



# FINANCIAL SUMMARIES

## Long-Range Financial Plan – Multi-Year Budget 2019-2022

The City of Novi has long recognized the need for planning to provide quality services to its residents. This is evident in the work performed by the elected officials, City staff and various committees and boards. The City has conducted many studies and has developed plans, policies and procedures that have guided the City in making sound decisions regarding infrastructure and services.

The City has focused on long-term financial planning since the 1990's and as a result, continues its strong financial position. Since 2004 the City has prepared a three-year budget, going beyond the requirement for adoption of an annual budget. The City of Novi continues its strong financial position as a result of long-term financial planning; maintaining responsible fund balances in conformance with GFOA recommended practices and low debt obligations, as well as complying with the City's own fund balance policies.

Under Michigan law, the maximum debt Novi can issue is \$469,381,041. The City's current debt applicable to this limit is \$18,630,000 or 5.0% of the amount allowed. The City had twelve debt issues in 1999 and currently has one debt issue (excluding the debt reported in the enterprise funds and special assessment bonds). In addition to paying down debt through annual debt services payments, the City has taken advantage of both the decline in interest rates and its excellent credit rating (AAA) to obtain more favorable rates through refinancing – lowering interest expenditures and paying off debt sooner than anticipated.

The City's long-range financial plans, which are defined throughout this budget document, include focuses and investments on the following:

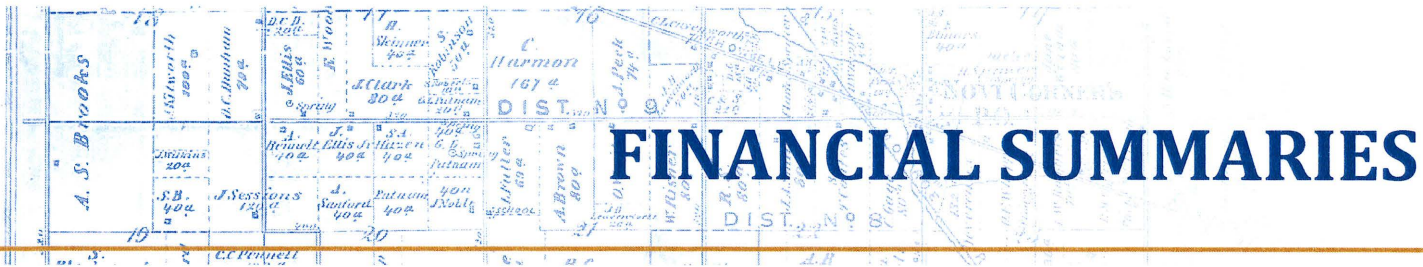
- Investing in public safety; including increasing the number of police officers and fire protection officers,
- Investing in roads, intersections & signals, and sidewalks & pathways,
- Improvements to existing parks and cultural services,
- Increasing community engagement (residential, commercial, and neighboring communities).
- Acquiring and developing land

These long range financial plans link to the entity's strategic goals, which have been mentioned in the Budget Overview section, and are illustrated in the matrix on the next page:

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## Strategic Goals/Long-Range Financial Plans Matrix

Strategic Goals	Long-Range Financial Plans
<p><b>N</b> Nurture public services that residents want and value.</p>	<p>Fund, build, and operate a Public Recreational Facility. Place greater emphasis on “aging in place” for senior services (to include strategy development to assist residents to do so.) For Parks Master Plan—Every Novi resident should be able to walk to a City park and/or recreational trail within 10 minutes of their home (1/2 mile).</p>
<p><b>O</b> Operate a world-class and sustainable local government.</p>	<p>Create a financially sustainable plan for the Tree Fund—current funding mechanism is not sustainable long-term. Limit CIP Plan projects to what can realistically be funded over 6 years. Current plan includes many “year 6” projects that far exceed projected available funds.</p>
<p><b>V</b> Value and build a desirable and vibrant community for residents and businesses alike now and into the future.</p>	<p>Direct Planning Commission and staff to study area around 12 Oaks Mall for redevelopment options in light of recent news about Sears. Work with RCOC to develop 12 Mile Road Corridor.</p>
<p><b>I</b> Invest properly in being a Safe Community at all times for all people.</p>	<p>Utilizing all available traffic studies, have City staff establish and implement a comprehensive plan to address traffic in ALL of Novi and bring in additional concerned parties, such as business, to discuss potentially alleviating options. Create a policy to extend water and sewer service to unserved neighborhoods that recognizes the costs of these projects.</p>



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The 2020-21 and 2021-22 budgets include the following items related to the goals and plans above:

- \$18.9 million investment in roads, pathways, sidewalks and intersections
- \$6.65 million investment in water and sewer infrastructure
- \$1.6 million investment in storm sewer and drainage
- \$544,000 investment in parks, recreation, and cultural services capital projects
- \$3.7 million investment in machinery, equipment, and technology

The annual budget is to be adopted by Council in May. The Council will also acknowledge the multi-year budget in the form of a resolution. The City prepares the multi-year projection based on the best data available at the time. The research includes obtaining data from the County and the State of Michigan. This future outlook allows the City to plan rather than react to anticipated financial conditions. Significant revenue and expenditure assumptions for the 2019/2020 fiscal year budget and the subsequent two years are included at the end of this section.

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## Consolidated Financial Schedule

	Governmental Funds				
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS
	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ 24,065,202	\$ 11,896,735	\$ 1,320,734	\$ 3,686,322	\$ -
Capital Contributions	-	-	-	-	-
Contributions-Employer	-	-	-	-	-
Donations	1,000	138,500	-	-	-
Federal grants	65,000	111,207	-	-	-
Fines and forfeitures	525,000	386,000	-	-	-
Interest income	747,033	238,672	216	58,922	70,000
Licenses, permits, and charges for services	4,777,604	2,855,000	-	70,000	-
Older adult program revenue	-	155,350	-	-	-
Operating Revenue	-	-	-	-	-
Other revenue	792,870	703,400	-	-	-
Program Revenue	-	1,229,340	-	-	-
Special Assessments Levied	-	35,829	-	-	-
State sources	4,897,925	6,196,000	-	-	-
Tap In Fees	-	-	-	-	5,000
Transfers In	-	6,535,000	-	-	807,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 35,871,634</b>	<b>\$ 30,481,033</b>	<b>\$ 1,320,950</b>	<b>\$ 3,815,244</b>	<b>\$ 882,000</b>
<b>APPROPRIATIONS</b>					
Personnel services	\$ 25,710,181	\$ 3,623,073	\$ -	\$ -	\$ -
Supplies	875,300	728,380	-	-	-
Other services and charges	6,662,818	10,595,559	500	1,500	-
Capital outlay	2,024,550	10,337,064	-	909,930	-
Debt Service	-	-	1,370,450	2,286,380	-
Transfer Out	350,000	7,042,000	-	-	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 35,622,849</b>	<b>\$ 32,326,076</b>	<b>\$ 1,370,950</b>	<b>\$ 3,197,810</b>	<b>\$ -</b>

Estimated Beginning Unassigned Fund Balance - July 1, 2019

Estimated Ending Unassigned Fund Balance - June 30, 2020

Fund balance as a percentage of total annual expenditures

Estimated Change in Fund Balance

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## Consolidated Financial Schedule (continued)

	<b>ENTERPRISE FUNDS BUDGET 2019-20</b>	<b>FIDUCIARY FUNDS BUDGET 2019-20</b>	<b>TOTAL BUDGET 2019-20</b>
<b>ESTIMATED REVENUES</b>			
Property tax revenue	\$ -	\$ -	\$ 40,968,993
Capital Contributions	1,350,000	-	\$ 1,350,000
Contributions-Employer	-	277,238	\$ 277,238
Donations	-	-	\$ 139,500
Federal grants	-	-	\$ 176,207
Fines and forfeitures	-	-	\$ 911,000
Interest income	337,500	2,000,762	\$ 3,453,105
Licenses, permits, and charges for services	-	-	\$ 7,702,604
Older adult program revenue	-	-	\$ 155,350
Operating Revenue	26,238,550	-	\$ 26,238,550
Other revenue	950,770	-	\$ 2,447,040
Program Revenue	1,882,355	-	\$ 3,111,695
Special Assessments Levied	-	-	\$ 35,829
State sources	-	-	\$ 11,093,925
Tap In Fees	-	-	\$ 5,000
Transfers in	-	-	\$ 7,342,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 30,759,175</b>	<b>\$ 2,278,000</b>	<b>\$ 105,408,036</b>
<b>APPROPRIATIONS</b>			
Personnel services	\$ 1,435,523	\$ 1,254,000	\$ 32,022,777
Supplies	88,275	-	\$ 1,691,955
Other services and charges	23,456,240	319,000	\$ 41,035,617
Capital outlay	3,033,013	-	\$ 16,304,557
Debt Service	1,578,124	-	\$ 5,234,954
Transfer Out	-	-	\$ 7,392,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 29,591,175</b>	<b>\$ 1,573,000</b>	<b>\$ 103,681,860</b>
<b>Estimated Beginning Unassigned Fund Balance - July 1, 2019</b>			<b>\$ 221,576,141</b>
<b>Estimated Ending Unassigned Fund Balance - June 30, 2020</b>			<b>\$ 223,302,317</b>
<b>Fund balance as a percentage of total annual expenditures</b>			<b>215%</b>
<b>Estimated Change in Fund Balance</b>			<b>1%</b>

# FINANCIAL SUMMARIES

## General Fund

### General Fund

The General Fund is used to account for all financial resources traditionally associated with City government, except those required to be accounted for in another fund. The General Fund includes police, fire, planning, engineering, building inspection, neighborhood services, public works, assessing, and internal services such as information technology and finance. The two primary sources of revenue for this fund are general property taxes and State Shared Revenue. In addition, the General Fund also receives revenue from licenses and permits, grants, fines and forfeitures and interest on investments.

<b>GENERAL FUND</b>					
	<b>ACTUAL 2017-18</b>	<b>ESTIMATED 2018-19</b>	<b>BUDGET 2019-20</b>	<b>PROJECTED 2020-21</b>	<b>PROJECTED 2021-22</b>
<b>ESTIMATED REVENUES</b>					
<b>PROPERTY TAX REVENUE</b>					
Property Tax Revenue - Current Levy	\$ 17,049,995	\$ 17,705,437	\$ 18,590,709	\$ 19,334,337	\$ 20,107,711
Property Tax Revenue- County Chargebacks	21,726	23,000	21,000	21,000	21,000
Property Tax Revenue - Tax Tribunal Accr	38,000	3,000	5,000	5,000	5,000
Property Tax Revenue -Brownfield Capture	(1,448)	(1,553)	(1,617)	(1,682)	(1,749)
Property Tax Revenue -Police & Fire Levy	4,843,338	5,032,611	5,283,610	5,494,675	5,714,198
Property Tax Revenue - Brownfield Cap 2015	(9,403)	(11,228)	(20,000)	(30,000)	(40,000)
Property Tax Revenue - PA 359 Advertising	-	49,955	50,000	50,000	50,000
Property Tax Revenue - C/Y Delequent PPT	(52,964)	(30,841)	(35,000)	(36,000)	(37,000)
Trailer Tax fees	9,977	11,514	11,500	11,750	12,000
Penalty and interest	156,741	162,700	160,000	165,000	170,000
<b>PROPERTY TAX REVENUE</b>	<b>\$ 22,055,962</b>	<b>\$ 22,944,595</b>	<b>\$ 24,065,202</b>	<b>\$ 25,014,080</b>	<b>\$ 26,001,160</b>
<b>DONATIONS</b>					
Police Dept Donations	\$ 130	\$ 250	\$ 500	\$ 500	\$ 500
Restricted Fire donations	-	2,100	500	500	500
Contributions	-	750	-	-	-
<b>DONATIONS</b>	<b>\$ 130</b>	<b>\$ 3,100</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>	<b>\$ 1,000</b>

# FINANCIAL SUMMARIES

## GENERAL FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
LICENSES, PERMITS & CHARGES FOR SVCS					
Clerks Dept Fees (prior business regist)	\$ 24,980	\$ 27,000	\$ 28,000	\$ 29,000	\$ 29,000
Liquor license fees	59,315	65,000	65,000	65,000	65,000
Engineering review fees	212,918	250,000	250,000	250,000	230,000
Plan and landscape review fees	98,700	130,000	130,000	130,000	130,000
Wet, Wood, Landscape insp/review fees	95,553	136,400	420,000	373,000	200,000
Building permits	704,715	900,000	900,000	880,000	850,000
Plan review fees	327,293	450,000	400,000	375,000	375,000
Refrigeration permits	68,802	65,000	70,000	65,000	65,000
Electrical permits	228,591	210,000	230,000	220,000	220,000
Heating permits	192,542	190,000	200,000	200,000	200,000
Plumbing permits	168,274	125,000	130,000	125,000	125,000
Other charges	350,676	389,000	420,000	400,000	325,000
Court abatement revenue	2,558	500	-	-	-
Soil erosion fees	16,444	25,000	26,000	27,000	27,000
Cable television fee	915,141	975,000	935,000	950,000	975,000
Weed cutting revenue	4,985	6,000	6,000	6,000	6,000
Board of appeals	17,045	21,000	21,000	21,000	21,000
Police department-miscellaneous revenue	130,468	139,000	139,000	139,000	139,000
Police dispatch service revenue	122,090	125,753	134,604	141,333	148,401
Police contracted services	99,373	100,000	100,000	100,000	100,000
Police OWI revenue	726	800	1,000	1,000	1,000
Police Department - Hosted Training	60	10,000	20,000	20,000	20,000
Administrative reimburse	65,900	135,000	140,000	140,000	140,000
Fire Station CEMS revenue	9,000	12,000	12,000	12,000	12,000
LICENSES, PERMITS & CHARGES FOR SVCS	\$ 3,916,149	\$ 4,487,453	\$ 4,777,604	\$ 4,669,333	\$ 4,403,401
FEDERAL GRANTS					
Federal Grants	\$ 5,325	\$ 6,000	\$ 5,000	\$ 5,000	\$ 5,000
TIA Grant	13,195	300	10,000	10,000	10,000
Federal forfeitures-reimbursement only	27,164	27,000	30,000	30,000	30,000
SS Task Force Reimbursement	22,436	20,000	20,000	20,000	20,000
FEDERAL GRANTS	\$ 68,120	\$ 53,300	\$ 65,000	\$ 65,000	\$ 65,000
FINES AND FORFEITURES					
Court fees and fines	\$ 490,091	\$ 510,000	\$ 500,000	\$ 500,000	\$ 500,000
Motor carrier fines and fees	20,000	25,000	25,000	25,000	25,000
FINES AND FORFEITURES	\$ 510,091	\$ 535,000	\$ 525,000	\$ 525,000	\$ 525,000

