



FINANCIAL SUMMARIES

Long-Range Financial Plan – Multi-Year Budget 2021-2023

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 \$495,336,601. The City's current debt applicable to this limit is \$16,235,000 or 3.3% 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). 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.

During the City Council's Executive Budgeting Session, Council has concluded to focus on short term goals and not specifically identify long term goals (except for the roads and community center study); however, the City continues to include focuses and investments on the following:

- Investing in public safety
- 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 short term strategic goals, which have been mentioned in the Budget Overview section, 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>N Nurture public services that residents want and value.</p>	<p>Investigate, plan the development of a Public Recreational Facility. Place greater emphasis on “aging in place” for senior services (to include strategy development to assist residents to do so.) Continue to increase overall walkability of the community, including rehabilitation, construction and maintenance of exiting pathways and sidewalks</p>
<p>O Operate a world-class and sustainable local government.</p>	<p>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>V Value and build a desirable and vibrant community for residents and businesses alike now and into the future.</p>	<p>Develop a formal plan for road construction over the next 3-10 years including possible voter approved millage to fund \$50 - \$150 million in new projects. Continue working with RCOG to expand 12 Mile Road Corridor to accommodate new development.</p>
<p>I Invest properly in being a Safe Community at all times for all people.</p>	<p>Develop / increase efforts to strengthen the Auxiliary / Paid-On-Call program and ensure continued quality new hires into the system</p>



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The 2021-22 and 2022-23 budgets include the following items related to the goals and plans above:

- \$16.9 million investment in roads, pathways, sidewalks and intersections
- \$5.55 million investment in water and sewer infrastructure
- \$1.9 million investment in storm sewer and drainage
- \$4.3 million investment in parks, recreation, and cultural services capital projects
- \$3.9 million investment in machinery, equipment, and technology

Fiscal year 2023-24 and beyond:

- The Mayor and Council has appointed two committees to study and make recommendations regarding repairs/construction of City roads along with possible construction for a community recreation center. These committees are expected to make formal recommendations to the Mayor and Council during fiscal year 2020/21 and could involve a citywide vote for funding as well. Any work would be performed in fiscal year 2021/22 at the earliest and could span several fiscal years. The estimated value of these projects is in the \$50 to \$150 million dollar range.

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 2020/2021 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 2020-21	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21
ESTIMATED REVENUES					
Property tax revenue	\$ 24,783,167	\$ 12,326,862	\$ 1,384,334	\$ 3,824,900	\$ -
Capital Contributions	-	-	-	-	-
Contributions-Employer	-	-	-	-	-
Donations	1,000	76,077	-	-	-
Federal grants	80,000	135,530	-	-	-
Fines and forfeitures	330,000	438,000	-	-	-
Interest income	697,211	386,083	266	122,750	130,000
Licenses, permits, and charges for services	4,277,333	2,560,000	-	421,500	-
Older adult program revenue	-	156,325	-	-	-
Operating Revenue	-	-	-	-	-
Other revenue	762,870	1,195,459	-	-	-
Program Revenue	-	1,226,700	-	-	-
Special Assessments Levied	-	35,829	-	-	-
State sources	4,411,243	5,275,000	-	-	-
Tap In Fees	-	-	-	-	5,000
Transfers in	-	6,980,000	-	-	161,000
TOTAL ESTIMATED REVENUES	\$ 35,342,824	\$ 30,791,865	\$ 1,384,600	\$ 4,369,150	\$ 296,000
APPROPRIATIONS					
Personnel services	\$ 26,123,271	\$ 3,886,054	\$ -	\$ -	\$ -
Supplies	937,390	785,540	-	-	-
Other services and charges	6,673,973	10,375,456	500	1,500	-
Capital outlay	1,383,190	10,395,261	-	463,500	-
Debt Service	-	-	1,384,100	524,535	-
Transfer Out	225,000	6,916,000	-	-	-
TOTAL APPROPRIATIONS	\$ 35,342,824	\$ 32,358,311	\$ 1,384,600	\$ 989,535	\$ -

Estimated Beginning Unassigned Fund Balance - July 1, 2020

Estimated Ending Unassigned Fund Balance - June 30, 2021

Fund balance as a percentage of total annual expenditures

Estimated Change in Fund Balance

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Consolidated Financial Schedule (continued)

	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	FIDUCIARY FUNDS	TOTAL BUDGET
	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21
ESTIMATED REVENUES				
Property tax revenue	\$ -	\$ -	\$ -	\$ 42,319,263
Capital Contributions	1,350,000	-	-	\$ 1,350,000
Contributions-Employer	-	-	275,000	\$ 275,000
Donations	-	-	-	\$ 77,077
Federal grants	-	-	-	\$ 215,530
Fines and forfeitures	-	-	-	\$ 768,000
Interest income	322,300	-	2,100,451	\$ 3,759,061
Licenses, permits, and charges for services	-	2,950,000	-	\$ 10,208,833
Older adult program revenue	-	-	-	\$ 156,325
Operating Revenue	26,288,500	-	-	\$ 26,288,500
Other revenue	963,522	-	-	\$ 2,921,851
Program Revenue	1,886,571	-	-	\$ 3,113,271
Special Assessments Levied	-	-	-	\$ 35,829
State sources	-	-	-	\$ 9,686,243
Tap In Fees	-	-	-	\$ 5,000
Transfers in	-	-	-	\$ 7,141,000
TOTAL ESTIMATED REVENUES	\$ 30,810,893	\$ 2,950,000	\$ 2,375,451	\$ 108,320,783
APPROPRIATIONS				
Personnel services	\$ 1,442,365	\$ 2,950,000	\$ 1,037,951	\$ 35,439,641
Supplies	92,775	-	-	\$ 1,815,705
Other services and charges	24,568,045	-	336,500	\$ 41,955,974
Capital outlay	4,210,450	-	-	\$ 16,452,401
Debt Service	1,512,258	-	-	\$ 3,420,893
Transfer Out	-	-	-	\$ 7,141,000
TOTAL APPROPRIATIONS	\$ 31,825,893	\$ 2,950,000	\$ 1,374,451	\$ 106,225,614
Estimated Beginning Unassigned Fund Balance - July 1, 2020				\$ 229,478,545
Estimated Ending Unassigned Fund Balance - June 30, 2021				\$ 231,573,714
Fund balance as a percentage of total annual expenditures				218%
Estimated Change in Fund Balance				1%



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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.

GENERAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22	PROJECTED 2022-23
ESTIMATED REVENUES					
PROPERTY TAX REVENUE					
Property Tax Revenue - Current Levy	\$ 17,707,513	\$ 18,471,824	\$ 19,236,588	\$ 19,368,043	\$ 19,673,204
Property Tax Revenue - County Chargebacks	21,611	21,000	21,000	21,000	21,000
Property Tax Revenue - Tax Tribunal Accr	-	5,000	5,000	5,000	5,000
Property Tax Revenue - Brownfield Capture	(1,556)	(1,686)	(1,682)	(1,749)	(1,749)
Property Tax Revenue - Police & Fire Levy	5,034,701	5,244,903	5,443,695	5,650,709	5,865,441
Property Tax Revenue - Brownfield Cap 2015	(11,258)	(19,461)	(30,000)	(35,000)	(40,000)
Property Tax Revenue - PA 359 Advertising	49,961	49,796	50,000	50,000	50,000
Property Tax Revenue - CIA Cap 2018	-	(41,719)	(82,184)	(119,772)	(143,406)
Property Tax Revenue - C/Y Delequent PPT	(24,208)	(25,000)	(36,000)	(37,000)	(37,000)
Trailer Tax fees	11,233	11,500	11,750	12,000	12,250
Penalty and interest	153,103	160,000	165,000	170,000	175,000
PROPERTY TAX REVENUE	\$ 22,941,100	\$ 23,876,157	\$ 24,783,167	\$ 25,083,231	\$ 25,579,740
DONATIONS					
Police Dept Donations	\$ -	\$ 500	\$ 500	\$ 500	\$ 500
Restricted Fire donations	1,600	500	500	500	500
Contributions	750	-	-	-	-
DONATIONS	\$ 2,350	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000

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GENERAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
LICENSES, PERMITS & CHARGES FOR SVCS					
Clerks Dept Fees (prior business regist)	\$ 9,280	\$ 28,000	\$ 29,000	\$ 29,000	\$ 29,000
Liquor license fees	65,146	65,000	66,000	67,000	68,000
Engineering review fees	291,372	250,000	250,000	250,000	250,000
Plan and landscape review fees	127,067	130,000	130,000	130,000	130,000
Wet, Wood, Landscape insp/review fees	24,580	119,000	345,000	235,000	100,000
Building permits	1,112,116	832,500	739,200	740,500	850,000
Plan review fees	513,707	421,000	317,550	326,250	375,000
Refrigeration permits	76,210	70,000	58,500	58,500	65,000
Electrical permits	247,461	212,500	199,750	195,750	220,000
Heating permits	205,816	193,500	170,000	168,000	200,000
Plumbing permits	150,026	120,500	120,000	126,000	150,000
Other charges	268,250	420,000	370,000	340,000	325,000
Court abatement revenue	1,731	26,975	-	-	-
Soil erosion fees	30,019	26,000	27,000	27,000	27,000
Cable television fee	905,858	935,000	875,000	825,000	800,000
Weed cutting revenue	2,533	6,000	6,000	6,000	6,000
Board of appeals	15,850	21,000	21,000	21,000	21,000
Police department-miscellaneous revenue	168,324	139,000	139,000	139,000	139,000
Police dispatch service revenue	128,194	134,604	141,333	148,401	148,401
Police contracted services	53,080	100,000	100,000	100,000	100,000
Police OWI revenue	1,069	1,000	1,000	1,000	1,000
Police Department - Hosted Training	-	20,000	20,000	20,000	20,000
Administrative reimburse	115,209	114,025	140,000	140,000	140,000
Fire Station CEMS revenue	12,000	12,000	12,000	12,000	12,000
LICENSES, PERMITS & CHARGES FOR SVCS	\$ 4,524,898	\$ 4,397,604	\$ 4,277,333	\$ 4,105,401	\$ 4,176,401
FEDERAL GRANTS					
Federal Grants	\$ 6,535	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
TIA Grant	292	10,121	15,000	15,000	15,000
Federal forfeitures-reimbursement only	31,719	30,000	30,000	30,000	30,000
SS Task Force Reimbursement	24,583	20,000	20,000	20,000	20,000
FBI - OT Reimbursement	8,750	14,224	10,000	10,000	10,000
FEDERAL GRANTS	\$ 71,879	\$ 79,345	\$ 80,000	\$ 80,000	\$ 80,000
FINES AND FORFEITURES					
Court fees and fines	\$ 425,556	\$ 350,000	\$ 305,000	\$ 365,000	\$ 400,000
Motor carrier fines and fees	24,500	25,000	25,000	25,000	25,000
FINES AND FORFEITURES	\$ 450,056	\$ 375,000	\$ 330,000	\$ 390,000	\$ 425,000



