

MOMENTUM



ANNUAL BUDGET
AND FINANCIAL PLAN

2017 - 2018

CITY OF NOVI, MICHIGAN



CITY COUNCIL



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MAYOR



DAVE STAUDT
MAYOR PRO TEM



ANDREW MUTCH
COUNCIL MEMBER



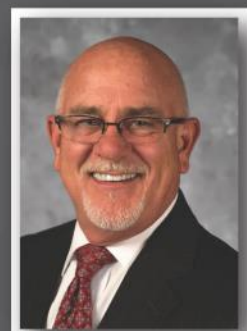
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Novi
Michigan**

For the Fiscal Year Beginning

July 1, 2016

Executive Director

The Governmental Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Novi, Michigan for its annual budget for the fiscal year beginning July 1, 2016.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as policy document, as an operations guide, as a final plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

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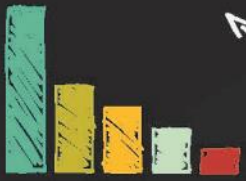


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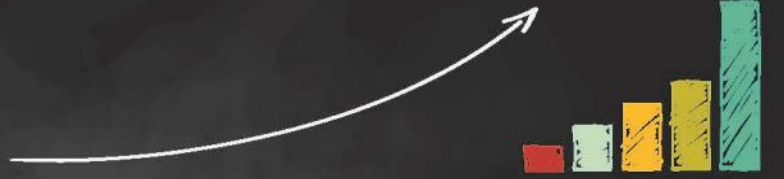
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ICMA Code of Ethics

The mission of ICMA is to create excellence in local governance by developing and fostering professional local government management worldwide. To further this mission, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

1. Be dedicated to the concepts of effective and democratic local government by responsible elected officials and believe that professional general management is essential to the achievement of this objective.
2. Affirm the dignity and worth of the services rendered by government and maintain a constructive, creative, and practical attitude toward local government affairs and a deep sense of social responsibility as a trusted public servant.
3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.
4. Recognize that the chief function of local government at all times is to serve the best interests of all of the people.
5. Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.
6. Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.
7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.
8. Make it a duty continually to improve the member's professional ability and to develop the competence of associates in the use of management techniques.
9. Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.
10. Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.
11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's decisions, pertaining to appointments, pay adjustments, promotions, and discipline.
12. Public office is a public trust. A member shall not leverage his or her position for personal gain or benefit.

Adopted by the ICMA Executive Board in 1924, and most recently revised by the membership in April 2015.

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Declaration of Ideals

The International City/County Management Association (ICMA) was founded with a commitment to the preservation of the values and integrity of representative local government and local democracy and a dedication to the promotion of efficient and effective management of public services. To fulfill the spirit of this commitment, ICMA works to maintain and enhance public trust and confidence in local government, to achieve equity and social justice, to affirm human dignity, and to improve the quality of life for the individual and the community. Members of ICMA dedicate themselves to the faithful stewardship of the public trust and embrace the following ideals of management excellence, seeking to:

1. Provide an environment that ensures the continued existence and effectiveness of representative local government and promotes the understanding that democracy confers privileges and responsibilities on each citizen.
2. Recognize the right of citizens to influence decisions that affect their well-being; advocate a forum for meaningful citizen participation and expression of the political process; and facilitate the clarification of community values and goals.
3. Respect the special character and individuality of each community while recognizing the interdependence of communities and promoting coordination and cooperation.
4. Seek balance in the policy formation process through the integration of the social, cultural, and physical characteristics of the community.
5. Promote a balance between the needs to use and to preserve human, economic, and natural resources.
6. Advocate equitable regulation and service delivery, recognizing that needs and expectations for public services may vary throughout the community.
7. Develop a responsive, dynamic local government organization that continuously assesses its purpose and seeks the most effective techniques and technologies for serving the community.
8. Affirm the intrinsic value of public service and create an environment that inspires excellence in management and fosters the professional and personal development of all employees.
9. Seek a balanced life through ongoing professional, intellectual, and emotional growth.
10. Demonstrate commitment to professional ethics and ideals and support colleagues in the maintenance of these standards.
11. Take actions to create diverse opportunities in housing, employment, and cultural activity in every community for all people.

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INTRODUCTION

City of Novi Leadership Philosophy: Our Guide to Manage, Recruit/Select, and Follow

We, the City of Novi management team, believe **employees are committed** to providing quality services and take pride in contributing to the community. Our team members are motivated by fair and positive recognition and possess a sense of value to deliver quality customer service.

We believe in and **strive to provide professional growth and development opportunities** for all people, so they may remain technically proficient and learn the most current, effective means of performing their work. We believe continuing education is critical and helps our staff to anticipate the future and be prepared.

We encourage a **trusting and supportive environment** that fosters innovative problem solving initiatives from every aspect of the organization.

We believe the **opportunity to lead**, both formally and informally, is available to all who desire it throughout the organization.

We believe **staff closest to situations has the greatest potential for quickly and effectively resolving issues** and decisions can and should be made by all people throughout the organization.

We proudly **provide essential community services through planning, goal setting, engagement and prioritization** that are supported by City Council and delivered transparently.

We **encourage and expect employees to dedicate and commit time to long-range thinking and planning** apart from daily required tasks. Our whole staff team explores and thinks through options to do things differently, to do things better.

We pride ourselves on **communicating openly and honestly through a variety of methods** and encourage internal and external feedback which is accurate and timely to most effectively inform all organization members.

We **believe and take pride in Novi's tradition of partnering with the wider community**. We desire to be the first to step up and partner, to be leaders who follow through on mutually-beneficial co-operations. With the assistance of schools, service agencies, and other units of government, we can find areas of each of our strengths to provide the best and most efficient service to citizens and businesses.

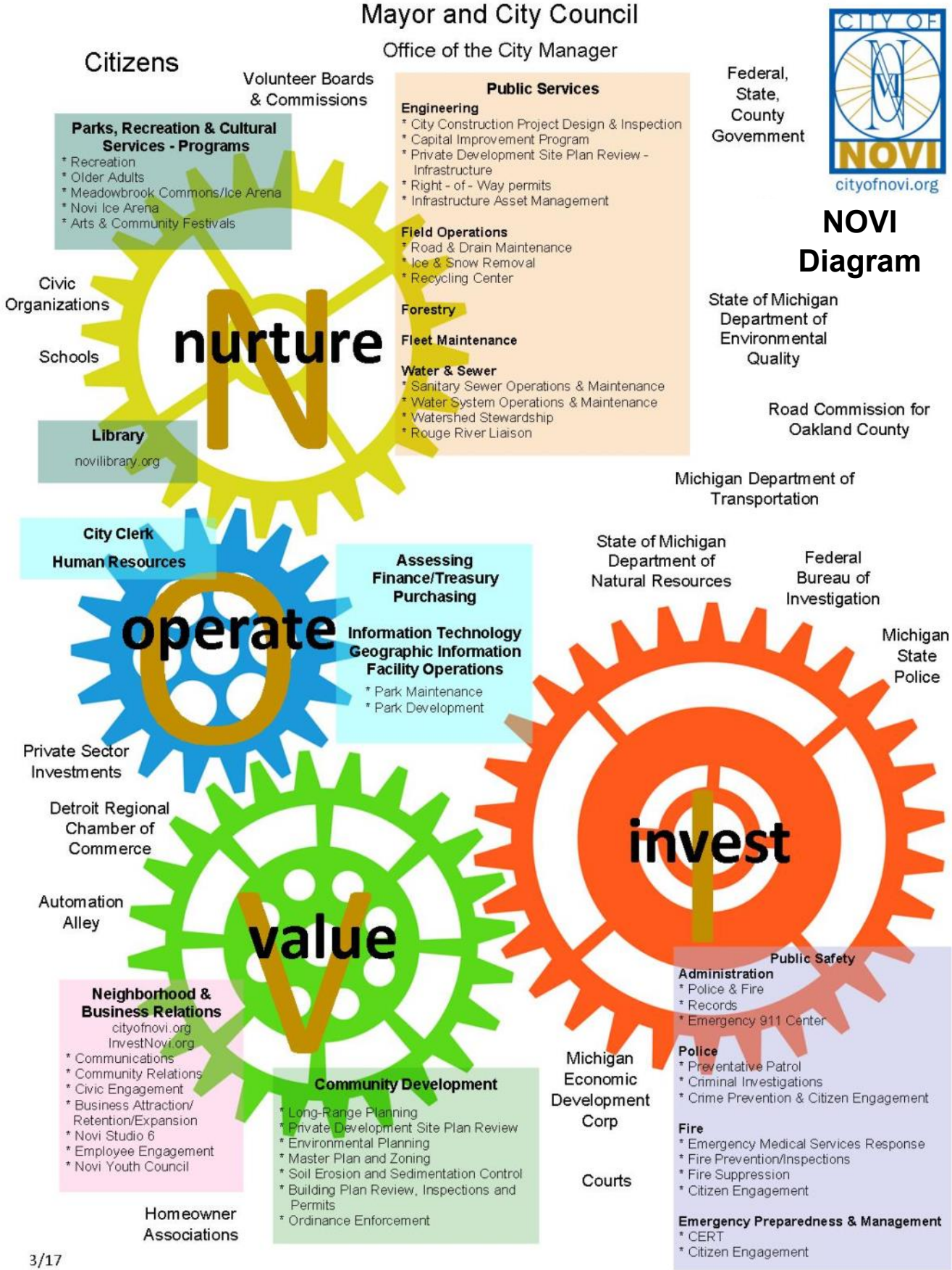


January 30, 2013
City of Novi Administrative Staff meeting

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INTRODUCTION



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INTRODUCTION

Citizen's Guide to the Budget

The purpose of this section is to explain to the reader the format and information presented in the budget document.

The budget provides a financial plan to execute the Budget Program Strategies which are funded through the General Fund, Special Revenue Funds and other sources; and includes payment of debt. A glossary of terms is included within the Statistical Information and Supplemental Data section with definitions for these and other budget and financial terms.

The budget document consists of the following sections:

- The **City Manager Budget Message** highlights the program strategies and budget plan priorities.
- The **Budget Overview** provides a summary of the significant budget items and trends as well as short and long term factors that influenced the decisions made in the development of the upcoming budget.
- The **Financial Structure, Policy, and Process** provides an organization chart, a summary of the financial and budget policies, basis for budgeting, process of budget preparation and the relationship between all funds. This section also will discuss entity-wide long-term financial policies.
- The **Financial Summaries** includes a description of all funds as well as the City's three-year operating budgets for all funds including prior year actual and current year estimated ending balances. This section presents the major revenues, expenditures and other financing sources and uses, as well as explains the underlying assumptions for any estimates and discusses any trends. Projected changes in fund balance are included for all funds.
- The **Capital Improvement Program and Debt** section provides a detailed listing of capital improvement projects for the upcoming fiscal year as well as for the next five years. Financial data on the current debt obligations, including legal debt limits, and the effect on current operations is also detailed in this section.
- The **Departmental Information** section includes department overviews, performance measures, goals, and objectives. A citywide personnel summary of all full-time positions is also included in this section.
- The **Statistical Information and Supplemental Data** section provides additional information pertaining to the City of Novi that may be of interest to the reader of the budget document. Also included in this section is a Glossary of the various budget and financial terms used throughout the document.
- **Resolutions** contain the two final resolutions approved by the Mayor and City Council as part of the budget process which include adoption of the annual property tax millage rates, budget, and acknowledgement of the multi-year budget.

