



# CITY OF NOVI CITY COUNCIL

## FEBRUARY 9, 2026

**SUBJECT:** Approval of resolution to authorize Budget Amendment #2026-3

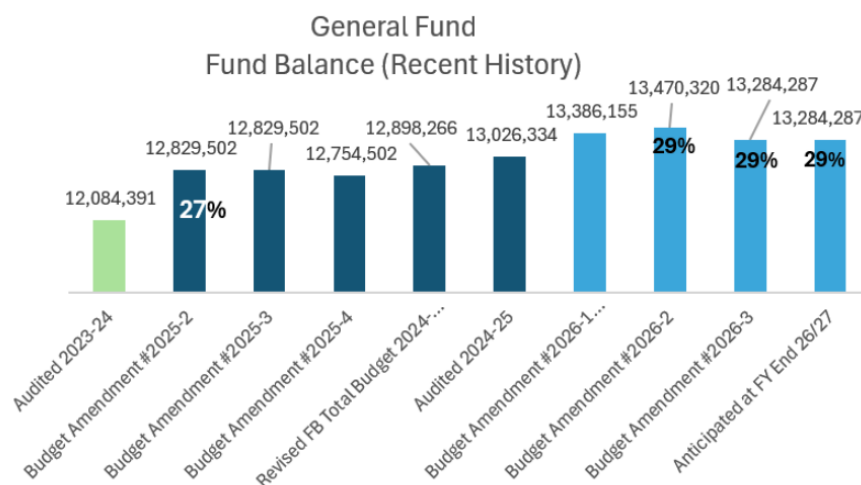
**SUBMITTING DEPARTMENT:** Finance

### KEY HIGHLIGHTS:

- \$188,513 use of General Fund fund balance.
- No net change to Major Street's fund balance. Reduction of Transfer from Municipal Street Fund to Major to account for project changes.
- Parks Fund 208 and Public Improvement Fund 445 have reductions in expenditure budget needed.
- Public Safety Building Fund 464 has no net change. Expenditure budgets need to be established awaiting funds from the spring bond sale.

### BACKGROUND INFORMATION:

The City's annual budget is adopted by the third Monday in May each year and is effective July 1<sup>st</sup> each year. The budget is adopted at a function level (vs. line item). In accordance with the State Budget Act, budget amendments are completed throughout the fiscal year to reflect the most current information available related to revenue and expenditure budgets. Budget amendments that affect the fund balance or change the function total are prepared for Council approval. Amendments between line-items within the same budget function (that do not have any impact on fund balance) are managed at the administration level. The amendments are based on actual and projected activity to date.



The second quarter budget amendment resolution and budget amendment details are attached. Budget Amendment 2026-3 proposes the use of fund balance to support weekend staffing of the City's four fire stations.

**RECOMMENDED ACTION:** Approval of resolution to authorize Budget Amendment #2026-3.

## RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following  
Budget Amendment# 2026-3 is authorized:

	INCREASE (DECREASE)
<b>GENERAL FUND</b>	
<b>REVENUES</b>	
State Sources	\$ 208,818
Federal Sources	
Donations	
<b>TOTAL REVENUES</b>	<b>\$ 208,818</b>
<b>APPROPRIATIONS</b>	
<b>Assessing Department</b>	
Other Services and Charges	90,500
<b>Police Department</b>	
Other Services and Charges	34,000
Capital Outlay	
<b>Fire Department</b>	
Personnel Services	366,000
Capital Outlay	(93,169)
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 397,331</b>
<b>Net Increase (Decrease) to Fund Balance</b>	<b>\$ (188,513)</b>
<b>Ending Fund Balance</b>	<b>\$13,281,807</b>
<b>Fund Balance as a % of total annual expenditures</b>	<b>28%</b>

**INCREASE  
(DECREASE)**

<b>MAJOR STREET FUND</b>
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**REVENUES**

Federal Grants	\$	(28,337)
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<b>TOTAL REVENUES</b>	<b>\$</b>	<b>(28,337)</b>
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**APPROPRIATIONS**

Capital Outlay		(28,337)
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<b>TOTAL APPROPRIATIONS</b>	<b>\$</b>	<b>(28,337)</b>
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Net Increase (Decrease) to Fund Balance	\$	-
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Ending Fund Balance	\$1,420,231
Fund Balance as a % of total annual expenditures	10%

<b>MUNICIPAL STREET FUND</b>
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**APPROPRIATIONS**

Capital Outlay	\$	28,337
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Transfers Out		(28,337)
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<b>TOTAL APPROPRIATIONS</b>	<b>\$</b>	<b>-</b>
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Net Increase (Decrease) to Fund Balance	\$	-
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Ending Fund Balance	\$1,292,388
Fund Balance as a % of total annual expenditures	8%

**INCREASE  
(DECREASE)**

<b>PARKS, RECREATION, &amp; CULTURAL SERVICES FUND</b>	
<b>REVENUES</b>	
Property Tax Revenue	\$ -
<b>TOTAL REVENUES</b>	<b>\$ -</b>
<b>APPROPRIATIONS</b>	
757 Capital Outlay	(122,000)
<b>TOTAL APPROPRIATIONS</b>	<b>\$ (122,000)</b>
<b>Net Increase (Decrease) to Fund Balance</b>	<b>\$ 122,000</b>
<b>Ending Fund Balance</b>	<b>\$1,054,155</b>
<b>Fund Balance as a % of total annual expenditures</b>	<b>24%</b>

