



CITY of NOVI CITY COUNCIL

**Agenda Item F
December 17, 2012**

SUBJECT: Approval of Stipend Pay Adjustment for City Manager and City Clerk; and, Budget Amendment 2013-2.

SUBMITTING DEPARTMENT: Office of the City Manager

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

Following the annual review of the City Manager and City Clerk's work over the prior fiscal year, the City Council asked that a positive pay adjustment be brought for consideration along with the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. The stipend is consistent with that being made for Administrative Officers (54 non-union positions), an adjustment of \$500 base plus 1.25% of annual salary is to be made on the first pay period of January 2013 for employees of record at that time. The adjustments are one-time and recognize that Administrative officers have not had a pay increase since July 1, 2009 while there have been union adjustments through negotiations and arbitration. The attached budget amendment reflects funds in the General Fund for the bulk of administrative employees in that fund; including required social security and worker's compensation (the one-time payments are special from normal payroll and therefore not being charged to individual departments and do not require contributions for pension or increase future pension costs). The City's financial position remains positive, but guarded in light of continuing uncertainty and the stipend is in recognition of continuing positive accomplishments by the City staff for the Novi residents and businesses.

RECOMMENDED ACTION: Approval of Stipend Pay Adjustment for City Manager and City Clerk; and, Budget Amendment 2013-2.

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

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

**BUDGET AMENDMENT# 2013-2
RESOLUTION**

NOW, THEREFORE BE IT RESOLVED that the following Budget Amendment# 2013-2 is authorized:

		<u>INCREASE (DECREASE)</u>
GENERAL FUND		
REVENUE		
Appropriation of Fund Balance		\$ <u>67,217</u>
Total Revenues- General Fund		\$ <u>67,217</u>
APPROPRIATIONS		
GENERAL ADMINISTRATION		
Wages and Salaries Reserve		67,217 (a)
Total Appropriations- General Fund		<u>\$ 67,217</u>
PARKS, RECREATION & CULTURAL SERVICES		
REVENUE		
Appropriation of Fund Balance		\$ 11,455
Total Revenue Parks, Rec & Cultural Services		<u>\$ 11,455</u>
APPROPRIATIONS		
Salary Line Items- 208-691.704, 693.704, 695.704, 693.724, 695.558		\$ 11,455 (a)
Total Appropriations- Parks Rec & Cultural Services		<u>\$ -</u> <u>\$ 11,455</u>

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the

Cortney Hanson
Deputy City Clerk

(a) Current year additions and adjustments

General Fund Summary

Beginning Fund Balance July 1, 2011		\$ 11,417,075
Amended 2011-12 Budget:		
Revenue	\$ 25,641,820	
Expenditures	<u>(29,077,725)</u>	\$ (3,435,905)
Projected Fund Balance, June 30, 2012		<u><u>\$ 7,981,170</u></u>

Beginning Fund Balance July 1, 2011		\$ 11,417,075
Actual 2011-12:		
Revenue	\$ 26,292,359	
Expenditures	<u>(28,144,834)</u>	\$ (1,852,475)
Fund Balance, June 30, 2012		<u><u>\$ 9,564,600</u></u>
Rollover expenditure items included in budget amendment 2013-1		<u>\$ 660,640</u>

Net difference in amended 2011-12 budget and actual unaudited results		<u>\$ 1,583,430</u>
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Beginning Fund Balance July 1, 2012		\$ 9,564,600
Adopted 2012-13 Budget:		
Revenue	\$ 28,601,171	
Expenditures	<u>(29,786,566)</u>	\$ (1,185,395)
Projected Fund Balance prior to Budget Amendment #2013-2		\$ 8,379,205
2013-1 Rollover budget amendment	(660,640)	
2013-1 First Quarter budget amendment	(1,080,670)	
2013-2 Second Quarter budget amendmen	(67,217)	(1,808,527)
Projected Fund Balance, June 30, 2013		<u><u>\$ 6,570,678</u></u>
Projected Fund balance as a % of budgeted expenditures		<u>20.80%</u>