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BUDGET MESSAGE



July 1, 2017

Momentum

Every organization that has come through challenging times hits a point where things start coming together. It is hard to pinpoint how or when that happens, but once the organization starts to gain momentum, it is hard to stop.

Novi is experiencing a great deal of **momentum**, but there are still forces holding us back. We are still held to the State of Michigan's financial whims and dysfunction for funding local governments. The budgets for State Government and Education continue to experience growth, yet local communities have lost \$7 billion in revenue sharing (Michigan Municipal League 2014 Review article). The "revenue sharing heist," combined with Headlee Rollback and Proposal A of 1994, put most local governments behind the eight ball for revenue streams. To top it off, the property value drop from the Great Recession lowered taxable values in such a way that Michigan communities will not experience recovery for 20 years.

Yet, despite these external trials the future is bright. Every challenge has opportunities. The City of Novi has made some very good decisions on spending (or more accurately, not spending). Spending was capped, employee numbers were frozen or reduced and maintenance activities were scaled back. Over the past two years, we have concentrated our attention on extending the life of our assets through a cost-effective and strategic approach.

Novi's Finance Department has been working on perfecting a two-year budget cycle. This has improved our staff's efficiency during budget preparation because when the second year of the budget is projected accurately, it takes less time to refine the numbers. With momentum in Novi trending in the right direction, our focus remains on the accuracy of our budget forecasts. Now, with a focused eye, we must maintain our diligence and precisely execute the budget plan enclosed

There are some expenditures that remain out of our purview. The largest of these are the City's pension responsibilities. The City's pension contribution has increased by approximately \$800,000, of which \$700,000 is scheduled to come from the General Fund (the actuary changed the mortality rate and decreased the average rate on return).

Getting things moving

The General Fund is using \$250,000 of fund balance to help fund the \$1,000,000 Concrete Panel Repair Program budgeted within the Local Street Fund. We are also gearing up for the projects from last year's CIP millage where the CIP Fund has budgeted \$30,000,000 of projects over the next five years.

BUDGET MESSAGE



With the voter-approved CIP millage, we now have a reliable funding source to replace important yet expensive items in our aging fleet, such as fire engines, without burdening the already stretched General Fund. We also will be able to improve some of our park amenities, complete non-motorized routes in the community and provide upgrades to some of our facilities that will continue to pay dividends well into the future.

There was also a request from City Council to get projects moving at a quicker rate and staff is working on that. The Street and Drain Funds are spending down all current revenues and fund balances reserves to Council minimums, including completing jobs sooner.

In their initial year, new cable/Public Access Television (PEG) operations and the activities in the Rubbish Fund have been a success and are budgeted for into the future.

The only debt left outstanding for the City is the Novi Public Library which was constructed six years ago. The Enterprise funds include revenue and debt service from the operations of Meadowbrook Commons and Ice Arena. Additionally, one water and sewer Special Assessment District (SAD) SAD which will be paid off in the upcoming 2017/18 fiscal year.

Novi's overall millage rate is still one of the lowest in Oakland County. It is proposed to increase slightly from 9.95 00 to 10.5376 mills (increase of only 0.5876), including the recently voter-approved 1.0000 mill levy for the CIP Fund.

Our focus remains on Economic Development, and though we lost the Economic Development Director's position in a past budget, we are funding for the position with emphasis on growing our Headquarters and Research and Development footprints.

Typically, communities are about two years behind the private sector when it comes to a downturn or growth. In Novi, that growth is happening now and we are working to seize that **momentum** and shape an even more robust future.

Respectfully submitted,

Handwritten signature of Peter E. Auger.

Peter E. Auger
City Manager



City Council Goals

On January 14, 2017, at an Early Input Budget Session, the Novi City Council met to discuss Strategic Themes & Broad Goal categories. The items listed represent areas of focus to assist in reaching the short-term goals during fiscal year 2017/18 and long-term goals in future years.

Nurture public services that residents want and value.

Make long-term strategic and sustainable investments in Roads & Pathways and Water & Sewer and provide for development, acquisition and rehabilitation of parks and public lands. Provide cultural resources and recreational opportunities for a growing and diverse population.

Short-Term Goals

- Complete the ITC Trail.
- Set up a committee to plan Novi's 50th Birthday in 2019.
- Create a 4-year program for Concrete Panel Replacement in Neighborhoods – 3,000 panels.
- Finalize plans to upgrade Rotary Park in conjunction with the Novi Rotary Club and Novi Parks Foundation.
- In addition to the one police officer planned for 17/18 budget year, add a second police officer 17/18 budget year.
- Move Main Street Development project from last year 'Long Term' to this years 'Short Term'.

Long-Term Goals

- Work with Road Commission to develop a plan of improvements for 10 Mile road corridor that improves traffic flow but respects residential areas.
- Expand local Senior transportation to include more hours, days, special event, and additional population access.
- Beck Road improvement plan and implementation strategy.
- Evaluate need for additional senior citizen housing and determine if Novi will continue to provide these types of facilities or leave to private companies.
- Upgrade pathways along south side of 10 Mile Road from Haggerty to Napier to provide ITC Trail-like experience.

Operate a world-class and sustainable local government.

Maintain an efficient and effective, fiscally-responsible local government which leverages communication, strategic partnerships, and skilled staff.

Short Term Goals

- Enhance our Economic Development staffing.
- Establish open space enhancement grants for subdivisions, similar to subdivision entrance enhancement grants. Focus on education/natural plantings in subdivisions.
- Develop CIP-like plan for other financial obligations (pension fund, etc.).
- Review all City Boards and Commissions to determine if they are still relevant or if any changes to them need to be initiated.

BUDGET OVERVIEW



Long Term Goals

- Transparency: Create a searchable online database of all City expenditures.
- Eliminate Lakeshore Park entry fees.
- Establish renewable energy goals for 2020 and 2025. Evaluate City building strategies and equipment capabilities, to reduce fossil fuel consumption where practical within Novi government operations. Support education and other efforts to help residents reduce their carbon footprint.
- Analyze land uses to identify which developments will generate the most taxes and encourage those through zoning changes and incentives.

Value and build a desirable and vibrant community for residents and businesses alike now and into the future.

Encourage quality economic development to maximize city revenue and job growth while protecting and enhancing natural areas, natural features and community character.

Short Term Goals

- Start work on a business incubator program with local universities like “Launch Fishers”.
- Work with 12 Oaks Mall, Novi Town Center, West Oaks and Twelve Mile Crossing at Fountain Walk to set up a mall circulator for customers between all locations.
- Permanently protect high quality woodlands using Tree Fund dollars. Goal: Protect at least 50 acres.

Long Term Goals

- Create a plan for upgrading all of our major commercial corridors with streetlights, landscaping, etc.
- Encourage development of Adell property.
- Revamp Drain Millage to expand purpose to include funding preservation of natural areas and acquisition of park land.
- Acquire park land north of I-96 suitable for athletic fields.

Invest properly in being a Safe Community at all times for all people.

Ensure Police, Fire, Public Services meet the needs of all residents, businesses, and visitors at all times.

Short Term Goals

- Fund safety improvements for at least 2 of the top 10 dangerous intersections in 17/18 budget.
- Review current Fire Department staffing to ensure adequate coverage city-wide 24/7.
- Fund Staffing Fire Station #4 24/7.

Long Term Goals

- Develop a plan to add street lights at major intersections across the City over the next 5 years.
- Evaluate alternative locations for Fire Station #3.
- Relieve traffic congestion in the Novi Road/I-96 area. Implement recommendations from Transportation Master Plan of 2015.
- Make improvements to top 12 high crash intersections over 5 years (signals, streetlights, etc.).



BUDGET OVERVIEW

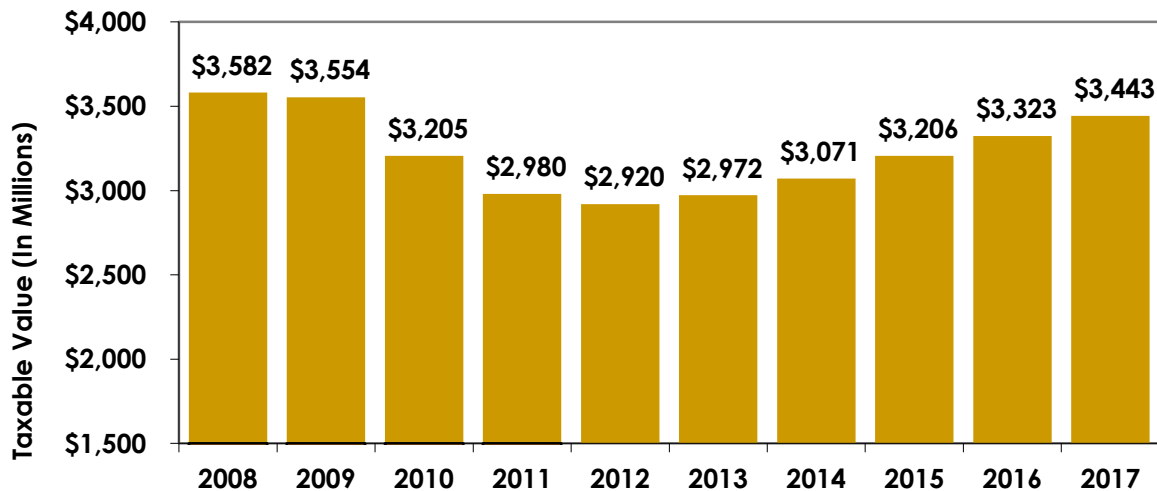
Revenue Trends

Property Taxes

Property taxes are expressed in terms of millage with one mill being equal to \$1.00 per thousand dollars of taxable value.

Assessing records maintain two values for each property in the City. Prior to Proposal A all property was taxed based on the State Equalized Value (S.E.V.), which represents 50% of true cash value. Proposal A limits the increase in value attributed to market change to the lower of 5% or the Inflation Rate Multiplier (previously referred to as Consumer Price Index). The one exception is the properties changing ownership, which brings the taxable value back up to the S.E.V.