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GENERAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
INTEREST INCOME					
Interest on Investments	\$ 335,517	\$ 413,956	\$ 362,211	\$ 345,167	\$ 322,784
Unrealized gain (loss) on investments	245,438	150,000	85,000	85,000	85,000
Interest on Trust & Agency Funds	468,460	457,033	250,000	250,000	200,000
INTEREST INCOME	\$ 1,049,415	\$ 1,020,989	\$ 697,211	\$ 680,167	\$ 607,784
OTHER REVENUE					
Insurance Reimbursement	\$ 25,480	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Fire Department	11,429	10,000	10,000	10,000	10,000
Fire Department Hosted Training	900	-	-	-	-
Novi Youth Council	10,859	9,500	9,500	9,500	9,500
Miscellaneous income	57,372	118,169	245,000	175,000	175,000
Internal Events - Eco Develop	1,600	-	-	-	-
Library Network Charges	30,804	22,000	22,000	22,000	22,000
State of the City revenue	6,100	4,000	4,000	4,000	4,000
Spring into Novi/Ethnic Taste & Tune Rev	6,000	-	-	-	-
50th Anniversary Revenue	6,500	3,800	-	-	-
Novi Township assessment	17,023	18,000	16,100	16,100	16,100
RRRASOC Hosting Fees	16,000	16,000	16,000	16,000	16,000
Cell tower revenue	49,418	40,000	40,000	40,000	40,000
Sale of fixed assets	29,898	91,131	-	-	-
Municipal service charges	365,270	365,270	365,270	365,270	365,270
OTHER REVENUE	\$ 634,653	\$ 732,870	\$ 762,870	\$ 692,870	\$ 692,870
STATE SOURCES					
Police training grant	\$ 30,410	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
State revenue sharing	4,960,485	4,400,073	4,386,243	5,223,230	6,293,775
STATE SOURCES	\$ 4,990,895	\$ 4,425,073	\$ 4,411,243	\$ 5,248,230	\$ 6,318,775
TOTAL ESTIMATED REVENUES	\$ 34,665,246	\$ 34,908,038	\$ 35,342,824	\$ 36,280,899	\$ 37,881,570

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GENERAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22	PROJECTED 2022-23
APPROPRIATIONS					
Dept 101.00-CITY COUNCIL					
PERSONNEL SERVICES	\$ 36,117	\$ 37,490	\$ 36,128	\$ 36,129	\$ 36,196
SUPPLIES	436	460	200	200	200
OTHER SERVICES AND CHARGES	10,262	121,085	28,252	20,189	20,188
TOTAL Dept 101.00-CITY COUNCIL	<u>\$ 46,815</u>	<u>\$ 159,035</u>	<u>\$ 64,580</u>	<u>\$ 56,518</u>	<u>\$ 56,584</u>
Dept 172.00-CITY MANAGER					
PERSONNEL SERVICES	\$ 544,201	\$ 541,768	\$ 584,071	\$ 604,868	\$ 625,615
SUPPLIES	1,452	1,500	1,500	1,500	1,500
OTHER SERVICES AND CHARGES	94,759	163,786	106,649	106,604	106,419
CAPITAL OUTLAY	6,700	-	-	-	-
TOTAL Dept 172.00-CITY MANAGER	<u>\$ 647,112</u>	<u>\$ 707,054</u>	<u>\$ 692,220</u>	<u>\$ 712,972</u>	<u>\$ 733,534</u>
<i>Financial Services</i>					
Dept 201.00-FINANCE DEPARTMENT					
PERSONNEL SERVICES	\$ 872,273	\$ 823,847	\$ 883,994	\$ 929,237	\$ 994,625
SUPPLIES	13,533	9,000	9,200	9,400	9,400
OTHER SERVICES AND CHARGES	74,324	50,077	79,930	62,883	62,282
TOTAL Dept 201.00-FINANCE DEPARTMENT	<u>\$ 960,130</u>	<u>\$ 882,924</u>	<u>\$ 973,124</u>	<u>\$ 1,001,520</u>	<u>\$ 1,066,307</u>
Dept 253.00-TREASURY					
PERSONNEL SERVICES	\$ 280,166	\$ 279,325	\$ 283,566	\$ 295,004	\$ 305,178
SUPPLIES	22,257	28,233	28,500	29,500	29,500
OTHER SERVICES AND CHARGES	28,636	37,296	43,915	44,105	44,014
TOTAL Dept 253.00-TREASURY	<u>\$ 331,059</u>	<u>\$ 344,854</u>	<u>\$ 355,981</u>	<u>\$ 368,609</u>	<u>\$ 378,692</u>
<i>Financial Services Total</i>	<u>\$ 1,291,189</u>	<u>\$ 1,227,778</u>	<u>\$ 1,329,105</u>	<u>\$ 1,370,129</u>	<u>\$ 1,444,999</u>



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GENERAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22 2022-23	
<i>Integrated Solutions</i>					
Dept 205.00-INFORMATION TECHNOLOGY					
PERSONNEL SERVICES	\$ 803,907	\$ 820,960	\$ 830,780	\$ 857,001	\$ 885,148
SUPPLIES	55,226	73,188	90,380	90,380	90,380
OTHER SERVICES AND CHARGES	262,196	469,300	457,542	456,786	458,726
CAPITAL OUTLAY	47,408	8,400	75,240	41,620	161,640
TOTAL Dept 205.00-INFORMATION TECHNOLOGY	<u>\$ 1,168,737</u>	<u>\$ 1,371,848</u>	<u>\$ 1,453,942</u>	<u>\$ 1,445,787</u>	<u>\$ 1,595,894</u>
Dept 265.00-FACILITY MANAGEMENT					
PERSONNEL SERVICES	\$ 333,464	\$ 350,415	\$ 356,819	\$ 367,509	\$ 380,059
SUPPLIES	15,696	17,073	18,500	18,500	18,500
OTHER SERVICES AND CHARGES	625,466	632,964	635,212	622,037	635,796
CAPITAL OUTLAY	29,465	263,229	262,500	359,100	445,460
TOTAL Dept 265.00-FACILITY MANAGEMENT	<u>\$ 1,004,091</u>	<u>\$ 1,263,681</u>	<u>\$ 1,273,031</u>	<u>\$ 1,367,146</u>	<u>\$ 1,479,815</u>
Dept 265.10-FACILITY MANAGEMENT - PARKS MAINT					
PERSONNEL SERVICES	\$ 493,578	\$ 511,774	\$ 545,415	\$ 558,811	\$ 665,212
SUPPLIES	29,216	23,500	23,500	23,500	23,500
OTHER SERVICES AND CHARGES	359,306	344,518	314,971	318,200	316,780
CAPITAL OUTLAY	507,077	274,580	234,880	94,000	51,420
TOTAL Dept 265.10-FAC MGMNT - PARKS MAINT	<u>\$ 1,389,177</u>	<u>\$ 1,154,372</u>	<u>\$ 1,118,766</u>	<u>\$ 994,511</u>	<u>\$ 1,056,912</u>
<i>Integrated Solutions Total</i>	<u>\$ 3,562,005</u>	<u>\$ 3,789,901</u>	<u>\$ 3,845,739</u>	<u>\$ 3,807,444</u>	<u>\$ 4,132,621</u>
Dept 209.00-ASSESSING DEPARTMENT					
PERSONNEL SERVICES	\$ 615,354	\$ 650,422	\$ 670,449	\$ 703,999	\$ 730,732
SUPPLIES	15,604	17,000	19,100	18,500	18,500
OTHER SERVICES AND CHARGES	157,297	191,073	188,625	186,380	185,881
CAPITAL OUTLAY	-	-	-	-	27,000
TOTAL Dept 209.00-ASSESSING DEPARTMENT	<u>\$ 788,255</u>	<u>\$ 858,495</u>	<u>\$ 878,174</u>	<u>\$ 908,879</u>	<u>\$ 962,113</u>
Dept 210.00-CITY ATTORNEY, INSURANCE, & CLAIMS					
OTHER SERVICES AND CHARGES	\$ 734,547	\$ 739,371	\$ 813,303	\$ 823,206	\$ 832,537
CAPITAL OUTLAY	13,385	23,527	50,000	50,000	50,000
TOTAL Dept 210.00-CITY ATTRNY, INSUR, & CLAIMS	<u>\$ 747,932</u>	<u>\$ 762,898</u>	<u>\$ 863,303</u>	<u>\$ 873,206</u>	<u>\$ 882,537</u>
Dept 215.00-CITY CLERK					
PERSONNEL SERVICES	\$ 618,709	\$ 657,688	\$ 693,973	\$ 658,162	\$ 700,134
SUPPLIES	46,871	49,000	69,000	49,000	49,000
OTHER SERVICES AND CHARGES	218,703	192,223	172,046	206,960	207,600
CAPITAL OUTLAY	-	44,217	66,930	-	-
TOTAL Dept 215.00-CITY CLERK	<u>\$ 884,283</u>	<u>\$ 943,128</u>	<u>\$ 1,001,949</u>	<u>\$ 914,122</u>	<u>\$ 956,734</u>