# FINANCIAL SUMMARIES

## GENERAL FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>INTEREST INCOME</b>					
Interest on Investments	\$ 354,060	\$ 405,374	\$ 350,000	\$ 350,000	\$ 350,000
Unrealized gain (loss) on investments	(189,722)	150,000	150,000	(25,000)	25,000
Interest on Trust & Agency Funds	200,217	244,826	247,033	256,158	251,698
<b>INTEREST INCOME</b>	<b>\$ 364,555</b>	<b>\$ 800,200</b>	<b>\$ 747,033</b>	<b>\$ 581,158</b>	<b>\$ 626,698</b>
<b>OTHER REVENUE</b>					
Insurance Reimbursement	\$ 46,185	\$ 30,000	\$ 35,000	\$ 35,000	\$ 35,000
Fire Department	12,979	10,000	10,000	10,000	10,000
Fire Department Hosted Training	4,775	-	-	-	-
Novi Youth Council	3,789	9,500	9,500	9,500	9,500
Miscellaneous income	143,221	199,000	245,000	245,000	175,000
Internal Events - Eco Develop	284	-	-	-	-
Filming permit revenue	-	200	-	-	-
Library Network Charges	21,877	35,000	22,000	22,000	22,000
State of the City revenue	225	4,000	4,000	4,000	4,000
Novi Township assessment	16,370	17,100	16,100	16,100	16,100
RRRASOC Hosting Fees	31,938	16,000	16,000	16,000	16,000
Cell tower revenue	62,593	40,000	40,000	40,000	40,000
Sale of fixed assets	27,295	30,000	30,000	-	-
Municipal service charges	365,270	365,270	365,270	365,270	365,270
<b>OTHER REVENUE</b>	<b>\$ 736,801</b>	<b>\$ 756,070</b>	<b>\$ 792,870</b>	<b>\$ 762,870</b>	<b>\$ 692,870</b>
<b>STATE SOURCES</b>					
Police training grant	\$ 34,067	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
State revenue sharing	4,752,364	4,874,915	4,872,925	4,970,383	5,069,791
<b>STATE SOURCES</b>	<b>\$ 4,786,431</b>	<b>\$ 4,899,915</b>	<b>\$ 4,897,925</b>	<b>\$ 4,995,383</b>	<b>\$ 5,094,791</b>
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 32,438,239</b>	<b>\$ 34,479,633</b>	<b>\$ 35,871,634</b>	<b>\$ 36,613,824</b>	<b>\$ 37,409,920</b>



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## GENERAL FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>APPROPRIATIONS</b>					
Dept 101.00-CITY COUNCIL					
PERSONNEL SERVICES	\$ 36,106	\$ 36,113	\$ 36,130	\$ 36,132	\$ 36,134
SUPPLIES	198	290	200	200	200
OTHER SERVICES AND CHARGES	22,960	10,210	11,900	11,925	11,950
TOTAL Dept 101.00-CITY COUNCIL	\$ 59,264	\$ 46,613	\$ 48,230	\$ 48,257	\$ 48,284
Dept 172.00-CITY MANAGER					
PERSONNEL SERVICES	\$ 518,911	\$ 532,642	\$ 546,239	\$ 561,486	\$ 574,652
SUPPLIES	1,518	1,500	1,500	1,500	1,500
OTHER SERVICES AND CHARGES	112,929	132,000	119,170	119,195	119,220
CAPITAL OUTLAY	-	6,700	-	-	-
TOTAL Dept 172.00-CITY MANAGER	\$ 633,358	\$ 672,842	\$ 666,909	\$ 682,181	\$ 695,372
<i>Financial Services</i>					
Dept 201.00-FINANCE DEPARTMENT					
PERSONNEL SERVICES	\$ 873,029	\$ 949,692	\$ 926,304	\$ 952,423	\$ 1,006,921
SUPPLIES	5,937	11,200	9,000	9,200	9,400
OTHER SERVICES AND CHARGES	82,045	73,660	76,350	113,305	79,000
TOTAL Dept 201.00-FINANCE DEPARTMENT	\$ 961,011	\$ 1,034,552	\$ 1,011,654	\$ 1,074,928	\$ 1,095,321
Dept 253.00-TREASURY					
PERSONNEL SERVICES	\$ 283,366	\$ 273,067	\$ 275,279	\$ 281,619	\$ 288,725
SUPPLIES	30,553	32,375	28,500	29,500	30,500
OTHER SERVICES AND CHARGES	31,599	40,200	41,350	41,350	41,350
CAPITAL OUTLAY	1,447	-	-	-	-
TOTAL Dept 253.00-TREASURY	\$ 346,965	\$ 345,642	\$ 345,129	\$ 352,469	\$ 360,575
<i>Financial Services Total</i>	\$ 1,307,976	\$ 1,380,194	\$ 1,356,783	\$ 1,427,397	\$ 1,455,896

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## GENERAL FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<i>Integrated Solutions</i>					
Dept 205.00-INFORMATION TECHNOLOGY					
PERSONNEL SERVICES	\$ 747,635	\$ 758,397	\$ 801,088	\$ 827,165	\$ 851,395
SUPPLIES	31,545	53,650	74,110	73,710	73,710
OTHER SERVICES AND CHARGES	207,215	290,970	370,280	371,940	355,780
CAPITAL OUTLAY	9,154	48,628	59,350	63,000	-
TOTAL Dept 205.00-INFORMATION TECHNOLOGY	\$ 995,549	\$ 1,151,645	\$ 1,304,828	\$ 1,335,815	\$ 1,280,885
Dept 265.00-FACILITY MANAGEMENT					
PERSONNEL SERVICES	\$ 345,255	\$ 325,453	\$ 322,085	\$ 331,565	\$ 340,043
SUPPLIES	60,849	18,500	18,500	18,500	18,500
OTHER SERVICES AND CHARGES	640,511	634,282	618,030	603,090	570,030
CAPITAL OUTLAY	4,999	29,654	231,830	568,670	1,377,860
TOTAL Dept 265.00-FACILITY MANAGEMENT	\$ 1,051,614	\$ 1,007,889	\$ 1,190,445	\$ 1,521,825	\$ 2,306,433
Dept 265.10-FACILITY MANAGEMENT - PARKS MAINT					
PERSONNEL SERVICES	\$ 365,206	\$ 523,598	\$ 514,729	\$ 520,379	\$ 536,633
SUPPLIES	23,308	23,500	23,500	23,500	23,500
OTHER SERVICES AND CHARGES	295,223	344,237	320,340	321,340	321,340
CAPITAL OUTLAY	91,415	637,013	43,700	202,390	87,000
TOTAL Dept 265.10-FAC MGMNT - PARKS MAINT	\$ 775,152	\$ 1,528,348	\$ 902,269	\$ 1,067,609	\$ 968,473
<i>Integrated Solutions Total</i>	\$ 2,822,315	\$ 3,687,882	\$ 3,397,542	\$ 3,925,249	\$ 4,555,791
Dept 209.00-ASSESSING DEPARTMENT					
PERSONNEL SERVICES	\$ 629,240	\$ 609,365	\$ 627,434	\$ 644,468	\$ 663,443
SUPPLIES	16,434	17,000	18,000	18,000	18,000
OTHER SERVICES AND CHARGES	150,892	200,250	218,910	211,810	215,910
CAPITAL OUTLAY	-	-	-	-	24,000
TOTAL Dept 209.00-ASSESSING DEPARTMENT	\$ 796,566	\$ 826,615	\$ 864,344	\$ 874,278	\$ 921,353
Dept 210.00-CITY ATTORNEY, INSURANCE, & CLAIMS					
OTHER SERVICES AND CHARGES	\$ 680,799	\$ 702,428	\$ 772,898	\$ 804,801	\$ 814,801
CAPITAL OUTLAY	428	20,000	50,000	50,000	50,000
TOTAL Dept 210.00-CITY ATTRNY, INSUR, & CLAIMS	\$ 681,227	\$ 722,428	\$ 822,898	\$ 854,801	\$ 864,801
Dept 215.00-CITY CLERK					
PERSONNEL SERVICES	\$ 580,483	\$ 614,986	\$ 623,535	\$ 639,215	\$ 657,680
SUPPLIES	37,527	48,000	39,000	39,000	39,000
OTHER SERVICES AND CHARGES	86,091	228,650	179,580	194,580	177,580
CAPITAL OUTLAY	3,647	-	41,700	-	-
TOTAL Dept 215.00-CITY CLERK	\$ 707,748	\$ 891,636	\$ 883,815	\$ 872,795	\$ 874,260

# FINANCIAL SUMMARIES

## GENERAL FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>Dept 270.00-HUMAN RESOURCES</b>					
PERSONNEL SERVICES	\$ 369,765	\$ 381,013	\$ 383,576	\$ 395,213	\$ 406,334
SUPPLIES	670	1,000	1,000	1,000	1,000
OTHER SERVICES AND CHARGES	117,054	124,700	115,930	191,955	115,980
CAPITAL OUTLAY	-	14,923	-	-	-
<b>TOTAL Dept 270.00-HUMAN RESOURCES</b>	<b>\$ 487,489</b>	<b>\$ 521,636</b>	<b>\$ 500,506</b>	<b>\$ 588,168</b>	<b>\$ 523,314</b>
<b>Dept 295.00-COMMUNITY RELATIONS</b>					
PERSONNEL SERVICES	\$ 330,323	\$ 314,877	\$ 322,662	\$ 333,520	\$ 342,939
SUPPLIES	11,542	10,800	10,900	10,900	10,900
OTHER SERVICES AND CHARGES	414,601	391,985	385,470	398,470	398,470
<b>TOTAL Dept 295.00-COMMUNITY RELATIONS</b>	<b>\$ 756,466</b>	<b>\$ 717,662</b>	<b>\$ 719,032</b>	<b>\$ 742,890</b>	<b>\$ 752,309</b>
<b>Dept 296.00 ECONOMIC DEVELOPMENT</b>					
PERSONNEL SERVICES	\$ 139,846	\$ 110,998	\$ 153,174	\$ 156,795	\$ 159,698
SUPPLIES	340	800	-	-	-
OTHER SERVICES AND CHARGES	20,522	100,700	28,490	28,515	28,540
CAPITAL OUTLAY	7,500	-	-	-	-
<b>TOTAL Dept 296.00 ECONOMIC DEVELOPMENT</b>	<b>\$ 168,208</b>	<b>\$ 212,498</b>	<b>\$ 181,664</b>	<b>\$ 185,310</b>	<b>\$ 188,238</b>
<i>Public Safety</i>					
<b>Dept 301.00-POLICE DEPARTMENT</b>					
PERSONNEL SERVICES	\$ 11,559,960	\$ 11,654,120	\$ 11,896,655	\$ 12,241,443	\$ 12,609,205
SUPPLIES	290,839	318,010	263,890	263,890	263,890
OTHER SERVICES AND CHARGES	1,033,523	1,105,695	1,108,760	1,110,260	1,111,260
CAPITAL OUTLAY	377,787	60,500	-	177,850	-
<b>TOTAL Dept 301.00-POLICE DEPARTMENT</b>	<b>\$ 13,262,109</b>	<b>\$ 13,138,325</b>	<b>\$ 13,269,305</b>	<b>\$ 13,793,443</b>	<b>\$ 13,984,355</b>
<b>Dept 337.00-FIRE DEPARTMENT</b>					
PERSONNEL SERVICES	\$ 4,861,691	\$ 4,941,846	\$ 4,933,485	\$ 5,129,336	\$ 5,276,761
SUPPLIES	164,934	244,865	193,500	174,000	174,000
OTHER SERVICES AND CHARGES	653,546	700,925	608,330	609,330	610,330
CAPITAL OUTLAY	111,420	697,900	574,970	61,500	-
<b>TOTAL Dept 337.00-FIRE DEPARTMENT</b>	<b>\$ 5,791,591</b>	<b>\$ 6,585,536</b>	<b>\$ 6,310,285</b>	<b>\$ 5,974,166</b>	<b>\$ 6,061,091</b>
<i>Public Safety Total</i>	<i>\$ 19,053,700</i>	<i>\$ 19,723,861</i>	<i>\$ 19,579,590</i>	<i>\$ 19,767,609</i>	<i>\$ 20,045,446</i>
<i>Community Development</i>					
<b>Dept 371.00-COMMUNITY DEVELOPMENT-BUILDING</b>					
PERSONNEL SERVICES	\$ 1,638,216	\$ 1,630,715	\$ 1,707,718	\$ 1,751,549	\$ 1,797,388
SUPPLIES	15,648	32,700	33,200	33,200	33,200
OTHER SERVICES AND CHARGES	359,983	362,461	337,250	337,350	404,450
CAPITAL OUTLAY	27,097	-	24,000	16,850	24,000
<b>TOTAL Dept 371.00-COMM DEVELOP-BUILDING</b>	<b>\$ 2,040,944</b>	<b>\$ 2,025,876</b>	<b>\$ 2,102,168</b>	<b>\$ 2,138,949</b>	<b>\$ 2,259,038</b>
<b>Dept 807.00-COMMUNITY DEVELOPMENT-PLANNING</b>					
PERSONNEL SERVICES	\$ 457,130	\$ 469,421	\$ 484,123	\$ 520,316	\$ 508,895
SUPPLIES	854	5,700	5,600	5,600	5,600
OTHER SERVICES AND CHARGES	108,643	189,205	103,110	103,110	53,110
CAPITAL OUTLAY	18,990	-	-	-	-
<b>TOTAL Dept 807.00-COMM DEVELOP-PLANNING</b>	<b>\$ 585,617</b>	<b>\$ 664,326</b>	<b>\$ 592,833</b>	<b>\$ 629,026</b>	<b>\$ 567,605</b>
<i>Community Development Total</i>	<i>\$ 2,626,561</i>	<i>\$ 2,690,202</i>	<i>\$ 2,695,001</i>	<i>\$ 2,767,975</i>	<i>\$ 2,826,643</i>

