



**CITY OF NOVI CITY COUNCIL
JUNE 17, 2024**

SUBJECT: Approval of resolution to authorize Budget Amendment #2024-6

SUBMITTING DEPARTMENT: Finance

BACKGROUND INFORMATION:

During the budget meetings with the Mayor and Council regarding the fiscal year 2024/2025 annual budget, recommendations were made to the administration on how to improve the transparency of the budget and to eliminate the confusion of the annual "rollover" budget amendment. As a reminder, the rollover amendment represented projects (most capital in nature) where a budget was created, and a contract was awarded but the work was not completed before the end of the fiscal year. As a result, the balance of the unfinished work related to these projects would need to be "re-budgeted" in the subsequent fiscal year or "rolled over" from one fiscal year to the next. Given the current and past supply chain issues, the amount of the rollover amendment has climbed in recent years to \$2-\$3 million annually from the historic levels of \$1-\$1.5 million. The recommendation proposed and presented as part of the attached amendment is to move the budget and unspent funds related to the unfinished projects identified as of June 12, 2024 from the General and Parks and Recreation Fund into a new fund (Public Improvement Fund) until the goods and/or services are received in the subsequent year. This new approach would eliminate the need for any rollover amendments and show in the General and Parks and Recreation Fund as if they had been expended by June 30, 2024.

The proposed budget amendment resolution and budget amendment detail are attached. **The proposed amendment has no net impact on any fund's fund balance** as the amount unspent will be reduced in the capital expenditure line items in each department and will be replaced with a transfer out expenditure to the new fund.

RECOMMENDED ACTION: Approval of resolution to authorize Budget Amendment #2024-6

RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following
Budget Amendment# 2024-6 is authorized:

	INCREASE (DECREASE)
GENERAL FUND	
APPROPRIATIONS	
City Manager	
Capital Outlay	(12,675)
Assessing Department	
Capital Outlay	(33,290)
Integrated Solutions - Facility Management	
Capital Outlay	(139,683)
Integrated Solutions - FM: Parks Maintenance	
Capital Outlay	(105,000)
Police Department	
Capital Outlay	(539,120)
Fire Department	
Capital Outlay	(4,901)
Community Development - Building	
Capital Outlay	(88,178)
Department of Public Works - Field Operations	
Capital Outlay	(412,442)
Department of Public Works - Fleet Asset	
Capital Outlay	(880,721)
Community Development - Planning	
Capital Outlay	(92,767)
Transfers to Other Funds	
Transfers Out	2,308,777
TOTAL APPROPRIATIONS	<u>\$ -</u>
Net Increase (Decrease) to Fund Balance	<u><u>\$ -</u></u>
PARKS, RECREATION, & CULTURAL SERVICES FUND	
APPROPRIATIONS	
Capital Outlay	(706,211)
Transfers Out	706,211
TOTAL APPROPRIATIONS	<u>\$ -</u>
Net Increase (Decrease) to Fund Balance	<u><u>\$ -</u></u>
PUBLIC IMPROVEMENT FUND	
REVENUES	
Transfers In	3,014,988
TOTAL REVENUES	<u>\$ 3,014,988</u>
APPROPRIATIONS	
Capital Outlay	3,014,988
TOTAL APPROPRIATIONS	<u>\$ 3,014,988</u>
Net Increase (Decrease) to Fund Balance	<u><u>\$ -</u></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 17, 2024

Cortney Hanson
City Clerk

CL #	Project/Item Description	Budget Category	Amount
General Fund 101			
Expenditures			
101-172.00-816.090	Novi Campus Traffic Study	Capital Outlay	\$ (12,675)
101-257.00-983.066	LDV016 LDV 140 - Assessing	Capital Outlay	(33,290)
101-265.00-976.160	Bldg Generator FS #1 & 3	Capital Outlay	(139,683)
101-265.10-982.037	FPM002 Wide Area Mower	Capital Outlay	(105,000)
101-301.00-980.006	POL023 InCar Cameras & Body Cameras	Capital Outlay	(231,620)
101-301.00-982.056	POL021 LPR System	Capital Outlay	(7,500)
101-301.00-983.000	Vehicles	Capital Outlay	(300,000)
101-336.00-852.002	PS25 Radio System Equipment	Capital Outlay	(4,901)
101-371.00-983.070	LDV025 LDV 141 - CD Building	Capital Outlay	(41,960)
101-371.00-983.076	LDV026 LDV 138 - CD Building	Capital Outlay	(41,960)
101-371.00-986.030	CDB001 CD Tech Upgrades Ph1-BS	Capital Outlay	(4,258)
101-441.20-975.021	ENG068 NSP 2021 (FY 2021-22)	Capital Outlay	(193,000)
101-441.20-975.023	ENG068 NSP 2023 (FY 2023-24)	Capital Outlay	(200,000)
101-441.20-976.125	FLD045 Salt Dome Replace w/Pit	Capital Outlay	(10,142)
101-441.20-982.085	Field Retroreflector Sign Shop	Capital Outlay	(9,300)
101-441.30-982.031	Wood Chipper	Capital Outlay	(77,000)
101-441.30-982.086	Enclosed ATV Trailer	Capital Outlay	(2,611)
101-441.30-983.054	LDV022 LDV w/ Plow 655 - DPW	Capital Outlay	(86,309)
101-441.30-983.055	LDV018 LDV 147 - DPW Field Operations	Capital Outlay	(33,290)
101-441.30-983.068	LDV023 LDV w/ plow 658 - DPW	Capital Outlay	(86,309)
101-441.30-984.037	FLT010 RDS Body Truck	Capital Outlay	(294,414)
101-441.30-984.039	FLT011 RDS Truck w/ scrap	Capital Outlay	(300,788)
101-701.00-816.003	Active mobility Plan	Capital Outlay	(11,584)
101-701.00-816.033	Master Plan	Capital Outlay	(42,623)
101-701.00-983.062	LDV017 LDV 143 - CD Building	Capital Outlay	(38,560)
101-966.00-995.445	Transfer to Public Improvement	Transfers to Other Funds	2,308,777
			-

Net Increase (decrease) to fund balance -

Parks, Recreation, and Cultural Services Fund 208			
Expenditures			
208-752.00-976.191	CTM001 Sound	Capital Outlay	\$ (33,963)
208-752.00-977.033	PRC028b Novi NW Park Const	Capital Outlay	(9,813)
208-752.00-977.041	Fiber, Cam, Bldg Security	Capital Outlay	(4,761)
208-752.00-977.042	Building Generator & Gentrack	Capital Outlay	(64,300)
208-752.00-977.090	ENG052a Cemetery Enhance	Capital Outlay	(80,000)
208-752.00-977.109	PRC049 Resrfce/Reline Tennis Courts	Capital Outlay	(73,150)
208-752.00-977.111	PRC028d Trails incl playground	Capital Outlay	(36,887)
208-752.00-981.014	LOT022 ParkLot & add'l spaces	Capital Outlay	(403,337)
208-966.00-995.445	Transfer to Public Improvement	Transfers to Other Funds	706,211
			-

Net Increase (decrease) to fund balance \$ -

Public Improvement Fund 445			
Revenues			
445-000.00-699.101	Transfer from General Fund	Transfers in	\$ 2,308,777
445-000.00-699.208	Transfer from Parks, Rec & Cultural Services	Transfers in	706,211
			3,014,988

Expenditures			
445-172.00-816.090	Novi Campus Traffic Study	Capital Outlay	\$ 12,675
445-257.00-983.066	LDV016 LDV 140 - Assessing	Capital Outlay	33,290
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