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GENERAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22	PROJECTED 2022-23
Dept 270.00-HUMAN RESOURCES					
PERSONNEL SERVICES	\$ 381,902	\$ 404,098	\$ 410,581	\$ 425,875	\$ 440,588
SUPPLIES	333	1,000	1,000	1,000	1,000
OTHER SERVICES AND CHARGES	111,810	104,230	169,757	145,975	145,841
CAPITAL OUTLAY	4,384	-	-	-	-
TOTAL Dept 270.00-HUMAN RESOURCES	\$ 498,429	\$ 509,328	\$ 581,338	\$ 572,850	\$ 587,429
Dept 295.00-COMMUNITY RELATIONS					
PERSONNEL SERVICES	\$ 317,305	\$ 331,738	\$ 275,442	\$ 290,501	\$ 303,515
SUPPLIES	11,632	10,900	10,900	10,900	10,900
OTHER SERVICES AND CHARGES	393,026	341,029	373,097	342,869	354,637
CAPITAL OUTLAY	-	-	60,000	60,000	60,000
TOTAL Dept 295.00-COMMUNITY RELATIONS	\$ 721,963	\$ 683,667	\$ 719,439	\$ 704,270	\$ 729,052
Dept 296.00 ECONOMIC DEVELOPMENT					
PERSONNEL SERVICES	\$ 74,287	\$ 19,145	\$ 12,312	\$ 11,655	\$ 11,982
SUPPLIES	1,117	2,650	2,500	-	-
OTHER SERVICES AND CHARGES	21,682	36,531	38,316	59,044	39,214
TOTAL Dept 296.00 ECONOMIC DEVELOPMENT	\$ 97,086	\$ 58,326	\$ 53,128	\$ 70,699	\$ 51,196
<i>Public Safety</i>					
Dept 301.00-POLICE DEPARTMENT					
PERSONNEL SERVICES	\$ 11,833,218	\$ 12,011,500	\$ 12,094,466	\$ 12,811,676	\$ 13,381,521
SUPPLIES	314,713	269,910	291,500	263,890	263,890
OTHER SERVICES AND CHARGES	1,105,311	983,250	1,042,945	988,533	994,717
CAPITAL OUTLAY	32,984	40,690	88,950	-	-
TOTAL Dept 301.00-POLICE DEPARTMENT	\$ 13,286,226	\$ 13,305,350	\$ 13,517,861	\$ 14,064,099	\$ 14,640,128
Dept 337.00-FIRE DEPARTMENT					
PERSONNEL SERVICES	\$ 4,940,973	\$ 5,110,925	\$ 5,141,565	\$ 5,339,954	\$ 5,501,618
SUPPLIES	235,239	196,500	185,110	184,500	176,000
OTHER SERVICES AND CHARGES	708,248	599,810	659,200	583,824	584,566
CAPITAL OUTLAY	338,372	737,066	177,520	22,120	-
TOTAL Dept 337.00-FIRE DEPARTMENT	\$ 6,222,832	\$ 6,644,301	\$ 6,163,395	\$ 6,130,398	\$ 6,262,184
<i>Public Safety Total</i>	\$ 19,509,058	\$ 19,949,651	\$ 19,681,256	\$ 20,194,497	\$ 20,902,312
<i>Community Development</i>					
Dept 371.00-COMMUNITY DEVELOPMENT-BUILDING					
PERSONNEL SERVICES	\$ 1,743,253	\$ 1,841,481	\$ 1,806,500	\$ 1,778,986	\$ 1,816,184
SUPPLIES	25,488	25,120	26,500	26,500	26,500
OTHER SERVICES AND CHARGES	194,783	223,047	191,855	192,879	264,118
CAPITAL OUTLAY	-	80,950	17,360	69,160	31,000
TOTAL Dept 371.00-COMM DEVELOP-BUILDING	\$ 1,963,524	\$ 2,170,598	\$ 2,042,215	\$ 2,067,525	\$ 2,137,802
Dept 807.00-COMMUNITY DEVELOPMENT-PLANNING					
PERSONNEL SERVICES	\$ 472,904	\$ 492,890	\$ 415,357	\$ 435,112	\$ 441,123
SUPPLIES	2,277	5,600	5,600	5,600	5,600
OTHER SERVICES AND CHARGES	115,838	124,366	101,359	197,283	48,423
CAPITAL OUTLAY	-	-	-	-	27,000
TOTAL Dept 807.00-COMM DEVELOP-PLANNING	\$ 591,019	\$ 622,856	\$ 522,316	\$ 637,995	\$ 522,146
<i>Community Development Total</i>	\$ 2,554,543	\$ 2,793,454	\$ 2,564,531	\$ 2,705,520	\$ 2,659,948



FINANCIAL SUMMARIES

GENERAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22 2022-23	
<i>Department of Public Works</i>					
Dept 442.00-DPW ADMINISTRATION DIVISION					
PERSONNEL SERVICES	\$ 292,766	\$ 332,080	\$ 332,224	\$ 345,776	\$ 358,116
SUPPLIES	51,445	130,004	10,400	10,400	10,400
OTHER SERVICES AND CHARGES	116,440	121,614	125,838	145,442	128,007
CAPITAL OUTLAY	-	28,876	-	-	-
TOTAL Dept 442.00-DPW ADMINISTRATION	\$ 460,651	\$ 612,574	\$ 468,462	\$ 501,618	\$ 496,523
Dept 442.10-DPW ENGINEERING DIVISION					
PERSONNEL SERVICES	\$ 141,786	\$ 117,105	\$ 116,372	\$ 133,290	\$ 148,822
SUPPLIES	1,637	2,000	2,000	2,000	2,000
OTHER SERVICES AND CHARGES	141,913	86,302	158,698	160,802	160,662
CAPITAL OUTLAY	231,141	55,273	149,270	-	-
TOTAL Dept 442.10-DPW ENGINEERING DIVISION	\$ 516,477	\$ 260,680	\$ 426,340	\$ 296,092	\$ 311,484
Dept 442.20-DPW FIELD OPERATIONS DIVISION					
PERSONNEL SERVICES	\$ 524,389	\$ 407,029	\$ 190,192	\$ 360,362	\$ 482,945
SUPPLIES	87,019	122,208	109,500	109,500	109,500
OTHER SERVICES AND CHARGES	630,311	607,057	623,488	623,839	625,146
CAPITAL OUTLAY	711,343	779,355	11,040	-	-
TOTAL Dept 442.20-DPW FIELD OPERATIONS	\$ 1,953,062	\$ 1,915,649	\$ 934,220	\$ 1,093,701	\$ 1,217,591
Dept 442.30-DPW FLEET ASSET DIVISION					
PERSONNEL SERVICES	\$ 420,139	\$ 409,076	\$ 403,153	\$ 417,219	\$ 433,092
SUPPLIES	45,102	39,000	27,000	28,000	28,000
OTHER SERVICES AND CHARGES	283,690	320,619	334,579	333,215	325,212
CAPITAL OUTLAY	98,518	92,524	189,500	385,440	579,080
TOTAL Dept 442.30-DPW FLEET ASSET DIVISION	\$ 847,449	\$ 861,219	\$ 954,232	\$ 1,163,874	\$ 1,365,384
<i>Department of Public Works Total</i>	\$ 3,777,639	\$ 3,650,122	\$ 2,783,254	\$ 3,055,285	\$ 3,390,982

FINANCIAL SUMMARIES

GENERAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22	PROJECTED 2022-23
Dept 665.00-NOVI YOUTH ASSISTANCE					
PERSONNEL SERVICES	\$ 41,246	\$ 41,142	\$ 39,912	\$ 39,963	\$ 40,044
SUPPLIES	7,897	5,800	5,500	5,500	5,500
OTHER SERVICES AND CHARGES	107	700	536	535	535
TOTAL Dept 665.00-NOVI YOUTH ASSISTANCE	\$ 49,250	\$ 47,642	\$ 45,948	\$ 45,998	\$ 46,079
Dept 803.00-HISTORICAL COMMISSION					
OTHER SERVICES AND CHARGES	\$ 5,008	\$ 4,000	\$ 13,860	\$ 13,860	\$ 13,860
TOTAL Dept 803.00-HISTORICAL COMMISSION	\$ 5,008	\$ 4,000	\$ 13,860	\$ 13,860	\$ 13,860
Dept 940.00-TRANSFER TO OTHER FUNDS					
TRANSFERS OUT	\$ 6,636	\$ 92,000	\$ 225,000	\$ 274,650	\$ 331,590
TOTAL Dept 940.00-TRANSFER TO OTHER FUNDS	\$ 6,636	\$ 92,000	\$ 225,000	\$ 274,650	\$ 331,590
TOTAL APPROPRIATIONS	\$ 35,187,203	\$ 36,236,479	\$ 35,342,824	\$ 36,280,899	\$ 37,881,570
NET OF REVENUES/APPROPRIATIONS	\$ (521,957)	\$ (1,328,441)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	11,819,066	11,297,109	9,968,668	9,968,668	9,968,668
ENDING FUND BALANCE	\$ 11,297,109	\$ 9,968,668	\$ 9,968,668	\$ 9,968,668	\$ 9,968,668

Fund balance as a percentage of total annual expenditures	32%	28%	28%	27%	26%
Ending Fund Balance (22% min)	\$ 7,741,185	\$ 7,972,025	\$ 7,775,421	\$ 7,981,798	\$ 8,333,945
Funds above / (below) 22% min	\$ 3,555,924	\$ 1,996,643	\$ 2,193,247	\$ 1,986,870	\$ 1,634,723
Ending Fund Balance (25% max)	\$ 8,796,801	\$ 9,059,120	\$ 8,835,706	\$ 9,070,225	\$ 9,470,393
Funds above / (below) 25% max	\$ 2,500,308	\$ 909,548	\$ 1,132,962	\$ 898,443	\$ 498,276
Estimated Change in Fund Balance	-4%	-12%	0%	0%	0%

* **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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22	PROJECTED 2022-23
ESTIMATED REVENUES					
Interest income	\$ 94,094	\$ 24,111	\$ 43,350	\$ 39,470	\$ 28,490
Other revenue	-	157,436	-	-	-
State sources	4,608,574	3,941,500	4,083,200	4,916,600	5,715,000
Transfers in	203,000	-	-	-	225,000
TOTAL ESTIMATED REVENUES	\$ 4,905,668	\$ 4,123,047	\$ 4,126,550	\$ 4,956,070	\$ 5,968,490
APPROPRIATIONS					
Other services and charges	\$ 1,482,176	\$ 1,622,892	\$ 1,662,350	\$ 1,550,350	\$ 1,550,350
Capital outlay	2,210,720	2,295,655	420,000	504,390	4,318,140
Transfers out	2,050,000	700,000	2,100,000	2,835,000	-
TOTAL APPROPRIATIONS	\$ 5,742,896	\$ 4,618,547	\$ 4,182,350	\$ 4,889,740	\$ 5,868,490
NET OF REVENUES/APPROPRIATIONS - FUND 202	\$ (837,228)	\$ (495,500)	\$ (55,800)	\$ 66,330	\$ 100,000
BEGINNING FUND BALANCE	1,800,609	963,381	467,881	412,081	478,411
ENDING FUND BALANCE	\$ 963,381	\$ 467,881	\$ 412,081	\$ 478,411	\$ 578,411

Fund balance as a percentage of total annual expenditures	17%	10%	10%	10%	10%
Ending Fund Balance (10% minimum)	\$ 574,290	\$ 461,855	\$ 418,235	\$ 488,974	\$ 586,849
Funds above / (below) 10% minimum	\$ 389,091	\$ 6,026	\$ (6,154)	\$ (10,563)	\$ (8,438)
Ending Fund Balance (20% maximum)	\$ 1,148,579	\$ 923,709	\$ 836,470	\$ 977,948	\$ 1,173,698
Funds above / (below) 20% maximum	\$ (185,198)	\$ (455,828)	\$ (424,389)	\$ (499,537)	\$ (595,287)
Estimated Change in Fund Balance	-46%	-51%	-12%	16%	21%