# FINANCIAL SUMMARIES

## GENERAL FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<i>Department of Public Works</i>					
Dept 442.00-DPW ADMINISTRATION DIVISION					
PERSONNEL SERVICES	\$ 198,765	\$ 285,968	\$ 284,644	\$ 291,965	\$ 300,666
SUPPLIES	10,382	37,336	10,900	10,900	10,900
OTHER SERVICES AND CHARGES	155,809	124,515	120,540	120,590	139,140
CAPITAL OUTLAY	6,700	-	-	-	-
TOTAL Dept 442.00-DPW ADMINISTRATION	\$ 371,656	\$ 447,819	\$ 416,084	\$ 423,455	\$ 450,706
Dept 442.10-DPW ENGINEERING DIVISION					
PERSONNEL SERVICES	\$ 182,206	\$ 152,415	\$ 184,904	\$ 200,239	\$ 213,967
SUPPLIES	2,720	2,000	2,000	2,000	2,000
OTHER SERVICES AND CHARGES	313,174	198,406	174,100	170,150	170,200
CAPITAL OUTLAY	30,568	225,117	25,000	152,978	-
TOTAL Dept 442.10-DPW ENGINEERING DIVISION	\$ 528,668	\$ 577,938	\$ 386,004	\$ 525,367	\$ 386,167
Dept 442.20-DPW FIELD OPERATIONS DIVISION					
PERSONNEL SERVICES	\$ 220,926	\$ 140,107	\$ 251,379	\$ 325,160	\$ 380,635
SUPPLIES	85,007	98,562	108,500	109,500	109,500
OTHER SERVICES AND CHARGES	683,763	643,998	589,610	564,560	564,660
CAPITAL OUTLAY	573,763	1,024,901	974,000	77,000	234,000
TOTAL Dept 442.20-DPW FIELD OPERATIONS	\$ 1,563,459	\$ 1,907,568	\$ 1,923,489	\$ 1,076,220	\$ 1,288,795
Dept 442.30-DPW FLEET ASSET DIVISION					
PERSONNEL SERVICES	\$ 350,658	\$ 362,703	\$ 387,826	\$ 399,570	\$ 410,836
SUPPLIES	43,264	44,500	27,000	27,000	27,000
OTHER SERVICES AND CHARGES	335,555	335,200	354,420	345,640	348,140
CAPITAL OUTLAY	256,850	106,043	-	60,200	91,000
TOTAL Dept 442.30-DPW FLEET ASSET DIVISION	\$ 986,327	\$ 848,446	\$ 769,246	\$ 832,410	\$ 876,976
<i>Department of Public Works Total</i>	\$ 3,450,110	\$ 3,781,771	\$ 3,494,823	\$ 2,857,452	\$ 3,002,644

# FINANCIAL SUMMARIES

## GENERAL FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
Dept 665.00-NOVI YOUTH ASSISTANCE					
PERSONNEL SERVICES	\$ 47,363	\$ 47,159	\$ 47,212	\$ 47,792	\$ 48,377
SUPPLIES	4,670	6,500	6,500	6,500	6,500
OTHER SERVICES AND CHARGES	294	100	-	-	-
TOTAL Dept 665.00-NOVI YOUTH ASSISTANCE	\$ 52,327	\$ 53,759	\$ 53,712	\$ 54,292	\$ 54,877
Dept 803.00-HISTORICAL COMMISSION					
OTHER SERVICES AND CHARGES	\$ 5,199	\$ 14,000	\$ 8,000	\$ 8,000	\$ 8,000
TOTAL Dept 803.00-HISTORICAL COMMISSION	\$ 5,199	\$ 14,000	\$ 8,000	\$ 8,000	\$ 8,000
Dept 940.00-TRANSFER TO OTHER FUNDS					
TRANSFERS OUT	\$ (83,500)	\$ 256,800	\$ 350,000	\$ 275,000	\$ 274,075
TOTAL Dept 940.00-TRANSFER TO OTHER FUNDS	\$ (83,500)	\$ 256,800	\$ 350,000	\$ 275,000	\$ 274,075
<b>TOTAL APPROPRIATIONS</b>	<b>\$33,525,014</b>	<b>\$ 36,200,399</b>	<b>\$ 35,622,849</b>	<b>\$35,931,654</b>	<b>\$ 37,091,303</b>
NET OF REVENUES/APPROPRIATIONS	\$ (1,086,775)	\$ (1,720,766)	\$ 248,785	\$ 682,170	\$ 318,617
BEGINNING FUND BALANCE	12,905,841	11,819,066	10,098,300	10,347,085	11,029,255
<b>ENDING FUND BALANCE</b>	<b>\$11,819,066</b>	<b>\$ 10,098,300</b>	<b>\$ 10,347,085</b>	<b>\$11,029,255</b>	<b>\$ 11,347,872</b>

Fund balance as a percentage of total annual expenditures	35%	28%	29%	31%	31%
Ending Fund Balance (22% min)	\$ 7,375,503	\$ 7,964,088	\$ 7,837,027	\$ 7,904,964	\$ 8,160,087
Funds above / (below) 22% min	\$ 4,443,563	\$ 2,134,212	\$ 2,510,058	\$ 3,124,291	\$ 3,187,785
Ending Fund Balance (25% max)	\$ 8,381,254	\$ 9,050,100	\$ 8,905,712	\$ 8,982,914	\$ 9,272,826
Funds above / (below) 25% max	\$ 3,437,813	\$ 1,048,200	\$ 1,441,373	\$ 2,046,342	\$ 2,075,046
Estimated Change in Fund Balance	-8%	-15%	2%	7%	3%

\* **Total Appropriations** include service improvements, capital outlay, vehicles, and capital improvements. The level of such expenditures is dictated by available funds from accumulated fund balance and anticipated revenue above annual expenditures in conjunction with the targeted fund balance.

# FINANCIAL SUMMARIES

## Special Revenue Funds

### Major Street Fund

The Major Street Fund's purpose is to account for expenditures associated with the construction and maintenance needs of the Major Street portion (as defined by State Act 51) of the City's street network. Financing is primarily provided by the City's share of State gas and weight taxes.

#### MAJOR STREET FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Interest income	\$ 26,065	\$ 31,660	\$ 3,582	\$ 4,918	\$ 5,759
Other revenue	70,000	-	-	-	-
State sources	4,147,839	4,698,000	4,555,000	4,914,000	5,307,000
Transfers in	-	-	-	538,000	1,390,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 4,243,904</b>	<b>\$ 4,729,660</b>	<b>\$ 4,558,582</b>	<b>\$ 5,456,918</b>	<b>\$ 6,702,759</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 1,489,282	\$ 1,702,565	\$ 1,632,350	\$ 1,582,350	\$ 1,582,350
Capital outlay	(319,230)	3,915,049	2,681,232	3,944,568	5,032,409
Transfers out	1,900,000	300,000	200,000	-	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 3,070,052</b>	<b>\$ 5,917,614</b>	<b>\$ 4,513,582</b>	<b>\$ 5,526,918</b>	<b>\$ 6,614,759</b>
NET OF REVENUES/APPROPRIATIONS - FUND 202	\$ 1,173,852	\$ (1,187,954)	\$ 45,000	\$ (70,000)	\$ 88,000
BEGINNING FUND BALANCE	626,757	1,800,609	612,655	657,655	587,655
<b>ENDING FUND BALANCE</b>	<b>\$ 1,800,609</b>	<b>\$ 612,655</b>	<b>\$ 657,655</b>	<b>\$ 587,655</b>	<b>\$ 675,655</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>59%</b>	<b>10%</b>	<b>15%</b>	<b>11%</b>	<b>10%</b>
Ending Fund Balance (10% minimum)	\$ 307,005	\$ 591,761	\$ 451,358	\$ 552,692	\$ 661,476
Funds above / (below) 10% minimum	\$ 1,493,604	\$ 20,894	\$ 206,297	\$ 34,963	\$ 14,179
Ending Fund Balance (20% maximum)	\$ 614,010	\$ 1,183,523	\$ 902,716	\$ 1,105,384	\$ 1,322,952
Funds above / (below) 20% maximum	\$ 1,186,599	\$ (570,868)	\$ (245,061)	\$ (517,729)	\$ (647,297)
<b>Estimated Change in Fund Balance</b>	<b>187%</b>	<b>-66%</b>	<b>7%</b>	<b>-11%</b>	<b>15%</b>

# FINANCIAL SUMMARIES

## Local Street Fund

The Local Street Fund's purpose is to account for expenditures associated with the construction and maintenance needs of the City's Local Streets. Financing is provided by the City's share of State gas and weight taxes and transfers from other funds.

### LOCAL STREET FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Interest income	\$ 9,669	\$ 10,654	\$ 2,868	\$ 3,901	\$ 3,900
Other revenue	24,535	205,656	-	-	-
State sources	1,461,362	1,655,403	1,603,000	1,732,000	1,870,000
Transfers in	1,900,000	4,886,000	6,235,000	3,781,000	3,057,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 3,395,566</b>	<b>\$ 6,757,713</b>	<b>\$ 7,840,868</b>	<b>\$ 5,516,901</b>	<b>\$ 4,930,900</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 1,290,399	\$ 2,008,473	\$ 1,774,900	\$ 1,824,900	\$ 1,824,900
Capital outlay	2,205,447	4,577,128	5,745,968	4,147,001	3,200,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 3,495,846</b>	<b>\$ 6,585,601</b>	<b>\$ 7,520,868</b>	<b>\$ 5,971,901</b>	<b>\$ 5,024,900</b>
NET OF REVENUES/APPROPRIATIONS - FUND 203	\$ (100,280)	\$ 172,112	\$ 320,000	\$ (455,000)	\$ (94,000)
BEGINNING FUND BALANCE	642,464	542,184	714,296	1,034,296	579,296
<b>ENDING FUND BALANCE</b>	<b>\$ 542,184</b>	<b>\$ 714,296</b>	<b>\$ 1,034,296</b>	<b>\$ 579,296</b>	<b>\$ 485,296</b>

<b>Fund balance as a percentage of total annual expenditures</b>	<b>16%</b>	<b>11%</b>	<b>14%</b>	<b>10%</b>	<b>10%</b>
Ending Fund Balance (10% minimum)	\$ 349,585	\$ 658,560	\$ 752,087	\$ 597,190	\$ 502,490
Funds above / (below) 10% minimum	\$ 192,599	\$ 55,736	\$ 282,209	\$ (17,894)	\$ (17,194)
Ending Fund Balance (20% maximum)	\$ 699,169	\$ 1,317,120	\$ 1,504,174	\$ 1,194,380	\$ 1,004,980
Funds above / (below) 20% maximum	\$ (156,985)	\$ (602,824)	\$ (469,878)	\$ (615,084)	\$ (519,684)
<b>Estimated Change in Fund Balance</b>	<b>-16%</b>	<b>32%</b>	<b>45%</b>	<b>-44%</b>	<b>-16%</b>

# FINANCIAL SUMMARIES

## Municipal Street Fund

The Municipal Street Fund is used to enhance the Major and Local Street Funds, and to provide matching funds for County roads. This fund accounts for a City Charter authorized property tax millage to supplement the Major and Local Street Funds that have limited resources due to the reliance on the State gas and weight tax.

