

City of Novi - General Fund

	2019-20	2020-21	2021-22	2022-23	Notes
Per Original Budget Document					
Total Revenues	\$ 35,859,038	\$ 37,430,961	\$ 38,162,036	\$ 38,989,570	
Total Appropriations	37,042,253	37,430,961	38,162,036	38,989,570	
Net Revenues (Appropriations)	(1,183,215) K	-	-	-	
Beginning Fund Balance	11,297,109	10,113,894	10,113,894	10,113,894	
Ending Fund Balance	10,113,894	10,113,894	10,113,894	10,113,894	
Fund balance as a % of expenditures (council set goal: 22-25%)	27%	27%	27%	26%	

	2019-20	2020-21	2021-22	2022-23	
Proposed Budget Adjustments					
Revenues					
State Shared Revenue					
Constitutional	(646,000)	(1,463,000)	(747,000)	-	H
Statutory		(200,137)	(200,137)	-	I
Property tax declines	-	-	(634,000)	(1,108,000)	J
Building revenues	(180,000)	(300,000)	(250,000)	-	A
Court revenues	(125,000)	(125,000)	(50,000)	-	E
Total revenue increase (decrease)	(951,000)	(2,088,137)	(1,881,137)	(1,108,000)	
Appropriations					
Remove 2 new positions	-	(178,924)	(178,915)	(189,572)	B
Admin employee wage increase FY 21 from 2.5% to 2%	-	(30,000)	(30,000)	(30,000)	
Delay filling 5 open positions	-	(464,144)	(473,427)	(482,896)	C
Delay filling 5 potential FY 21 retirements and/or vacancies	-	(434,000)	(442,680)	(442,680)	F
Delay filling 7 potential FY 22 retirements and/or vacancies	-	-	(404,000)	(404,000)	F
Reserve for nonretirement's		83,441	399,595	403,578	N
Operating savings - 1% overall expenditure reduction	(370,000)	(374,000)	(381,000)	(390,000)	O
Operating savings (addition to the 1% overall reduction)	(266,574)	-	-	-	M
Eliminate operating transfer GF to EDC	(50,000)	(50,000)	-	-	
Capital outlay deferrals (net)	(89,200)	(614,510)	(966,710)	(297,430)	G
Additional pension contribution	-	-	596,000	725,000	D
Unused travel & conferences (addition to 1% overall reduction)	(30,000)	(26,000)	-	-	
Total appropriations increase (decrease)	(805,774)	(2,088,137)	(1,881,137)	(1,108,000)	
Net increase (decrease) to fund balance	(145,226) L	-	-	-	

	2019-20	2020-21	2021-22	2022-23	
Revised Proposed Budget					
Total Revenues	\$ 34,908,038	\$ 35,342,824	\$ 36,280,899	\$ 37,881,570	
Total Appropriations	36,236,479	35,342,824	36,280,899	37,881,570	
Net Revenues (Appropriations)	(1,328,441)	-	-	-	
Beginning Fund Balance	11,297,109	9,968,668	9,968,668	9,968,668	
Ending Fund Balance	\$ 9,968,668	\$ 9,968,668	\$ 9,968,668	\$ 9,968,668	
Fund balance as a % of expenditures (council set goal: 22-25%)	28%	28%	27%	26%	

Notes

A Estimated to lose 50% of the remaining budget for FY 20. FY 21 estimated loss of 15% overall revenues from FY 20.

	FY 21	FY 22	FY 23
B Per Blue Book:			
Code Compliance Officer	92,984	92,707	100,274
Planner	85,940	86,208	89,298
	178,924	178,915	189,572

Notes (continued)

C The following positions are currently budgeted and open and would not be filled:

- Economic development director
- Performance measurement analyst
- Police officer I
- Planner
- Light equipment operator I

D Annually the City has made an extra pension contribution at the end of each fiscal year with any savings with all departments. The extra contribution has been approximately \$400,000. The City will not make the extra contribution for FY 19/20 or 20/21 and will use savings to offset the anticipated revenue losses. The City will resume using the estimated annual expenditure savings of \$400,000 plus an additional 196,000 for FY 21/22 and \$325,000 for FY 22/23 and apply it toward the pension.