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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Interest income	\$ 15,752	\$ 21,813	\$ 18,250	\$ 14,470	\$ 15,700
State sources	1,626,858	1,398,500	1,151,800	1,584,400	2,019,000
Transfers in	4,000,000	6,745,000	6,755,000	6,910,000	3,125,000
TOTAL ESTIMATED REVENUES	\$ 5,642,610	\$ 8,165,313	\$ 7,925,050	\$ 8,508,870	\$ 5,159,700
APPROPRIATIONS					
Other services and charges	\$ 1,631,318	\$ 1,501,659	\$ 1,539,400	\$ 2,039,400	\$ 1,539,400
Capital outlay	3,953,906	5,543,913	7,212,850	6,500,070	3,850,000
TOTAL APPROPRIATIONS	\$ 5,585,224	\$ 7,045,572	\$ 8,752,250	\$ 8,539,470	\$ 5,389,400
NET OF REVENUES/APPROPRIATIONS - FUND 203	\$ 57,386	\$ 1,119,741	\$ (827,200)	\$ (30,600)	\$ (229,700)
BEGINNING FUND BALANCE	542,184	599,570	1,719,311	892,111	861,511
ENDING FUND BALANCE	\$ 599,570	\$ 1,719,311	\$ 892,111	\$ 861,511	\$ 631,811

Fund balance as a percentage of total annual expenditures	11%	24%	10%	10%	12%
Ending Fund Balance (10% minimum)	\$ 558,522	\$ 704,557	\$ 875,225	\$ 853,947	\$ 538,940
Funds above / (below) 10% minimum	\$ 41,048	\$ 1,014,754	\$ 16,886	\$ 7,564	\$ 92,871
Ending Fund Balance (20% maximum)	\$ 1,117,045	\$ 1,409,114	\$ 1,750,450	\$ 1,707,894	\$ 1,077,880
Funds above / (below) 20% maximum	\$ (517,475)	\$ 310,197	\$ (858,339)	\$ (846,383)	\$ (446,069)
Estimated Change in Fund Balance	11%	187%	-48%	-3%	-27%



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Property tax revenue	\$ 5,288,116	\$ 5,502,800	\$ 5,711,286	\$ 5,737,807	\$ 5,821,616
Interest income	267,514	170,677	120,140	110,408	46,089
Licenses, permits & charges for services	44,124	10,000	10,000	10,000	10,000
Other revenue	410,955	346,900	694,259	318,000	320,000
Donations	-	8,583	-	-	-
Special assessments levied	13,032	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 6,023,741	\$ 6,038,960	\$ 6,535,685	\$ 6,176,215	\$ 6,197,705
APPROPRIATIONS					
Other services and charges	\$ 575,089	\$ 730,979	\$ 992,835	\$ 880,125	\$ 858,325
Capital outlay	71,947	1,129,961	682,850	2,609,090	450,200
Transfers out	5,138,000	6,045,000	4,655,000	4,075,000	3,350,000
TOTAL APPROPRIATIONS	\$ 5,785,036	\$ 7,905,940	\$ 6,330,685	\$ 7,564,215	\$ 4,658,525
NET OF REVENUES/APPROPRIATIONS - FUND 204	\$ 238,705	\$ (1,866,980)	\$ 205,000	\$ (1,388,000)	\$ 1,539,180
BEGINNING FUND BALANCE	3,631,596	3,870,301	2,003,321	2,208,321	820,321
ENDING FUND BALANCE	\$ 3,870,301	\$ 2,003,321	\$ 2,208,321	\$ 820,321	\$ 2,359,501

Fund balance as a percentage of total annual expenditures	67%	25%	35%	11%	51%
Ending Fund Balance (10% minimum)	\$ 578,504	\$ 790,594	\$ 633,069	\$ 756,422	\$ 465,853
Funds above / (below) 10% minimum	\$ 3,291,797	\$ 1,212,727	\$ 1,575,253	\$ 63,900	\$ 1,893,649
Ending Fund Balance (20% maximum)	\$ 1,157,007	\$ 1,581,188	\$ 1,266,137	\$ 1,512,843	\$ 931,705
Funds above / (below) 20% maximum	\$ 2,713,294	\$ 422,133	\$ 942,184	\$ (692,522)	\$ 1,427,796
Estimated Change in Fund Balance	7%	-48%	10%	-63%	188%

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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Property tax revenue	\$ 1,358,822	\$ 1,411,336	\$ 1,468,995	\$ 1,475,893	\$ 1,497,215
Donations	38,770	315,575	50,077	19,722	52,172
Interest income	49,417	31,477	16,772	16,656	16,656
Older adult program revenue	181,725	147,696	156,325	188,450	188,450
Other revenue	5,308	11,923	5,000	5,000	5,000
Program revenue	1,327,609	996,615	1,226,700	1,373,900	1,373,900
Transfers in	50,000	83,000	225,000	224,650	161,590
TOTAL ESTIMATED REVENUES	\$ 3,011,651	\$ 2,997,622	\$ 3,148,869	\$ 3,304,271	\$ 3,294,983
APPROPRIATIONS					
Personnel services	\$ 1,201,319	\$ 1,384,121	\$ 1,441,686	\$ 1,480,540	\$ 1,539,652
Supplies	61,314	108,381	94,240	94,240	94,240
Other services and charges	1,544,631	1,285,120	1,289,548	1,473,191	1,425,071
Capital outlay	171,844	595,050	510,481	199,650	175,590
TOTAL APPROPRIATIONS	\$ 2,979,108	\$ 3,372,672	\$ 3,335,955	\$ 3,247,621	\$ 3,234,553
NET OF REVENUES/APPROPRIATIONS - FUND 208	\$ 32,543	\$ (375,050)	\$ (187,086)	\$ 56,650	\$ 60,430
BEGINNING FUND BALANCE	1,056,365	1,088,908	713,858	526,772	583,422
ENDING FUND BALANCE	\$ 1,088,908	\$ 713,858	\$ 526,772	\$ 583,422	\$ 643,852

Fund balance as a percentage of total annual expenditures	37%	21%	16%	18%	20%
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Ending Fund Balance (12% minimum)	\$ 357,493	\$ 404,721	\$ 400,315	\$ 389,715	\$ 388,146
Funds above / (below) 12% minimum	\$ 731,415	\$ 309,137	\$ 126,457	\$ 193,707	\$ 255,706
Ending Fund Balance (22% maximum)	\$ 655,404	\$ 741,988	\$ 733,910	\$ 714,477	\$ 711,602
Funds above / (below) 22% maximum	\$ 433,504	\$ (28,130)	\$ (207,138)	\$ (131,055)	\$ (67,750)

Estimated Change in Fund Balance	3%	-34%	-26%	11%	10%
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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.

TREE FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
State grants	\$ 363,852	\$ -	\$ -	\$ -	\$ -
Interest income	143,284	78,971	100,416	100,400	100,465
Donations	4,750	-	-	-	-
Other revenue	1,157,150	450,000	415,000	365,000	340,000
TOTAL ESTIMATED REVENUES	\$ 1,669,036	\$ 528,971	\$ 515,416	\$ 465,400	\$ 440,465
APPROPRIATIONS					
Personnel services	\$ 71,418	\$ 74,927	\$ 76,446	\$ 78,430	\$ 80,495
Supplies	971	1,000	1,000	1,000	1,000
Other services and charges	430,436	593,044	580,970	505,970	505,970
Capital outlay	545,748	232,431	-	-	-
TOTAL APPROPRIATIONS	\$ 1,048,573	\$ 901,402	\$ 658,416	\$ 585,400	\$ 587,465
NET OF REVENUES/APPROPRIATIONS - FUND 209	\$ 620,463	\$ (372,431)	\$ (143,000)	\$ (120,000)	\$ (147,000)
BEGINNING FUND BALANCE	3,688,820	4,309,283	3,936,852	3,793,852	3,673,852
ENDING FUND BALANCE	\$ 4,309,283	\$ 3,936,852	\$ 3,793,852	\$ 3,673,852	\$ 3,526,852

Fund balance as a percentage of total annual expenditures	411%	437%	576%	628%	600%
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Ending Fund Balance (\$500,000 minimum)	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Funds above / (below) \$500,000 minimum	\$ 3,809,283	\$ 3,436,852	\$ 3,293,852	\$ 3,173,852	\$ 3,026,852

Estimated Change in Fund Balance	17%	-9%	-4%	-3%	-4%
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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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Property tax revenue	\$ 1,517,012	\$ 2,152,659	\$ 2,229,182	\$ 2,313,123	\$ 2,400,298
Interest income	20,411	14,872	14,423	12,893	11,381
Other revenue	89,258	10,000	10,000	10,000	10,000
Transfers in	279,000	1,791,040	-	-	-
TOTAL ESTIMATED REVENUES	\$ 1,905,681	\$ 3,968,571	\$ 2,253,605	\$ 2,336,016	\$ 2,421,679
APPROPRIATIONS					
Personnel services	\$ 23,438	\$ 23,360	\$ 23,437	\$ -	\$ -
Other services and charges	724,222	1,214,768	993,328	909,906	909,909
Capital outlay	682,944	2,630,673	1,075,840	1,353,110	1,053,770
Transfers out	600,930	99,770	161,000	73,000	458,000
TOTAL APPROPRIATIONS	\$ 2,031,534	\$ 3,968,571	\$ 2,253,605	\$ 2,336,016	\$ 2,421,679
NET OF REVENUES/APPROPRIATIONS - FUND 210	\$ (125,853)	\$ -	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	126,980	1,127	1,127	1,127	1,127
ENDING FUND BALANCE	\$ 1,127	\$ 1,127	\$ 1,127	\$ 1,127	\$ 1,127

Fund balance as a percentage of total annual expenditures

0% 0% 0% 0% 0%

Estimated Change in Fund Balance

-99% 0% 0% 0% 0%



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22	PROJECTED 2022-23
ESTIMATED REVENUES					
Interest income	\$ 11,724	\$ 2,000	\$ 1,000	\$ 1,000	\$ 1,000
Licenses, permits & charges for services	2,387,803	2,519,000	2,550,000	2,625,000	2,700,000
Other revenue	5,334	-	-	-	-
Transfers in	12,015	9,000	-	-	-
TOTAL ESTIMATED REVENUES	\$ 2,416,876	\$ 2,530,000	\$ 2,551,000	\$ 2,626,000	\$ 2,701,000
APPROPRIATIONS					
Supplies	\$ 855	\$ -	\$ -	\$ -	\$ -
Other services and charges	2,416,021	2,530,000	2,551,000	2,626,000	2,701,000
TOTAL APPROPRIATIONS	\$ 2,416,876	\$ 2,530,000	\$ 2,551,000	\$ 2,626,000	\$ 2,701,000
NET OF REVENUES/APPROPRIATIONS - FUND 210	\$ -	\$ -	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures

0% 0% 0% 0% 0%

Estimated Change in Fund Balance

0% 0% 0% 0% 0%

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. However, as of September 2019 this fund only tracks interest income and operating expenditures due to changes in regulations. (The PEG Cable Capital Fund was created and its purpose is to account for capital projects and record PEG Cable revenue as of September 2019.)