### MUNICIPAL STREET FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ 5,097,215	\$ 5,283,136	\$ 5,502,800	\$ 5,722,433	\$ 5,981,889
Interest income	51,138	61,302	58,160	52,485	48,544
Licenses, permits & charges for services	7,200	25,000	10,000	10,000	10,000
Other revenue	409,748	392,557	307,000	694,259	318,000
Special assessments levied	13,769	13,031	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 5,579,070</b>	<b>\$ 5,775,026</b>	<b>\$ 5,877,960</b>	<b>\$ 6,479,177</b>	<b>\$ 6,358,433</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 544,799	\$ 637,567	\$ 802,979	\$ 621,625	\$ 648,125
Capital outlay	913,113	1,828,266	623,981	1,526,552	1,300,308
Transfers out	3,530,000	4,586,000	6,035,000	4,319,000	4,447,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 4,987,912</b>	<b>\$ 7,051,833</b>	<b>\$ 7,461,960</b>	<b>\$ 6,467,177</b>	<b>\$ 6,395,433</b>
NET OF REVENUES/APPROPRIATIONS - FUND 204	\$ 591,158	\$ (1,276,807)	\$ (1,584,000)	\$ 12,000	\$ (37,000)
BEGINNING FUND BALANCE	3,040,438	3,631,596	2,354,789	770,789	782,789
<b>ENDING FUND BALANCE</b>	<b>\$ 3,631,596</b>	<b>\$ 2,354,789</b>	<b>\$ 770,789</b>	<b>\$ 782,789</b>	<b>\$ 745,789</b>

<b>Fund balance as a percentage of total annual expenditures</b>	<b>73%</b>	<b>33%</b>	<b>10%</b>	<b>12%</b>	<b>12%</b>
Ending Fund Balance (10% minimum)	\$ 498,791	\$ 705,183	\$ 746,196	\$ 646,718	\$ 639,543
Funds above / (below) 10% minimum	\$ 3,132,805	\$ 1,649,606	\$ 24,593	\$ 136,071	\$ 106,246
Ending Fund Balance (20% maximum)	\$ 997,582	\$ 1,410,367	\$ 1,492,392	\$ 1,293,435	\$ 1,279,087
Funds above / (below) 20% maximum	\$ 2,634,014	\$ 944,422	\$ (721,603)	\$ (510,646)	\$ (533,298)
<b>Estimated Change in Fund Balance</b>	<b>19%</b>	<b>-35%</b>	<b>-67%</b>	<b>2%</b>	<b>-5%</b>



# FINANCIAL SUMMARIES

## Parks, Recreation, and Cultural Services Fund

The departments within this fund administer all parks, recreation and cultural services operations, including strategic direction, policy development, resource identification, and serves as the liaison to the Parks, Recreation and Cultural Services Commission and the Novi Parks Foundation.

### PARKS, RECREATION & CULTURAL SERVICES FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ 1,309,849	\$ 1,357,654	\$ 1,411,336	\$ 1,470,729	\$ 1,529,390
Donations	71,826	59,200	123,500	37,500	68,500
Interest income	16,487	20,805	30,000	16,772	16,656
Older adult program revenue	185,123	157,750	155,350	155,350	155,350
Other revenue	12,551	12,400	5,000	5,000	5,000
Program revenue	1,351,593	1,225,080	1,229,340	1,268,640	1,268,640
Transfers in	(102,500)	256,800	300,000	225,000	224,075
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 2,844,929</b>	<b>\$ 3,089,689</b>	<b>\$ 3,254,526</b>	<b>\$ 3,178,991</b>	<b>\$ 3,267,611</b>
<b>APPROPRIATIONS</b>					
Personnel services	\$ 1,297,037	\$ 1,241,830	\$ 1,255,889	\$ 1,318,991	\$ 1,360,530
Supplies	48,197	98,991	69,680	64,680	64,680
Other services and charges	1,374,184	1,586,800	1,444,930	1,443,530	1,449,330
Capital outlay	344,306	462,100	717,640	302,122	341,015
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 3,063,724</b>	<b>\$ 3,389,721</b>	<b>\$ 3,488,139</b>	<b>\$ 3,129,323</b>	<b>\$ 3,215,555</b>
NET OF REVENUES/APPROPRIATIONS - FUND 208	\$ (218,795)	\$ (300,032)	\$ (233,613)	\$ 49,668	\$ 52,056
BEGINNING FUND BALANCE	1,275,160	1,056,365	756,333	522,720	572,388
<b>ENDING FUND BALANCE</b>	<b>\$ 1,056,365</b>	<b>\$ 756,333</b>	<b>\$ 522,720</b>	<b>\$ 572,388</b>	<b>\$ 624,444</b>

<b>Fund balance as a percentage of total annual expenditures</b>	<b>34%</b>	<b>22%</b>	<b>15%</b>	<b>18%</b>	<b>19%</b>
Ending Fund Balance (12% minimum)	\$ 367,647	\$ 406,767	\$ 418,577	\$ 375,519	\$ 385,867
Funds above / (below) 12% minimum	\$ 688,718	\$ 349,566	\$ 104,143	\$ 196,869	\$ 238,577
Ending Fund Balance (22% maximum)	\$ 674,019	\$ 745,739	\$ 767,391	\$ 688,451	\$ 707,422
Funds above / (below) 22% maximum	\$ 382,346	\$ 10,594	\$ (244,671)	\$ (116,063)	\$ (82,978)
<b>Estimated Change in Fund Balance</b>	<b>-17%</b>	<b>-28%</b>	<b>-31%</b>	<b>10%</b>	<b>9%</b>

# FINANCIAL SUMMARIES

## Tree Fund

This fund was established to cover most of the cost of City tree replacement and future maintenance costs. Proceeds vary from year to year and come from fines, fees paid by developers and street tree maintenance charges pursuant to the City Charter and Code of Ordinances.

<b>TREE FUND</b>					
	<b>ACTUAL 2017-18</b>	<b>ESTIMATED 2018-19</b>	<b>BUDGET 2019-20</b>	<b>PROJECTED 2020-21</b>	<b>PROJECTED 2021-22</b>
<b>ESTIMATED REVENUES</b>					
State grants	\$ 402,500	\$ 367,500	\$ -	\$ -	\$ -
Interest income	46,382	65,953	58,971	59,784	59,829
Other revenue	402,800	581,400	300,000	300,000	300,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 851,682</b>	<b>\$ 1,014,853</b>	<b>\$ 358,971</b>	<b>\$ 359,784</b>	<b>\$ 359,829</b>
<b>APPROPRIATIONS</b>					
Personnel services	\$ 83,548	\$ 99,398	\$ 103,271	\$ 104,864	\$ 106,909
Supplies	791	1,000	1,000	1,000	1,000
Other services and charges	353,559	455,955	564,700	486,920	486,920
Capital outlay	567,411	541,434	-	-	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 1,005,309</b>	<b>\$ 1,097,787</b>	<b>\$ 668,971</b>	<b>\$ 592,784</b>	<b>\$ 594,829</b>
NET OF REVENUES/APPROPRIATIONS - FUND 209	\$ (153,627)	\$ (82,934)	\$ (310,000)	\$ (233,000)	\$ (235,000)
BEGINNING FUND BALANCE	3,842,447	3,688,820	3,605,886	3,295,886	3,062,886
<b>ENDING FUND BALANCE</b>	<b>\$ 3,688,820</b>	<b>\$ 3,605,886</b>	<b>\$ 3,295,886</b>	<b>\$ 3,062,886</b>	<b>\$ 2,827,886</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>367%</b>	<b>328%</b>	<b>493%</b>	<b>517%</b>	<b>475%</b>
Ending Fund Balance (\$500,000 minimum)	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Funds above / (below) \$500,000 minimum	\$ 3,188,820	\$ 3,105,886	\$ 2,795,886	\$ 2,562,886	\$ 2,327,886
<b>Estimated Change in Fund Balance</b>	<b>-4%</b>	<b>-2%</b>	<b>-9%</b>	<b>-7%</b>	<b>-8%</b>

# FINANCIAL SUMMARIES

## Drain Fund

This fund includes a special property tax millage that was approved for the purpose of improving and maintaining the City's regional and arterial detention system.

### DRAIN FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ 915,562	\$ 1,516,637	\$ 2,152,659	\$ 2,237,845	\$ 2,326,484
Interest income	19,931	21,223	4,872	5,778	3,365
Other revenue	58,865	90,000	10,000	10,000	10,000
Transfers in	-	3,647,000	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 994,358</b>	<b>\$ 5,274,860</b>	<b>\$ 2,167,531</b>	<b>\$ 2,253,623</b>	<b>\$ 2,339,849</b>
<b>APPROPRIATIONS</b>					
Personnel services	\$ -	\$ 24,267	\$ 23,360	\$ 23,360	\$ -
Other services and charges	745,841	971,645	1,181,828	937,328	864,828
Capital outlay	2,327,401	3,705,228	155,343	810,935	936,021
Debt service	-	-	-	-	62,000
Transfers out	-	700,700	807,000	482,000	477,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 3,073,242</b>	<b>\$ 5,401,840</b>	<b>\$ 2,167,531</b>	<b>\$ 2,253,623</b>	<b>\$ 2,339,849</b>
NET OF REVENUES/APPROPRIATIONS - FUND 210	\$ (2,078,884)	\$ (126,980)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	2,205,864	126,980	-	-	-
<b>ENDING FUND BALANCE</b>	<b>\$ 126,980</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>4%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Estimated Change in Fund Balance</b>	<b>-94%</b>	<b>-100%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

# FINANCIAL SUMMARIES

## Rubbish Collection Fund

The Rubbish Collection Fund records the activity related to the City of Novi trash/recycle program which began in July 2016. The City bills for half of the annual service on the July tax bill and the balance of the service is placed on the December tax bill.

### RUBBISH COLLECTION FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Interest income	\$ 1,343	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Licenses, permits & charges for services	2,178,103	2,425,000	2,475,000	2,550,000	2,625,000
Other revenue	-	3,770	-	-	-
Transfers in	19,000	-	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 2,198,446</b>	<b>\$ 2,429,770</b>	<b>\$ 2,476,000</b>	<b>\$ 2,551,000</b>	<b>\$ 2,626,000</b>
<b>APPROPRIATIONS</b>					
Supplies	\$ 3,773	\$ 4,770	\$ -	\$ -	\$ -
Other services and charges	2,194,673	2,425,000	2,476,000	2,551,000	2,626,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 2,198,446</b>	<b>\$ 2,429,770</b>	<b>\$ 2,476,000</b>	<b>\$ 2,551,000</b>	<b>\$ 2,626,000</b>
NET OF REVENUES/APPROPRIATIONS - FUND 210	\$ -	\$ -	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Estimated Change in Fund Balance</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

# FINANCIAL SUMMARIES

## PEG Cable Fund

This fund was established to track the revenues and expenditures related to providing cable services to the City, including cable franchise revenue and cable production fees.

### PEG CABLE FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Interest income	\$ 5,398	\$ 9,938	\$ 5,061	\$ 5,695	\$ 5,438
Licenses, permits & charges for services	373,692	322,000	370,000	370,000	370,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 379,090</b>	<b>\$ 331,938</b>	<b>\$ 375,061</b>	<b>\$ 375,695</b>	<b>\$ 375,438</b>
<b>APPROPRIATIONS</b>					
Personnel services	\$ 191,602	\$ 224,666	\$ 222,021	\$ 226,655	\$ 231,398
Supplies	3,727	6,282	5,000	5,000	5,000
Other services and charges	17,324	53,113	51,040	49,040	50,040
Capital outlay	20,903	87,076	40,000	60,000	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 233,556</b>	<b>\$ 371,137</b>	<b>\$ 318,061</b>	<b>\$ 340,695</b>	<b>\$ 286,438</b>
NET OF REVENUES/APPROPRIATIONS - FUND 263	\$ 145,534	\$ (39,199)	\$ 57,000	\$ 35,000	\$ 89,000
BEGINNING FUND BALANCE	642,634	788,168	748,969	805,969	840,969
<b>ENDING FUND BALANCE</b>	<b>\$ 788,168</b>	<b>\$ 748,969</b>	<b>\$ 805,969</b>	<b>\$ 840,969</b>	<b>\$ 929,969</b>

Fund balance as a percentage of total annual expenditures	337%	202%	253%	247%	325%
Estimated Change in Fund Balance	23%	-5%	8%	4%	11%

# FINANCIAL SUMMARIES

## Community Development Block Grant (CDBG) Fund

This fund records federal grant monies passed through to the City from Oakland County. These funds are used to support the youth assistance program and minor home repair program.

### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Federal grants	\$ 99,885	\$ 129,591	\$ 106,207	\$ 106,000	\$ 106,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 99,885</b>	<b>\$ 129,591</b>	<b>\$ 106,207</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 127,989	\$ 100,000	\$ 106,207	\$ 106,000	\$ 106,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 127,989</b>	<b>\$ 100,000</b>	<b>\$ 106,207</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>
NET OF REVENUES/APPROPRIATIONS - FUND 264	\$ (28,104)	\$ 29,591	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	(1,487)	(29,591)	-	-	-
<b>ENDING FUND BALANCE</b>	<b>\$ (29,591)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>-23%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Estimated Change in Fund Balance</b>	<b>1890%</b>	<b>-100%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

# FINANCIAL SUMMARIES

## Forfeiture Fund

This fund records all receipts and expenditures relating to Federal, State, Local and OWI, forfeited and legally restricted, funds relating to narcotic trafficking, money laundering, State laws and ordinances.

### FORFEITURE FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Federal grants	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Fines and forfeitures	297,462	164,050	209,000	209,000	209,000
Interest income	5,095	9,564	4,325	4,425	4,025
Other revenue	48,592	96,000	3,000	3,000	3,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 351,149</b>	<b>\$ 274,614</b>	<b>\$ 221,325</b>	<b>\$ 221,425</b>	<b>\$ 221,025</b>
<b>APPROPRIATIONS</b>					
Supplies	\$ 36,160	\$ 47,931	\$ 38,900	\$ 20,000	\$ 20,000
Other services and charges	553	525	525	525	525
Capital outlay	294,042	314,708	329,900	338,900	292,500
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 330,755</b>	<b>\$ 363,164</b>	<b>\$ 369,325</b>	<b>\$ 359,425</b>	<b>\$ 313,025</b>
NET OF REVENUES/APPROPRIATIONS - FUND 266	\$ 20,394	\$ (88,550)	\$ (148,000)	\$ (138,000)	\$ (92,000)
BEGINNING FUND BALANCE	458,483	478,877	390,327	242,327	104,327
<b>ENDING FUND BALANCE</b>	<b>\$ 478,877</b>	<b>\$ 390,327</b>	<b>\$ 242,327</b>	<b>\$ 104,327</b>	<b>\$ 12,327</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>145%</b>	<b>107%</b>	<b>66%</b>	<b>29%</b>	<b>4%</b>
<b>Estimated Change in Fund Balance</b>	<b>4%</b>	<b>-18%</b>	<b>-38%</b>	<b>-57%</b>	<b>-88%</b>

# FINANCIAL SUMMARIES

## Library Fund

Novi Public Library provides the resources and programs to support the educational, cultural, informational and recreational needs of its diverse community. The Library supports intellectual freedom and access to information resources for all, while maintaining the privacy of its patrons and providing a safe and secure environment. The Library is funded primarily from property taxes in accordance with a special City Charter millage.

