9/12/2016	4,169,582	
201617b	Rollover Budget Amendment	<u>350,000</u>	
	Amended Revenue Budget as of 9/12/2016		4,519,582
	Amended Expenditure Budget as of 9/12/2016	6,744,553	
201617b	Rollover Budget Amendment	<u>1,998,368</u>	
	Amended Expenditure Budget as of 9/12/2016		<u>8,742,921</u>
Revenues over (under) Expenditures			<u>(4,223,339)</u>
Estimated Fund Balance for the end of FY 2016-17			<u><u>\$ 900,619</u></u>
Estimated Ending Fund Balance, June 30, 2017, as a % of budgeted expenditures :			10.3%

LOCAL STREET FUND

<u>LOCAL STREET FUND</u>			
Projected Ending Fund Balance, June 30, 2016			\$ 685,457
	Favorable variance, including rollover items		1,189,423
Estimated Beginning Fund Balance, July 1, 2016			<u>\$ 1,874,880</u>
	Amended Revenue Budget as 9/12/2016	3,950,700	
201617b	Rollover Budget Amendment	<u>-</u>	
	Amended Revenue Budget as of 9/12/2016		3,950,700
	Amended Expenditure Budget as of 9/12/2016	3,950,040	
201617b	Rollover Budget Amendment	<u>1,189,423</u>	
	Amended Expenditure Budget as of 9/12/2016		<u>5,139,463</u>
Revenues over (under) Expenditures			<u>(1,188,763)</u>
Estimated Fund Balance for the end of FY 2016-17			<u>\$ 686,117</u>
Estimated Ending Fund Balance, June 30, 2017, as a % of budgeted expenditures :			13.3%

MUNICIPAL STREET FUND

<u>MUNICIPAL STREET FUND</u>			
Projected Ending Fund Balance, June 30, 2016			\$ 2,181,068
	Favorable variance, including rollover items		1,128,836
	Assigned Fund Balance		697,500
Estimated Beginning Fund Balance, July 1, 2016			<u>\$ 4,007,404</u>
	Amended Revenue Budget as 9/12/2016	5,204,895	
201617b	Rollover Budget Amendment	<u>-</u>	
	Amended Revenue Budget as of 9/12/2016		5,204,895
	Amended Expenditure Budget as of 9/12/2016	5,965,937	
201617b	Rollover Budget Amendment	<u>1,130,736</u>	
	Amended Expenditure Budget as of 9/12/2016		<u>7,096,673</u>
Revenues over (under) Expenditures			<u>(1,891,778)</u>
Estimated Unassigned Fund Balance for the end of FY 2016-17			\$ 1,418,126
Estimated Assigned Fund Balance for the end of FY 2016-17			697,500
Estimated Fund Balance for the end of FY 2016-17			<u>\$ 2,115,626</u>
Estimated Ending Fund Balance, June 30, 2017, as a % of budgeted expenditures :			29.8%

PARKS, RECREATION, & CULTURAL SERVICES FUND

<u>PARKS, RECREATION, & CULTURAL SERVICES FUND</u>			
Projected Ending Fund Balance, June 30, 2016			\$ 843,171
	Favorable variance, including rollover items		617,881
	Restricted Fund Balance		<u>170,195</u>
Estimated Beginning Fund Balance, July 1, 2016			\$ 1,631,247
	Amended Revenue Budget as 9/12/2016	3,056,636	
201617b	Rollover Budget Amendment	<u>1,549</u>	
	Amended Revenue Budget as of 9/12/2016		3,058,185
	Amended Expenditure Budget as of 9/12/2016	3,525,390	
201617b	Rollover Budget Amendment	<u>515,676</u>	
	Amended Expenditure Budget as of 9/12/2016		<u>4,041,066</u>
Revenues over (under) Expenditures			<u>(982,881)</u>
Estimated Unassigned Fund Balance for the end of FY 2016-17			\$ 478,171
Estimated Restricted Fund Balance for the end of FY 2016-17			<u>170,195</u>
Estimated Fund Balance for the end of FY 2016-17			<u><u>\$ 648,366</u></u>
Estimated Ending Fund Balance, June 30, 2017, as a % of budgeted expenditures :			16.0%