PEG CABLE FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22	PROJECTED 2022-23
ESTIMATED REVENUES					
Interest income	\$ 23,447	\$ 7,561	\$ 10,045	\$ 4,605	\$ 2,222
Licenses, permits & charges for services	362,344	141,000	-	-	-
Transfers In	-	-	-	-	120,000
TOTAL ESTIMATED REVENUES	\$ 385,791	\$ 148,561	\$ 10,045	\$ 4,605	\$ 122,222
APPROPRIATIONS					
Personnel services	\$ 213,104	\$ 227,024	\$ 223,425	\$ 227,485	\$ 233,102
Supplies	5,650	5,100	5,000	5,000	5,000
Other services and charges	36,934	50,940	46,620	43,120	43,120
Capital outlay	68,364	20,000	-	-	-
TOTAL APPROPRIATIONS	\$ 324,052	\$ 303,064	\$ 275,045	\$ 275,605	\$ 281,222
NET OF REVENUES/APPROPRIATIONS - FUND 263	\$ 61,739	\$ (154,503)	\$ (265,000)	\$ (271,000)	\$ (159,000)
BEGINNING FUND BALANCE	788,168	849,907	695,404	430,404	159,404
ENDING FUND BALANCE	\$ 849,907	\$ 695,404	\$ 430,404	\$ 159,404	\$ 404

Fund balance as a percentage of total annual expenditures	262%	229%	156%	58%	0%
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Estimated Change in Fund Balance	8%	-18%	-38%	-63%	-100%
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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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Federal grants	\$ 42,656	\$ 157,281	\$ 130,530	\$ 110,000	\$ 110,000
TOTAL ESTIMATED REVENUES	\$ 42,656	\$ 157,281	\$ 130,530	\$ 110,000	\$ 110,000
APPROPRIATIONS					
Other services and charges	\$ 64,139	\$ 106,207	\$ 130,530	\$ 110,000	\$ 110,000
TOTAL APPROPRIATIONS	\$ 64,139	\$ 106,207	\$ 130,530	\$ 110,000	\$ 110,000
NET OF REVENUES/APPROPRIATIONS - FUND 264	\$ (21,483)	\$ 51,074	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	(29,591)	(51,074)	-	-	-
ENDING FUND BALANCE	\$ (51,074)	\$ -	\$ -	\$ -	\$ -
Fund balance as a percentage of total annual expenditures	-80%	0%	0%	0%	0%
Estimated Change in Fund Balance	73%	-100%	0%	0%	0%

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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Federal grants	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Fines and forfeitures	185,026	209,000	259,000	284,000	346,000
Interest income	12,849	4,325	4,965	4,570	3,495
Other revenue	12,735	15,686	3,000	3,000	3,000
TOTAL ESTIMATED REVENUES	\$ 210,610	\$ 234,011	\$ 271,965	\$ 296,570	\$ 357,495
APPROPRIATIONS					
Supplies	\$ 62,266	\$ 39,500	\$ 20,000	\$ 20,000	\$ 20,000
Other services and charges	524	525	525	525	525
Capital outlay	300,611	343,997	370,440	333,120	336,970
TOTAL APPROPRIATIONS	\$ 363,401	\$ 384,022	\$ 390,965	\$ 353,645	\$ 357,495
NET OF REVENUES/APPROPRIATIONS - FUND 266	\$ (152,791)	\$ (150,011)	\$ (119,000)	\$ (57,075)	\$ -
BEGINNING FUND BALANCE	478,877	326,086	176,075	57,075	-
ENDING FUND BALANCE	\$ 326,086	\$ 176,075	\$ 57,075	\$ -	\$ -

Fund balance as a percentage of total annual expenditures	90%	46%	15%	0%	0%
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Estimated Change in Fund Balance	-32%	-46%	-68%	-100%	0%
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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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Property tax revenue	\$ 2,720,300	\$ 2,818,939	\$ 2,917,399	\$ 3,032,954	\$ 3,168,183
Donations	18,106	8,110	6,500	6,500	6,500
Fines and forfeitures	185,688	176,346	179,000	179,000	179,000
Interest income	99,764	33,000	34,201	35,663	35,663
Other revenue	64,469	71,030	68,200	68,200	68,200
State sources	42,429	40,000	40,000	40,000	40,000
TOTAL ESTIMATED REVENUES	\$ 3,130,756	\$ 3,147,425	\$ 3,245,300	\$ 3,362,317	\$ 3,497,546
APPROPRIATIONS					
Personnel services	\$ 1,888,976	\$ 1,936,305	\$ 2,121,060	\$ 2,178,131	\$ 2,235,994
Supplies	488,386	621,300	599,600	606,600	639,700
Other services and charges	521,610	523,714	554,700	639,300	540,000
Capital outlay	35,080	63,500	111,000	78,200	202,300
TOTAL APPROPRIATIONS	\$ 2,934,052	\$ 3,144,819	\$ 3,386,360	\$ 3,502,231	\$ 3,617,994
NET OF REVENUES/APPROPRIATIONS - FUND 268	\$ 196,704	\$ 2,606	\$ (141,060)	\$ (139,914)	\$ (120,448)
BEGINNING FUND BALANCE	1,904,550	2,101,254	2,103,860	1,962,800	1,822,886
ENDING FUND BALANCE	\$ 2,101,254	\$ 2,103,860	\$ 1,962,800	\$ 1,822,886	\$ 1,702,438

Fund balance as a percentage of total annual expenditures	72%	67%	58%	52%	47%
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Estimated Change in Fund Balance	10%	0%	-7%	-7%	-7%
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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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Donations	\$ 28,249	\$ 17,000	\$ 19,500	\$ 19,500	\$ 19,500
Interest income	55,211	22,500	22,500	22,500	22,500
TOTAL ESTIMATED REVENUES	\$ 83,460	\$ 39,500	\$ 42,000	\$ 42,000	\$ 42,000
APPROPRIATIONS					
Supplies	\$ 46,308	\$ 30,000	\$ 65,700	\$ 65,700	\$ 65,700
Capital outlay	68,494	43,750	11,800	11,800	11,800
TOTAL APPROPRIATIONS	\$ 114,802	\$ 73,750	\$ 77,500	\$ 77,500	\$ 77,500
NET OF REVENUES/APPROPRIATIONS - FUND 269	\$ (31,342)	\$ (34,250)	\$ (35,500)	\$ (35,500)	\$ (35,500)
BEGINNING FUND BALANCE	1,707,428	1,676,086	1,641,836	1,606,336	1,570,836
ENDING FUND BALANCE	\$ 1,676,086	\$ 1,641,836	\$ 1,606,336	\$ 1,570,836	\$ 1,535,336
Fund balance as a percentage of total annual expenditures	1460%	2226%	2073%	2027%	1981%
Estimated Change in Fund Balance	-2%	-2%	-2%	-2%	-2%



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Special assessments levied	\$ 7,529	\$ 7,529	\$ 7,529	\$ 7,529	\$ 7,529
Interest income	14	41	21	21	21
TOTAL ESTIMATED REVENUES	\$ 7,543	\$ 7,570	\$ 7,550	\$ 7,550	\$ 7,550
APPROPRIATIONS					
Other services and charges	\$ 6,790	\$ 10,000	\$ 7,550	\$ 7,800	\$ 8,100
TOTAL APPROPRIATIONS	\$ 6,790	\$ 10,000	\$ 7,550	\$ 7,800	\$ 8,100
NET OF REVENUES/APPROPRIATIONS - FUND 854	\$ 753	\$ (2,430)	\$ -	\$ (250)	\$ (550)
BEGINNING FUND BALANCE	42,302	43,055	40,625	40,625	40,375
ENDING FUND BALANCE	\$ 43,055	\$ 40,625	\$ 40,625	\$ 40,375	\$ 39,825
Fund balance as a percentage of total annual expenditures	634%	406%	538%	518%	492%
Estimated Change in Fund Balance	2%	-6%	0%	-1%	-1%

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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22 2022-23	
ESTIMATED REVENUES					
Special assessments levied	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
Interest income	1	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 3,301	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
APPROPRIATIONS					
Other services and charges	\$ 2,696	\$ 3,300	\$ 3,100	\$ 3,200	\$ 3,300
TOTAL APPROPRIATIONS	\$ 2,696	\$ 3,300	\$ 3,100	\$ 3,200	\$ 3,300
NET OF REVENUES/APPROPRIATIONS - FUND 855	\$ 605	\$ -	\$ 200	\$ 100	\$ -
BEGINNING FUND BALANCE	2,705	3,310	3,310	3,510	3,610
ENDING FUND BALANCE	\$ 3,310	\$ 3,310	\$ 3,510	\$ 3,610	\$ 3,610
Fund balance as a percentage of total annual expenditures	123%	100%	113%	113%	109%
Estimated Change in Fund Balance	22%	0%	6%	3%	0%



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Special assessments levied	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Interest income	6	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 25,006	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
APPROPRIATIONS					
Other services and charges	\$ 20,162	\$ 25,000	\$ 23,000	\$ 24,000	\$ 25,000
TOTAL APPROPRIATIONS	\$ 20,162	\$ 25,000	\$ 23,000	\$ 24,000	\$ 25,000
NET OF REVENUES/APPROPRIATIONS - FUND 856	\$ 4,844	\$ -	\$ 2,000	\$ 1,000	\$ -
BEGINNING FUND BALANCE	6,953	11,797	11,797	13,797	14,797
ENDING FUND BALANCE	\$ 11,797	\$ 11,797	\$ 13,797	\$ 14,797	\$ 14,797

Fund balance as a percentage of total annual expenditures	59%	47%	60%	62%	59%
Estimated Change in Fund Balance	70%	0%	17%	7%	0%

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. The last debt service payment will be paid in fiscal year 2027.

