



CITY of NOVI CITY COUNCIL 6

Agenda Item
September 14, 2015

SUBJECT: Approval of resolution to authorize Budget Amendment #2015-16.

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 a rollover budget amendment, are approved by Council throughout the fiscal year. The first quarter budget amendment for fiscal year 2015/2016 will be provided to Council in October. The intent of presenting the rollover amendment separately is to budget commitments from the 2014/2015 fiscal year, which are currently unbudgeted for in fiscal year 2015/2016, in a timely manner.

The rollover budget amendment consists of projects or contracts that were awarded and were in progress as of June 30, 2015 but not completed. The balance of the incomplete contracts and projects will be expended in fiscal year 2015/2016, so it is necessary to amend the adopted budget so these items can be completed. **It is important to note that the estimated beginning fund balance (from the fourth quarter amendment passed by council in June 2015) is higher than originally anticipated. The primary reason for a higher than anticipated beginning fund balance is because the activity related to these rollovers were budgeted for but did not take place in FY 2014/2015 and instead will take place in FY 2015/2016 (no net effect).**

The attached rollover budget amendment includes the Street Improvement Fund which is a capital project fund created as of June 30, 2014, to track all uncompleted road fund projects at the end of each fiscal year. At the end of FY 2014/2015, there are five projects totaling approximately \$3,093,258 to be completed. Below are summaries for all funds with minimum fund balance requirements:

GENERAL FUND

<u>GENERAL FUND</u>			
Projected Ending Fund Balance, June 30, 2015			\$ 9,354,423
	Favorable variance, including rollover items		3,045,773
	Restricted Fund Balance		46,834
Estimated Beginning Fund Balance, July 1, 2015			<u>\$ 12,447,030</u>
	Amended Revenue as of Council Meeting 8/24/2015	31,293,612	
201516	Rollover Budget Amendment	<u>-</u>	
	Amended Revenue as of Council Meeting 9/14/2015		31,293,612
	Amended Expenditures as of Council Meeting 8/24/2015	31,479,612	
201516	Rollover Budget Amendment	<u>981,736</u>	
	Amended Expenditures as of Council Meeting 9/14/2015		32,461,348
Revenues over (under) Expenditures			<u>\$ (1,167,736)</u>
Estimated Unrestricted Fund Balance, June 30, 2016			\$ 11,232,460
Estimated Restricted Fund Balance, June 30, 2016			46,834
Estimated Ending Fund Balance, June 30, 2016			<u><u>\$ 11,279,294</u></u>
Estimated Ending Fund Balance, June 30, 2016, as a % of budgeted expenditures :			34.7%

MAJOR STREET FUND

<u>MAJOR STREET FUND</u>			
Projected Ending Fund Balance, June 30, 2015			\$ 605,869
	Favorable variance, including rollover items		234,124
Estimated Beginning Fund Balance, July 1, 2015			<u>\$ 839,993</u>
	Amended Revenue as of Council Meeting 8/24/2015	6,017,300	
201516	Rollover Budget Amendment	<u>550,570</u>	
	Amended Revenue as of Council Meeting 9/14/2015		6,567,870
	Amended Expenditures as of Council Meeting 8/24/2015	6,467,497	
201516	Rollover Budget Amendment	<u>224,972</u>	
	Amended Expenditures as of Council Meeting 9/14/2015		6,692,469
Revenues over (under) Expenditures			<u>(124,599)</u>
Estimated Ending Fund Balance, June 30, 2016			<u><u>\$ 715,394</u></u>
Estimated Ending Fund Balance, June 30, 2016, as a % of budgeted expenditures :			10.7%

LOCAL STREET FUND

<u>LOCAL STREET FUND</u>			
Projected Ending Fund Balance, June 30, 2015		\$	567,717
Favorable variance, including rollover items			278,420
Estimated Beginning Fund Balance, July 1, 2015		\$	846,137
201516	Amended Revenue as of Council Meeting 8/24/2015	3,579,000	
	Rollover Budget Amendment	109,640	
	Amended Revenue as of Council Meeting 9/14/2015		3,688,640
201516	Amended Expenditures as of Council Meeting 8/24/2015	5,078,640	
	Rollover Budget Amendment	(1,127,061)	
	Amended Expenditures as of Council Meeting 9/14/2015		3,951,579
Revenues over (under) Expenditures			(262,939)
Estimated Ending Fund Balance, June 30, 2016		\$	583,198
Estimated Ending Fund Balance, June 30, 2016, as a % of budgeted expenditures : 14.8%			