RECOMMENDED ACTION:

Approval of resolution to authorize Budget Amendment #2016-17b.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Burke				
Council Member Casey				

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

RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following
Budget Amendment# 201617b is authorized:

	INCREASE (DECREASE)
GENERAL FUND	
APPROPRIATIONS	
City Manager	
Other Services and Charges	25,000
Information Technology Department	
Capital Outlay	17,445
City Clerk	
Other Services and Charges	6,124
Capital Outlay	10,000
Facility Management	
Supplies	5,500
Capital Outlay	2,120
Human Resources	
Capital Outlay	16,000
Neighborhood & Business Relations	
Other Services and Charges	8,956
Police Department	
Other Services and Charges	10,000
Capital Outlay	33,866
Fire Department	
Capital Outlay	41,884
Community Development - Planning	
Other Services and Charges	39,784
Department of Public Services - Administration	
Capital Outlay	19,223
Department of Public Services - Engineering	
Other Services and Charges	57,284
Capital Outlay	261,246
Department of Public Services - Field Operations	
Capital Outlay	522,661
Department of Public Services - Fleet Asset	
Capital Outlay	85,000
TOTAL APPROPRIATIONS	\$ 1,162,093
Net Increase (Decrease) to Fund Balance	\$ (1,162,093)

INCREASE
(DECREASE)

MAJOR STREET FUND

REVENUES

Transfers In	350,000
TOTAL REVENUES	\$ 350,000

APPROPRIATIONS

Capital Outlay	1,998,368
TOTAL APPROPRIATIONS	\$ 1,998,368

Net Increase (Decrease) to Fund Balance	\$ (1,648,368)
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LOCAL STREET FUND

APPROPRIATIONS

Maintenance	923
Capital Outlay	1,188,500
TOTAL APPROPRIATIONS	\$ 1,189,423

Net Increase (Decrease) to Fund Balance	\$ (1,189,423)
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MUNICIPAL STREET FUND

APPROPRIATIONS

Capital Outlay	780,736
Transfers Out	350,000
TOTAL APPROPRIATIONS	\$ 1,130,736

Net Increase (Decrease) to Fund Balance	\$ (1,130,736)
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PARKS, RECREATION, & CULTURAL SERVICES FUND
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REVENUES

Program Revenue	1,549
TOTAL REVENUES	\$ 1,549

APPROPRIATIONS

691 Capital Outlay	507,778
693 Program Expenditures	7,898
TOTAL APPROPRIATIONS	\$ 515,676

Net Increase (Decrease) to Fund Balance	\$ (514,127)
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INCREASE
(DECREASE)

DRAIN FUND

APPROPRIATIONS

Other Services and Charges	630
Maintenance	3,136
Capital Outlay	1,322,019
TOTAL APPROPRIATIONS	\$ 1,325,785

Net Increase (Decrease) to Fund Balance \$ (1,325,785)

PEG CABLE FUND

APPROPRIATIONS

Capital Outlay	50,126
TOTAL APPROPRIATIONS	\$ 50,126

Net Increase (Decrease) to Fund Balance \$ (50,126)

FEDERAL FORFEITURE FUND

APPROPRIATIONS

Capital Outlay	26,664
TOTAL APPROPRIATIONS	\$ 26,664

Net Increase (Decrease) to Fund Balance \$ (26,664)

LIBRARY FUND

APPROPRIATIONS

Capital Outlay	17,500
TOTAL APPROPRIATIONS	\$ 17,500

Net Increase (Decrease) to Fund Balance \$ (17,500)

ICE ARENA FUND

APPROPRIATIONS

Capital Outlay	42,100
TOTAL APPROPRIATIONS	\$ 42,100

Net Increase (Decrease) to Fund Balance \$ (42,100)