LIBRARY CONSTRUCTION DEBT FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Property tax revenue	\$ 1,268,295	\$ 1,338,734	\$ 1,384,334	\$ 1,402,929	\$ 1,416,329
Interest income	71	216	266	271	271
TOTAL ESTIMATED REVENUES	\$ 1,268,366	\$ 1,338,950	\$ 1,384,600	\$ 1,403,200	\$ 1,416,600
APPROPRIATIONS					
Debt service	\$ 1,356,042	\$ 1,370,450	\$ 1,384,100	\$ 1,402,700	\$ 1,416,100
Other services and charges	500	500	500	500	500
TOTAL APPROPRIATIONS	\$ 1,356,542	\$ 1,370,950	\$ 1,384,600	\$ 1,403,200	\$ 1,416,600
NET OF REVENUES/APPROPRIATIONS - FUND 317	\$ (88,176)	\$ (32,000)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	252,483	164,307	132,307	132,307	132,307
ENDING FUND BALANCE	\$ 164,307	\$ 132,307	\$ 132,307	\$ 132,307	\$ 132,307
Fund balance as a percentage of total annual expenditures	12%	10%	10%	9%	9%
Estimated Change in Fund Balance	-35%	-19%	0%	0%	0%



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Interest income	\$ 130,773	\$ 50,500	\$ 121,500	\$ 117,500	\$ 113,500
TOTAL ESTIMATED REVENUES	\$ 130,773	\$ 50,500	\$ 121,500	\$ 117,500	\$ 113,500
APPROPRIATIONS					
Other services and charges	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
TOTAL APPROPRIATIONS	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
NET OF REVENUES/APPROPRIATIONS - FUND 235	\$ 130,273	\$ 50,000	\$ 121,000	\$ 117,000	\$ 113,000
BEGINNING FUND BALANCE	3,973,117	4,103,390	4,153,390	4,274,390	4,391,390
ENDING FUND BALANCE	\$ 4,103,390	\$ 4,153,390	\$ 4,274,390	\$ 4,391,390	\$ 4,504,390

Fund balance as a percentage of total annual expenditures	820678%	830678%	854878%	878278%	900878%
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Estimated Change in Fund Balance	3%	1%	3%	3%	3%
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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. These funds shall include revenues from the sale of equipment, vehicles, and land originally purchased within this fund. The first levy for this millage was July 1, 2017.

CAPITAL IMPROVEMENT PROGRAM (CIP) FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22 2022-23	
ESTIMATED REVENUES					
Property tax revenue	\$ 3,543,185	\$ 3,686,322	\$ 3,824,900	\$ 3,842,920	\$ 3,898,490
Interest income	57,536	7,922	-	-	-
Transfers in	3,268,105	781,610	-	-	-
TOTAL ESTIMATED REVENUES	\$ 6,868,826	\$ 4,475,854	\$ 3,824,900	\$ 3,842,920	\$ 3,898,490
APPROPRIATIONS					
Other services and charges	\$ 1,748	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Debt service	7,250	565,569	524,535	456,091	385,594
Capital outlay	15,683,558	12,277,431	463,500	830,400	4,892,890
TOTAL APPROPRIATIONS	\$ 15,692,556	\$ 12,844,000	\$ 989,035	\$ 1,287,491	\$ 5,279,484
NET OF REVENUES/APPROPRIATIONS - FUND 400	\$ (8,823,730)	\$ (8,368,146)	\$ 2,835,865	\$ 2,555,429	\$ (1,380,994)
BEGINNING FUND BALANCE	2,121,965	(6,701,765)	(15,069,911)	(12,234,046)	(9,678,617)
ENDING FUND BALANCE *	\$ (6,701,765)	\$ (15,069,911)	\$ (12,234,046)	\$ (9,678,617)	\$ (11,059,611)
Fund balance as a percentage of total annual expenditures	-43%	-117%	-1237%	-752%	-209%
Estimated Change in Fund Balance	-416%	125%	-19%	-21%	14%

* 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 since it was determined to be the most beneficial way to handle the financing. 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. This fund will continue to have a negative fund balance due to this accounting rule, therefore; a formal Deficit Elimination Plan will be filed with the State annually (as planned) until the loans are paid off over the life of the ten year levy (see the Debt Service section for internal borrowing schedules).



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Licenses, permits & charges for services	\$ 89,650	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Interest income	6,188	1,000	750	1,000	1,250
TOTAL ESTIMATED REVENUES	\$ 95,838	\$ 71,000	\$ 70,750	\$ 71,000	\$ 71,250
APPROPRIATIONS					
Other services and charges	\$ 5,174	\$ -	\$ -	\$ -	\$ -
Capital outlay	89,638	-	-	-	328,880
Transfers out	245,915	-	-	-	-
TOTAL APPROPRIATIONS	\$ 340,727	\$ -	\$ -	\$ -	\$ 328,880
NET OF REVENUES/APPROPRIATIONS - FUND 402	\$ (244,889)	\$ 71,000	\$ 70,750	\$ 71,000	\$ (257,630)
BEGINNING FUND BALANCE	325,746	80,857	151,857	222,607	293,607
ENDING FUND BALANCE	\$ 80,857	\$ 151,857	\$ 222,607	\$ 293,607	\$ 35,977
Fund balance as a percentage of total annual expenditures	24%	0%	0%	0%	11%
Estimated Change in Fund Balance	-75%	88%	47%	32%	-88%



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Transfers in	\$ 2,985,000	\$ -	\$ -	\$ -	\$ -
TOTAL ESTIMATED REVENUES	\$ 2,985,000	\$ -	\$ -	\$ -	\$ -
APPROPRIATIONS					
Capital outlay	\$ 3,735,000	\$ 2,985,000	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ 3,735,000	\$ 2,985,000	\$ -	\$ -	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 403	\$ (750,000)	\$ (2,985,000)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	3,735,000	2,985,000	-	-	-
ENDING FUND BALANCE	\$ 2,985,000	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures

80% 0% 0% 0% 0%

Estimated Change in Fund Balance

-20% -100% 0% 0% 0%



FINANCIAL SUMMARIES

PEG Cable Capital Fund

As of September 2019, the revenues related to PEG Cable have been placed into this separate capital project fund to be used toward planned future capital improvements.

PEG CABLE - CAPITAL FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Licenses, permits & charges for services	\$ -	\$ 370,000	\$ 351,500	\$ 333,925	\$ 317,230
Interest on Investments	-	500	500	500	500
TOTAL ESTIMATED REVENUES	\$ -	\$ 370,500	\$ 352,000	\$ 334,425	\$ 317,730
APPROPRIATIONS					
Capital outlay	\$ -	\$ 15,997	\$ -	\$ 60,000	\$ -
TOTAL APPROPRIATIONS	\$ -	\$ 15,997	\$ -	\$ 60,000	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 463	\$ -	\$ 354,503	\$ 352,000	\$ 274,425	\$ 317,730
BEGINNING FUND BALANCE	-	-	354,503	706,503	980,928
ENDING FUND BALANCE	\$ -	\$ 354,503	\$ 706,503	\$ 980,928	\$ 1,298,658

Fund balance as a percentage of total annual expenditures	0%	2216%	0%	0%	0%
Estimated Change in Fund Balance	0%	0%	99%	39%	32%

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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Interest income	\$ 225,538	\$ 80,000	\$ 130,000	\$ 135,000	\$ 140,000
Tap-in fees	4,623	5,000	5,000	5,000	5,000
Transfers in	-	-	161,000	73,000	458,000
TOTAL ESTIMATED REVENUES	\$ 230,161	\$ 85,000	\$ 296,000	\$ 213,000	\$ 603,000
APPROPRIATIONS					
Transfers out	\$ 279,000	\$ 1,791,040	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ 279,000	\$ 1,791,040	\$ -	\$ -	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 211	\$ (48,839)	\$ (1,706,040)	\$ 296,000	\$ 213,000	\$ 603,000
BEGINNING FUND BALANCE	6,832,375	6,783,536	5,077,496	5,373,496	5,586,496
ENDING FUND BALANCE	\$ 6,783,536	\$ 5,077,496	\$ 5,373,496	\$ 5,586,496	\$ 6,189,496

Fund balance as a percentage of total annual expenditures	2431%	283%	0%	0%	0%
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Estimated Change in Fund Balance	-1%	-25%	6%	4%	11%
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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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED 2021-22 2022-23	
ESTIMATED REVENUES					
Program revenue	\$ 1,934,659	\$ 1,882,355	\$ 1,886,571	\$ 1,886,571	\$ 1,886,571
Interest income	79,047	20,447	25,683	22,445	20,477
Other revenue	104,638	109,400	104,400	104,400	104,400
TOTAL ESTIMATED REVENUES	\$ 2,118,344	\$ 2,012,202	\$ 2,016,654	\$ 2,013,416	\$ 2,011,448
APPROPRIATIONS					
Supplies	\$ 19,687	\$ 14,600	\$ 11,600	\$ 11,600	\$ 11,600
Other services and charges	1,592,390	1,305,627	1,298,424	1,297,946	1,289,978
Capital outlay	-	198,595	68,000	-	200,000
Debt service	70,660	560,380	538,630	536,870	509,870
TOTAL APPROPRIATIONS	\$ 1,682,737	\$ 2,079,202	\$ 1,916,654	\$ 1,846,416	\$ 2,011,448
NET OF REVENUES/APPROPRIATIONS - FUND 590	\$ 435,607	\$ (67,000)	\$ 100,000	\$ 167,000	\$ -
BEGINNING FUND BALANCE	4,856,458	5,292,065	5,225,065	5,325,065	5,492,065
ENDING FUND BALANCE	\$ 5,292,065	\$ 5,225,065	\$ 5,325,065	\$ 5,492,065	\$ 5,492,065