Tax Year	Taxable Value (in millions)	% Change
2008	\$ 3,582	0.9%
2009	\$ 3,554	-0.8%
2010	\$ 3,205	-9.9%
2011	\$ 2,980	-7.0%
2012	\$ 2,920	-2.0%
2013	\$ 2,972	1.8%
2014	\$ 3,071	3.3%
2015	\$ 3,206	4.4%
2016	\$ 3,323	3.6%
2017	\$ 3,443	3.6%



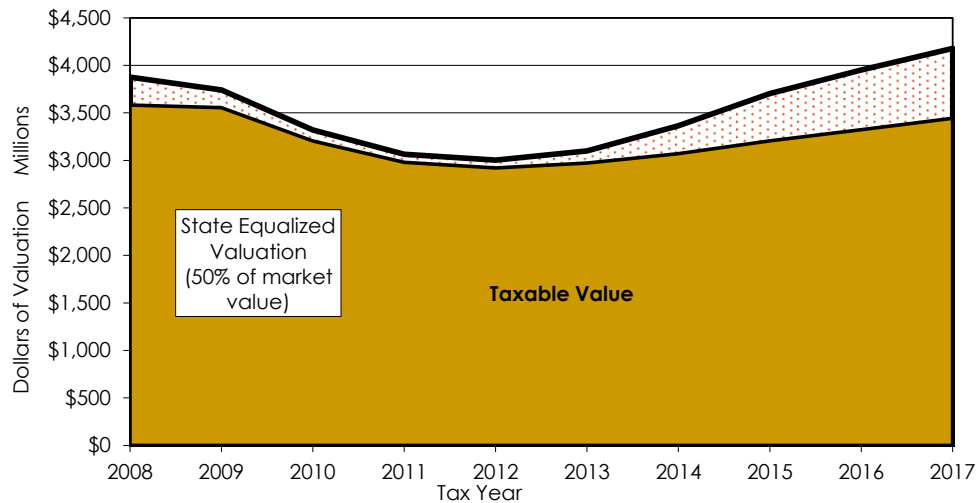
BUDGET OVERVIEW



Ten Year Taxable Value Actual Compared to State Equalized Valuation (SEV)

Tax Liability Year	State Equalized Valuation (50% of market value)		Taxable Value		% Taxable Value of SEV
	Amount	% Change	Amount	% Change	
2008	\$3,876,954,790	-1.8%	\$3,582,448,240	0.9%	92.4%
2009	\$3,742,061,910	-3.5%	\$3,554,943,630	-0.8%	95.0%
2010	\$3,321,184,600	-11.2%	\$3,204,568,420	-9.9%	96.5%
2011	\$3,063,922,590	-7.7%	\$2,979,611,480	-7.0%	97.2%
2012	\$3,004,330,340	-1.9%	\$2,920,333,650	-2.0%	97.2%
2013	\$3,099,733,610	3.2%	\$2,972,081,580	1.8%	95.9%
2014	\$3,365,191,110	8.6%	\$3,070,872,210	3.3%	91.3%
2015	\$3,704,488,760	10.1%	\$3,205,569,930	4.4%	86.5%
2016	\$3,952,090,850	6.7%	\$3,323,044,630	3.7%	84.1%
2017	\$4,180,386,609	5.8%	\$3,443,105,590	3.6%	82.4%

Ten Year Taxable Value Compared to State Equalized Valuation City of Novi, Michigan



The 1994 SEV established the base for taxable value calculations beginning in 1995. In addition to SEV, a taxable value was determined for each property. Taxable value is the lower of either capped value or SEV. Capped value increases are limited to the lesser of 5% or the rate of inflation. Although SEV continues to be based on market conditions, taxable value is thus in place to control property tax increases. Additions or losses to a property will increase or reduce the taxable value of that property. In the year following a property transfer, the taxable value of that property will uncap to the SEV. Novi's total taxable value rate of change moves larger than the SEV largely due to the uncapping of properties from sales and the addition of new construction. In the coming decades, as Novi reaches build-out and ages, under current rules, yearly increases in taxable value will be closer to capped consumer price index (termed Inflation Rate Multiplier by the State of Michigan).



BUDGET OVERVIEW

Headlee Amendment

The Headlee amendment of the State Constitution can reduce the amount of operating millages allowed by City Charter. This amendment limits the growth in property tax revenue from existing property to the rate of inflation. It accomplishes this by reducing millages proportionally by the amount that market changes exceed the State's inflation rate multiplier. The table on this page shows the millages, revenues, remaining capacities and the proportion of each funds' property tax revenue.

CITY CHARTER RATES, HEADLEE MAXIMUM RATES AND 2017 TAX LEVY

	CITY CHARTER	ADJUSTED CHARTER MAXIMUM HEADLEE		2017 LEVY	REMAINING CAPACITY
		2016	2017		
OPERATING FUNDS					
GENERAL FUND	6.5000	4.9925	4.9206	4.9206	-
MUNICIPAL STREET FUND	1.5000	1.4923	1.4708	1.4708	-
PUBLIC SAFETY FUND	1.8000	1.4208	1.4003	1.4003	-
PARKS AND RECREATION	0.5000	0.3836	0.3780	0.3780	-
DRAIN REVENUE FUND	1.0000	0.7678	0.7567	0.2648	0.4919
CIP FUND	1.0000	1.0000	0.9856	0.9856	-
LIBRARY FUND	1.0000	0.7678	0.7567	0.7567	-
DEBT SERVICE FUNDS					
2008 LIBRARY DEBT FUND	(as needed)	N/A		0.3608	Last Year of Levy 2027-28
				10.5376	

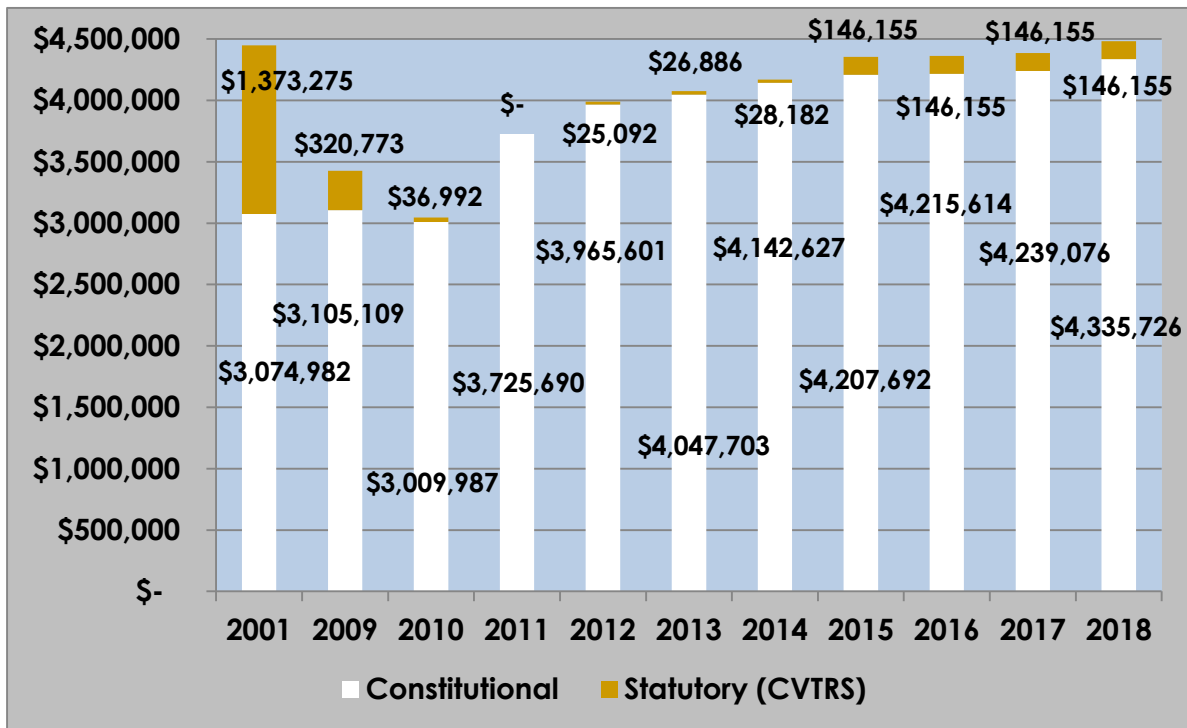
	MILLAGE			REVENUE	REMAINING CAPACITY
	2016-17	2017-18	CHANGE		
OPERATING FUNDS					
GENERAL FUND	4.9925	4.9206	(0.0719)	\$ 17,065,000	\$ -
MUNICIPAL STREET FUND	1.4923	1.4708	(0.0215)	5,101,000	-
PUBLIC SAFETY FUND	1.4208	1.4003	(0.0205)	4,856,000	-
PARKS AND RECREATION	0.3836	0.3780	(0.0056)	1,311,000	-
DRAIN REVENUE FUND	0.2120	0.2648	0.0528	344,000	2,280,000
CIP FUND	0.0000	0.9856	0.9856	3,418,000	-
LIBRARY FUND	0.7678	0.7567	(0.0111)	2,624,000	-
	9.2690	10.1768	0.9078	\$ 34,719,000	
DEBT SERVICE FUNDS					
2008 LIBRARY DEBT FUND	0.4540	0.3608	(0.0932)	1,299,000	
2002 REFUNDING & STREET BONDS	0.2270	0.0000	(0.2270)	-	
	0.6810	0.3608	(0.3202)	1,299,000	
	9.9500	10.5376	0.5876	\$ 36,018,000	

BUDGET OVERVIEW



State Shared Revenue

The State Revenue Sharing program distributes sales tax collected by the State of Michigan to local governments. The State Revenue Sharing is unrestricted General Fund revenue and is the second largest source of revenue in that fund. The distribution of funds is authorized by the State Revenue Sharing Act, Public Act 140 of 1971. The State Shared Revenue Program consists of two components; constitutional and statutory (CVTRS). The constitutional portion is guaranteed and distributed on a per capita basis. For Fiscal Year 2017 the Constitutional Payment is equal to the 2010 census population multiplied by the Distribution Rate or the Distribution Rate is calculated according to three formulas: taxable value per capita, population unit type and yield equalization. Since 2010, State Revenue Sharing has steadily increased and is back to the levels last seen in 2001.

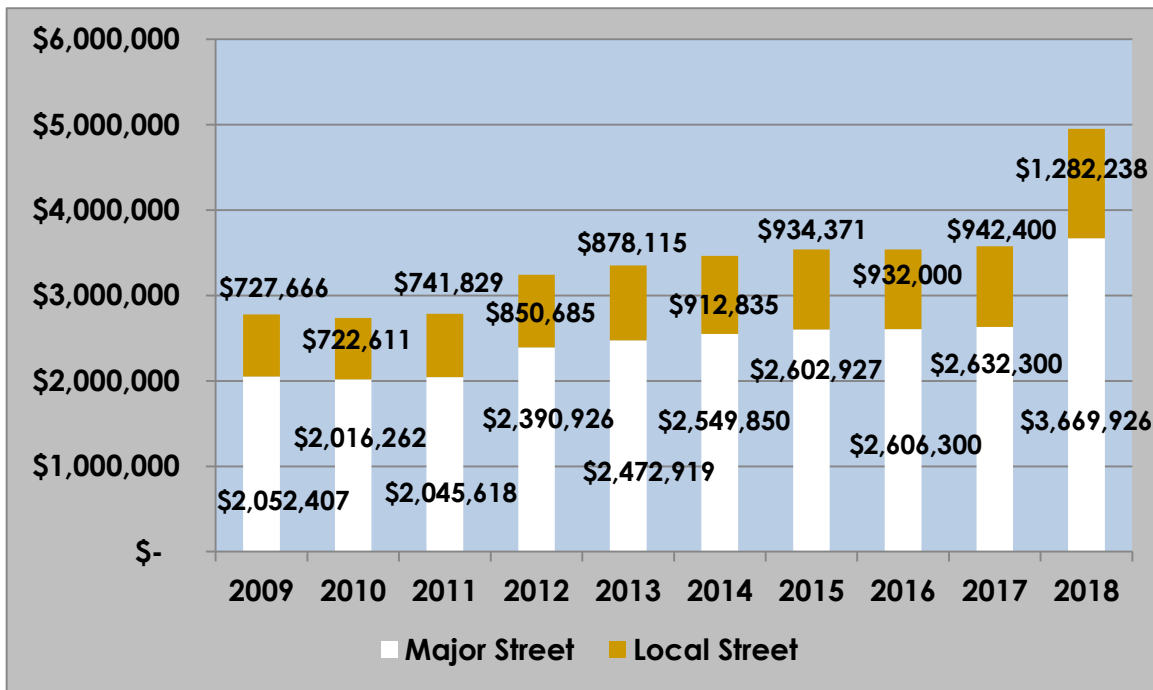




BUDGET OVERVIEW

Act 51 – Michigan Transportation Fund

The State of Michigan's Constitution also provides funds for transportation purposes. Act 51 of 1951, as amended, creates the Michigan Transportation Fund, whereas revenues collected through highway user taxes, state motor fuel taxes, vehicle registration fees, and other miscellaneous automobile related taxes are distributed by formula to state trunk lines, county road commissions, cities, and villages. These funds are utilized for maintenance and construction of neighborhood roads and other City streets within the Major and Local Street funds. Below is the ten year trend in Act 51 revenues for Major and Local Streets.