MUNICIPAL STREET FUND

<u>MUNICIPAL STREET FUND</u>			
Projected Ending Fund Balance, June 30, 2015		\$	3,615,378
Favorable variance, including rollover items			1,800,332
Assigned Fund Balance			697,500
Estimated Beginning Fund Balance, July 1, 2015		\$	6,113,210
201516	Amended Revenue as of Council Meeting 8/24/2015	5,256,182	
	Rollover Budget Amendment	-	
	Amended Revenue as of Council Meeting 9/14/2015		5,256,182
201516	Amended Expenditures as of Council Meeting 8/24/2015	7,831,182	
	Rollover Budget Amendment	1,754,225	
	Amended Expenditures as of Council Meeting 9/14/2015		9,585,407
Revenues over (under) Expenditures			(4,329,225)
Estimated Unrestricted Fund Balance, June 30, 2016		\$	1,086,485
Estimated Assigned Fund Balance, June 30, 2016			697,500
Estimated Ending Fund Balance, June 30, 2016		\$	1,783,985
Estimated Ending Fund Balance, June 30, 2016, as a % of budgeted expenditures : 18.6%			

PARKS, RECREATION, & CULTURAL SERVICES FUND

<u>PARKS, RECREATION, & CULTURAL SERVICES FUND</u>			
Projected Ending Fund Balance, June 30, 2015			\$ 784,669
	Favorable variance, including rollover items		762,976
	Restricted Fund Balance		170,195
Estimated Beginning Fund Balance, July 1, 2015			<u>\$ 1,717,840</u>
	Amended Revenue as of Council Meeting 8/24/2015	2,941,174	
201516	Rollover Budget Amendment	<u>385,000</u>	
	Amended Revenue as of Council Meeting 9/14/2015		3,326,174
	Amended Expenditures as of Council Meeting 8/24/2015	3,041,174	
201516	Rollover Budget Amendment	<u>1,084,794</u>	
	Amended Expenditures as of Council Meeting 9/14/2015		4,125,968
Revenues over (under) Expenditures			<u>(799,794)</u>
Estimated Unrestricted Fund Balance, June 30, 2016			\$ 747,851
Estimated Restricted Fund Balance, June 30, 2016			170,195
Estimated Ending Fund Balance, June 30, 2016			<u>\$ 918,046</u>
Estimated Ending Fund Balance, June 30, 2016, as a % of budgeted expenditures :			22.3%

RECOMMENDED ACTION:

Approval of resolution to authorize Budget Amendment #2015-16.

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

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

RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following
Budget Amendment# 201516 is authorized:

	INCREASE (DECREASE)
GENERAL FUND	
APPROPRIATIONS	
City Manager	
Other Services and Charges	65,881
Information Technology Department	
Capital Outlay	154,829
Facility Operations	
Capital Outlay	7,400
Human Resources	
Capital Outlay	16,000
Police Department	
Other Services and Charges	26,000
Fire Department	
Capital Outlay	17,365
Community Development - Building	
Other Services and Charges	11,733
Capital Outlay	200,000
Community Development - Planning	
Other Services and Charges	266,949
Department of Public Services - Administration	
Other Services and Charges	12,331
Department of Public Services - Engineering	
Capital Outlay	85,498
Department of Public Services - Field Operations	
Other Services and Charges	4,950
Maintenance	2,800
Department of Public Services - Fleet Asset	
Capital Outlay	110,000
TOTAL APPROPRIATIONS	\$ 981,736
Net Decrease to Fund Balance	\$ (981,736)

**INCREASE
(DECREASE)**

MAJOR ROADS	
REVENUES	
Transfers In	550,570
TOTAL REVENUES	\$ 550,570
APPROPRIATIONS	
Maintenance	2,844
Capital Outlay	222,128
TOTAL APPROPRIATIONS	\$ 224,972
Net Increase to Fund Balance	\$ 325,598

LOCAL ROADS	
REVENUES	
Transfers In	109,640
TOTAL REVENUES	\$ 109,640
APPROPRIATIONS	
Maintenance	262,939
Capital Outlay	(1,390,000)
TOTAL APPROPRIATIONS	\$ (1,127,061)
Net Increase to Fund Balance	\$ 1,236,701

MUNICIPAL STREETS	
APPROPRIATIONS	
Capital Outlay	1,094,015
Transfers Out	660,210
TOTAL APPROPRIATIONS	\$ 1,754,225
Net Decrease to Fund Balance	\$ (1,754,225)