### LIBRARY FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ 2,622,217	\$ 2,721,780	\$ 2,829,940	\$ 2,941,938	\$ 3,058,475
Donations	18,590	6,500	8,500	8,500	8,500
Fines and forfeitures	167,590	162,000	177,000	177,000	177,000
Interest income	26,180	36,000	33,792	34,201	35,663
Other revenue	79,291	72,750	78,400	78,450	78,500
State sources	38,689	34,000	38,000	39,000	40,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 2,952,557</b>	<b>\$ 3,033,030</b>	<b>\$ 3,165,632</b>	<b>\$ 3,279,089</b>	<b>\$ 3,398,138</b>
<b>APPROPRIATIONS</b>					
Personnel services	\$ 1,768,166	\$ 1,967,050	\$ 2,018,532	\$ 2,069,289	\$ 2,118,938
Supplies	524,924	588,300	592,300	596,300	596,300
Other services and charges	534,384	514,900	521,800	523,500	527,900
Capital outlay	60,523	70,000	43,000	28,000	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 2,887,997</b>	<b>\$ 3,140,250</b>	<b>\$ 3,175,632</b>	<b>\$ 3,217,089</b>	<b>\$ 3,243,138</b>
NET OF REVENUES/APPROPRIATIONS - FUND 268	\$ 64,560	\$ (107,220)	\$ (10,000)	\$ 62,000	\$ 155,000
BEGINNING FUND BALANCE	1,839,990	1,904,550	1,797,330	1,787,330	1,849,330
<b>ENDING FUND BALANCE</b>	<b>\$ 1,904,550</b>	<b>\$ 1,797,330</b>	<b>\$ 1,787,330</b>	<b>\$ 1,849,330</b>	<b>\$ 2,004,330</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>66%</b>	<b>57%</b>	<b>56%</b>	<b>57%</b>	<b>62%</b>
<b>Estimated Change in Fund Balance</b>	<b>4%</b>	<b>-6%</b>	<b>-1%</b>	<b>3%</b>	<b>8%</b>



# FINANCIAL SUMMARIES

## Library Contribution Fund

In May 2004, the City of Novi's Library received a generous gift of \$1,000,000 from Charles and Myrtle Walker for use in the replacement or expansion of the then existing Library building. The Library Board also entered into a Library Building Fund Gift Agreement with the Walker family to encourage additional donations. The library has continued to receive donations. As of January 1, 2014, the restrictions on the use of these funds expired.

### LIBRARY CONTRIBUTION FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Donations	\$ 30,216	\$ 17,000	\$ 6,500	\$ 6,500	\$ 6,500
Interest income	19,127	22,500	36,000	36,000	36,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 49,343</b>	<b>\$ 39,500</b>	<b>\$ 42,500</b>	<b>\$ 42,500</b>	<b>\$ 42,500</b>
<b>APPROPRIATIONS</b>					
Supplies	\$ 28,691	\$ 44,000	\$ 21,500	\$ 21,500	\$ 21,500
Capital outlay	11,170	120,700	-	-	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 39,861</b>	<b>\$ 164,700</b>	<b>\$ 21,500</b>	<b>\$ 21,500</b>	<b>\$ 21,500</b>
NET OF REVENUES/APPROPRIATIONS - FUND 269	\$ 9,482	\$ (125,200)	\$ 21,000	\$ 21,000	\$ 21,000
BEGINNING FUND BALANCE	1,697,946	1,707,428	1,582,228	1,603,228	1,624,228
<b>ENDING FUND BALANCE</b>	<b>\$ 1,707,428</b>	<b>\$ 1,582,228</b>	<b>\$ 1,603,228</b>	<b>\$ 1,624,228</b>	<b>\$ 1,645,228</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>4283%</b>	<b>961%</b>	<b>7457%</b>	<b>7555%</b>	<b>7652%</b>
<b>Estimated Change in Fund Balance</b>	<b>1%</b>	<b>-7%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>

# FINANCIAL SUMMARIES

## Street Lighting (West Oaks Street) Fund

This fund was established by a vote of the City Council to account for a special assessment levy to provide street lighting to West Oaks Street.

### STREET LIGHTING (WEST OAKS STREET) FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Special assessments levied	\$ 7,529	\$ 7,529	\$ 7,529	\$ 7,529	\$ 7,529
Interest income	26	21	41	31	21
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 7,555</b>	<b>\$ 7,550</b>	<b>\$ 7,570</b>	<b>\$ 7,560</b>	<b>\$ 7,550</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 7,520	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 7,520</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>
NET OF REVENUES/APPROPRIATIONS - FUND 854	\$ 35	\$ (2,450)	\$ (2,430)	\$ (2,440)	\$ (2,450)
BEGINNING FUND BALANCE	42,267	42,302	39,852	37,422	34,982
<b>ENDING FUND BALANCE</b>	<b>\$ 42,302</b>	<b>\$ 39,852</b>	<b>\$ 37,422</b>	<b>\$ 34,982</b>	<b>\$ 32,532</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>563%</b>	<b>399%</b>	<b>374%</b>	<b>350%</b>	<b>325%</b>
<b>Estimated Change in Fund Balance</b>	<b>0%</b>	<b>-6%</b>	<b>-6%</b>	<b>-7%</b>	<b>-7%</b>

# FINANCIAL SUMMARIES

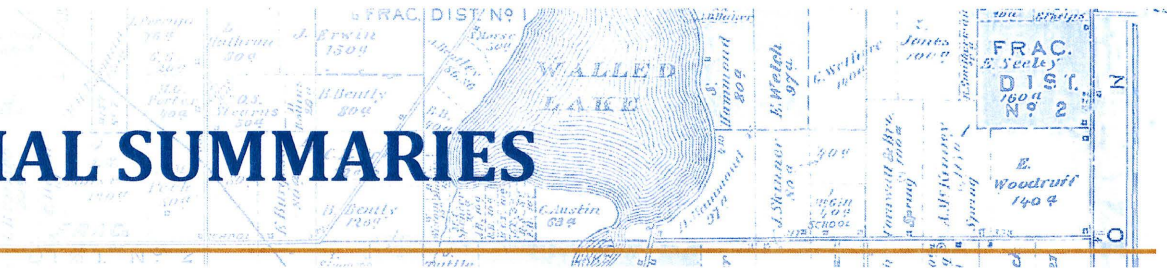
## Street Lighting (West Lake Drive) Fund

This fund was established by a vote of the City Council to account for a special assessment levy to provide street lighting to West Lake Drive.

### STREET LIGHTING (WEST LAKE DRIVE) FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Special assessments levied	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
Interest income	2	-	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 3,302</b>	<b>\$ 3,300</b>	<b>\$ 3,300</b>	<b>\$ 3,300</b>	<b>\$ 3,300</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 2,962	\$ 3,500	\$ 3,300	\$ 3,350	\$ 3,400
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 2,962</b>	<b>\$ 3,500</b>	<b>\$ 3,300</b>	<b>\$ 3,350</b>	<b>\$ 3,400</b>
NET OF REVENUES/APPROPRIATIONS - FUND 855	\$ 340	\$ (200)	\$ -	\$ (50)	\$ (100)
BEGINNING FUND BALANCE	2,365	2,705	2,505	2,505	2,455
<b>ENDING FUND BALANCE</b>	<b>\$ 2,705</b>	<b>\$ 2,505</b>	<b>\$ 2,505</b>	<b>\$ 2,455</b>	<b>\$ 2,355</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>91%</b>	<b>72%</b>	<b>76%</b>	<b>73%</b>	<b>69%</b>
<b>Estimated Change in Fund Balance</b>	<b>14%</b>	<b>-7%</b>	<b>0%</b>	<b>-2%</b>	<b>-4%</b>

# FINANCIAL SUMMARIES



## Street Lighting (Town Center Street) Fund

This fund was established by a vote of the City Council to account for a special assessment levy to provide street lighting to Town Center Street.

### STREET LIGHTING (TOWN CENTER STREET) FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Special assessments levied	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Interest income	8	-	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 25,008</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 20,343	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 20,343</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>
NET OF REVENUES/APPROPRIATIONS - FUND 856	\$ 4,665	\$ -	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	2,288	6,953	6,953	6,953	6,953
<b>ENDING FUND BALANCE</b>	<b>\$ 6,953</b>	<b>\$ 6,953</b>	<b>\$ 6,953</b>	<b>\$ 6,953</b>	<b>\$ 6,953</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>34%</b>	<b>28%</b>	<b>28%</b>	<b>28%</b>	<b>28%</b>
<b>Estimated Change in Fund Balance</b>	<b>204%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

# FINANCIAL SUMMARIES

## Debt Service Funds

### 2008 Library Construction Debt Fund

This fund was established to account for annual debt service payments for a bond that was issued to construct a new library building. The annual debt service is paid from property tax collections authorized by a voter approved millage.

#### LIBRARY CONSTRUCTION DEBT FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ 1,257,088	\$ 1,266,832	\$ 1,320,734	\$ 1,373,334	\$ 1,428,929
Interest income	174	518	216	266	271
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 1,257,262</b>	<b>\$ 1,267,350</b>	<b>\$ 1,320,950</b>	<b>\$ 1,373,600</b>	<b>\$ 1,429,200</b>
<b>APPROPRIATIONS</b>					
Debt service	\$ 1,345,350	\$ 1,356,250	\$ 1,370,450	\$ 1,384,100	\$ 1,402,700
Other services and charges	570	500	500	500	500
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 1,345,920</b>	<b>\$ 1,356,750</b>	<b>\$ 1,370,950</b>	<b>\$ 1,384,600</b>	<b>\$ 1,403,200</b>
NET OF REVENUES/APPROPRIATIONS - FUND 317	\$ (88,658)	\$ (89,400)	\$ (50,000)	\$ (11,000)	\$ 26,000
BEGINNING FUND BALANCE	341,141	252,483	163,083	113,083	102,083
<b>ENDING FUND BALANCE</b>	<b>\$ 252,483</b>	<b>\$ 163,083</b>	<b>\$ 113,083</b>	<b>\$ 102,083</b>	<b>\$ 128,083</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>19%</b>	<b>12%</b>	<b>8%</b>	<b>7%</b>	<b>9%</b>
<b>Estimated Change in Fund Balance</b>	<b>-26%</b>	<b>-35%</b>	<b>-31%</b>	<b>-10%</b>	<b>25%</b>

# FINANCIAL SUMMARIES

## Capital Project Funds

### Special Assessment Revolving Fund

This fund is used to account for the construction of capital assets funded in whole or part by long-term special assessment debt. The city has self-funded previous projects and has elected to maintain the cumulative interest as well as the initial General Fund contribution in this fund. All future uses of this fund will be determined as part of the city's annual capital improvement plan (CIP plan).

### SPECIAL ASSESSMENT REVOLVING FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Interest income	\$ 45,061	\$ 50,500	\$ 50,500	\$ 51,500	\$ 52,500
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 45,061</b>	<b>\$ 50,500</b>	<b>\$ 50,500</b>	<b>\$ 51,500</b>	<b>\$ 52,500</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 550	\$ 500	\$ 500	\$ 500	\$ 500
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 550</b>	<b>\$ 500</b>	<b>\$ 500</b>	<b>\$ 500</b>	<b>\$ 500</b>
NET OF REVENUES/APPROPRIATIONS - FUND 235	\$ 44,511	\$ 50,000	\$ 50,000	\$ 51,000	\$ 52,000
BEGINNING FUND BALANCE	3,928,606	3,973,117	4,023,117	4,073,117	4,124,117
<b>ENDING FUND BALANCE</b>	<b>\$ 3,973,117</b>	<b>\$ 4,023,117</b>	<b>\$ 4,073,117</b>	<b>\$ 4,124,117</b>	<b>\$ 4,176,117</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>722385%</b>	<b>804623%</b>	<b>814623%</b>	<b>824823%</b>	<b>835223%</b>
<b>Estimated Change in Fund Balance</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>

# FINANCIAL SUMMARIES

## Capital Improvement Program (CIP) Fund

The Capital Improvement Program (CIP) Fund's purpose is to track activity related to the voter approved CIP millage which was passed on August 2, 2016. This millage is not to exceed the annual rate of 1.0 mills for a period of 10 years. The uses of the CIP millage funds include but are not limited to parks and facilities, land acquisition, pathways, and apparatus (such as fire truck or heavy equipment). These funds shall not be used for operations or payroll. The first levy for this millage was July 1, 2017.