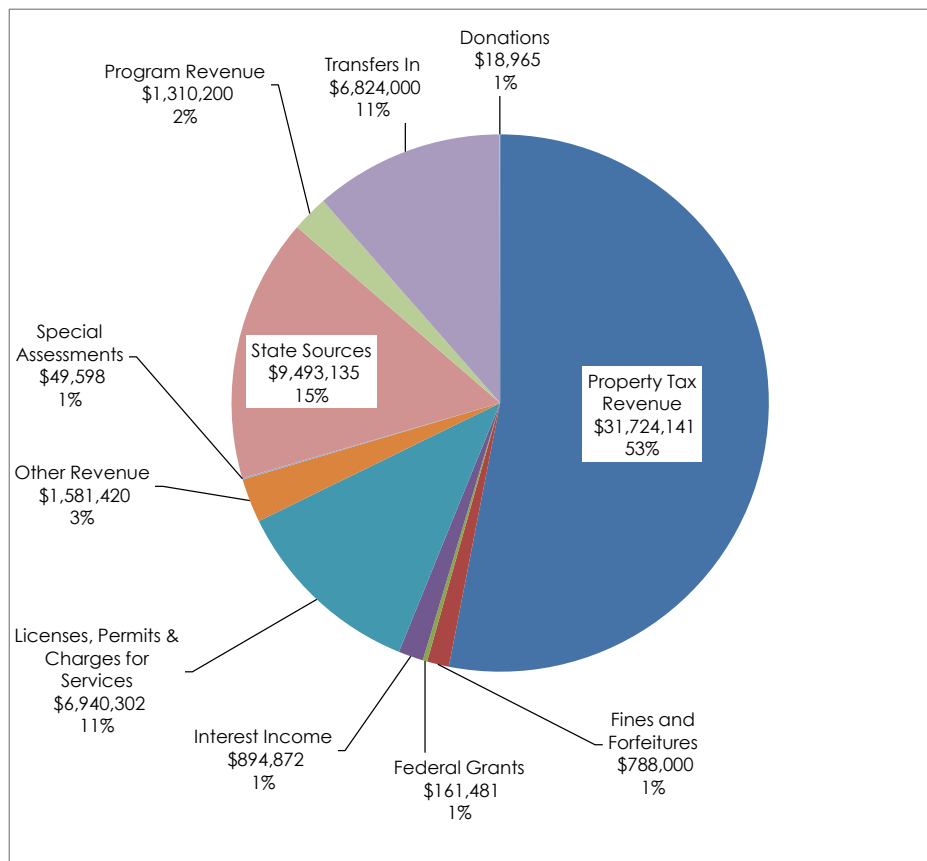
BUDGET OVERVIEW



Fiscal Year 2017-18 Budgeted Revenues (by category)

The following represents Fiscal Year 2017-18 budgeted revenue (General Fund and Special Revenue Funds), as well as a four-year comparison of revenue by fund.

ESTIMATED REVENUES	GENERAL FUND	SPECIAL REVENUE FUNDS	TOTAL BUDGETED
Property Tax Revenue	\$ 22,063,704	\$ 9,660,437	\$ 31,724,141
Fines and Forfeitures	560,000	228,000	\$ 788,000
Federal Grants	58,000	103,481	\$ 161,481
Interest Income	593,273	301,599	\$ 894,872
Licenses, Permits & Charges for Services	4,695,302	2,245,000	\$ 6,940,302
Other Revenue	756,070	825,350	\$ 1,581,420
Special Assessments	-	49,598	\$ 49,598
State Sources	4,506,881	4,986,254	\$ 9,493,135
Program Revenue	-	1,310,200	\$ 1,310,200
Transfers In	-	6,824,000	\$ 6,824,000
Donations	1,500	17,465	\$ 18,965
TOTAL ESTIMATED REVENUES	\$ 33,234,730	\$ 26,551,384	\$ 59,786,114

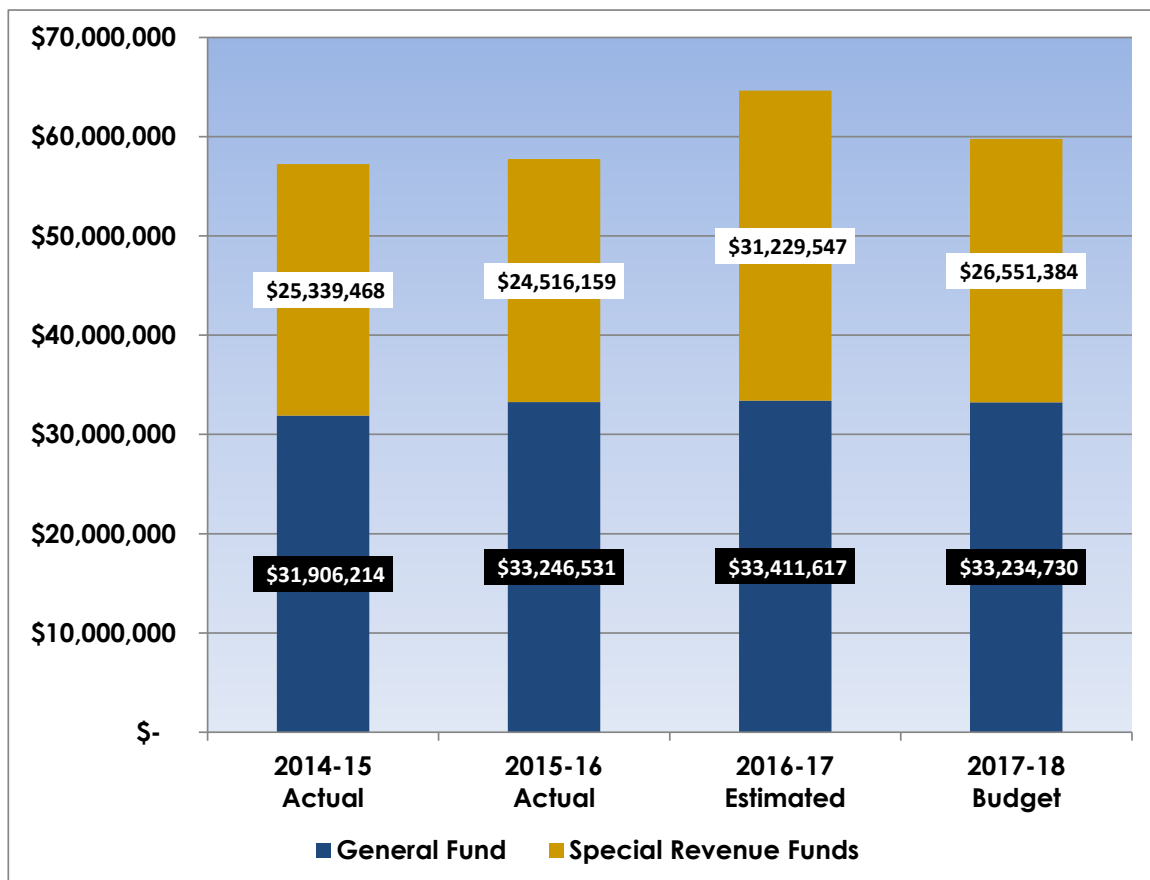




BUDGET OVERVIEW

Comparison of Revenue (Four-Year)

Fund	2014-15 Actual	2015-16 Actual	2016-17 Estimated	2017-18 Budget	% Change Estimated 2016-17 & Budget 2017-18
GENERAL FUND	\$ 31,906,214	\$ 33,246,531	\$ 33,411,617	\$ 33,234,730	-0.53%
SPECIAL REVENUE FUNDS					
Major Street	2,840,419	3,274,062	4,519,582	4,449,658	-1.55%
Local Street	4,116,290	2,281,160	4,758,900	5,020,728	5.50%
Municipal Street	5,745,423	5,571,849	5,273,747	5,494,742	4.19%
Public Safety	4,442,030	4,642,674	4,670,000	-	-100.00%
Parks, Recreation & Cultural Services	3,568,560	3,635,153	3,606,185	2,716,242	-24.68%
Tree	1,075,929	1,463,376	395,415	478,668	21.05%
Drain	118,827	130,386	2,652,490	3,002,747	13.20%
Rubbish Collection	-	-	1,844,000	1,920,000	4.12%
PEG Cable	520,351	393,718	260,418	302,733	16.25%
Community Development Block Grant	53,000	53,721	108,932	98,481	-9.59%
Forfeiture	105,953	154,356	307,173	76,500	-75.10%
Library	2,670,150	2,824,862	2,774,726	2,901,020	4.55%
Library Contribution	64,027	72,398	32,000	53,965	68.64%
West Oaks St. Street Lighting	117	68	7,629	7,600	-0.38%
West Lake Dr Street Lighting	3,308	3,306	3,300	3,300	0.00%
Town Center St. Street Lighting	15,084	15,070	15,050	25,000	66.11%
	\$ 25,339,468	\$ 24,516,159	\$ 31,229,547	\$ 26,551,384	-14.98%
TOTAL REVENUE	\$ 57,245,682	\$ 57,762,690	\$ 64,641,164	\$ 59,786,114	-7.51%