**INCREASE
(DECREASE)**

PARKS, RECREATION, & CULTURAL SERVICES FUND
--

REVENUES

	State Grants	385,000
TOTAL REVENUES		\$ 385,000

APPROPRIATIONS

691	Supplies	6,121
691	Other Services and Charges	4,000
691	Capital Outlay	1,071,603
693	Program Expenditures	3,070
TOTAL APPROPRIATIONS		\$ 1,084,794

Net Decrease to Fund Balance	\$ (699,794)
-------------------------------------	---------------------

TREE FUND

APPROPRIATIONS

	Other Services and Charges	17,395
TOTAL APPROPRIATIONS		\$ 17,395

Net Decrease to Fund Balance	\$ (17,395)
-------------------------------------	--------------------

DRAIN FUND

APPROPRIATIONS

	Other Services and Charges	3,270
	Capital Outlay	835,940
TOTAL APPROPRIATIONS		\$ 839,210

Net Decrease to Fund Balance	\$ (839,210)
-------------------------------------	---------------------

STREET IMPROVEMENT FUND

APPROPRIATIONS

	Capital Outlay	3,093,258
TOTAL APPROPRIATIONS		\$ 3,093,258

Net Decrease to Fund Balance	\$ (3,093,258)
-------------------------------------	-----------------------

**INCREASE
(DECREASE)**

WATER & SEWER FUND

APPROPRIATIONS

Other Services & Charges	251,244
Capital Outlay	4,208,305
TOTAL APPROPRIATIONS	<u>\$ 4,459,549</u>
Net Decrease to Fund Balance	<u><u>\$ (4,459,549)</u></u>

SENIOR HOUSING FUND

APPROPRIATIONS

Capital Outlay	63,897
TOTAL APPROPRIATIONS	<u>\$ 63,897</u>
Net Decrease to Fund Balance	<u><u>\$ (63,897)</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 September 14, 2015

