



CITY of NOVI CITY COUNCIL

Agenda Item 2
June 21, 2010

SUBJECT: Approval of resolution to authorize Budget Amendment #2010-3

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

Attached is the final Budget Amendment for fiscal year 2009-10 which includes the items provided in the *Account Detail* section in preparation of the 2010-11 Budget. The amendment is in-line with the estimates provided, and the line items on the attached amendment also contain a brief description. The road funds include adjustments for winter maintenance and construction as identified during the 2009-10 budget process as well. The amendment does not include any unusual or significant items that would cause and changes in our projections for the coming year. The following is a summary of the General Fund:

General Fund Summary

Beginning Fund Balance July 1, 2009		\$ 10,314,220
Estimated 2009-10 from Proposed Budget for 2010-11:		
Revenue	\$ 27,350,245	
Expenditures	(30,083,195)	\$ (2,732,950)
Projected Fund Balance		<u>\$ 7,581,270</u>

Beginning Fund Balance July 1, 2009		\$ 10,314,220
Estimated 2009-10 as of June 15, 2010 for final 2010 budget amendment:		
Revenue thru Budget Amendment 2010-2	\$ 27,112,350	
Budget Amendment 2010-3	116,650	
	<u>\$ 27,229,000</u>	
Expenditures thru Budget Amendment 2010-2	\$ 30,426,393	
Budget Amendment 2010-3	(520,100)	
	<u>\$ 29,906,293</u>	\$ (2,677,293)
Projected Fund Balance		<u>\$ 7,636,927</u>
<i>Increase in projected fund balance after final Budget Amendment for 2009-10</i>		<u>\$ 55,657</u>

RECOMMENDED ACTION: Approval of resolution to authorize Budget Amendment #2010-3

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Crawford				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

BUDGET AMENDMENT #2010-3 RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following Budget Amendment #2010-3 is authorized:

GENERAL FUND	<u>INCREASE (DECREASE)</u>
REVENUE	
Property Taxes - Penalties	\$ 205,000
Licenses, Permits and Charges for Services	380,100
Intergovernmental Revenue - Federal grants \$79,250; State Revenue Sharing (\$465,000)	(385,750)
Other revenue	20,000
Fines and Forfeitures	107,300
Interest Income	(210,000)
Appropriation - Fund Balance	(636,750)
	<u>\$ (520,100)</u>
APPROPRIATIONS	
CITY COUNCIL	
Personal Services	\$ (1,000)
CITY MANAGER	
Other Services and Charges	(3,000)
FINANCE DEPARTMENT	
Personal Services (staff reductions)	(35,000)
INFORMATION TECHNOLOGY	
Other Services and Charges (data processing)	(10,000)
ASSESSING	
Personal Services (staff reductions)	(15,000)
Supplies	500
Other Services and Charges (appraisals)	(20,000)
CITY ATTORNEY	
Other Services and Charges	(102,000)
CITY CLERK	
Supplies	(8,500)
Other Services and Charges	20,500
TREASURY	
Personal Services	(5,000)
Other Services and Charges	(11,000)
FACILITY OPERATIONS	
Supplies (tables and chairs)	15,000
Other Services and Charges (contractual services, electricity)	(95,000)
Capital Outlay	(10,000)
NEIGHBORHOOD & BUSINESS RELATIONS GROUP	
Personal Services (staff realignment)	30,000
GENERAL ADMINISTRATION	
Personal Services (staff reductions)	(25,000)
Supplies	(18,000)
Other Services and Charges (consulting)	10,000
Capital Outlay (postage machine)	9,800
POLICE DEPARTMENT	
Supplies	(30,000)
Other Services and Charges	(13,000)
Capital Outlay	(6,900)
FIRE DEPARTMENT	
Personal Services (staff realignment)	(10,000)
Supplies (operating)	5,000
Other Services and Charges	(10,000)
Capital Outlay	(20,000)
COMMUNITY DEVELOPMENT	
Personal Services (staff reductions)	(69,000)
Supplies	(9,500)
Other Services and Charges	(58,500)