INCREASE
(DECREASE)

WATER & SEWER FUND	
REVENUES	
Federal Grants	1,470,167
TOTAL REVENUES	\$ 1,470,167
APPROPRIATIONS	
Other Services & Charges	1,495,149
Capital Outlay	2,042,347
TOTAL APPROPRIATIONS	\$ 3,537,496
Net Increase (Decrease) to Fund Balance	\$ (2,067,329)

SENIOR HOUSING FUND	
APPROPRIATIONS	
Capital Outlay	10,307
TOTAL APPROPRIATIONS	\$ 10,307
Net Increase (Decrease) to Fund Balance	\$ (10,307)

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 September 26, 2016

Cortney Hanson
City Clerk

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
General Fund			
Expenditures			
101-172.00-816.002	Entryway Signage Grant Program	Other Services and Charges	25,000
101-205.00-986.000	Unity OnBase Upgrade	Capital Outlay	16,600
101-205.00-986.000	AVL 3G Upgrade (GF & W/S funds)	Capital Outlay	845
101-215.00-850.000	OnBase Autonomy IDOL Solution	Other Services and Charges	6,124
101-215.00-986.000	FOIA Software	Capital Outlay	10,000
101-265.00-740.000	Mayor Conference Room Tables & Chairs	Supplies	5,500
101-265.00-986.000	Security Camera Project	Capital Outlay	2,120
101-270.00-986.000	OnBase Update	Capital Outlay	16,000
101-295.00-850.000	Salesforce Purchase and Implementation	Other Services and Charges	8,956
101-301.00-850.000	In-Car Laptops	Other Services and Charges	10,000
101-301.00-986.000	Security Camera Project	Capital Outlay	33,866
101-337.00-976.000	FS #4 Training Tower Upgrade - Phase 2	Capital Outlay	41,884
101-442.00-986.000	Security Camera Project	Capital Outlay	19,223
101-442.10-805.000	Library entrance widening (material testing)	Other Services and Charges	4,000
101-442.10-805.000	Burton Drive SAD Cost Estimate	Other Services and Charges	384
101-442.10-805.000	Parking Lot Maintenance Project	Other Services and Charges	2,900
101-442.10-931.000	Parking Lot Maintenance	Other Services and Charges	50,000
101-442.10-981.001	Library Main Entrance	Capital Outlay	89,982
101-442.10-981.002	Fire Parking Lot (FS#4)	Capital Outlay	598
101-442.10-981.003	Police Parking Lot	Capital Outlay	7,752
101-442.10-981.004	Civic Center Parking Lot & Novi Way Improvements	Capital Outlay	162,914
101-442.20-982.005	3 Regulating Controllers & 3 Wing Plows	Capital Outlay	154,188
101-442.20-982.006	4 Auger V-Box Combinations	Capital Outlay	102,973
101-442.20-982.007	Mixer & Loading System	Capital Outlay	67,500
101-442.20-984.005	Dump Truck (replace #686)	Capital Outlay	198,000
101-442.30-983.000	Pooled Vehicles	Capital Outlay	85,000
101-807.00-816.000	Master plan for land use & vision plan and Thoroughfare master plan	Other Services and Charges	39,784
			<u>\$ 1,162,093</u>