**INCREASE  
(DECREASE)**

**INCREASE  
(DECREASE)**

<b>PUBLIC IMPROVEMENT FUND</b>
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**APPROPRIATIONS**

Capital Outlay	\$	(397,933)
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TOTAL APPROPRIATIONS	\$	<u>(397,933)</u>
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Net Increase (Decrease) to Fund Balance	\$	<u>397,933</u>
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<b>PUBLIC SAFETY BUILDING FUND</b>
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**REVENUES**

Sale of Bonds		1,675,000
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TOTAL REVENUES	\$	<u>1,675,000</u>
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**APPROPRIATIONS**

Capital Outlay	\$	1,675,000
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TOTAL APPROPRIATIONS	\$	<u>1,675,000</u>
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	\$	<u>-</u>
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I hereby certify that the foregoing is a true and complete copy of a  
resolution adopted by the City Council of the City of Novi  
at a regular meeting held on January 26, 2026.

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Cortney Hanson  
City Clerk

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
<b>General Fund 101</b>			
<b>Revenues</b>			
101-000.00-543.200	Police Training Grant	State Shared Revenue	34,000
101-000.00-569.001	Other State Grants-Qualified Heavy Equipment Rental Personal Property	State Shared Revenue	150,712
101-000.00-569.002	Other State Grants-Small Business Taxpayer Exemptions	State Shared Revenue	24,106
			<u>\$ 208,818</u>
<b>Expenditures</b>			
101-257.00-806.000	Legal Fees	Other services and charges	65,000
101-257.00-816.900	Tax Tribunal Appraisals	Other services and charges	25,500
101-301.00-957.008	MCOLES-CPE Grant Expenditures	Other services and charges	34,000
101-336.00-704.200	Wages - Stipend (if program continues)	Personnel Services	104,000
101-336.00-705.310	POC firefighters-pretraining	Personnel Services	87,000
101-336.00-705.350	Auxiliary firefighters	Personnel Services	175,000
101-336.00-983.000	Remove Fire vehicle		(93,169)
			<u>\$ 397,331</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ (188,513)</b>
<b>Ending Fund Balance</b>		<b>\$13,281,807</b>	
<b>Fund Balance as a % of total annual expenditures</b>		<b>28%</b>	

<b>Major Street Fund 202</b>			
<b>Revenues</b>			
202-000.00-699.204	Transfer from Municipal Street	Transfers in	\$ (28,337)
			<u>\$ (28,337)</u>
<b>Expenditures</b>			
202-449.20-975.226	162-07 Beck Rd Widen(11Mi-Prov Dr/CP Bv)	Capital outlay	(28,337)
			<u>\$ (28,337)</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ -</b>
<b>Ending Fund Balance</b>		<b>\$1,420,231</b>	
<b>Fund Balance as a % of total annual expenditures</b>		<b>10%</b>	

<b>Municipal Street Fund 204</b>			
<b>Expenditures</b>			
204-000.00-995.202	Transfer to Major Street	Transfers out	\$ (28,337)
204-446.00-976.222	Bosco-ITC Connector Pathway	Capital outlay	28,337
			<u>\$ -</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ -</b>
<b>Ending Fund Balance</b>		<b>\$1,292,388</b>	
<b>Fund Balance as a % of total annual expenditures</b>		<b>8%</b>	



<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
<b>Parks, Recreation, and Cultural Services Fund 208</b>			
<b>Revenues</b>			
			<u>\$ -</u>
<b>Expenditures</b>			
208-752.00-974.491	ENG085 Asphalt Paths & drain - PowerPark	Capital outlay	\$ (130,000)
208-752.00-977.091	Villa Barr Pathway	Capital outlay	8,000
			<u>\$ (122,000)</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ 122,000</b>
<b>Ending Fund Balance</b>		<b>\$1,054,155</b>	
<b>Fund Balance as a % of total annual expenditures</b>		<b>24%</b>	

<b>Public Improvement Fund 445</b>			
<b>Revenues</b>			
			<u>\$ -</u>
<b>Expenditures</b>			
445-441.30-984.037	FLT010 RDS Body Truck	Capital outlay	(195,716)
445-441.30-984.039	FLT011 RDS Body Truck	Capital outlay	(202,217)
			<u>\$ (397,933)</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ 397,933</b>
<b>Ending Fund Balance</b>		<b>\$617,989</b>	

<b>Public Safety Building Fund 464</b>			
<b>Revenues</b>			
464-000.00-696.000	Proceeds from long-term debt		\$ 1,675,000
			<u>\$ 1,675,000</u>
<b>Expenditures</b>			
464-309.00-977.044	Public Safety Building		\$ 125,000
464-336.00-975.954	Fire Station 2 - W 13 Mi Rd	Capital outlay	900,000
464-336.00-975.955	Fire Station 3 - Venture Drive	Capital outlay	650,000
			<u>\$ 1,675,000</u>
<b>Net Increase (decrease) to fund balance</b>			<b>\$ -</b>