BUDGET OVERVIEW

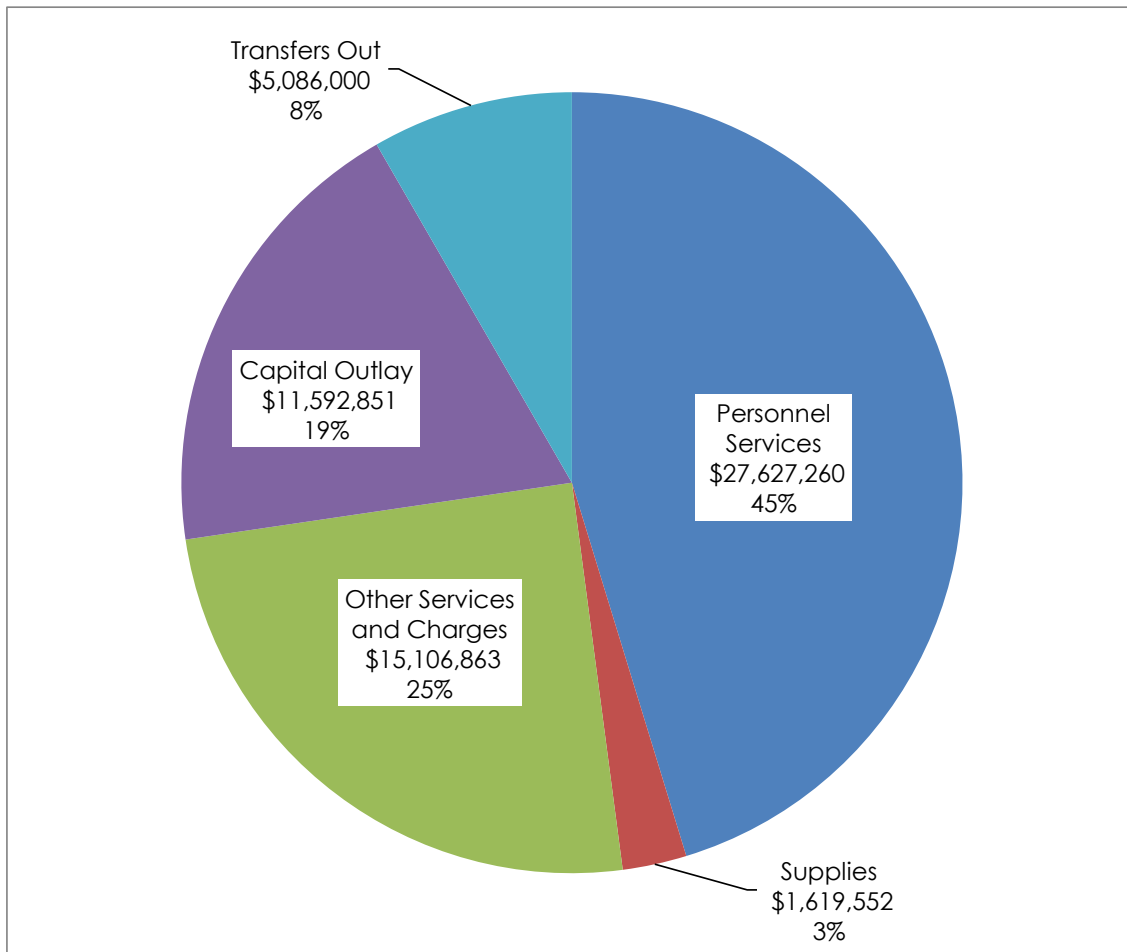


Expenditure Trends

Fiscal Year 2017-18 Budgeted Expenditures (by category)

The following represents Fiscal Year 2017-18 budgeted expenditures (General Fund and Special Revenue Funds), as well as a four-year comparison of expenditures by fund.

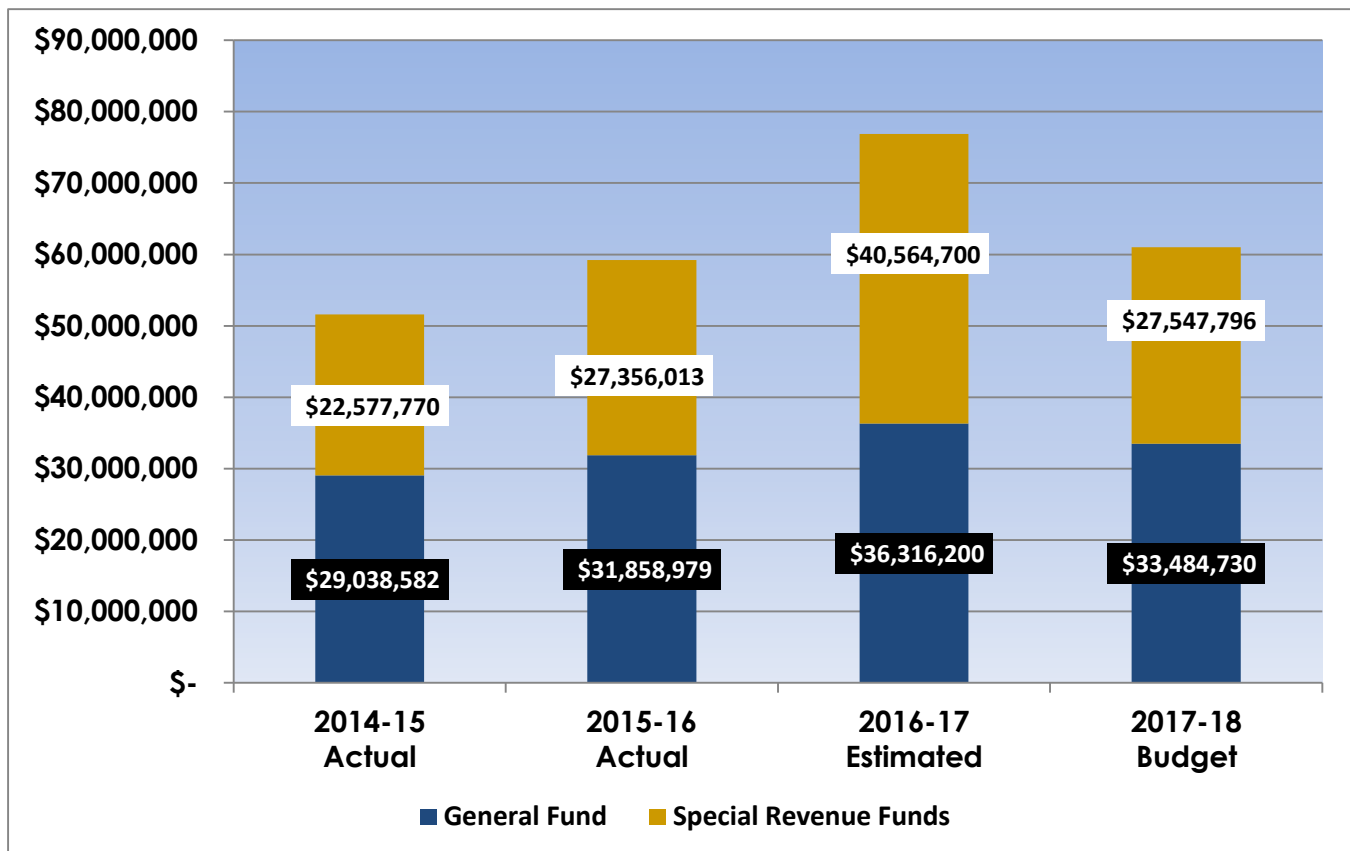
EXPENDITURES	GENERAL FUND	SPECIAL REVENUE FUNDS	TOTAL BUDGETED
Personnel Services	\$ 24,302,014	\$ 3,325,246	\$ 27,627,260
Supplies	856,407	763,145	\$ 1,619,552
Other Services and Charges	6,193,670	8,913,193	\$ 15,106,863
Capital Outlay	1,812,639	9,780,212	\$ 11,592,851
Transfers Out	320,000	4,766,000	\$ 5,086,000
TOTAL EXPENDITURES	\$ 33,484,730	\$ 27,547,796	\$ 61,032,526



BUDGET OVERVIEW

Comparison of Expenditures (Four-Year)

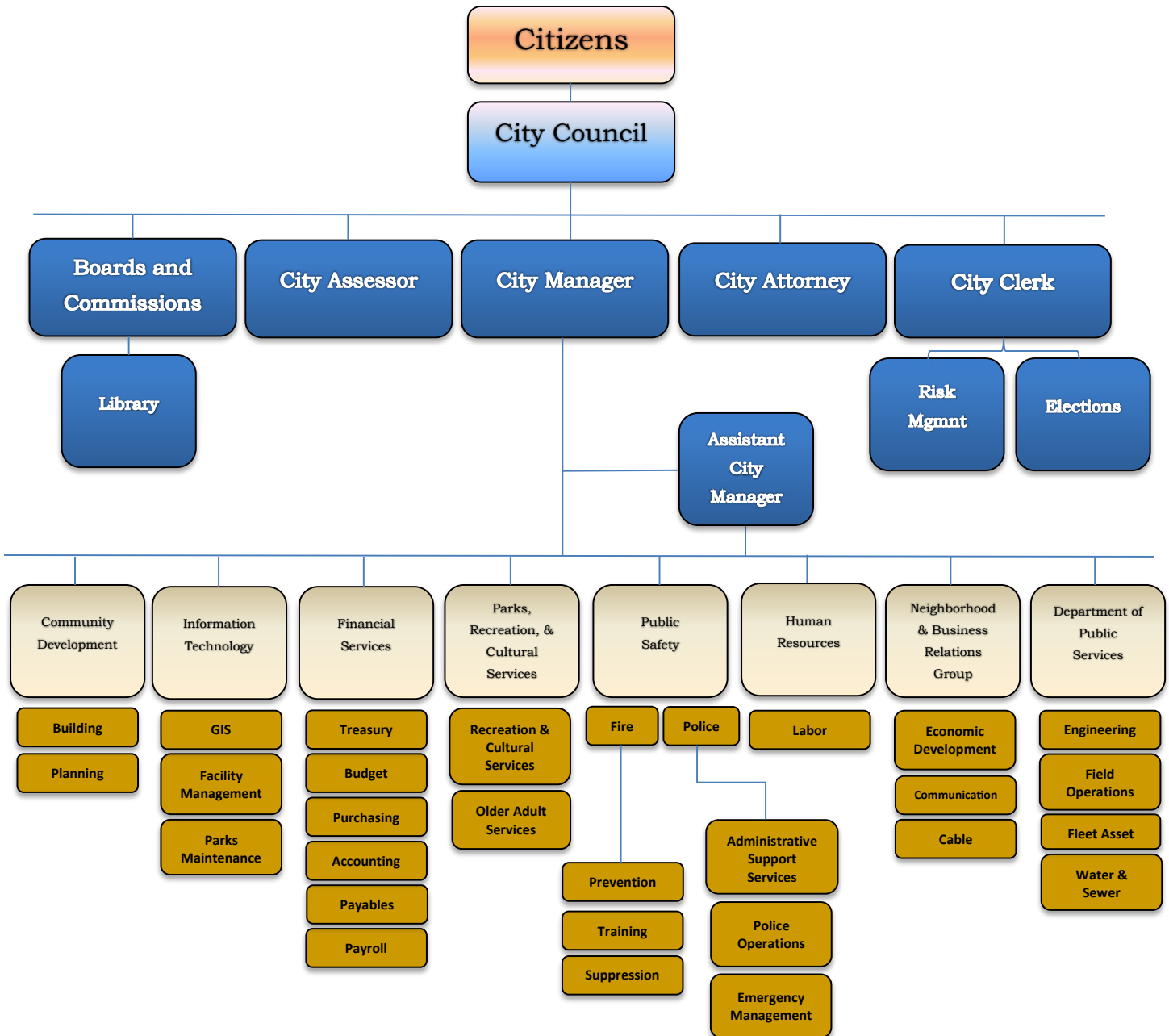
Fund	2014-15 Actual	2015-16 Actual	2016-17 Estimated	2017-18 Budget	% Change Estimated 2016-17 & Budget 2017-18
GENERAL FUND	\$ 29,038,582	\$ 31,858,979	\$ 36,316,200	\$ 33,484,730	-7.80%
SPECIAL REVENUE FUNDS					
Major Street	2,604,264	3,411,399	4,653,598	4,448,872	-4.40%
Local Street	4,184,525	2,441,844	4,796,113	5,119,842	6.75%
Municipal Street	3,581,643	7,657,331	8,186,212	5,975,325	-27.01%
Public Safety	5,300,000	5,300,000	5,908,982	-	-100.00%
Parks, Recreation & Cultural Services	2,745,444	3,722,275	4,674,776	2,716,242	-41.90%
Tree	159,191	241,510	411,548	478,668	16.31%
Drain	741,849	1,052,553	6,412,563	3,002,747	-53.17%
Rubbish Collection	-	-	1,844,000	1,920,000	4.12%
PEG Cable	112,893	431,513	345,544	276,733	-19.91%
Community Development Block Grant	68,848	71,805	75,000	98,481	100.00%
Forfeiture	242,903	192,754	179,114	327,475	82.83%
Library	2,796,705	2,789,176	3,035,900	3,090,996	1.81%
Library Contribution	25,183	30,191	13,000	53,965	315.12%
West Oaks St. Street Lighting	8,860	8,209	10,000	10,000	0.00%
West Lake Dr Street Lighting	3,459	3,161	3,300	3,450	4.55%
Town Center St. Street Lighting	2,003	2,292	15,050	25,000	66.11%
	\$ 22,577,770	\$ 27,356,013	\$ 40,564,700	\$ 27,547,796	-32.09%
TOTAL APPROPRIATED FUNDS	\$ 51,616,352	\$ 59,214,992	\$ 76,880,900	\$ 61,032,526	-20.61%