Fund balance as a percentage of total annual expenditures	314%	251%	278%	297%	273%
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Estimated Change in Fund Balance	9%	-1%	2%	3%	0%
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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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Operating revenue	\$ 23,725,843	\$ 22,436,000	\$ 24,210,500	\$ 24,335,500	\$ 24,460,500
Capital contributions	4,835,047	1,350,000	1,350,000	1,350,000	1,350,000
Federal Grants	-	-	-	-	-
Donations	-	67,342	-	-	-
Interest income	2,107,763	1,486,468	921,251	809,463	699,207
Other revenue	204,240	218,662	197,500	202,500	207,500
TOTAL ESTIMATED REVENUES	\$ 30,872,893	\$ 25,558,472	\$ 26,679,251	\$ 26,697,463	\$ 26,717,207
APPROPRIATIONS					
Personnel services	\$ 1,424,145	\$ 1,424,584	\$ 1,442,365	\$ 1,477,317	\$ 1,501,061
Supplies	75,105	60,777	70,100	70,100	70,100
Other services and charges	23,730,898	22,049,330	22,412,916	22,303,916	21,353,786
Capital outlay	47,967	23,353,043	3,828,870	4,106,130	2,362,260
Debt service	-	-	-	-	-
Transfers out	2,421,260	681,840	-	-	-
TOTAL APPROPRIATIONS	\$ 27,699,375	\$ 47,569,574	\$ 27,754,251	\$ 27,957,463	\$ 25,287,207
NET OF REVENUES/APPROPRIATIONS - FUND 592	\$ 3,173,518	\$ (22,011,102)	\$ (1,075,000)	\$ (1,260,000)	\$ 1,430,000
BEGINNING FUND BALANCE	187,968,644	191,142,162	169,131,060	168,056,060	166,796,060
ENDING FUND BALANCE	\$ 191,142,162	\$ 169,131,060	\$ 168,056,060	\$ 166,796,060	\$ 168,226,060
Fund balance as a percentage of total annual expenditures	690%	356%	606%	597%	665%
Estimated Change in Fund Balance	2%	-12%	-1%	-1%	1%



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Operating revenue	\$ 2,063,060	\$ 2,067,050	\$ 2,078,000	\$ 2,084,720	\$ 2,091,462
Interest income	33,711	20,762	16,588	14,596	13,606
Other revenue	23,034	20,600	20,400	20,540	20,540
TOTAL ESTIMATED REVENUES	\$ 2,119,805	\$ 2,108,412	\$ 2,114,988	\$ 2,119,856	\$ 2,125,608
APPROPRIATIONS					
Supplies	\$ 8,596	\$ 11,075	\$ 11,075	\$ 11,075	\$ 11,075
Other services and charges	1,205,371	838,093	856,705	855,896	883,402
Capital outlay	-	56,500	313,580	292,780	412,720
Debt service	152,915	1,017,744	973,628	949,105	949,411
TOTAL APPROPRIATIONS	\$ 1,366,882	\$ 1,923,412	\$ 2,154,988	\$ 2,108,856	\$ 2,256,608
NET OF REVENUES/APPROPRIATIONS - FUND 594	\$ 752,923	\$ 185,000	\$ (40,000)	\$ 11,000	\$ (131,000)
BEGINNING FUND BALANCE	4,404,807	5,157,730	5,342,730	5,302,730	5,313,730
ENDING FUND BALANCE	\$ 5,157,730	\$ 5,342,730	\$ 5,302,730	\$ 5,313,730	\$ 5,182,730

Fund balance as a percentage of total annual expenditures	377%	278%	246%	252%	230%
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Estimated Change in Fund Balance	17%	4%	-1%	0%	-2%
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FINANCIAL SUMMARIES

Internal Service Fund

Self Insurance Healthcare Fund

This fund's purpose is to track any health insurance claims through a HAP administered plan as of January 1, 2020. Individual funds are charged premium based insurance rates called "illustrative rates" and the surplus at the end of the year remains in this fund and is used to offset future insurance costs (after claims reserve balances are met). The illustrative rates are adjusted annually by our insurance consultant based on current market rates and our specific claims history.

SELF INSURANCE HEALTHCARE FUND

	ACTUAL 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Licenses, Permits, and Charges for Services	\$ -	\$ 1,450,000	\$ 2,950,000	\$ 3,065,000	\$ 3,188,000
TOTAL ESTIMATED REVENUES	\$ -	\$ 1,450,000	\$ 2,950,000	\$ 3,065,000	\$ 3,188,000
APPROPRIATIONS					
Personnel Services	-	1,450,000.00	\$ 2,950,000	\$ 3,065,000	\$ 3,188,000
TOTAL APPROPRIATIONS	\$ -	\$ 1,450,000	\$ 2,950,000	\$ 3,065,000	\$ 3,188,000
NET OF REVENUES/APPROPRIATIONS - FUND 677	\$ -	\$ -	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	-	-	-	-	-
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures	0%	0%	0%	0%	0%
Estimated Change in Fund Balance	0%	0%	0%	0%	0%



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 2018-19	ESTIMATED 2019-20	BUDGET 2020-21	PROJECTED	
				2021-22	2022-23
ESTIMATED REVENUES					
Contributions-Employer	\$ 363,994	\$ 277,238	\$ 275,000	\$ 275,000	\$ 275,000
Interest income	2,224,284	2,000,762	2,100,451	2,200,469	2,300,648
Other revenue	-	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 2,588,278	\$ 2,278,000	\$ 2,375,451	\$ 2,475,469	\$ 2,575,648
APPROPRIATIONS					
Personnel Services	\$ 995,230	\$ 1,294,847	\$ 1,037,951	\$ 1,079,469	\$ 1,122,648
Other services and charges	293,629	319,000	336,500	359,000	369,000
TOTAL APPROPRIATIONS	\$ 1,288,859	\$ 1,613,847	\$ 1,374,451	\$ 1,438,469	\$ 1,491,648
NET OF REVENUES/APPROPRIATIONS - FUND 710	\$ 1,299,419	\$ 664,153	\$ 1,001,000	\$ 1,037,000	\$ 1,084,000
BEGINNING FUND BALANCE	29,532,552	30,831,971	31,496,124	32,497,124	33,534,124
ENDING FUND BALANCE	\$ 30,831,971	\$ 31,496,124	\$ 32,497,124	\$ 33,534,124	\$ 34,618,124

Fund balance as a percentage of total annual expenditures	2392%	1952%	2364%	2331%	2321%
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Estimated Change in Fund Balance	4%	2%	3%	3%	3%
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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 2020-21 Budget

	Governmental Funds								TOTAL BUDGET
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	FIDUCIARY FUNDS	
	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21	BUDGET 2020-21	
TOTAL ESTIMATED REVENUES	\$ 35,342,824	\$ 30,791,865	\$ 1,384,600	\$ 4,369,150	\$ 296,000	\$ 30,810,893	\$ 2,950,000	\$ 2,375,451	\$ 108,320,783
TOTAL APPROPRIATIONS	35,342,824	32,358,311	1,384,600	989,535	-	31,825,893	2,950,000	1,374,451	106,225,614
NET OF REVENUES/APPROPRIATIONS - ALL FUNDS	-	\$ (1,566,446)	-	\$ 3,379,615	\$ 296,000	\$ (1,015,000)	-	\$ 1,001,000	\$ 2,095,169
BEGINNING FUND BALANCE	9,968,668	13,515,257	132,307	(10,410,161)	5,077,496	179,698,855	-	31,496,124	\$ 229,478,546
ENDING FUND BALANCE	\$ 9,968,668	\$ 11,948,811	\$ 132,307	\$ (7,030,546)	\$ 5,373,496	\$ 178,683,855	\$ -	\$ 32,497,124	\$ 231,573,715
Fund balance as a percentage of total annual expenditures	28%	37%	10%	-710%	0%	561%	0%	2364%	218%



FINANCIAL SUMMARIES

The following governmental funds are anticipated to have significant changes in fund balance for FY 2020-21 (increase or decrease more than 10%):

Special Revenue Funds

The Major Street Fund is projected to decrease fund balance by \$55,800 in FY 2020-21. These funds will be utilized for major street projects throughout the City which are listed in the capital improvement program.

The Local Street Fund is projected to decrease fund balance by \$827,200 in FY 2020-21. These funds will be utilized for local street projects throughout the City which are listed in the capital improvement program.

The Parks, Recreation, and Cultural Services Fund is projected to use \$187,086 of fund balance in FY 2020-21 to fund capital projects throughout the City which are listed in the capital improvement program.

The PEG Cable Fund is projected to use \$265,000 of fund balance in FY 2020-21 to fund operating expenditures since revenues are being recorded in a separate PEG Cable Capital Fund as of September 2019.

The Forfeiture Fund is projected to use \$119,000 of fund balance in FY 2020-21 to fund \$370,440 in capital expenditures.

The Street Lighting (Town Center Street) Fund is projected to increase fund balance by \$2,000 in FY 2020-21. These funds will be used to offset potential increases in future operating expenditures.

Capital Project Funds

The Capital Improvement Program (CIP) Fund is projected to increase fund balance by approximately \$2.8 million in FY2020-21. These funds will be used to fund future capital improvements throughout the City which are listed in the capital improvement program.

The Gun Range Facility Fund is projected to increase fund balance by \$70,750 in FY 2020-21. These funds will be used for future capital projects which are listed in the capital improvement program.

The PEG Cable Capital Fund is projects to increase fund balance by \$352,000 in FY 2020-21. This is a newly created fund as of FY 2019-20. These funds will be used to fund future capital expenditures.



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 May 2020. The 2020 taxable value increased approximately 134,851,177 for net new construction. The future property values include approximately \$40,000,000 and 55,000,000, respectively for tax years 2021 and 2022, in cumulative net new construction. Penalties and interest are based on historical collections. Inflation for the 2020 tax year was 1.9% but due to new construction, the City anticipates an overall net increase (see loss of personal property taxes discussed below) in revenue of 4.0%. 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.

Due to the COVID-19 pandemic, the City took a conservative approach to fiscal year 2022 and 2023 tax revenues and assumed a 1% increase in FY 22 and a 2% increase in FY 23 which is significantly lower than historical increase of 3-5%.

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 decrease due to the COVID-19 pandemic and the negative impact to the local economy. 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 Capital Improvement Fund received transfers in the prior year from various funds to cover their share of the costs for the department of public works building improvement project.



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. The City will receive a one time increase due to the census adjustment in FY 21 however, the adjustment will be offset by the estimated loss in revenues due to the COVID-19 pandemic. The City estimates fiscal years 21/22 and 22/23 will provide for distributions levels similar to increases seen in prior years.

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 had originally anticipated an increase in funding from the State of approximately 6%-10% for fiscal years 20/21, 21/22, and 22/23. Due to the COVID-19 pandemic and the "Stay Safe, Stay Home" mandate, the City has been conservative in its FY 21 budget estimates due to less vehicles on the road equating to less revenue from gas tax.

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 budgeted as if all programs will be back in operation July 1, 2021. The City will monitor the revenue closely as daily activity changes due to the global pandemic. FY 22 and 23 are assumed to be fully operational and consistent with pre-COVID levels.

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 8% in 20/21 (primarily due to wet spring, summer, and fall seasons in fiscal year 2020) 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. Similar to program revenue in the Parks, Recreation, and Cultural Fund, the ice arena revenue in FY 21 will depend on the effects of COVID-19.