**BUDGET AMENDMENT #2010-3
RESOLUTION (continued)**

	INCREASE (DECREASE)
GENERAL FUND (continued)	
DEPARTMENT OF PUBLIC SERVICES	
Personal Services	\$ (46,000)
Other Services and Charges	(45,000)
Capital Outlay	23,500
Allocated to Other Funds (see reductions in roads maintenance below-reduced overtime and policy change)	396,000
PLANNING COMMISSION	
Other Services and Charges	(27,000)
CONTINGENCIES	
	(327,000)
	\$ (520,100)
MAJOR STREET FUND	
REVENUE	
Gas and Weight Tax	\$ (27,480)
Interest on Investments	(11,800)
Federal Grants (to be reported by other governmental agency)	(1,008,000)
Other	8,415
Appropriation - Fund Balance	(242,725)
	\$ (1,281,590)
APPROPRIATIONS	
Construction (grant to be reported by other governmental agency)	\$ (1,064,200)
Routine Maintenance	(166,200)
Winter Maintenance	(44,300)
Transfer to Local Street (reduction in Act 51 revenue)	(6,890)
	\$ (1,281,590)
LOCAL STREET FUND	
REVENUE	
Gas and Weight Tax	\$ (2,750)
Interest on Investments	(6,275)
Transfer to Local Street (reduction in Act 51 revenue)	(6,890)
Appropriation - Fund Balance	(56,755)
	\$ (72,670)
APPROPRIATIONS	
Construction (grant to be reported by other governmental agency)	\$ 22,000
Routine Maintenance	(17,670)
Winter Maintenance	(77,000)
	\$ (72,670)
MUNICIPAL STREET FUND	
REVENUE	
Interest on Investments	\$ (48,200)
Other	(27,700)
Appropriation - Fund Balance	(760,540)
	\$ (836,440)
APPROPRIATIONS	
Construction (Novi Road included in 2010-11 budget)	\$ (871,770)
Routine Maintenance	(171,600)
Winter Maintenance	137,000
Sidewalks	70,700
Administration	(770)
	\$ (836,440)

**BUDGET AMENDMENT #2010-3
RESOLUTION (continued)**

		<u>INCREASE (DECREASE)</u>
PARKS, RECREATION AND CULTURAL SERVICES FUND		
REVENUE		
Grant		\$ 84,640
Program Revenue		(66,790)
Older Adult Program Revenue		(24,907)
Interest on Investments		(6,900)
Other		4,000
Appropriation - Fund Balance		(179,590)
		<u>\$ (189,547)</u>
APPROPRIATIONS		
Personal Services (staff realignment)		\$ (68,700)
Supplies		(5,740)
Other Services and Charges		(145,107)
Capital Outlay (grant match)		30,000
		<u>\$ (189,547)</u>
DRAIN REVENUE FUND		
REVENUE		
Interest on Investments		<u>\$ 15,200</u>
APPROPRIATIONS		
Administration		<u>\$ 15,200</u>
FORFEITURE FUNDS		
REVENUE		
Appropriation - Fund Balance		<u>\$ 138,500</u>
APPROPRIATIONS		
Supplies (office equipment and State forfeiture supplies)		\$ 8,500
Capital Outlay - Building Improvements (roof approved 1/4/10 City Council agenda)		130,000
		<u>\$ 138,500</u>
LIBRARY FUND		
REVENUE		
Transfer from Walker Library Fund (Approved by Library Board April 2010)		\$ 130,924
Appropriation - Fund Balance		(130,924)
		<u>\$ -</u>
WALKER LIBRARY FUND		
REVENUE		
Appropriation - Fund Balance		<u>\$ 130,924</u>
APPROPRIATIONS		
Transfer to Library Fund (Approved by Library Board April 2010)		<u>\$ 130,924</u>

**BUDGET AMENDMENT #2010-3
RESOLUTION (continued)**

	<u>INCREASE (DECREASE)</u>
LIBRARY CONSTRUCTION FUND	
REVENUE	
Appropriation - Fund Balance	\$ 11,180,800
APPROPRIATIONS	
Other (collections, legal, audit fees)	\$ 331,000
Capital Outlay (technology, furniture, fixtures and equipment)	1,655,900
Construction	9,193,900
	<u>\$ 11,180,800</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 June 21, 2010

Maryanne Cornelius
City Clerk