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FINANCIAL STRUCTURE, POLICY AND PROCESS

Organizational Chart



FINANCIAL STRUCTURE, POLICY AND PROCESS



Fund Structure

Governmental Funds

*# 101 General Fund

Debt Service Funds

317 - 2008 Library Construction Debt
397 - 2002 Street and Refunding Debt

Capital Projects Funds

235 - Special Assessment Revolving
400 - Capital Improvement Program (CIP)
402 - Gun Range Facility
403 - Street Improvement

Permanent Fund

211 - Drain Perpetual Maintenance

* Special Revenue Funds

202 - Major Street
203 - Local Street
204 - Municipal Street
205 - Public Safety
208 - Parks, Recreation, and Cultural Services
209 - Tree
210 - Drain
226 - Rubbish Collection
263 - PEG Cable
264 - Community Development Block Grant
266 - Forfeiture
268 - Library
269 - Library Contribution
854 - West Oak St. Street Lighting
855 - West Lake Drive Street Lighting
856 - Town Center St. Street Lighting

Proprietary (Enterprise) Funds

590 - Ice Arena
592 - Water and Sewer
594 - Senior Housing

Trust and Agency (Fiduciary) Funds

701 - Agency
703 - Tax
710 - Retiree Health Care Benefits

Component Unit

566 - Economic Development Corporation

* Requires Budget

Major Fund



FINANCIAL STRUCTURE, POLICY AND PROCESS

Significant Budget and Accounting Policies

The budgeting and accounting policies of the City of Novi conform to (GAAP) as applicable to governmental units, with the exception that interfund transfers are considered as any other appropriation in evaluating priorities rather than as a separate item. The following is a summary of the significant budget and accounting policies:

Basis of Budgeting

All Governmental Funds, including the legally adopted General Fund and Special Revenue Funds, are budgeted for on a modified accrual basis. As an example, employee wages are budgeted to account for the number of days scheduled for each fiscal year. The basis of budgeting is the same as the basis of accounting, except that transfers have been included in the "revenue" and "expenditure" categories for budgetary purposes, rather than as "other financing sources (uses)" for accounting purposes.

Basis of Accounting

The accrual basis of accounting is used by the Enterprise Funds. All Governmental Funds and Agency Funds use the modified-accrual basis of accounting. Modifications in such methods from the accrual basis are as follows:

Property tax revenue that is both measurable and available for use to finance operations is recorded as revenue when earned. Other revenue is recorded when received. Properties are assessed as of December 31 and become a lien then. The related property taxes are billed on July 1 of the following year. These taxes are due without a penalty during the period July 1 through August 31 with a 4% penalty added after that date. After February 28, they are added to the County tax rolls. The County Tax Revolving Fund reimburses the City for the real property portion of these taxes and assumes collection responsibilities for both real and personal property taxes.

- Non-current receivables, such as special assessments, are recorded at full value and deferred revenue is recorded for the portion not available for use to finance operations as of year-end.
- Interest income on special assessments receivable is not accrued until its due date.
- Interest on bonded indebtedness and other long-term debt are not recorded as expenditures until the due date.
- Payments for inventory type of supplies are recorded as expenditures at the time of purchase.
- Normally, expenditures are not divided between years by the recording of prepaid expenses.
- The non-current portion of accumulated employee benefits is reflected in the government-wide financial statements.

Fund Structure of Approved Budget

Annual budgets are legally adopted for the General Fund and Special Revenue Funds as required by the State's Uniform Budgeting and Accounting Act. In addition, although not required by law, budgets are prepared for the City's Debt Service, Capital Projects, Enterprise Funds, and Fiduciary Funds. These budgets are prepared for financial management and project control purposes.

FINANCIAL STRUCTURE, POLICY AND PROCESS



Major Funds

The City of Novi reports on one major governmental fund which is the General Fund.

Fund Accounting

The accounts of the City are organized by funds and account groups, each of which is considered a separate accounting entity. Funds are established to segregate specific activities or objectives of a government in accordance with special regulations, restrictions or limitations. The various funds are grouped into generic fund types in three broad fund categories as follows:

Governmental Funds

General Fund: The General Fund contains the records of the ordinary activities of the City that are not accounted for in another fund. General Fund activities are financed by revenue from general property taxes, state-shared revenue and other sources.

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of earmarked revenue from financing activities requiring separate accounting because of legal or regulatory provisions.

Debt Service Funds: Debt Service Funds are used to account for the annual payment of principal and interest concerning certain long-term debt other than debt payable from the operations of an enterprise fund.

Capital Projects Funds: Capital Project Funds are used to account for the development of capital facilities other than those financed by the operations of the enterprise funds.

Permanent Fund: Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs.

Proprietary Funds

Enterprise Funds: The Water and Sewer, Ice Arena, and Senior Housing Funds are used to account for the results of operations that provide a service to citizens financed by a user charge for the provision of that service.

Besides normal operations, the Water and Sewer Fund provides for capital investment, which is funded by a one-time connection charge.



FINANCIAL STRUCTURE, POLICY AND PROCESS

Trust and Agency Funds

Fiduciary Funds: Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds. These include the Retiree Health Care Benefits Fund, Tax Fund, and the Agency Fund. The Retiree Health Care Benefits Fund is an expendable trust fund and is accounted for in the same manner as governmental funds. The Tax Fund and Agency Fund are custodial in nature and do not involve the measurement of results of operations.

Fixed Assets and Long-Term Liabilities

Fixed assets used in governmental fund type operations are accounted for in the government-wide financial statements, rather than in the governmental funds. Depreciation is reported on a straight-line basis for such fixed assets. All fixed assets are recorded at cost or, if donated, at their estimated fair value on the date donated. Long-term liabilities expected to be financed from governmental funds are accounted for in the government-wide financial statements, not in the governmental funds.

Fixed assets and long-term liabilities relating to the Water and Sewer, Ice Arena, and Senior Housing Funds are accounted for in those funds. Depreciation on such fixed assets is charged as an expense against the operations of the fund on a straight-line basis.

Cash Equivalents

For purposes of the statement of cash flow, the Enterprise funds consider all highly liquid investments with an original maturity of three months or less to be cash equivalents. In addition, the statements of cash flow include both restricted and unrestricted cash and cash equivalents.

Inventories

Inventories in the Enterprise funds are valued at cost, on a first in, first out basis, which approximates market value.

Deposits and Investments

The City believes that due to the dollar amounts of cash deposits and the limits of Federal Deposit Insurance Corporation, insuring all bank deposits is impractical. The City evaluates every financial institution it deposits City funds into, assessing the level of risk.

Investments

The City is authorized by Michigan Public Act 20 of 1943 (as amended) to invest surplus monies in U.S. bonds and notes, certain commercial paper, U.S. government repurchase agreements, government agencies, Bankers' acceptances and mutual funds and investment pools that are composed of authorized vehicles.

To the extent that cash from various funds has been pooled, related investment income is allocated to each fund based on relative participation in the pool, except that investment earnings by the Agency Funds are allocated to the General Fund.

FINANCIAL STRUCTURE, POLICY AND PROCESS



Financial Policies

The City of Novi's financial policies, as compiled below, set forth the basic framework for the overall fiscal management of the City. Operating independently of changing economic circumstances and conditions, these policies help the decision making process of the City Council and administration. These policies provide guidelines for evaluating both current activities and proposals for future programs.

Most of the policies represent long-standing principles (i.e. traditions and practices) that have guided the City in the past and have helped maintain financial stability.

The City's financial policies serve the administration in the preparation of a balanced operating budget and management of the City's financial affairs.

Operating Budget Policies

The City will attempt to maintain its present service level for all priority and essential services within the existing property tax millage limits.

- The City will maintain a budgetary control system to ensure adherence to the budget and will prepare periodic reports comparing actual revenues and expenditures with budgeted amounts.
- The City will emphasize efforts to reduce expenditures in major cost centers (i.e. energy, medical insurance premiums, street lighting, pension cost, and Worker's Compensation payments).
- The Ice Arena, Senior Housing, and Water and Sewer funds will be self-supporting.
- The City will protect against catastrophic losses through a combination of insurance and maintaining appropriate fund balance levels.

Fund Balance/Reserve Policies

On September 26, 2011, the City Council adopted by resolution the following fund balance/reserve policies:

- The City will establish a reserve to pay for expenditures as a result of unforeseen emergencies or for shortfalls caused by revenue declines.
- The City will seek to maintain a diversified and stable revenue system to shelter itself from short-run fluctuations in any one revenue source.
- The City will attempt to obtain additional revenue sources to insure a balanced budget.
- The City will follow an aggressive policy of collecting revenue.
- The City will establish all user charges and fees at a level considering the cost (operating, direct, indirect and capital) of providing the service.
- The City will establish reserves to comply with the terms and conditions of the debt instruments used to finance capital improvement projects.
- The City will review fund balance/reserves annually during the budget process.
- In the event the level of expenditures exceeds the estimated appropriations, the City will create a plan to replenish fund balance/reserves within three years by controlling operating expenditures, adjusting operations and/or dedicating excess or specific revenue sources.