E Assumes a 50% reduction in court revenue for the last quarter of FY 19/20, 29% overall reduction in FY 20/21 and 12% for FY 21/22.

F The following positions are eligible for retirement in the following fiscal years:

<u>FY 22</u>	<u>FY 23</u>
Community Outreach and Event Specialist	Clerk department account clerk
Detective	Detective
Fire Lt	Police officers
Roadway Asset Manager	Police clerk
Plan Examiner	Fire protection officer
	Electrical inspector
	Building inspector

G See attached detail for "net" capital outlay deferrals and eliminations

H Assumes a reduction of 40% in the final two payments for FY 19/20, 25% overall reduction in FY 20/21 and 12.5% reduction in FY 21/22

I Assumes State will eliminate all statutory revenue sharing for both FY 20/21 and 21/22.

J Assumes an overall net TV decrease of 1% and annual inflation of 1.5% resulting in a net increase of .5% for 21/22.
Assumes an overall net change in TV of 0% and annual inflation of 1.5% resulting in a net increase of 1.5% for 22/23.
Original increase was 3.8% per year which included inflation of 1.7% and net new growth of 2.1%.

K The amended budget for FY 19/20 represents the original budget use of fund balance of \$50,000 plus the net roll over of unspent budgets from FY 18/19 of approximately \$1,133,000. The City expects to have roll overs of approximately \$850,000 for FY 19/20 to FY 20/21.

L The use of fund balance includes estimated Covid-19 costs of \$360,000 for payroll (3/15-4/30 @ \$60k per week) and \$80,000 for supplies. The City will be submitting any and all Covid costs to FEMA for reimbursement but the actual amount of reimbursement can not be determined at this time and no reimbursement revenue is included in the above analysis.

M The following are FY 19/20 savings identified over and above the \$400,000 noted in note "D" above:

101-210.00-910.001	Insurance Claims/Deductibles	25,000
101-210.00-971.000	Land Acquisition	10,000
101-296.00-704.000	Permanent salaries	37,500
101-296.00-715.000	Insurance	17,334
101-296.00-716.000	Social Security	6,090
101-296.00-716.200	HSA - employer contribution	1,950
101-296.00-716.999	Insurance - Employee Reimburse	(3,250)
101-296.00-718.450	Retiree health savings DC	1,950
101-296.00-816.028	Mobility Feasibility Project	65,000
101-301.00-806.000	Prosecuting Attorney	10,000
101-442.10-924.050	Street Light Install -City Initiated	60,000
101-442.30-861.000	Gasoline and Oil	15,000
101-803.00-880.400	Historical Commission	10,000
101-807.00-816.034	Document Imaging/Scanning Proj	10,000
	Operating Savings	266,574

N Reserve for positions, stated in F, for employees that may not retire when eligible or for positions that the City ultimately determines must be filled based on staffing within each area of the city.

O 1% reduction in the overall expenditure budget spread to all departments of the General Fund

City of Novi - General Fund - Capital Outlay Deferrals (Net)