### CAPITAL IMPROVEMENT PROGRAM (CIP) FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ 3,400,855	\$ 3,539,156	\$ 3,686,322	\$ 3,832,235	\$ 3,984,359
Interest income	17,507	52,492	7,922	5,145	5,121
Transfers in		4,049,715	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 3,418,362</b>	<b>\$ 7,641,363</b>	<b>\$ 3,694,244</b>	<b>\$ 3,837,380</b>	<b>\$ 3,989,480</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ 1,000	\$ 1,748	\$ 1,000	\$ 1,000	\$ 1,000
Debt service	-	2,286,380	2,286,380	2,286,380	2,286,380
Capital outlay	1,297,890	25,627,230	909,930	770,000	848,900
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 1,298,890</b>	<b>\$ 27,915,358</b>	<b>\$ 3,197,310</b>	<b>\$ 3,057,380</b>	<b>\$ 3,136,280</b>
NET OF REVENUES/APPROPRIATIONS - FUND 402	\$ 2,119,472	\$ (20,273,995)	\$ 496,934	\$ 780,000	\$ 853,200
BEGINNING FUND BALANCE	2,493	2,121,965	(18,152,030)	(17,655,096)	(16,875,096)
<b>ENDING FUND BALANCE *</b>	<b>\$ 2,121,965</b>	<b>\$ (18,152,030)</b>	<b>\$ (17,655,096)</b>	<b>\$ (16,875,096)</b>	<b>\$ (16,021,896)</b>
Fund balance as a percentage of total annual expenditures	163%	-65%	-552%	-552%	-511%
Estimated Change in Fund Balance	85017%	-955%	-3%	-4%	-5%

\* The City has opted to borrow internally utilizing long-term capital reserve funds in lieu of formally issuing bonds in order to complete several significant projects in FY 2018-19. Governmental accounting rules require this type of borrowing to be recorded on the balance sheet and not as revenue like it would if bonds were issued. The cash-basis summary below illustrates the borrowing repayment:

	Interfund Borrowing Repayment Schedule							
	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026	6/30/2027
Total Revenues	\$ 3,694,244	\$ 3,837,380	\$ 3,989,480	\$ 4,133,812	\$ 4,283,145	\$ 4,437,530	\$ 4,597,144	\$ 4,762,169
Capital Projects - six year capital budget	\$ 910,930	\$ 771,000	\$ 849,900	\$ 996,690	\$ 936,930	\$ 1,000	\$ 1,000	\$ 1,000
Interfund Borrowing Repayment	\$ 2,286,380	\$ 2,286,380	\$ 2,286,380	\$ 2,286,380	\$ 2,286,380	\$ 2,286,380	\$ 2,286,380	\$ 2,159,342
Annual amount available for additional capital projects	\$ 496,934	\$ 780,000	\$ 853,200	\$ 850,742	\$ 1,059,835	\$ 2,150,150	\$ 2,309,764	\$ 2,601,827
Cumulative available for additional capital projects	\$ 496,934	\$ 1,276,934	\$ 2,130,134	\$ 2,980,876	\$ 4,040,711	\$ 6,190,861	\$ 8,500,624	\$ 11,102,451

# FINANCIAL SUMMARIES

## Gun Range Facility Fund

As of July 1, 2014, the City Council has elected to place the gross revenue from users of the gun range facility (previously in the General Fund) into a separate capital project fund to be used toward planned future capital improvements.

### GUN RANGE FACILITY FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Licenses, permits & charges for services	\$ 76,715	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Interest income	3,014	6,000	500	750	1,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 79,729</b>	<b>\$ 76,000</b>	<b>\$ 70,500</b>	<b>\$ 70,750</b>	<b>\$ 71,000</b>
<b>APPROPRIATIONS</b>					
Other services and charges	\$ -	\$ 5,174	\$ -	\$ -	\$ -
Capital outlay	70,476	90,800	-	-	-
Transfers out	-	245,915	-	-	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 70,476</b>	<b>\$ 341,889</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
NET OF REVENUES/APPROPRIATIONS - FUND 402	\$ 9,253	\$ (265,889)	\$ 70,500	\$ 70,750	\$ 71,000
BEGINNING FUND BALANCE	316,493	325,746	59,857	130,357	201,107
<b>ENDING FUND BALANCE</b>	<b>\$ 325,746</b>	<b>\$ 59,857</b>	<b>\$ 130,357</b>	<b>\$ 201,107</b>	<b>\$ 272,107</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>462%</b>	<b>18%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Estimated Change in Fund Balance</b>	<b>3%</b>	<b>-82%</b>	<b>118%</b>	<b>54%</b>	<b>35%</b>



# FINANCIAL SUMMARIES

## Street Improvement Fund

As of fiscal year 2013-2014, the City Council has elected to transfer the remaining unspent balances for ongoing construction projects in the Major, Local, and Municipal Street funds into this separate capital project fund until completion. The City expects all projects in this fund to be completed before the end of the following fiscal year.

### STREET IMPROVEMENT FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Transfers in	\$ 3,530,000	\$ -	\$ -	\$ -	\$ -
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 3,530,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>APPROPRIATIONS</b>					
Capital outlay	\$ 3,850,000	\$ 3,735,000	\$ -	\$ -	\$ -
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 3,850,000</b>	<b>\$ 3,735,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
NET OF REVENUES/APPROPRIATIONS - FUND 403	\$ (320,000)	\$ (3,735,000)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	4,055,000	3,735,000	-	-	-
<b>ENDING FUND BALANCE</b>	<b>\$ 3,735,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>97%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Estimated Change in Fund Balance</b>	<b>-8%</b>	<b>-100%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

# FINANCIAL SUMMARIES

## Permanent Fund

### Drain Perpetual Maintenance Fund

A citizen's committee has been established to oversee the building and maintenance of the drain system. This fund was initially created with allocations from the Drain Fund. Additional revenue has come from tap fees for properties connecting to regional systems. The intent is to build an investment base in which earnings will eventually cover the cost of maintaining the system and reduce or eliminate the need for the Drain Fund millage.

#### DRAIN PERPETUAL MAINTENANCE FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Interest income	\$ 77,488	\$ 105,024	\$ 70,000	\$ 75,000	\$ 80,000
Tap-in fees	-	25,000	5,000	5,000	5,000
Transfers in	-	-	807,000	482,000	477,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 77,488</b>	<b>\$ 130,024</b>	<b>\$ 882,000</b>	<b>\$ 562,000</b>	<b>\$ 562,000</b>
<b>APPROPRIATIONS</b>					
Transfers out	-	3,647,000	-	-	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ -</b>	<b>\$ 3,647,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
NET OF REVENUES/APPROPRIATIONS - FUND 211	\$ 77,488	\$ (3,516,976)	\$ 882,000	\$ 562,000	\$ 562,000
BEGINNING FUND BALANCE	6,754,887	6,832,375	3,315,399	4,197,399	4,759,399
<b>ENDING FUND BALANCE</b>	<b>\$ 6,832,375</b>	<b>\$ 3,315,399</b>	<b>\$ 4,197,399</b>	<b>\$ 4,759,399</b>	<b>\$ 5,321,399</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>0%</b>	<b>91%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Estimated Change in Fund Balance</b>	<b>1%</b>	<b>-51%</b>	<b>27%</b>	<b>13%</b>	<b>12%</b>

# FINANCIAL SUMMARIES

## Enterprise Funds

### Ice Arena Fund

The Novi Ice Arena opened in 1998 to provide ice skating services to Novi residents and other local communities. The facility is self-supporting and strives to generate positive cash flow under contract with Suburban Arena Management – Novi LLC, a third party vendor.

ICE ARENA FUND					
	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Program revenue	\$ 1,849,731	\$ 2,024,202	\$ 1,882,355	\$ 1,941,650	\$ 1,941,650
Interest income	24,183	25,387	20,447	30,554	30,794
Other revenue	107,818	89,400	109,400	89,900	89,900
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 1,981,732</b>	<b>\$ 2,138,989</b>	<b>\$ 2,012,202</b>	<b>\$ 2,062,104</b>	<b>\$ 2,062,344</b>
<b>APPROPRIATIONS</b>					
Supplies	\$ 13,970	\$ 11,800	\$ 11,600	\$ 11,800	\$ 11,800
Other services and charges	1,496,288	1,429,668	1,297,022	1,358,924	1,359,924
Capital outlay	4,968	35,000	195,200	38,000	30,000
Debt service	82,740	562,140	560,380	538,380	536,620
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 1,597,966</b>	<b>\$ 2,038,608</b>	<b>\$ 2,064,202</b>	<b>\$ 1,947,104</b>	<b>\$ 1,938,344</b>
NET OF REVENUES/APPROPRIATIONS - FUND 590	\$ 383,766	\$ 100,381	\$ (52,000)	\$ 115,000	\$ 124,000
BEGINNING FUND BALANCE	4,472,692	4,856,458	4,956,839	4,904,839	5,019,839
<b>ENDING FUND BALANCE</b>	<b>\$ 4,856,458</b>	<b>\$ 4,956,839</b>	<b>\$ 4,904,839</b>	<b>\$ 5,019,839</b>	<b>\$ 5,143,839</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>304%</b>	<b>243%</b>	<b>238%</b>	<b>258%</b>	<b>265%</b>
<b>Estimated Change in Fund Balance</b>	<b>9%</b>	<b>2%</b>	<b>-1%</b>	<b>2%</b>	<b>2%</b>

# FINANCIAL SUMMARIES

## Water and Sewer Fund

The City of Novi takes pride in providing safe and efficient water distribution and sanitary sewage collection systems. The City has taken steps to further improve infrastructure, as recommended by the Water Distribution Study and Master Plan Update, and the sanitary sewer Capacity, Management, Operations and Maintenance Program (CMOM). These programs have allowed the City to fully examine the current operation of the City's utility-based infrastructure and provide recommendations for improvements to the water distribution and sanitary sewage collection systems.

### WATER AND SEWER FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED 2020-21	PROJECTED 2021-22
<b>ESTIMATED REVENUES</b>					
Operating revenue	\$ 23,786,086	\$ 24,017,183	\$ 24,161,000	\$ 24,261,000	\$ 24,461,000
Capital contributions	5,203,886	2,850,000	1,350,000	1,350,000	1,350,000
Federal Grants	543,438	124,363	-	-	-
Interest income	788,466	972,722	915,061	909,213	903,004
Other revenue	211,380	210,500	207,500	209,500	211,500
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 30,533,256</b>	<b>\$ 28,174,768</b>	<b>\$ 26,633,561</b>	<b>\$ 26,729,713</b>	<b>\$ 26,925,504</b>
<b>APPROPRIATIONS</b>					
Personnel services	\$ 1,528,688	\$ 1,442,977	\$ 1,435,523	\$ 1,469,224	\$ 1,508,161
Supplies	107,217	68,715	65,600	65,600	65,600
Other services and charges	24,444,434	21,334,729	21,315,375	21,383,076	22,031,626
Capital outlay	129,105	20,386,123	2,787,063	4,119,813	3,952,117
Debt service	2,250	-	-	-	-
Transfers out	-	3,103,100	-	-	-
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 26,211,694</b>	<b>\$ 46,335,644</b>	<b>\$ 25,603,561</b>	<b>\$ 27,037,713</b>	<b>\$ 27,557,504</b>
NET OF REVENUES/APPROPRIATIONS - FUND 592	\$ 4,321,562	\$ (18,160,876)	\$ 1,030,000	\$ (308,000)	\$ (632,000)
BEGINNING FUND BALANCE	183,584,688	187,906,250	169,745,374	170,775,374	170,467,374
<b>ENDING FUND BALANCE</b>	<b>\$ 187,906,250</b>	<b>\$ 169,745,374</b>	<b>\$ 170,775,374</b>	<b>\$ 170,467,374</b>	<b>\$ 169,835,374</b>

Fund balance as a percentage of total annual expenditures	717%	366%	667%	630%	616%
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Estimated Change in Fund Balance	2%	-10%	1%	0%	0%
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# FINANCIAL SUMMARIES

## Senior Housing Fund

Meadowbrook Commons is an older adult housing community owned by the City of Novi and managed by a contractual management company. Financing for this project was provided through bonds issued by the Building Authority. The total construction cost was \$12.5 million and all operational expenses and the bond debt retirement are covered by rental revenue.

### SENIOR HOUSING FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Operating revenue	\$ 2,032,485	\$ 2,049,210	\$ 2,077,550	\$ 2,099,000	\$ 2,120,000
Interest income	15,849	18,899	15,262	16,430	17,020
Other revenue	22,011	19,200	20,600	20,800	21,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 2,070,345</b>	<b>\$ 2,087,309</b>	<b>\$ 2,113,412</b>	<b>\$ 2,136,230</b>	<b>\$ 2,158,020</b>
<b>APPROPRIATIONS</b>					
Supplies	\$ 9,992	\$ 11,475	\$ 11,075	\$ 11,475	\$ 11,475
Other services and charges	1,178,920	852,824	843,843	853,527	858,389
Capital outlay	-	11,280	50,750	14,350	284,800
Debt service	173,209	1,048,010	1,017,744	972,878	948,356
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 1,362,121</b>	<b>\$ 1,923,589</b>	<b>\$ 1,923,412</b>	<b>\$ 1,852,230</b>	<b>\$ 2,103,020</b>
NET OF REVENUES/APPROPRIATIONS - FUND 594	\$ 708,224	\$ 163,720	\$ 190,000	\$ 284,000	\$ 55,000
BEGINNING FUND BALANCE	3,696,583	4,404,807	4,568,527	4,758,527	5,042,527
<b>ENDING FUND BALANCE</b>	<b>\$ 4,404,807</b>	<b>\$ 4,568,527</b>	<b>\$ 4,758,527</b>	<b>\$ 5,042,527</b>	<b>\$ 5,097,527</b>
<b>Fund balance as a percentage of total annual expenditures</b>	<b>323%</b>	<b>238%</b>	<b>247%</b>	<b>272%</b>	<b>242%</b>
<b>Estimated Change in Fund Balance</b>	<b>19%</b>	<b>4%</b>	<b>4%</b>	<b>6%</b>	<b>1%</b>

# FINANCIAL SUMMARIES

## Fiduciary Fund

### Retiree Health Care Benefits Fund

The Retiree Health Care Benefits Fund accounts for medical benefits provided to retirees and is funded through contributions from the various funds of the City as a percentage of payroll.