FINANCIAL STRUCTURE, POLICY AND PROCESS

General Fund

For the General Fund, the reserve will be maintained at a minimum of approximately 22-25 percent of the budgeted expenditures as adopted by City Council Resolution, April 5, 2017. In the event that circumstances arise causing the fund balance to fall below 22%, a plan will be put in place to replenish the balance during the subsequent budget year. Additional reserves can be designated for a specific purpose as identified by City Council during the budget process. Fund balance will be established to:

- Provide a fund or reserve to meet emergency expenditures
- Provide cash to finance expenditures from the beginning of the budget year until general property taxes or other revenues are collected
- Demonstrate financial stability and therefore preserve or enhance its bond rating, thereby lowering debt issuance costs;
- Accumulate sufficient assets to make designated purchases;
Avoid short-term borrowing and associated interest costs.

As part of the budget process excess fund balance may be used to reduce liabilities or fund expenditures of the next fiscal period.

Special Revenue Funds

Resources in a fund other than the general fund are either (1) required to be used for the purpose of the fund or (2) intended by the government to be used for that purpose. Special revenue funds report specific revenue sources that are limited to being used for a particular purpose.

Street Funds (Major, Local and Municipal Street)

The City's fund balance for the street funds will be established within a minimum range of 10-20%, individually and collectively amongst the three funds, to cover extraordinary maintenance events (i.e. unusual winter maintenance events, emergency reconstruction, etc.), and contingencies for budgeted construction projects. In addition, the City may establish a designation for capital projects in excess of \$1.5 million, to be completed in future years based on the capital improvement program.

Public Safety Fund

Due to recent changes in the accounting rules, the Public Safety Fund was closed into the General Fund as of June 30, 2016.

FINANCIAL STRUCTURE, POLICY AND PROCESS



Parks, Recreation and Cultural Services Fund

The fund balance for the Parks, Recreation and Cultural Services Fund will be established within a minimum range of 12-22% of fund annual budgeted expenditures, since this fund is similar to the General Fund in terms of covering operations. This fund reports two major sources of revenue: special voted property tax millage and program revenue. The City may establish a designation for capital projects in excess of \$300,000; to be completed in future years based on the capital improvement program.

Tree Fund

The fund balance for the Tree Fund will be maintained at a minimum of \$500,000 for purposes of establishing a contingency or allowance in the event of some natural disaster impacting the City's tree inventory (e.g. severe storms, straight-winds; diseases; or infestations).

Drain Fund

The Drain Fund reports the City's special property tax millage for the drain system. The City's has a combination drain system, regional and site, resulting in the two types of revenue sources. The revenue from these funds is intended to cover the maintenance, construction and repairs of the drain system. The system includes basins and structures with other entities administered by Oakland County, with two of the larger systems being Caddell and Randolph.

In addition to annual maintenance, significant expenditures include construction and repair of large basins, lake dredging, and shared systems. The City monitors and reviews future projects annually during the budget process, and reports the next six years projects in the Capital Improvement Program.

Other Special Revenue Funds

The fund balance for other special revenue funds (Rubbish Collection, PEG Cable, Community Development Block Grant (CDBG), Forfeiture, Library, Library Contribution, West Oak St. Street Lighting, West Lake Drive Street Lighting, Town Center St. Street Lighting) will be used for appropriations based on the specific purpose of those funds.

Permanent Fund

A permanent Fund is classified as a restricted true endowment fund and is a sum of equity used to permanently generate payments to maintain some financial obligation that only earnings from the resource are used and not the principal. This fund may be used to generate and disburse money to those entitled to receive payments by qualification or agreement.

Drain Perpetual Maintenance Fund

The Drain Perpetual Maintenance Fund revenue resources are from connection tap fees. The City's fund balance for the drain funds will vary as these funds are intended to be sufficient to cover current and future costs of the system given the limitation on the tap fee revenue source.



Capital Project Funds
Special Assessment Revolving Fund

The fund balance for the Special Assessment Revolving Fund will be used primarily for capital road improvements, but may also be used for other capital infrastructure projects. The fund's resources are primarily from interest from special assessment construction and debt service funds relating to road construction projects. The fund balance is recommended to be at least \$1,000,000 until special assessment funds created prior to 2000 are closed, and at least \$500,000 until the 2003 Special Assessment District Limited Tax Bonds are paid in full, or collections are sufficient to cover the repayment of the bonds.

Capital Improvement Program (CIP) Fund

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

Street Improvement Fund

The Street Improvement Fund's purpose is to account for the balances of ongoing construction projects at the end of a fiscal year in the Major, Local and Municipal Street funds. The fund balance will be used to complete the construction projects which cross fiscal years.

Gun Range Facility Fund

The Gun Range Facility revenues will be used to provide capital improvements to the facility. The fund balance will be used for capital improvement purposes as needed.

Capital Replacement Reserve Policy

Enterprise Funds

The City has established Capital Replacement Reserve accounts in each of its three Enterprise Funds.

The key Capital Replacement Funding principle is that the money is collected and segregated, over a period of time, to cover the repair or replacement cost of existing common elements; that is, capital assets already in existence (for example, the replacement of an existing HVAC system, roof, parking area, etc.). Capital Replacement Funds are part of a long-term financial plan, which helps:

- Strengthen the community's fiscal health
- Increase the market value of units
- Provides stability to avoid large future assessments or rate increases

User charges and fees will be computed based on current year operating expenses, debt service requirements and annual contribution/replenishment of the capital replacement reserve.

FINANCIAL STRUCTURE, POLICY AND PROCESS



The City will conduct a Capital Needs Assessment and Replacement Reserve Analysis for the Ice Arena and Meadowbrook Commons facilities every 5-7 years. The user charges and fees will include annual contribution/replenishment of the capital replacement reserve. Cash and investments for operations will be computed based on a minimum of two months expenditures.

The Capital Replacement Reserve for the Water & Sewer Fund is targeted at 10-25% of the current fair market value of water and sewer infrastructure assets. The City uses the overall national CPI to compute the fair market value of these assets. Cash and investment balances for operations will be computed based on a minimum of two months expenditures plus planned capital improvement projects of \$10 million or less for the year.

Revenue Policies

The City will estimate its annual revenue by a conservative, objective and analytical process.

The City will review fees and charges annually. It will attempt to design and/or modify revenue systems to include provisions that automatically allow charges to grow at a rate that keeps pace with the cost of providing the service.

Non-recurring revenue will be used only to fund non-recurring expenditures.

Capital Improvements Policies

The City will develop a multi-year plan for capital improvements, update it annually and make all capital improvements according to the plan. The City Charter was adopted with a low operating millage, with the understanding that major capital expenditures would be financed by bond issues and related special millage.

The City's plan includes large capital purchases and construction projects costing more than \$25,000. A Capital Improvement, as defined in this document, includes real property expenditures greater than \$25,000 that have a life expectancy of at least five years and personal property items costing more than \$25,000 with a life expectancy of at least one year.

The City will maintain its physical assets at a level adequate to protect the City's capital investment and to reduce future maintenance and replacement costs. The budget will provide for the adequate maintenance and the orderly replacement of the capital plant and equipment from current revenues where possible.

The City will use the following criteria to evaluate the relative merit of each capital project:

- Projects specifically included in an approved replacement schedule will receive priority consideration.
- Projects will be evaluated as to the impact on the operating budget; those that reduce the cost of operations or energy consumption will receive priority consideration.



FINANCIAL STRUCTURE, POLICY AND PROCESS

Debt Policies

City of Novi, as a home rule unit, presently has a statutory limit on the amount of general obligation debt outstanding. The limit on the outstanding indebtedness cannot exceed 10% of the equalized assessed valuation. Using 2016 values (the most recent available information), this limitation would allow for \$397 million in debt, as compared to the \$23 million outstanding as of June 30, 2016. Maintaining significantly lower debt levels provides for greater flexibility in issuing additional bonds should the need arise.

The Debt Policy approved by the City Council in March 2013 puts forth these additional debt limits:

- The City's net bonded indebtedness incurred for all public purposes should not exceed \$2,500 per capita.
- Debt service payments are limited to 20% of the combined operating and debt-service fund expenditures.
- Municipal securities issued for capital improvement purposes shall not exceed 5% of the state equalized valuation of the property assessed in the City of Novi.

The maturity date for any debt may not exceed the reasonably expected useful life of the project so financed. Debt service for property tax supported obligations is structured to fit within the City's annual property tax levy budget for the repayment of principal and interest. When it is deemed to be in the best interest of the City, the City will consider refunding outstanding bonds:

- The City's bond rating on general obligation bonds by Standard & Poor's Investors Service is AAA
- The City will maintain a sound relationship with all bond-rating agencies and will keep them informed about our current capital projects.
- General obligation debt will not be used for enterprise activities.

Investment Policies

The City's investment objectives in priority order are: Safety, Liquidity, and Yield.

Disbursement, collection, and deposit of all funds will be managed to insure that all cash is invested promptly until needed.

The City will strive to maximize the return on the portfolio, with the primary objective of preserving capital by prudent investment practices.

For the City's complete investment policies please contact the Finance Department.

FINANCIAL STRUCTURE, POLICY AND PROCESS



Accounting, Auditing and Financial Reporting Policies

An independent audit will be performed annually.

The City will produce annual financial reports following Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB).

The City will maintain strong internal audit controls.

Purchasing Policies

The Purchasing Division is responsible for the administration of the procurement process for the supplies, materials and equipment required for the operation and maintenance of the City's departments and facilities.

Purchases will be made in accordance with federal, state and municipal requirements.

Purchases will be made in an impartial, economical, competitive, and efficient manner.

Purchases under \$5,000: Department's responsibility to obtain best price possible and to foster competition.

Purchases between \$5,000 and \$14,999: Require at least three (3) written quotations submitted with the purchase order.

Purchases over \$15,000: Formal sealed bids must be obtained. All invitations for bids are advertised on the Michigan Intergovernmental Trade Network (MITN) a collaboration of public entities throughout the State that collectively advertises bid opportunities through a web site at www.mitn.info. All bid openings will be public. No late or faxed bids will be accepted. All bids and/or written quotations and request for proposals are awarded by the City Council.

Grant Policies

The City Manager's Office reviews and approves department requests to pursue grants.

Completed applications requiring a local match are presented for approval to City Council. The approval includes financing mechanism and required matching funds.

Upon notice of grant award City Council approves budget and formal acceptance.

The Finance Department works with the initiating department for proper reporting and program monitoring.



FINANCIAL STRUCTURE, POLICY AND PROCESS

Budget Policies and Procedures

Role of the Budget

The budget provides the annual financial plan for the management of the City's affairs. The document compiles the financial data needed to support Novi's comprehensive decision making/policy development process. This Budget is based on the City Council Goals, the Capital Improvements Plan, and the City's financial policies, past City Council direction, and City Manager and departmental review of operations.