CIP line item	CIP ID	Project Name	FY 20-21	FY 21-22	FY 22-23
80	FAC018	Automatic Door Replacement (N & S entrances) & Other Upgrades Civic Center	\$ 81,900	\$ (81,900)	-
84	FAC019	Restroom Upgrade (2 restrooms in Community Center side)	48,740	(48,740)	-
115	FLT008	Skid Steer Attachments for Should Maint - Roller & Road Widener (new)	116,070	(116,070)	-
n/a	Capital Outlay	Fire Department One (1) Lucas 3 Chest Compression Unit (Capital Outlay)	22,120	(22,120)	-
229	Lt Duty Vehicle	Vehicle - CD Building (replace #136: 2015 GMC Terrain)	28,500	(28,500)	-
82	FAC013	Irrigation System Replacement - Civic Center	66,960	(66,960)	-
79	FAC035	FS#1 Feasibility Study	134,000	-	-
n/a	Capital Outlay	Sally Port Floor Epoxy	23,040	(23,040)	-
83	FAC014	FS #3 Roof Replacement	60,000	(60,000)	-
n/a	Lt Duty Vehicle	Captain's command vehicle replacement (#339) - moved from FY22	(110,060)	110,060	-
122	FPM004	Mini Skid Steer	31,990	(31,990)	-
n/a	Lt Duty Vehicle	Vehicle w plow - DPW Fleet (replace #650)	46,170	(46,170)	-
120	FLD028	1-Ton Dump Truck w/Front Plow (replace #691)	65,080	(65,080)	-
126	POL020	Portable Driving Simulator	-	40,460	-
88	FIR014	FS#3 Renovation	-	430,350	-
127	POL021	License Plate Readers	-	27,260	-
87	POL006	Police Building - 2nd Floor Renovations	-	799,300	-
90	FAC024	Police Records Renovation	-	93,750	-
92	FAC023	Police Station - 2nd floor carpet replacement	-	56,100	-
131	POL015	Body Cameras	-	-	183,430
241	Lt Duty Vehicle	Electric Pool Vehicle City Hall - replace #147, 2017 Ford Escape)	-	-	33,000
242	Lt Duty Vehicle	Pool Vehicle - City Hall replace #148; 2017 Ford Fusion	-	-	27,000
243	Lt Duty Vehicle	Pool Vehicle - DPW replace #149; 2017 Ford Fusion	-	-	27,000
244	Lt Duty Vehicle	Pool Vehicle - City Hall (new)	-	-	27,000
Total General Fund			614,510	966,710	297,430

City of Novi - Parks and Recreation Fund

	2019-20	2020-21	2021-22	2022-23	Notes
Per Original Budget Document					
Total Revenues	\$ 3,331,626	\$ 3,328,194	\$ 3,352,971	\$ 3,380,083	
Total Appropriations	3,868,341	3,328,194	3,352,971	3,380,083	
Net Revenues (Appropriations)	(536,715) D	-	-	-	
Beginning Fund Balance	1,088,908	552,193	552,193	552,193	
Ending Fund Balance	552,193	552,193	552,193	552,193	
Fund balance as a % of expenditures (council set range: 10-20%)	14%	17%	16%	16%	

Proposed Budget Adjustments					
	2019-20	2020-21	2021-22	2022-23	
Revenues					
Property tax declines	-	-	(48,700)	(85,100)	A
Program revenues	(33,981)	(43,175)	-	-	C
Sports	(113,740)	(69,000)	-	-	C
Events	(13,675)	(3,500)	-	-	C
Camps	(135,982)	(31,900)	-	-	C
Rentals	(36,626)	(31,750)	-	-	C
Total revenue increase (decrease)	(334,004)	(179,325)	(48,700)	(85,100)	
Appropriations					
Program revenues	(34,278)	(51,498)	-	-	C
Sports	(43,854)	(32,925)	-	-	C
Events	(10,988)	(6,500)	-	-	C
Camps	(22,861)	(59,600)	-	-	C
Rentals	(16,427)	(15,287)	-	-	C
Remove new position	-	(35,370)	(37,250)	(39,190)	B
Deferred Capital Outlay					
Novi NW Park pathway (CIP ID# PRC028a)	-	(158,320)	-	-	
Cemetery Entrance Enhancement (CIP ID# ENG052)	-	-	(68,100)	-	
Transit van #135	-	-	-	(39,000)	
Parking Lot & Sidewalk-Rotary Park (CIP ID# LOT015)	-	-	-	(67,340)	
Capital Rollover into FY 21	(367,261)	367,261	-	-	D
Total appropriations increase (decrease)	(495,669)	7,761	(105,350)	(145,530)	
Net increase (decrease) to fund balance	161,665	(187,086)	56,650	60,430	