#### RETIREE HEALTHCARE BENEFITS FUND

	ACTUAL 2017-18	ESTIMATED 2018-19	BUDGET 2019-20	PROJECTED	
				2020-21	2021-22
<b>ESTIMATED REVENUES</b>					
Contributions-Employer	\$ 613,678	\$ 277,674	\$ 277,238	\$ 275,000	\$ 275,000
Interest income	2,845,010	1,729,326	2,000,762	2,100,000	2,200,000
Other revenue	244	-	-	-	-
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 3,458,932</b>	<b>\$ 2,007,000</b>	<b>\$ 2,278,000</b>	<b>\$ 2,375,000</b>	<b>\$ 2,475,000</b>
<b>APPROPRIATIONS</b>					
Personnel Services	\$ 948,145	\$ 1,050,000	\$ 1,254,000	\$ 1,304,000	\$ 1,356,000
Other services and charges	293,400	304,000	319,000	320,000	344,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 1,241,545</b>	<b>\$ 1,354,000</b>	<b>\$ 1,573,000</b>	<b>\$ 1,624,000</b>	<b>\$ 1,700,000</b>
NET OF REVENUES/APPROPRIATIONS - FUND 590	\$ 2,217,387	\$ 653,000	\$ 705,000	\$ 751,000	\$ 775,000
BEGINNING FUND BALANCE	27,315,165	29,532,552	30,185,552	30,890,552	31,641,552
<b>ENDING FUND BALANCE</b>	<b>\$ 29,532,552</b>	<b>\$ 30,185,552</b>	<b>\$ 30,890,552</b>	<b>\$ 31,641,552</b>	<b>\$ 32,416,552</b>
Fund balance as a percentage of total annual expenditures	2379%	2229%	1964%	1948%	1907%
Estimated Change in Fund Balance	8%	2%	2%	2%	2%



# FINANCIAL SUMMARIES

## Fund Balance

Fund Balance is the difference between assets and liabilities in a governmental fund. The governmental funds account for the City's bread-and-butter, are typically tax-supported activities of a government (as opposed to enterprise funds, which are self-supporting, business-like activities), and include the following:

- General Fund – where a government accounts for everything not reported in another fund
- Special Revenue Funds – for reporting specific sources that are limited to being used for a particular purpose
- Debt Service Funds – which account for the repayment of debt
- Capital Project Funds – which track the accumulation and use of resources for construction, acquiring, and rehabilitating capital assets (such as buildings and roads)
- Permanent Funds – where a government reports principal amounts that are restricted to being invested to produce income but cannot be spent

## GASB 54

GASB Statement No. 54 creates five components of fund balance, though not every government or governmental fund will report all components. This approach is intended to provide users consistent and understandable information about a fund's net resources. The five components are:

### Nonspendable Fund Balance

*\*cannot be spent (legally restricted or in unspendable form)*

- Amounts that cannot be spent due to form; for example, inventories and prepaid amounts. Also, long-term loan and notes receivables, and property held for resale would be reported here unless the proceeds are restricted, committed or assigned.
- Amounts that must be maintained intact legally or contractually (corpus or principal of a permanent fund)

### Restricted Fund Balance

*\*externally imposed (law, creditor, bond covenant)*

- Amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation. This is the same definition used by GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, for restricted net assets.

### Committed Fund Balance

*\*constraints approved by Council*

- Amounts constrained for a specific purpose by a government using its highest level of decision-making authority. It would require action by the same group to remove or change the constraints placed on the resources.
- Action to constrain resources must occur prior to year-end; however, the amount can be determined in the subsequent period.

# FINANCIAL SUMMARIES

## Assigned Fund Balance

\*constrained by intent by City Council, or by the City Manager, or by a body/person to which City Council designates the authority

- For all governmental funds other than the general fund, any remaining positive amounts not classified as non-spendable, restricted or committed.
- For the general fund, amounts constrained for the intent to be used for a specific purpose by a governing board or a body or official that has been delegated authority to assign amounts. Amount reported as assigned should not result in a deficit in unassigned fund balance.

## Unassigned Fund Balance

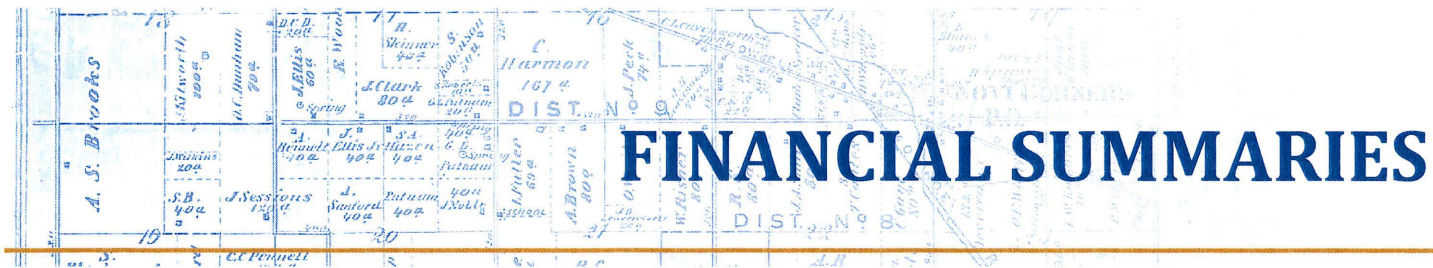
\*available to spend, unrestricted

- For the general fund, amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in unassigned fund balance.
- For all governmental funds other than the general fund, amount expended in excess of resources that are nonspendable, restricted, committed or assigned (a residual deficit). In determining a residual deficit, no amount should be reported as assigned.

### All Funds FY 2019-20 Budget

	Governmental Funds							TOTAL BUDGET
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS	ENTERPRISE FUNDS	FIDUCIARY FUNDS	
	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	
TOTAL ESTIMATED REVENUES	\$ 35,871,634	\$ 30,481,033	\$ 1,320,950	\$ 3,815,244	\$ 882,000	\$ 30,759,175	\$ 2,278,000	\$ 105,408,036
TOTAL APPROPRIATIONS	35,622,849	32,326,076	1,370,950	3,197,810	-	29,591,175	1,573,000	103,681,860
NET OF REVENUES/APPROPRIATIONS - ALL FUNDS	\$ 248,785	\$ (1,845,043)	\$ (50,000)	\$ 617,434	\$ 882,000	\$ 1,168,000	\$ 705,000	\$ 1,726,176
BEGINNING FUND BALANCE	10,098,300	12,612,123	163,083	(14,069,056)	3,315,399	179,270,740	30,185,552	221,576,141
ENDING FUND BALANCE	\$ 10,347,085	\$ 10,767,080	\$ 113,083	\$ (13,451,622)	\$ 4,197,399	\$ 180,438,740	\$ 30,890,552	\$ 223,302,317
Fund balance as a percentage of total annual expenditures	29%	33%	8%	-421%	0%	610%	1964%	215%





The following governmental funds are anticipated to have significant changes in fund balance for FY 2019-20 (increase or decrease more than 10%):

### **Special Revenue Funds**

The Local Street Fund is projected to increase fund balance by \$320,000 in FY 2019-20. These funds will be used for future local street projects throughout the City which are listed in the capital improvement program.

The Municipal Street Fund is projected to decrease fund balance by \$1.584 million in FY 2019-20 to fund major and local street projects throughout the City which are listed in the capital improvement program.

The Parks, Recreation, and Cultural Service Fund is projected to decrease fund balance by \$233,613 in FY 2019-20 to fund \$717,640 in capital expenditures.

The Forfeiture Fund is projected to use \$148,000 of fund balance in FY 2019-20 to fund \$329,900 in capital expenditures.

### **Debt Service Funds**

The Library Construction Debt Fund is projected to use \$50,000 of fund balance in FY 2019-20 to help fund debt service payments.

### **Capital Project Funds**

The Gun Range Facility Fund is projected to increase fund balance by \$70,500 in FY 2019-20. These funds will be used for future capital projects which are listed in the capital improvement program.

### **Permanent Fund**

The Drain Perpetual Maintenance Fund is projected to increase fund balance by \$882,000 in FY 2019-20 mostly due to the anticipated Drain Special Revenue Fund transfer in to replenish the fund.



# FINANCIAL SUMMARIES

## Major Revenue Sources, Assumptions, and Trends

Revenue forecasting is a standard practice for the City of Novi. Individual revenue line-items are reviewed for their historical trends in order to project revenues over the next three years. The forecast is also based on economic factors, as well as information provided by the State and County. In order to be prepared for unexpected events and lower than anticipated revenues or higher than anticipated expenditures, the City budgets conservatively. The following are summaries of revenue sources including underlying assumptions and significant trends.

### Property Tax Revenue

The maximum allowable millage rates are used for all funds except the Drain Fund. Taxable value projections are as of February 12, 2019. The 2019 taxable value increased approximately \$77,368,000 for net new construction. The future property values for 2019 and beyond include approximately \$65,000,000 in cumulative net new construction. Penalties and interest are based on historical collections. Inflation for the 2019 tax year was 2.4% but due to new construction, the City anticipates an overall net increase (see loss of personal property taxes discussed below) in revenue of 5.0%. The City closed the Public Safety Fund as of June 30, 2017 and the dedicated public safety millage is recorded directly in the General Fund rather than a transfer in.

The proposed millage rate is 10.5376 mills (which remains unchanged from tax year 2018). A significant factor that has been taken into account for the future year's taxable value is the expected decrease in the personal property tax, per the new State of Michigan law (SB 10) that erases the personal property tax on the industrial property and other businesses with equipment less than \$40,000.

### Licenses, Permits & Charges for Services

This revenue includes fees for various services and licenses. Revenues also include estimated fees paid by developers and contractors for the plan review, inspection of commercial, industrial and residential construction which partially covers the cost of the Community Development Department. This revenue is difficult to project since it is directly related to construction activity. The City's building activity is projected to remain strong with consistent fees projected for each of the next fiscal years. The remaining revenue relates to liquor licenses, cable television fees, and other fees collected by the Clerks Department.

### Transfers In

The transfers into the special revenue funds represent transfers between the three street funds to cover construction costs as detailed in the six-year CIP plan. The primary source of the transfers is a dedicated road millage in the Municipal Street Fund. The Parks, Recreation and Cultural Services Fund receives a transfer in from the General Fund to help fund capital outlay projects. The Drain Perpetual Maintenance Fund receives a transfer in from the Drain Fund to replenish some of the endowment used in FY 2018/19. The new Capital Improvement Fund received transfers in the prior year from various enterprise funds to cover their share of the costs for the department of public works building improvement project (planned for FY 2018) as well as a transfer from the Special Assessment Revolving Fund to fund the Crescent Blvd (Ring Road) project (planned for construction in FY 2020).



# FINANCIAL SUMMARIES

## State Sources

**State Revenue Sharing** The State Shared Revenue program distributes sales tax collected by the State of Michigan to local governments as unrestricted revenues on a per capita basis (2010 Census population for Novi was 55,224). The distribution of funds is authorized by the State Revenue Sharing Act, Public Act 140 of 1971, as amended (MCL 141.901). For fiscal year (FY) 2016, the legislature established the City, Village, and Township Revenue Sharing (CVTRS) program (a simplified version of the Economic Vitality Incentive Program (EVIP)). Each eligible local unit must meet all of the requirements of Accountability and Transparency in order to receive the full CVTRS payments. A Consolidation of Services Plan and an Unfunded Accrued Liability Plan are not required under the CVTRS program. The City estimates a 2% increase in overall revenue sharing in fiscal year 19/20, 20/21 and 21/22.

**MDOT Act 51** The City receives monthly payments from the State of Michigan, Department of Transportation for their share of the motor fuels taxes collected that are earmarked specifically for use on the roads. The distribution is based on the number of miles of road within the city. As the roads across the State continue to deteriorate, the Governor has promised to focus on increasing spending for roads. The City anticipates an increase in funding from the State of approximately 8.0% for fiscal years 19/20, 20/21, and 21/22.

## Interest on Investments

This revenue is from investing available cash balances based on cash flow forecasts, capital reserves, and fund balance reserves. Interest rates are budgeted to increase over the next few years resulting in greater overall earnings however this will be offset by lower cash balances due significant planned investments in capital projects. The net result is little growth in overall earnings.

## Program Revenue/Older Adult Program Revenue

This revenue source is from the many programs offered by the Parks, Recreation, and Cultural Services department and Ice Arena. The Parks, Recreation, and Cultural Services Fund have approximately half its revenue funded from a dedicated property tax levy and the balance funded by program revenue. Program revenue is anticipated to remain flat for all future years.

## Operating Revenue

This revenue represents charges to customers for water and sewer usage as well as fees collected at the ice arena and rents collected at the senior housing facility. Operating revenue in the Water and Sewer Fund is anticipated to increase by 1% in 19/20 (primarily due to increased consumption) and future annual increases of 0-1% annually based on projections and anticipated new customers. Ice arena and senior housing revenues are anticipating 0-1% annual inflationary increases.

The revenues discussed above are the major revenue categories as identified by the City and make up the majority of the total revenues of all appropriated funds, including enterprise funds. The schedule on the following page summarizes total revenue for all fund types of the City.