Maryanne Cornelius
City Clerk

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
General Fund			
Expenditures			
101-172.00-816.000	Online Community Attraction Tool	Other Services and Charges	40,881
101-172.00-816.000	Entryway Signage Grant	Other Services and Charges	25,000
101-205.00-986.000	POE Switch - Civic Center Network Closet	Capital Outlay	2,986
101-205.00-986.100	Phone System Upgrade	Capital Outlay	151,843
101-265.00-982.000	Furniture - Facilities Management Dept	Capital Outlay	7,400
101-270.00-986.000	OnBAsE Update - Human Resource Dept	Capital Outlay	16,000
101-301.00-802.500	Livescan upgrade - Police Dept	Other Services and Charges	16,000
101-301.00-850.000	In-Car Laptops - Police Dept	Other Services and Charges	10,000
101-337.00-976.000	Fire Station #3 floors	Capital Outlay	13,042
101-337.00-976.000	Fire Station #2 Lieutenant Office Renovation	Capital Outlay	4,323
101-371.00-850.000	Community Development Suite Renovation - technology upgrades	Other Services and Charges	11,733
101-371.00-969.000	Community Development Suite Renovation	Capital Outlay	200,000
101-442.00-934.000	Upgrading Restrooms - DPS	Other Services and Charges	7,356
101-442.00-934.000	Replace Entrance Window - DPS	Other Services and Charges	4,975
101-442.10-971.100	Civic Center Parking Lot & Novi Way Improvements	Capital Outlay	50,900
101-442.10-981.000	Fire Station #3 Parking Lot	Capital Outlay	34,598
101-442.20-850.000	Electronic In/Out Board (touchscreen monitor) - DPS	Other Services and Charges	850
101-442.20-850.000	Motion tablets - DPS	Other Services and Charges	4,100
101-442.20-866.265	Civic Center Sidewalk Replacement	Maintenance	2,800
101-442.30-984.000	One Ton Dump Truck with Plow & Swap Loader	Capital Outlay	110,000
101-807.00-816.000	Planning Area Study (13 Mile & Novi Rd)	Other Services and Charges	4,000
101-807.00-816.000	Master Plan for Land Use and Vision Plan	Other Services and Charges	121,280
101-807.00-816.000	Clearzoning Modification to Zoning Ordinance	Other Services and Charges	7,400
101-807.00-816.000	Thoroughfare Plan	Other Services and Charges	130,000
101-807.00-850.000	Community Development Suite Renovation - technology upgrades	Other Services and Charges	4,269
			<u>\$ 981,736</u>
Major Street Fund			
Revenues			
202-000.00-676.204	Transfer from Municipal Street Fund	Transfers In	550,570
			<u>\$ 550,570</u>
Expenditures			
202-202.00-805.161	Engineering - Novi Rd Rehabilitation (12 Mile to 13 Mile)	Capital Outlay	4,500
202-202.00-805.672	Engineering - 11 Mile (Town Center to Meadowbrook)	Capital Outlay	6,623
202-202.00-805.674	Engineering - West Rd Repave (West Park Dr to City)	Capital Outlay	15,179
202-202.00-805.675	Engineering - Town Center Reconstruction	Capital Outlay	12,041
202-202.00-865.670	Construction - Heslip Dr	Capital Outlay	6,080
202-202.00-865.672	Construction - 11 Mile (Town Center to Meadowbrook)	Capital Outlay	19,994
202-202.00-865.674	Construction - West Rd Repave (West Park Dr to City)	Capital Outlay	115,598
202-202.00-865.675	Construction - Town Center Reconstruction	Capital Outlay	42,113
202-202.00-867.050	Traffic Consultant - Wixom & Glennwood Signal timing review and traffic speed study Nick Lidstrom Dr.	Maintenance	2,844
			<u>\$ 224,972</u>
Local Street Fund			
Revenues			
203-000.00-676.204	Transfer from Municipal Street Fund	Transfers In	109,640
			<u>\$ 109,640</u>
Expenditures			
203-203.00-865.435	Construction - Neighborhood Roads 2015	Capital Outlay	(1,390,000)
203-203.00-866.500	Capital Preventative Maint (2014 and 2015 Chip Seal Program)	Maintenance	254,605
203-203.00-867.050	Traffic Consultant - Intersection Review Island Lake South and Orchard Hills School Traffic Review	Maintenance	8,334
			<u>\$ (1,127,061)</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	550,570
204-000.00-965.203	Transfer to Local Street Fund	Transfers Out	109,640
204-204.00-805.003	ADA Compliance	Capital Outlay	13
204-204.00-805.261	Engineering - Southwest Quadrant Ring Road	Capital Outlay	1,500
204-204.00-805.623	Engineering - Extra Right Turn Lane (Westbound Gr River @ Beck)	Capital Outlay	26,344
204-204.00-805.656	Engineering - Haggerty Rd Widening (South of Ten Mile)	Capital Outlay	4,063
204-204.00-863.505	Engineering - Traffic Signal Improvement (Wixom & Glennwood)	Capital Outlay	1,658
204-204.00-863.511	Engineering - Dual Left Turn Lane (Eastbound Gr River @ Beck)	Capital Outlay	87,380
204-204.00-865.623	Construction - Extra Right Turn Lane (Westbound Gr River @ Beck)	Capital Outlay	18,422
204-204.00-865.656	Construction - Haggerty Rd Widening (South of Ten Mile)	Capital Outlay	8,988
204-204.00-974.417	Sidewalks - Seg# 145 Ten Mile Rd engineering and ROW	Capital Outlay	11
204-204.00-974.423	Sidewalks - Seg# 109 Eight Mile Rd (Garfield to Beck)	Capital Outlay	541,931
204-204.00-974.430	ITC Corridor (Beck Rd to Medilodge Site)	Capital Outlay	60,848
204-204.00-974.434	Sidewalks - M5/I275 Trail Connector engineering	Capital Outlay	34,860
204-204.00-974.436	Sidewalks - Beck @ Cheltenham engineering	Capital Outlay	38,092
204-204.00-974.437	Sidewalks - Beck @ Cheltenham construction	Capital Outlay	249,980
204-204.00-974.438	Sidewalks - Haggerty @ 9 Mile engineering	Capital Outlay	320
204-204.00-974.442	Sidewalks - Seg# 73 Meadowbrook East Gr River @ 11 Mile engineering	Capital Outlay	6,401
204-204.00-974.453	Sidewalks - Seg# 129 Fourteen Mile Path (Haverhill Maples)	Capital Outlay	13,204
			<u>\$ 1,754,225</u>
Parks, Recreation, & Cultural Services Fund			
Revenues			
208-000.00-523.000	MNRTF Grant (acquire 10 acres of land on 12 Mile Rd East of Napier)	State Grants	385,000
			<u>\$ 385,000</u>
Expenditures			
208-691.00-974.105	Greenway Development Phase 1	Capital Outlay	460,303
208-691.00-974.096	Ella Mae Power Park Lot/Path	Capital Outlay	207
208-691.00-974.096	Engineering - Power Park Pathway	Capital Outlay	53,833
208-691.00-740.601	Park Amenities	Supplies	6,121
208-691.00-816.000	Lakeshore Park Erosion Project	Other Services and Charges	4,000
208-691.00-974.085	Entryway Signs	Capital Outlay	7,260
208-691.00-971.000	MNRTF Grant (acquire 10 acres of land on 12 Mile Rd East of Napier)	Capital Outlay	550,000
208-693.00-960.504	Lakeshore Beach Foot Wash Station	Program Expenditures	3,070
			<u>\$ 1,084,794</u>
Tree Fund			
Expenditures			
209-000.00-972.100	Spring 2015 Tree Planting	Other Services and Charges	17,395
			<u>\$ 17,395</u>
Drain Fund			
Expenditures			
210-211.00-805.000	Engineering Consulting (Taft & Bishop Wetland Mitigation Monitoring & Management Services)	Other Services and Charges	3,270
210-211.00-805.049	Engineering - Whipple Culvert	Capital Outlay	26,695
210-211.00-805.136	Engineering - Monroe Creek (Christina Ln)	Capital Outlay	7,180
210-211.00-865.023	Civic Center Basin Improvements	Capital Outlay	14,820
210-211.00-865.024	Orchard Hill Place Basin Improvements	Capital Outlay	13,031
210-211.00-865.049	New Court Drain Improvements	Capital Outlay	108,300
210-211.00-865.129	Construction - Whipple Culvert	Capital Outlay	336,775
210-211.00-865.130	Streambank Stabilization (Bishop Creek & Ingersol)	Capital Outlay	162,194
210-211.00-865.136	Monroe Creek Culvert Repairs	Capital Outlay	160,000
210-211.00-865.294	Power Park Drainage Improvements	Capital Outlay	6,945
			<u>\$ 839,210</u>
Street Improvement Fund			
Expenditures			
403-203.00-805.434	Engineering - Neighborhood Roads 2014	Capital Outlay	39,173
403-203.00-805.435	Engineering - Neighborhood Roads 2015	Capital Outlay	250,315
403-203.00-865.434	Construction - Neighborhood Roads 2014	Capital Outlay	361,546
403-203.00-865.435	Construction - Neighborhood Roads 2015	Capital Outlay	2,280,200
403-204.00-974.433	Sidewalks - Segment NC1 (E. Lake Dr to Novi) construction	Capital Outlay	162,024
			<u>\$ 3,093,258</u>