Revised Proposed Budget					
Total Revenues	\$ 2,997,622	\$ 3,148,869	\$ 3,304,271	\$ 3,294,983	
Total Appropriations	3,372,672	3,335,955	3,247,621	3,234,553	
Net Revenues (Appropriations)	(375,050)	(187,086)	56,650	60,430	
Beginning Fund Balance	1,088,910	713,860	526,774	583,424	
Ending Fund Balance	\$ 713,860	\$ 526,774	\$ 583,424	\$ 643,854	
Fund balance as a % of expenditures (council set range: 10-20%)	21%	16%	18%	20%	

Notes

A Assumes an overall net TV decrease of 1% and annual inflation of 1.5% resulting in a net increase of .5% for 21/22.
Assumes an overall net change in TV of 0% and annual inflation of 1.5% resulting in a net increase of 1.5% for 22/23.
Original increase was 3.8% per year which included inflation of 1.7% and net new growth of 2.1%.

B Per Blue Book:	FY 21	FY 22	FY 23
Remove new proposed full-time OAS recreation programmer	75,370	77,250	79,190
Reinstating the 2 part-time recreation programmers	(40,000)	(40,000)	(40,000)
Net savings	35,370	37,250	39,190

C Estimated reductions in parks and recreation categories for fiscal years 2020 and 2021. Staff assumes programs will return to normal in fiscal years 2022 and 2023.

D The amended budget for FY 19/20 represents the original budget of no change to fund balance plus the net roll over of unspent budgets from FY 18/19 of approximately \$418,000 and additional amendments to date of \$120,000. The City expects to have roll overs of approximately \$367,000 for FY 19/20 to FY 20/21.

City of Novi - Major, Local and Municipal Street Funds

	2019-20	2020-21	2021-22	2022-23	Notes
Per Original Budget Document					
Total Revenues	\$ 19,145,320	\$ 20,390,285	\$ 20,295,255	\$ 19,331,895	
Total Appropriations	21,250,059	19,540,285	22,132,155	19,399,895	
Net Revenues (Appropriations)	(2,104,739)	850,000	(1,836,900)	(68,000)	
Beginning Fund Balance	5,433,252	3,328,513	4,178,513	2,341,613	
Ending Fund Balance	3,328,513	4,178,513	2,341,613	2,273,613	
Fund balance as a % of expenditures (council set range: 10-20%)	16%	21%	11%	12%	

Proposed Budget Adjustments					
	2019-20	2020-21	2021-22	2022-23	
Revenues					
Act 51 revenue	(818,000)	(1,528,000)	(764,000)	-	B
Property tax declines	-	-	(190,000)	(331,000)	A
Total revenue increase (decrease)	(818,000)	(1,528,000)	(954,000)	(331,000)	
Appropriations					
Winter maintenance savings	(180,000)				D
Annual rollover of ongoing projects - Neighborhood Roads	(1,500,000)				E
Capital delays			(1,438,730)	(1,808,480)	C
Total appropriations increase (decrease)	(1,680,000)	-	(1,438,730)	(1,808,480)	
Net increase (decrease) to fund balance	862,000	(1,528,000)	484,730	1,477,480	

Revised Proposed Budget					
	2019-20	2020-21	2021-22	2022-23	
Total Revenues	\$ 18,327,320	\$ 18,862,285	\$ 19,341,255	\$ 19,000,895	
Total Appropriations	19,570,059	19,540,285	20,693,425	17,591,415	
Net Revenues (Appropriations)	(1,242,739)	(678,000)	(1,352,170)	1,409,480	
Beginning Fund Balance	5,433,252	4,190,513	3,512,513	2,160,343	
Ending Fund Balance	\$ 4,190,513	\$ 3,512,513	\$ 2,160,343	\$ 3,569,823	
Fund balance as a % of expenditures (council set range: 10-20%)	21%	18%	10%	20%	

Footnotes

A Assumes an overall net TV decrease of 1% and annual inflation of 1.5% resulting in a net increase of .5% for 21/22. Assumes an overall net change in TV of 0% and annual inflation of 1.5% resulting in a net increase of 1.5% for 22/23. Original increase was 3.8% per year which included inflation of 1.7% and net new growth of 2.1%.