Major Street Fund			
Revenues			
202-000.00-676.204	Transfer from Municipal Street Fund	Transfers In	350,000
			<u>\$ 350,000</u>
Expenditures			
202-202.00-805.160	Eng-Beck Rd reconstruction (8 mile to 9 mile)	Capital Outlay	85,300
202-202.00-805.161	Eng-Novoi Rd Rehab (12 Mile to13 Mile)	Capital Outlay	100,684
202-202.00-805.162	Engineering-9 mile (Meadowbrook to Novi)	Capital Outlay	14,641
202-202.00-805.163	Engineering-Karim Blvd Rehab	Capital Outlay	107,946
202-202.00-805.164	Eng-Crescent (Novi Rd to Town Center Dr)	Capital Outlay	175,342
202-202.00-805.165	Engineering-Meadowbrook (96 to 12 mile)	Capital Outlay	12,190
202-202.00-805.672	Eng-11 Mi (Town Center to Meadowbrook)	Capital Outlay	2,336
202-202.00-865.161	Construction-Novoi Rd Rehab (12 mile to 13 mile)	Capital Outlay	430,867
202-202.00-865.162	Construction-9 mile (Meadowbrook to Novi)	Capital Outlay	272,855
202-202.00-865.163	Construction-Karim Blvd Rehab	Capital Outlay	778,541
202-202.00-865.672	Construction-11 Mi (Town Center to Meadowbrook)	Capital Outlay	2,416
202-202.00-865.675	Construction-Town Center Reconstruction	Capital Outlay	15,250
			<u>\$ 1,998,368</u>

Local Street Fund			
Expenditures			
203-203.00-805.435	Engineering-Neighborhood Roads 2015	Capital Outlay	46,634
203-203.00-805.436	Engineering-Neighborhood Roads 2016	Capital Outlay	144,500
203-203.00-865.435	Construction-Neighborhood Roads 2015	Capital Outlay	445,816
203-203.00-865.436	Construction-Neighborhood Roads 2016	Capital Outlay	551,550
203-203.00-870.016	Chip Seal Program 2016	Maintenance	923
			<u>\$ 1,189,423</u>

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
Municipal Street Fund			
Expenditures			
204-000.00-965.202	Transfer to Major Street Fund	Transfers Out	350,000
204-204.00-863.511	Eng-Dual Lft Turn (EB Gr River @ Beck)	Capital Outlay	41,641
204-204.00-863.512	Con-Dual Lft Turn (EB Gr River @ Beck)	Capital Outlay	283,082
204-204.00-865.440	Construction - I 275 Project	Capital Outlay	157,400
204-204.00-974.423	Sidewalks-Seg#109 8 mile(Garfield to Beck)	Capital Outlay	38,009
204-204.00-974.430	Sidewalk-Providence Park Connector Trail	Capital Outlay	2,100
204-204.00-974.432	Sidewalks-Eng-Seg NC1 E Lake Dr to Novi	Capital Outlay	1,828
204-204.00-974.433	Sidewalks-Con-Seg NC1 E Lake Dr to Novi	Capital Outlay	9,252
204-204.00-974.434	Sidewalks-Eng-M5/I275 Trail Connector	Capital Outlay	91
204-204.00-974.446	Sidewalks-Seg#9 Pontiac Trail (Beck to W Park Dr)	Capital Outlay	33,518
204-204.00-974.453	Sidewalk-Seg129-14 Mile-Haverhill Maples	Capital Outlay	1,843
204-204.00-977.105	ITC Trail - Phase 1a	Capital Outlay	211,972
			<u>\$ 1,130,736</u>
Parks, Recreation, & Cultural Services Fund			
Revenues			
208-000.00-653.647	MCACA (Michigan Council of Art and Cultural Affairs) Grant	Program Revenue	1,549
			<u>\$ 1,549</u>
Expenditures			
208-691.00-977.006	Power Park Upgrades	Capital Outlay	14,808
208-691.00-977.009	Ella Mae Power Park Pathway	Capital Outlay	60,279
208-691.00-977.011	Suburban Showplace Soccer Field Project	Capital Outlay	25,000
208-691.00-977.086	Pavilion Shore Park	Capital Outlay	64,235
208-691.00-977.105	ITC Trail - Phase 1a	Capital Outlay	343,456
208-693.00-960.647	MCACA (Michigan Council of Art and Cultural Affairs) Grant	Program Expenditures	7,898
			<u>\$ 515,676</u>
Drain Fund			
Expenditures			
210-211.00-805.000	Taft & Bishop Wetland Mitigation Monitoring & Mgnmnt services	Other Services and Charges	630
210-211.00-805.136	Engineering - Monroe Creek(Christina Ln)	Capital Outlay	38,915
210-211.00-805.161	Eng-Novl Rd Rehab (12 Mile to13 Mile)	Capital Outlay	84,666
210-211.00-805.435	Engineering-Neighborhood Roads 2015	Capital Outlay	38,627
210-211.00-865.026	Drain Improvements - New Ct	Capital Outlay	4,818
210-211.00-865.130	Streambank stab -Bishop Creek & ingersol	Capital Outlay	16,890
210-211.00-865.139	Village Wood Lake/Village Oaks Lake	Capital Outlay	35,158
210-211.00-865.144	Storm Drainage Improve Pilot Project	Capital Outlay	300,000
210-211.00-865.161	Construction-Novl Rd (12 to 13 Rehab)	Capital Outlay	625,970
210-211.00-865.163	Construction-Karim Blvd Rehab	Capital Outlay	74,030
210-211.00-865.294	Power Park Drainage Improvements	Capital Outlay	37,945
210-211.00-865.435	Construction-Neighborhood Roads 2015	Capital Outlay	65,000
210-211.00-870.016	Chip Seal Program 2016	Maintenance	3,136
			<u>\$ 1,325,785</u>
PEG Cable Fund			
Expenditures			
263-295.00-980.100	Cable Studio Renovation	Capital Outlay	50,126
			<u>\$ 50,126</u>
Federal Forfeiture Fund			
Expenditures			
266-266.00-983.000	Marked Patrol Vehicle & Equipment Install	Capital Outlay	26,664
			<u>\$ 26,664</u>

