



CITY of NOVI CITY COUNCIL

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**Agenda Item 7
September 24, 2007**

SUBJECT: Approval of resolution to authorize first quarter Budget Amendment #2008-01

SUBMITTING DEPARTMENT: Finance Department

CITY MANAGER APPROVAL: PA for CJP

Background:

Attached is the resolution for the first quarter budget amendment which primarily includes rollover items, as well as other items approved by City Council since the budget adoption.

The following is the unaudited estimate for the General Fund – Fund Balance for the beginning of the 2007-8 fiscal year. Please note that the estimate reflects an increase of approximately \$1,000,000 greater than anticipated. Of this approximately \$436,000 is from increased building permit revenue that was collected prior to June 30 (originally estimated to come in after that date). The remaining difference is in estimated vs. actual expenditures, with the variance of estimates less than 3%.

City of Novi - General Fund	
<u>General Fund - Fund Balance (unaudited)</u>	
Estimated beginning Fund Balance (unaudited), July 1, 2007	\$ 11,363,600
Reserved pursuant to State Construction Code Act (estimated & unaudited)	(1,037,200)
Appropriated to the 2007-2008 Budget	(2,998,733)
First Quarter Budget Amendment	(591,465)
Estimated Fund Balance, June 30, 2007	<u>\$ 6,736,202</u>
 Total estimated 2007-8 General Fund - Fund Balance	 <u>\$ 5,737,330</u>

RECOMMENDED ACTION: Approval of resolution to authorize first quarter Budget Amendment #2008-01

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Gatt				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Nagy				
Council Member Paul				

BUDGET AMENDMENT #2008-1 RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following First Quarter Budget Amendment #2008-1 is authorized:

		INCREASE (DECREASE)	
GENERAL FUND			
REVENUE			
Grant Revenue (SAFER Grant \$60,000; Homeland Security Grant \$75,605)	\$	135,605	
Appropriation of Fund Balance		591,465	
	\$	<u>727,070</u>	
APPROPRIATIONS			
CITY MANAGER			
Personal Services	\$	(6,000)	
Other Services & Charges - Data Processing (PC replacement program); Conferences & Workshops (City Manager contract)		7,600	
FINANCE			
Capital Outlay - Data Processing (balance of Integrated Financial Management System - Phase I)		27,675	(a)
BUILDING & GROUNDS			
Capital Outlay - Entryway Signage \$28,850; Elevator modernization \$46,900; Parking lot lighting \$61,500; Chiller \$65,000)		202,250	(a)
COMMUNITY RELATIONS			
Other Services & Charges - Consulting (Branding)		19,600	(a)
GENERAL ADMINISTRATION			
Personal Services (Retiree Health Care Appointed Officials)		6,400	(b)
FIRE			
Personal Services (Paid-on-call/Auxiliary Contract Settlement)		107,880	
Other Services & Charges - Paid-on-Call recruitment (SAFER Grant-\$51,750); Data Processing (Homeland Security Grant-\$84,005)		135,755	(a)(b)
Capital Outlay - Fire Equipment (for new engine)		49,000	(a)
COMMUNITY DEVELOPMENT			
Other Services & Charges - Consulting (cross-training) \$21,750; Master Plan (approved by City Council 8/27/07) \$69,800		91,550	(a)(c)
PUBLIC WORKS			
Capital Outlay - Heavy Equipment (New truck \$18,300; and roll-over \$162,440); Building Improvements (Rewire fuel pumps) \$20,500		201,240	(a)(b)
CONTINGENCY (Balance after entries above \$540,227)		<u>(115,880)</u>	
	\$	<u>727,070</u>	
MAJOR STREET FUND			
REVENUE - Appropriation of Fund Balance	\$	<u>1,422,000</u>	
APPROPRIATIONS - Construction - Beck Road Rehabilitation \$700,000; Taft Road Rehabilitation \$722,000	\$	<u>1,422,000</u>	(a)

**BUDGET AMENDMENT #2008-1
RESOLUTION (continued)**

	<u>INCREASE (DECREASE)</u>	
LOCAL STREET FUND		
REVENUE - Appropriation of Fund Balance	<u>\$ 146,300</u>	
APPROPRIATIONS - Construction (2007 Engineering for Neighborhood Services)	<u>\$ 146,300</u>	(a)
MUNICIPAL STREET FUND		
REVENUE - Appropriation of Fund Balance	<u>\$ 1,107,245</u>	
APPROPRIATIONS - Construction (Annual sidewalk program \$373,245; MDOT project \$350,000; 12 Mile & West Park intersection \$100,000; 12 Mile & Cabot signalization \$39,000; 14 Mile & Novi Rd signalization \$50,000; Haggerty pinch-points \$170,000; 11 Mile & Meadowbrook signal design \$25,000)	<u>\$ 1,107,245</u>	(a)(c)
PARKS, RECREATION AND FORESTRY		
REVENUE		
Grant Revenue	\$ 854,400	
Appropriation of Fund Balance	<u>152,000</u>	
	<u>\$ 1,006,400</u>	
APPROPRIATIONS		
Administration		
Capital Outlay - Park development (Grant \$854,400), (CSP Storage \$152,000)	<u>\$ 1,006,400</u>	(a)
DRAIN REVENUE FUND		
REVENUE - Appropriation of Fund Balance	<u>\$ 210,310</u>	
APPROPRIATIONS - Streambank stabilization \$113,380; Dunbarton Basin approved by City Council 7/23/07 \$96,930)	<u>\$ 210,310</u>	(a)(c)
FEDERAL FORFEITURE FUNDS		
REVENUE - Appropriation of Fund Balance	<u>\$ 1,017,050</u>	
APPROPRIATIONS-Capital Outlay (Data processing \$134,550; Building improvements \$882,500)	<u>\$ 1,017,050</u>	(a)

CERTIFICATION

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 24, 2007.

Maryanne Cornelius
City Clerk

- (a) Rollover items from 2006-2007
- (b) Reclassification from another account
- (c) Current year service and capital adjustments (see notes above)