B 40% reduction of March-June payments (based on prior years actual), 25% overall reduction in total 20/21, and 12.5% overall reduction in total 21/22.

	CIP ID	FY 21-22	FY 22-23
C Old Novi Road Rehab (Novi Road to 13 Mile Road)	102-04	\$ 738,050	\$ -
13 Mile Road Rehab (Old Novi Road to Novi Road)	ENG037	700,680	-
12 Mile Road Reconstruction (Medina Blvd to City Limits)	152-10	-	993,300
Segment 178 - 12 Mile Road (South Side; East of Albert Street)	ENG063	-	115,180
Neighborhood Roads Rehab (reduce to 22/23 level \$3M)	102-01	-	700,000
	Total	1,438,730	1,808,480

D Amount represent the remaining winter maintenance budget in all street funds - mild winter resulted in one-time savings

E The annual neighborhood roads program begins annually in the spring and runs thru the fall. Annually there are approx. \$1.5 million in funds that due to timing straddle two fiscal years and will carryover to the following year. The carryover amount is similar each year and the net impact would be zero for the FY 2022 and 2023

City of Novi - Capital Improvement Program (CIP) Fund

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	Notes
Per Original Budget Document					
Total Revenues	\$ 4,475,854	\$ 3,824,900	\$ 3,969,920	\$ 4,120,490	
Total Appropriations	12,844,000	1,819,435	1,329,011	5,323,084	
Net Revenues (Appropriations)	(8,368,146)	2,005,465	2,640,909	(1,202,594)	
Beginning Fund Balance	(6,701,765)	(15,069,911)	(13,064,446)	(10,423,537)	
Ending Fund Balance	(15,069,911)	(13,064,446)	(10,423,537)	(11,626,131)	

Proposed Budget Adjustments					
	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	
Revenues					
Property tax declines	-	-	(127,000)	(222,000)	A
Total revenue increase (decrease)	-	-	(127,000)	(222,000)	
Appropriations					
Capital delays (net)		(830,400)	(41,520)	(43,600)	B
Total appropriations increase (decrease)	-	(830,400)	(41,520)	(43,600)	
Net increase (decrease) to fund balance	-	830,400	(85,480)	(178,400)	

Revised Proposed Budget					
Total Revenues	\$ 4,475,854	\$ 3,824,900	\$ 3,842,920	\$ 3,898,490	
Total Appropriations	12,844,000	989,035	1,287,491	5,279,484	
Net Revenues (Appropriations)	(8,368,146)	2,835,865	2,555,429	(1,380,994)	
Beginning Fund Balance	(6,701,765)	(15,069,911)	(12,234,046)	(9,678,617)	
Ending Fund Balance	\$ (15,069,911)	\$ (12,234,046)	\$ (9,678,617)	\$ (11,059,611)	

Notes

- A** Assumes an overall net TV decrease of 1% and annual inflation of 1.5% resulting in a net increase of .5% for 21/22.
 Assumes an overall net change in TV of 0% and annual inflation of 1.5% resulting in a net increase of 1.5% for 22/23.
 Original increase was 3.8% per year which included inflation of 1.7% and net new growth of 2.1%.

B Per Blue Book:	<u>CIP ID</u>	<u>FY 20-21</u>	<u>FY 21-22</u>	<u>FY 22-23</u>
Fire Engine (Replaces #342)	FIR017	\$ (830,400)	\$ 830,400	\$ -
Fire Engine (Replaces #313)	FIR024	-	(871,920)	871,920
Fire Engine (Replaces #322)	FIR029	-	-	(915,520)
Total Reductions		(830,400)	(41,520)	(43,600)