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
Water and Sewer Fund			
Expenditures			
592-592.00-936.500	2015 Manhole Rehabilitation	Other Services and Charges	24,562
592-592.00-936.500	Miscellaneous Cleaning, Televising, Manhole SS System	Other Services and Charges	179,976
592-592.00-802.000	Sewer Meter Upgrades to 8 Mile Outlet Meter (BG1)	Other Services and Charges	7,252
592-592.00-850.000	NEAMS IV (backflow prevention)	Other Services and Charges	39,454
592-592.00-865.674	West Road Rehabilitation	Capital Outlay	10,720
592-592.00-974.098	091-71 Sanitary Sewer Upgrade to increase pipe capacity (9 Mile Rd East of Meadowbrook Rd)	Capital Outlay	459,591
592-592.00-974.098	Park Place Pump Station	Capital Outlay	240,000
592-592.00-974.098	New Sewer Flow Meters (8)	Capital Outlay	40,000
592-592.00-974.099	Novi Rd North Pressure Reducing Valve	Capital Outlay	25,205
592-592.00-974.099	091-25 16" Water Main along 9 Mile Rd (Center to Novi Rd)	Capital Outlay	402,071
592-592.00-974.099	091-16 12" Water Main along 14 Mile Rd (Haverhill to Maples)	Capital Outlay	132,185
592-592.00-974.099	091-01 16" Water Main along Meadowbrook Rd (under I-96)	Capital Outlay	482,450
592-592.00-976.001	2014 Sanitary Lift Station	Capital Outlay	56,129
592-592.00-976.003	Water Storage Facility	Capital Outlay	1,597,436
592-592.00-976.004	SCADA Project	Capital Outlay	263,360
592-592.00-976.009	SAD 170 Phase 3B (Pump Station at Garfield and Eight Mile Rd)	Capital Outlay	52,349
592-592.00-976.010	Capacity Upgrades at the Walled Lake-Novı Wastewater Treatment Plant (WWTP)	Capital Outlay	446,809
			<u>\$ 4,459,549</u>
Senior Housing Fund			
Expenditures			
594-000.00-971.100	Ground Water Mitigation	Capital Outlay	32,737
594-000.00-971.100	Asphalt Repairs	Capital Outlay	31,160
			<u>\$ 63,897</u>