# FINANCIAL SUMMARIES

## Revenue Schedule

	Governmental Funds				
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS
	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20	BUDGET 2019-20
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ 24,065,202	\$ 11,896,735	\$ 1,320,734	\$ 3,686,322	\$ -
Capital Contributions	-	-	-	-	-
Contributions-Employer	-	-	-	-	-
Donations	1,000	138,500	-	-	-
Federal grants	65,000	111,207	-	-	-
Fines and forfeitures	525,000	386,000	-	-	-
Interest income	747,033	238,672	216	58,922	70,000
Licenses, permits, and charges for services	4,777,604	2,855,000	-	70,000	-
Older adult program revenue	-	155,350	-	-	-
Operating Revenue	-	-	-	-	-
Other revenue	792,870	703,400	-	-	-
Program Revenue	-	1,229,340	-	-	-
Special Assessments Levied	-	35,829	-	-	-
State sources	4,897,925	6,196,000	-	-	-
Tap In Fees	-	-	-	-	5,000
Transfers in	-	6,535,000	-	-	807,000
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 35,871,634</b>	<b>\$ 30,481,033</b>	<b>\$ 1,320,950</b>	<b>\$ 3,815,244</b>	<b>\$ 882,000</b>

# FINANCIAL SUMMARIES

## Revenue Schedule (continued)

	<b>ENTERPRISE FUNDS BUDGET 2019-20</b>	<b>FIDUCIARY FUNDS BUDGET 2019-20</b>	<b>TOTAL BUDGET 2019-20</b>	<b>% of Total Revenues BUDGET 2019-20</b>	<b>% of Total Revenues (discussed) BUDGET 2019-20</b>
<b>ESTIMATED REVENUES</b>					
Property tax revenue	\$ -	\$ -	\$ 40,968,993	40%	40%
Capital Contributions	1,350,000	-	\$ 1,350,000	1%	
Contributions-Employer	-	277,238	\$ 277,238	0%	
Donations	-	-	\$ 139,500	0%	
Federal grants	-	-	\$ 176,207	0%	
Fines and forfeitures	-	-	\$ 911,000	1%	
Interest income	337,500	2,000,762	\$ 3,453,105	3%	3%
Licenses, permits, and charges for services	-	-	\$ 7,702,604	7%	7%
Older adult program revenue	-	-	\$ 155,350	0%	0%
Operating Revenue	26,238,550	-	\$ 26,238,550	25%	25%
Other revenue	950,770	-	\$ 2,447,040	2%	
Program Revenue	1,882,355	-	\$ 3,111,695	3%	3%
Special Assessments Levied	-	-	\$ 35,829	0%	
State sources	-	-	\$ 11,093,925	11%	11%
Tap In Fees	-	-	\$ 5,000	0%	
Transfers in	-	-	\$ 7,342,000	7%	7%
<b>TOTAL ESTIMATED REVENUES</b>	<b>\$ 30,759,175</b>	<b>\$ 2,278,000</b>	<b>\$ 105,408,036</b>	<b>100%</b>	<b>96%</b>

# FINANCIAL SUMMARIES

## Revenue Trends

The following is a historical look at projected and actual taxable values as well as the property tax revenue and mileage rates (assuming no rollback) required based on the estimated taxable values:

CITY OF NOVI: TAXABLE VALUE, MILLAGE RATE AND PROPERTY TAX REVENUE HISTORY, BUDGET AND PROJECTIONS										
	2012	2013	2014	2015	2016	2017	ESTIMATED	BUDGET	PROJECTED	
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	2018	2019	2020	2021
							FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
<b>Taxable Value</b>										
taxable Value - Real (Residential)	\$ 2,699,988,360	\$ 2,748,382,830	\$ 1,984,120,840	\$ 2,087,604,500	\$ 2,169,188,620	\$ 2,267,135,430	\$ 2,389,711,290	\$ 2,479,208,026	\$ 2,594,970,780	\$ 2,711,744,465
taxable Value - Real (Commercial / Industrial)	-	-	861,684,810	878,128,690	916,563,180	936,712,960	999,114,730	1,023,698,625	1,074,810,634	1,123,177,112
taxable Value - Personal Property	220,345,290	223,698,750	225,066,560	239,836,740	237,292,830	246,268,600	256,827,350	247,055,860	245,000,000	240,000,000
<b>Subtotal Taxable Value</b>	<b>\$ 2,920,333,650</b>	<b>\$ 2,972,081,580</b>	<b>\$ 3,070,872,210</b>	<b>\$ 3,205,569,930</b>	<b>\$ 3,323,044,630</b>	<b>\$ 3,450,116,990</b>	<b>\$ 3,645,653,370</b>	<b>\$ 3,749,962,511</b>	<b>\$ 3,914,781,414</b>	<b>\$ 4,074,921,577</b>
taxable Value - New Construction	-	-	-	-	-	-	-	77,367,899	65,000,000	65,000,000
<b>Total Taxable Value</b>	<b>\$ 2,920,333,650</b>	<b>\$ 2,972,081,580</b>	<b>\$ 3,070,872,210</b>	<b>\$ 3,205,569,930</b>	<b>\$ 3,323,044,630</b>	<b>\$ 3,450,116,990</b>	<b>\$ 3,645,653,370</b>	<b>\$ 3,827,330,410</b>	<b>\$ 3,979,781,414</b>	<b>\$ 4,139,921,577</b>
Less various allowances	-	-	-	(25,000,000)	(10,000,000)	(2,807,970)	(6,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
<b>Adjusted Taxable Value*</b>	<b>\$ 2,920,333,650</b>	<b>\$ 2,972,081,580</b>	<b>\$ 3,070,872,210</b>	<b>\$ 3,180,569,930</b>	<b>\$ 3,313,044,630</b>	<b>\$ 3,447,309,020</b>	<b>\$ 3,639,653,370</b>	<b>\$ 3,823,330,410</b>	<b>\$ 3,975,781,414</b>	<b>\$ 4,135,921,577</b>
% Change in taxable value from prior year without new construction estimate	-2.0%	1.8%	3.3%	4.4%	3.7%	3.8%	5.7%	2.9%	4.4%	4.1%
% Change in total taxable value from prior year	-2.0%	1.8%	3.3%	4.4%	3.7%	3.8%	5.7%	5.0%	4.0%	4.0%
<b>Millage Rate **</b>										
General Fund	5.0182	5.0182	5.0182	5.0056	4.9925	4.9206	4.8458	4.7755	4.7755	4.7755
General Fund - PA 359 Advertising	-	-	-	-	-	-	0.0137	0.0129	0.0129	0.0129
Municipal Street Fund	0.7719	1.5000	1.5000	1.4962	1.4923	1.4708	1.4484	1.4273	1.4273	1.4273
Police and Fire	1.4282	1.4282	1.4282	1.4246	1.4208	1.4003	1.3790	1.3590	1.3590	1.3590
Parks, Recreation, and Cultural Services Fund	0.3857	0.3857	0.3857	0.3847	0.3836	0.3780	0.3722	0.3668	0.3668	0.3668
Drain Fund	0.3435	0.1057	-	-	0.2120	0.2648	0.4157	0.5583	0.5606	0.5711
Capital Improvement Program (CIP) Fund	-	-	-	-	-	0.9856	0.9706	0.9565	0.9565	0.9565
Library Fund	0.7719	0.7719	0.7719	0.7699	0.7678	0.7567	0.7451	0.7342	0.7342	0.7342
<b>Total Operating</b>	<b>8.7194</b>	<b>9.2097</b>	<b>9.1040</b>	<b>9.0810</b>	<b>9.2690</b>	<b>10.1768</b>	<b>10.1905</b>	<b>10.1905</b>	<b>10.1928</b>	<b>10.2033</b>
Library Construction Debt Fund	0.3281	0.3852	0.3716	0.4566	0.4540	0.3608	0.3471	0.3471	0.3448	0.3343
2010 Refunding Debt Fund	-	0.3698	0.3487	0.3374	-	-	-	-	-	-
2003 Refunding Debt Fund	0.3488	-	-	-	-	-	-	-	-	-
2002 Street & Refunding Debt Fund	0.4339	0.2564	0.3782	0.3250	0.2270	-	-	-	-	-
<b>Total Debt</b>	<b>1.4806</b>	<b>0.9903</b>	<b>1.0960</b>	<b>1.1190</b>	<b>0.6810</b>	<b>0.3608</b>	<b>0.3471</b>	<b>0.3471</b>	<b>0.3448</b>	<b>0.3343</b>
<b>Total Millage Rate</b>	<b>10.2000</b>	<b>10.2000</b>	<b>10.2000</b>	<b>10.2000</b>	<b>9.9500</b>	<b>10.5376</b>	<b>10.5376</b>	<b>10.5376</b>	<b>10.5376</b>	<b>10.5376</b>
<b>Property Tax Revenue</b>										
General Fund	\$ 14,463,208	\$ 14,699,475	\$ 15,618,990	\$ 16,252,340	\$ 16,707,967	\$ 17,200,885	\$ 18,215,984	\$ 18,731,592	\$ 19,469,405	\$ 20,236,962
General Fund - PA 359 Advertising	-	-	-	-	-	-	50,000	50,000	50,000	50,000
Municipal Street Fund	2,226,168	4,293,742	4,754,081	4,803,774	4,931,808	5,069,973	5,371,752	5,502,800	5,722,433	5,981,989
Police and Fire	4,119,209	4,211,853	4,390,579	4,574,743	4,687,841	4,843,646	5,130,968	5,283,610	5,494,675	5,714,198
Parks, Recreation, and Cultural Services Fund	1,112,311	1,137,385	1,185,648	1,235,317	1,267,594	1,295,457	1,371,654	1,411,336	1,470,729	1,529,390
Drain Fund	982,539	315,771	9,920	1,096	698,072	908,899	961,410	2,152,659	2,237,845	2,326,484
Capital Improvement Program (CIP) Fund	-	-	-	-	-	3,400,871	3,611,648	3,686,322	3,832,235	3,984,359
Library Fund	2,226,168	2,276,337	2,372,929	2,472,349	2,537,262	2,604,070	2,752,785	2,829,940	2,941,938	3,068,475
<b>Total Operating</b>	<b>\$ 25,129,603</b>	<b>\$ 26,934,563</b>	<b>\$ 28,332,147</b>	<b>\$ 29,339,619</b>	<b>\$ 30,830,544</b>	<b>\$ 35,323,801</b>	<b>\$ 37,466,201</b>	<b>\$ 39,648,259</b>	<b>\$ 41,219,260</b>	<b>\$ 42,881,757</b>
Library Construction Debt Fund	943,480	1,134,064	1,141,259	1,472,133	1,507,421	1,245,100	1,265,832	1,320,734	1,373,334	1,428,929
2010 Refunding Debt Fund	1,063,856	1,029,037	1,065,166	1,061,000	-	-	-	-	-	-
2003 Refunding Debt Fund	1,018,612	-	-	-	-	-	-	-	-	-
2002 Street & Refunding Debt Fund	1,330,622	780,142	1,134,897	1,040,000	747,000	-	-	-	-	-
<b>Total Debt</b>	<b>\$ 4,356,570</b>	<b>\$ 2,943,243</b>	<b>\$ 3,341,322</b>	<b>\$ 3,573,133</b>	<b>\$ 2,254,421</b>	<b>\$ 1,245,100</b>	<b>\$ 1,265,832</b>	<b>\$ 1,320,734</b>	<b>\$ 1,373,334</b>	<b>\$ 1,428,929</b>
<b>Total Property Tax Revenue</b>	<b>\$ 29,486,173</b>	<b>\$ 29,877,806</b>	<b>\$ 31,673,469</b>	<b>\$ 32,712,752</b>	<b>\$ 33,084,965</b>	<b>\$ 36,568,901</b>	<b>\$ 38,732,033</b>	<b>\$ 40,968,993</b>	<b>\$ 42,592,594</b>	<b>\$ 44,310,686</b>

\*Includes reduction for Personal Property Tax write-off, Tax Tribunal Adjustments and chargebacks  
 \*\* No Headlee rollback has been assumed for fiscal years ending 2021 and 2022

Additional revenue trends for property taxes, revenue sharing, MDOT Act 51 and overall revenue by fund is available in the Budget Overview section.



# FINANCIAL SUMMARIES

## Expenditure Analysis

### Personnel Services

The City of Novi budgets for full employment, maintaining a strong staff position control and budgeting system. Any additional cost savings as a result of vacancies, or positions filled at lower than budgeted amounts increases the fund balance, and is used in planning for the subsequent year's budget.

Personnel cost increases and decreases are pursuant to each of the current collective bargaining agreements. An increase of 0-2.5% each year, using 2017-18 as base year, is assumed based on total personnel costs. Defined benefit pension contributions are increasing 47% for 19/20 and are assumed to increase by approximately 3.8% increase in both 20/21 and 21/22. Employee health insurance costs are assumed to increase 3.5% for 19/20 and at 5.5% annually for the subsequent two years. The personnel assumptions are based on the number of staff as presented in the Departmental Information - Personnel Summary section for the fiscal year 2019/20.

### Supplies, Maintenance, and Other Services and Charges

Most expenditures range from 0%-3% increase; certain maintenance items increased based on historical median rate (i.e. road maintenance items). Liability and property and workers compensation insurance are assumed to increase 3-20% annually.

### Capital Outlay, Non-Recurring Items, & Technology

The Capital Outlay and/or non-recurring items are based on actual budget requests from departments. The City of Novi has a track record of replacing and maintaining assets, which not unlike businesses, allows the City flexibility in deferring capital purchases for a period of time during financially tight years.

Certain programs, like Personal Computer replacement, are included in the 2018/19 budget and while department allocation may change, total estimated replacement remains the same plus inflationary adjustment of 3%.

### Capital Improvements

The General, Major Street, Local Street, Municipal Street, Drain, Parks, Recreation and Cultural Services, PEG Cable, Forfeiture, Capital Improvement, Gun range, Ice Arena, Water and Sewer, and Senior Housing Funds reflect anticipated expenditures for each year based on the Capital Improvement Program.