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
Library Fund			
Expenditures			
268-000.00-986.000	Security Camera Project	Capital Outlay	17,500
			<u>\$ 17,500</u>
Ice Arena Fund			
Expenditures			
590-000.00-969.000	Ice Arena LEDs (LED Lighting in Blue and Red Rinks)	Capital Outlay	24,800
590-000.00-969.000	Ice Arena Cabinets (Front Desk Remodel)	Capital Outlay	9,800
590-000.00-969.000	Dasher Board Repairs	Capital Outlay	7,500
			<u>\$ 42,100</u>
Water & Sewer Fund			
Revenues			
592-000.00-508.451	SAW Grant (Federal Grant)	Federal Grants	1,470,167
			<u>\$ 1,470,167</u>
Expenditures			
592-592.00-748.500	6" PROTECTUS III FIRE SERVICE COMPOUND WATER METER FOR OLD DUTCH FARMS	Other Services and Charges	7,857
592-592.00-936.550	SAW Grant	Other Services and Charges	1,470,167
592-592.00-937.000	10 HP REPLACEMENT PUMP AT ISLAND LAKE LIFT STATION # 2	Other Services and Charges	10,115
592-592.00-938.000	2015 NEIGHBORHOOD ROADS CONTRACT 2 (ASPHALT)	Other Services and Charges	7,010
592-592.00-976.003	BUILD IMP - WATER STORAGE FACILITY	Capital Outlay	944,809
592-592.00-976.004	SCADA Project	Capital Outlay	257,122
592-592.00-976.008	Country Place Pump St Capacity Upgrades	Capital Outlay	534,293
592-592.00-976.012	8 Mile Loop Connection at Meadowbrook	Capital Outlay	252,177
592-592.00-976.023	Water Main @14 Mi (Haverhill to Maples)	Capital Outlay	13,120
592-592.00-976.028	Pilot Study for AMI System	Capital Outlay	30,000
592-592.00-986.002	SCADA Upgrades to Sanitary Lift Stations	Capital Outlay	10,826
			<u>\$ 3,537,496</u>
Senior Housing Fund			
Expenditures			
594-000.00-971.100	Ground Water Mitigation	Capital Outlay	10,307
			<u>\$ 10,307</u>