FINANCIAL SUMMARIES

Revenue Schedule

	Governmental Funds				
	GENERAL FUND BUDGET 2020-21	SPECIAL REVENUE FUNDS BUDGET 2020-21	DEBT SERVICE FUNDS BUDGET 2020-21	CAPITAL PROJECT FUNDS BUDGET 2020-21	PERMANENT FUNDS BUDGET 2020-21
ESTIMATED REVENUES					
Property tax revenue	\$ 24,783,167	\$ 12,326,862	\$ 1,384,334	\$ 3,824,900	\$ -
Capital Contributions	-	-	-	-	-
Contributions-Employer	-	-	-	-	-
Donations	1,000	76,077	-	-	-
Federal grants	80,000	135,530	-	-	-
Fines and forfeitures	330,000	438,000	-	-	-
Interest income	697,211	386,083	266	122,750	130,000
Licenses, permits, and charges for services	4,277,333	2,560,000	-	421,500	-
Older adult program revenue	-	156,325	-	-	-
Operating Revenue	-	-	-	-	-
Other revenue	762,870	1,195,459	-	-	-
Program Revenue	-	1,226,700	-	-	-
Special Assessments Levied	-	35,829	-	-	-
State sources	4,411,243	5,275,000	-	-	-
Tap In Fees	-	-	-	-	5,000
Transfers in	-	6,980,000	-	-	161,000
TOTAL ESTIMATED REVENUES	\$ 35,342,824	\$ 30,791,865	\$ 1,384,600	\$ 4,369,150	\$ 296,000

FINANCIAL SUMMARIES

Revenue Schedule (continued)

	ENTERPRISE FUNDS BUDGET 2020-21	INTERNAL SERVICE FUNDS BUDGET 2020-21	FIDUCIARY FUNDS BUDGET 2020-21	TOTAL BUDGET BUDGET 2020-21
ESTIMATED REVENUES				
Property tax revenue	\$ -	\$ -	\$ -	\$ 42,319,263
Capital Contributions	1,350,000	-	-	\$ 1,350,000
Contributions-Employer	-	-	275,000	\$ 275,000
Donations	-	-	-	\$ 77,077
Federal grants	-	-	-	\$ 215,530
Fines and forfeitures	-	-	-	\$ 768,000
Interest income	322,300	-	2,100,451	\$ 3,759,061
Licenses, permits, and charges for services	-	2,950,000	-	\$ 10,208,833
Older adult program revenue	-	-	-	\$ 156,325
Operating Revenue	26,288,500	-	-	\$ 26,288,500
Other revenue	963,522	-	-	\$ 2,921,851
Program Revenue	1,886,571	-	-	\$ 3,113,271
Special Assessments Levied	-	-	-	\$ 35,829
State sources	-	-	-	\$ 9,686,243
Tap In Fees	-	-	-	\$ 5,000
Transfers in	-	-	-	\$ 7,141,000
TOTAL ESTIMATED REVENUES	\$ 30,810,893	\$ 2,950,000	\$ 2,375,451	\$ 108,320,783



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

	2013	2014	2015	2016	2017	2018	ESTIMATED	BUDGET	PROJECTED	
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	2019 FY 2019-20	2020 FY 2020-21	2021 FY 2021-22	2022 FY 2022-23
Taxable Value										
Taxable Value - Real (Residential)	\$ 2,748,382,830	\$ 1,984,120,840	\$ 2,087,604,500	\$ 2,169,188,620	\$ 2,267,135,430	\$ 2,389,711,290	\$ 2,533,927,750	\$ 2,582,051,740	\$ 2,637,728,970	\$ 2,683,889,227
Taxable Value - Real (Commercial / Industrial)	-	861,684,810	878,128,690	916,563,180	936,712,960	999,114,730	1,051,495,340	1,077,677,593	1,121,403,153	1,138,224,200
Taxable Value - Personal Property	223,698,750	225,066,560	239,836,740	237,292,830	246,248,600	256,827,350	267,518,910	244,155,800	247,499,582	242,549,591
Subtotal Taxable Value	\$ 2,972,081,580	\$ 3,070,872,210	\$ 3,205,569,930	\$ 3,323,044,630	\$ 3,450,116,990	\$ 3,645,653,370	\$ 3,852,942,000	\$ 3,903,885,133	\$ 4,006,631,705	\$ 4,064,663,017
Taxable Value - New Construction	-	-	-	-	-	-	-	134,851,177	40,000,000	55,000,000
Total Taxable Value	\$ 2,920,333,650	\$ 3,070,872,210	\$ 3,205,569,930	\$ 3,323,044,630	\$ 3,450,116,990	\$ 3,645,653,370	\$ 3,852,942,000	\$ 4,038,736,310	\$ 4,046,631,705	\$ 4,119,663,017
Less various allowances	-	-	-	(1,656,505)	(2,344,580)	(2,912,080)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Adjusted Taxable Value*	\$ 2,920,333,650	\$ 3,070,872,210	\$ 3,205,569,930	\$ 3,321,388,125	\$ 3,447,772,410	\$ 3,642,741,290	\$ 3,850,942,000	\$ 4,036,736,310	\$ 4,044,631,705	\$ 4,117,663,017
% Change in taxable value from prior year without new construction estimate	1.8%	3.3%	4.4%	3.7%	3.8%	5.7%	5.7%	1.3%	2.6%	1.4%
% Change in total taxable value from prior year	1.8%	5.2%	4.4%	3.7%	3.8%	5.7%	5.7%	4.8%	0.2%	1.8%
Millage Rate **										
General Fund	5.0182	5.0182	5.0056	4.9925	4.9206	4.8458	4.7755	4.7563	4.7563	4.7563
General Fund - PA 359 Advertising	-	-	-	-	-	0	0.0129	0.0123	0.0123	0.0123
Municipal Street Fund	1.5000	1.5000	1.4962	1.4923	1.4708	1.4484	1.4273	1.4215	1.4215	1.4215
Police and Fire	1.4282	1.4282	1.4246	1.4208	1.4003	1.3790	1.3590	1.3535	1.3535	1.3535
Parks, Recreation, and Cultural Services Fund	0.3857	0.3857	0.3847	0.3836	0.3780	0.3722	0.3668	0.3653	0.3653	0.3653
Drain Fund	0.1057	0.0000	-	0	0.2648	0.4157	0.5883	0.5978	0.5978	0.5978
Capital Improvement Program (CIP) Fund	-	-	-	-	1	0.9706	0.9565	0.9526	0.9526	0.9526
Library Fund	0.7719	0.7719	0.7699	0.7678	0.7567	0.7451	0.7342	0.7312	0.7312	0.7312
Total Operating	9.2097	9.1040	9.0810	9.2690	10.1768	10.1905	10.1905	10.1905	10.1905	10.1905
Library Construction Debt Fund	0.3852	0.3716	0.4566	0.4540	0.3608	0.3471	0.3471	0.3471	0.3471	0.3471
2010 Refunding Debt Fund	0.3487	0.3462	0.3374	0.0000	-	-	-	-	-	-
2003 Refunding Debt Fund	0.0000	-	-	-	-	-	-	-	-	-
2002 Street & Refunding Debt Fund	0.2564	0.3782	0.3250	0.2270	0.0000	-	-	-	-	-
Total Debt	0.9903	1.0960	1.1190	0.6810	0.3608	0.3471	0.3471	0.3471	0.3471	0.3471
Total Millage Rate	10.2000	10.2000	10.2000	9.9500	10.5376	10.5376	10.5376	10.5376	10.5376	10.5376
Property Tax Revenue										
General Fund	\$ 14,699,475	\$ 15,618,990	\$ 16,252,340	\$ 16,707,967	\$ 17,200,885	\$ 18,215,984	\$ 18,581,254	\$ 19,289,472	\$ 19,382,522	\$ 19,664,299
General Fund - PA 359 Advertising	-	-	-	-	-	50,000	50,000	50,000	50,000	50,000
Municipal Street Fund	4,293,742	4,754,081	4,803,774	4,931,808	5,069,973	5,371,752	5,502,800	5,711,286	5,737,807	5,821,616
Police and Fire	4,211,853	4,390,579	4,574,743	4,687,841	4,843,646	5,130,968	5,244,903	5,443,695	5,650,709	5,865,441
Parks, Recreation, and Cultural Services Fund	1,137,385	1,185,648	1,235,317	1,267,594	1,295,457	1,371,654	1,411,336	1,468,995	1,475,893	1,497,215
Drain Fund	315,771	9,920	1,096	698,072	908,899	961,410	2,229,182	2,313,123	2,400,298	2,400,298
Capital Improvement Program (CIP) Fund	-	-	-	-	3,400,871	3,611,648	3,686,322	3,824,900	3,842,920	3,898,490
Library Fund	2,276,337	2,372,929	2,472,349	2,537,262	2,604,070	2,752,785	2,818,939	2,917,399	3,032,954	3,168,183
Total Operating	\$ 26,934,563	\$ 28,332,147	\$ 29,339,619	\$ 30,830,544	\$ 35,323,801	\$ 37,466,201	\$ 39,448,213	\$ 40,934,929	\$ 41,485,928	\$ 42,365,542
Library Construction Debt Fund	1,134,064	1,141,259	1,472,133	1,507,421	1,245,100	1,265,832	1,339,934	1,384,334	1,402,929	1,416,329
2010 Refunding Debt Fund	1,029,037	1,065,166	1,061,000	-	-	-	-	-	-	-
2003 Refunding Debt Fund	-	-	-	-	-	-	-	-	-	-
2002 Street & Refunding Debt Fund	780,142	1,134,897	1,040,000	747,000	-	-	-	-	-	-
Total Debt	\$ 2,943,243	\$ 3,341,322	\$ 3,573,133	\$ 2,254,421	\$ 1,245,100	\$ 1,265,832	\$ 1,339,934	\$ 1,384,334	\$ 1,402,929	\$ 1,416,329
Total Property Tax Revenue	\$ 29,877,806	\$ 31,673,469	\$ 32,912,752	\$ 33,084,965	\$ 36,568,901	\$ 38,732,033	\$ 40,788,147	\$ 42,319,263	\$ 42,888,857	\$ 43,781,871

*Includes reduction for Personal Property Tax write-off, Tax Tribunals Adjustments and chargebacks
 Note: Fiscal 2020 taxable values have incorporated board of review adjustments through December 2019

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 is assumed based on total personnel costs. Defined benefit pension contributions are increasing 6% for 20/21 and are assumed to increase by approximately 4% in 20/21 and 6% in 21/22. The City went self insured for a portion of its health insurance in fiscal year 2020 to minimize future insurance costs. Employee health insurance costs are assumed to increase 4% in 21/22 and 22/23. The personnel assumptions are based on the number of staff as presented in the Departmental Information - Personnel Summary section for the fiscal year 2020/21.

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 1-4% 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 2020/21 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, 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.