



CITY of NOVI CITY COUNCIL

Agenda Item 1
November 28, 2011

SUBJECT: Acceptance of proceeding with items approved and deferred in the 2011-12 budget (Civic Center roof, Single axle dump truck, Customer Relations Management software, Gasboy Fuel Management System, and Senior van), and the design phase of the City Council Chambers Video/Audio enhancements using restricted PEG cable fees.

SUBMITTING DEPARTMENT: City Manager's/Finance

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

City Council requested several appropriations be brought back to City Council for consideration after completion of the June 30, 2011 audit, which is also being presented on this agenda. The General Fund results reflect a positive result (net increase in fund balance of approximately \$460,000) for the fiscal year ended June 30, 2011.

General Fund Summary

Beginning Fund Balance July 1, 2010		\$ 9,710,402
Estimated 2010-11 from Proposed Budget for 2011-12:		
Revenue	\$ 29,511,084	
Expenditures	<u>(28,853,772)</u>	\$ 657,312
Projected Fund Balance, June 30, 2011		<u>\$ 10,367,714</u>

Beginning Fund Balance July 1, 2010		\$ 9,710,402
Actual 2010-11:		
Revenue	\$ 29,747,750	
Expenditures	<u>(28,041,077)</u>	\$ 1,706,673
Rollover expenditure items included in budget amendment 2012-1		\$ (589,400)
Fund Balance, June 30, 2011		<u>\$ 10,827,675</u>

Net difference in estimated for 2010-11 budget and actual unaudited results \$ 459,961

General Fund revenue \$237,000 (0.8%) better than anticipated; expenditures \$223,000 (0.8%) lower than anticipated, for a net increase in fund balance of approximately \$460,000. Additional information can be found in the audit presentation and report included on this agenda.

The 2011-12 budget includes \$281,000 for communication equipment and other enhancements for the City Council Chambers. The City has approximately \$172,000 in PEG cable fees available for this project. The City administration proposes to use the

proceeds to begin the design phase of this project. The City administration received a consulting fee estimate of \$9,000 for the design phase, and will proceed with obtaining Requests for Proposals pursuant to City Council's direction in the budget process to use only PEG fee revenue for the project.

RECOMMENDED ACTION: Acceptance of proceeding with items approved and deferred in the 2011-12 budget (Civic Center roof, Single axle dump truck, Customer Relations Management software, Gasboy Fuel Management System, and Senior van), and the design phase of the City Council Chambers Video/Audio enhancements using restricted PEG cable fees.

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

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

Recommended Items

General Fund

Civic Center Roof	\$220,000
Single Axle Dump Truck	\$241,500
Customer Relations Management Software	\$ 24,000
Gasboy Fuel Management System	<u>\$ 27,215</u>
	<u>\$512,715</u>

Council Chambers audio and video enhancements – Phase I – Design –
Estimate of \$9,000 (use of Cable PEG fees only)

Parks, Recreation and Cultural Services Fund

Senior Van (extended Econoline Paratransit)	\$ 35,000
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Completed Items

Additional Pension Contributions	\$100,000
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The following items have been dropped from the recommended list:

Facilitate Pro License \$12,500

The Internet-hosted license software application, Facilitate Pro, was requested in the 2011-2012 budget to use as an on-line tool for staff training, hosting of webinars, the ability to conduct meetings at multiple locations simultaneously, and for brainstorming sessions. An initial purpose was to use Facilitate Pro as the means to conduct the yearly City Council Strategic Goal Setting session in an effort to reduce costs. However, due to the expenditure deferment it is no longer timely to consider.

Ford F-350 Pickup \$30,100

The truck scheduled for replacement has had some repairs that will extend the useful life for another year. The replacement will be submitted for request with the 2012-13 budget.