Budget Strategy

The current financial plan is based upon Council direction and current revenue constraints. These factors govern the stewardship of public funds and reflect the following principles:

- Basic services will be maintained at least at current levels and will be funded adequately.
- Program costs will reflect a true picture of the cost of operations. Depreciation will not be included in program costs (except in the enterprise funds) and some City-wide expenses will be separated from program expenditures for ease of administration.
- Program services will be provided in the most efficient method while meeting the needs of the public.
- Necessary infrastructure improvements will be undertaken to meet needs.
- Revenue will be estimated at realistic levels.
- Reserves will be programmed at appropriate levels to protect the City from future uncertainties.
- The budget will comply with provisions of the State Constitution, City Charter, Municipal Code and sound fiscal policy.

Balanced Operating Budget

A balanced budget is a basic budgetary constraint intended to ensure that the City does not spend beyond its means. The City must function within the limits of the financial resources available and under normal circumstances, requires commitment to a balanced budget. The appropriated budget cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years. Any deviation from a balanced operating budget requires disclosure when it occurs.

Impact of Capital Budget on the Operating Budget

As new policies and programs are approved, both the operating and capital budgets are impacted. For example, an increase in service levels approved as part of the operating budget would have long-term effects on the Capital Improvements Program. Conversely, a restrictive change to the use of long-term debt would slow capital programs.

Regardless of the difference between the operating and capital budgets, the two are interdependent. Budgetary policy states that all foreseeable operating costs related to capital projects be estimated and provided for as part of the review process associated with the Capital Improvements Program. In addition, departments are required to include costs associated with operating and maintaining capital projects that are requested for the upcoming year.

FINANCIAL STRUCTURE, POLICY AND PROCESS



For additional information pertaining to the capital budget, please see the “Capital Improvements Program and Debt” section of this document.

Budgetary Internal Controls

The annual adopted budget provides a basis of control over financial operations. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the approved budget. Activities of the General Fund and Special Revenue Funds are included in the annual approved budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established by function within each individual fund.

Independent Audit

State statutes and the City Charter require an annual audit of all accounts of the City by certified public accountants selected by the City Council. Plante and Moran, PLLC has fulfilled this requirement. The auditor's report is included in the City's Comprehensive Annual Financial Report (CAFR) and is available to the public.



Budget Process

The City's annual budget covers a twelve-month period beginning July 1 and ending June 30. The budget is an ongoing process that includes phases of development, adoption, implementation and oversight throughout the year.

Several goals are associated with the preparation and development of the City's annual budget document. First, the budget is a policy document. The document should help foster comprehensive community problem-solving and policy making. Second, the budget is a financial plan and management tool. The document should help staff in monitoring revenue and expenditures and in evaluating the effectiveness of City programs and services. Third, the budget serves as an important reference document. It should provide the City Council, the public and staff with extensive information on the nature and scope of municipal operations and services.

Strategic Planning Process and National Citizen Survey®

City Council initiates the budget process by providing invaluable guidance to the City Manager and Departments with the development of Long and Short-Term Goals and Strategies to meet these objectives. City Council began this process in January by exploring a consensus vision for our community and identifying a list of emerging priorities.

The City Manager and staff responded to City Council's list of emerging priorities by integrating these issues into a community survey intended to gauge perception of Novi and the quality of services the City offers its citizens. Conducted by Colorado-based National Research Center between September and October 2016, the community survey was mailed to a sample of 1,200 Novi households. The survey instrument pairs a series of standard questions, which provide a point of comparison to other communities through the country, along with three custom questions designed by staff to measure alignment with the City Council's list of emerging priorities. Of the 1,200 eligible households, 374 surveys were completed for response rate providing a 95 percent confidence level in the statistical validity of the results and a "margin of error" of five percent. Survey results were returned to the City in November.

The survey continues to provide a tool for the budget process, and is conducted biannually.

Departmental Budget Requests

Particular attention is given to accurately completing all required forms and providing sufficient justification for budget requests. Operating budget impacts must be included if the request is for a capital improvement item or project.

FINANCIAL STRUCTURE, POLICY AND PROCESS



Budget Review and Analysis

All departments meet with the City Manager for review and evaluation of budget requests. The objectives of this phase are to:

- Ensure that the intent of all budget requests is understood and that budget requests are complete.
- Gain greater understanding of departmental objectives and standards of performance and operations for the upcoming fiscal year.
- Determine how proposed budgetary programs and associated changes are related to City-wide goals and objectives.
- Develop comprehensive information and/or request further justification on budgeted items.
- Balance the needs of each department to total City needs.

Various analytical techniques are used in evaluating department budget requests. Some of these include: analysis of workloads and levels of services, evaluation of historical expenditure patterns, projection of inflationary price increases, analysis of work methods, review of work force scheduling, and review of department operations.

Building the Recommended Budget

Under the direction of the City Manager, and with the assistance of the City Assessor and other Department Heads and staff, the Finance Director prepares an initial projection of revenue for the next fiscal year. This projection is based on reasonable assumptions of revenue generated by estimated property values and current user fees, and the best available information from the State of Michigan.

Spending priorities are based on the City's financial policies and mandated requirements, and focus on maintaining services, covering insurance and bond requirements, and the balancing of labor, supplies, and equipment.

City Manager Review

Departmental review sessions are scheduled with the City Manager. After these discussions, the City Manager makes the final adjustments and works with the Finance Director and staff to prepare the draft of the Proposed Budget.

City Council Adoption

After receiving the Proposed Budget, public meetings are conducted with the City Council to familiarize members of the Council with its contents. A public hearing is also conducted to assure that all persons and organizations are provided an opportunity to be heard. The City Council then makes its revisions and adopts the budget for the next fiscal year no later than the third Monday in May.



Budget Amendment Process

After the budget is adopted, the primary responsibility for managing it falls to the individual departments. The Finance Department reviews the monthly budget reports concurrently with the departments. Management flexibility is given to each department of exceeding a line item within a function if it can be compensated for within that same function.

If a function must be adjusted, a Budget Amendment Request (BAR) form is filed with the Finance Department. This form first directs the department to provide the coverage from within its department. The Finance Department reviews the BAR and if deemed appropriate a formal budget amendment is presented to the City Council along with a report on the status of the contingency balance. It takes a five-vote majority to amend the budget.

FINANCIAL STRUCTURE, POLICY AND PROCESS



BUDGET CALENDAR

KEY:

	planning dept items
	public hearings
	city council items

July 2016

CIP BUDGET	13-Jul	Distribute Budget/Capital Improvement Plan (CIP) Guide
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CIP BUDGET	13-Jul	Departments begin reviewing previously approved Budget Requests and researching for new budget requests: CIP, Capital Outlay, Vehicle, & SIP requests.
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September 2016

CIP	15-Sep	Walkable Novi Committee Meeting discuss Prioritization Plan
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CIP	19-Sep	CIP Committee Meeting to discuss Capital Improvement Program (CIP)
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CIP BUDGET	30-Sep	DEADLINE Deadline for departments to submit ALL Budget Request (CIP, Capital Outlay, Vehicles, & SIP) forms and support documentation to Finance. Also, submit the Summary of Budget Requests form. EXCEPTIONS: Engineering, IT, and Facilities; see: 10/21/16.
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October 2016

CIP BUDGET	21-Oct	DEADLINE Deadline for Engineering, IT, and Facilities to submit ALL Budget Request (CIP, Capital Outlay, Vehicles, & SIP) forms and support documentation to Finance. Also, submit the Summary of Budget Request form.
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November 2016

BUDGET	7-Nov	Departments begin working on FY 2016-17 operating budgets in BSA General Ledger. Finance provide Ice Arena and Senior Housing GL detail sheet. Finance provide Library the budget template.
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CIP	7-Nov	CIP Committee Meeting to discuss Capital Improvement Program (CIP)
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CIP BUDGET	Nov 14 - Nov 18	Department meetings with CM, ACM, IT, HR, and Finance to discuss Budget Requests (CIP, Capital Outlay, Vehicles, & SIP); Finance Department provides fund balance info to City Manager
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BUDGET	28-Nov	Novi Business Community Survey Results (every two years)
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FINANCIAL STRUCTURE, POLICY AND PROCESS

December 2016		
CIP	2-Dec	Proposed CIP online database (Socrata) available for City Manager's Office review
BUDGET	9-Dec	DEADLINE Deadline for departments to finalize Department Estimated Budgets in BSA General Ledger. Ice Arena and Senior Housing provide budgets.
CIP	16-Dec	Proposed CIP online database (Socrata) available for City Council and Planning Commission (which includes CIP Committee members) review
BUDGET	18-Dec	Assessments: Property Tax Base Primer presented by Assessor to City Council
CIP	21-Dec	CIP Committee Meeting to discuss Capital Improvement Program (CIP)
January 2017		
BUDGET	Jan 9 - Jan 13	Department meetings with CM, ACM, & Finance to discuss operating budgets and notify departments of City Manager approved budget requests
BUDGET	14-Jan	City Council Early Budget Input Session
CIP	18-Jan	CIP Committee Meeting to discuss Capital Improvement Program (CIP)
CIP	20-Jan	Proposed CIP online database (Socrata) available for Walkable Novi Committee review
February 2017		
CIP	2-Feb	Public Hearing notice on CIP in Novi News
CIP	22-Feb	Public hearing on Capital Improvements Program (CIP) and adoption by Planning Commission
BUDGET	24-Feb	Assessor provides final property tax estimates to Finance
March 2017		
BUDGET	27-Mar	DEADLINE City Manager submits Recommended Budget and "Blue Book" to City Council (Charter requires submission to City Manager no later than April 1st. Charter requires submission to Council no later than the third Monday in April)
BUDGET	13-Apr	Public Hearing notice on Budget in Novi News

FINANCIAL STRUCTURE, POLICY AND PROCESS



April 2017		
BUDGET	5-Apr	City Council Budget Session I
BUDGET	12-Apr	City Council Budget Session II (if necessary)
BUDGET	24-Apr	Public Hearing on Budget
May 2017		
BUDGET	8-May	City Council adopts Budget and approves tax levy (Charter requires adoption no later than the third Monday in May)
June 2017		
BUDGET	30-Jun	Staff publishes Adopted Budget document, CIP Program, and Complimentary Budget Story (including the Blue Book)
July 2017		
BUDGET	1-Jul	Fiscal year begins



Long-Range Financial Plan – Multi-Year Budget 2017-2020

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 \$397,313,659. The City's current debt applicable to this limit is \$23,235,000 or 5.8% of the amount allowed. The City had twelve debt issues in 1999 and currently has one debt issue (excluding the debt reported in the enterprise funds and special assessment bonds). In addition to paying down debt thru annual debt services payments, the City has taken advantage of both the decline in interest rates and its excellent credit rating (AAA) to obtain more favorable rates through refinancing – lowering interest expenditures and paying off debt sooner than anticipated.

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

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

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

FINANCIAL SUMMARIES



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>Work with Road Commission to develop a plan of improvements for 10 Mile Road corridor that improves traffic flow but respects residential areas. expand local senior transportation to include more hours, days, special event, and additional population access. Evaluate need for additional senior citizen housing and determine if Novi will continue to provide these types of facilities or leave to private companies. Upgrade pathways along south side of 10 Mile Road from Haggerty to Napier to provide ITC Trail-like experience. Beck Road.</p>
<p>O Operate a world-class and sustainable local government.</p>	<p>Create a searchable online database of all City expenditures. Eliminate Lakeshore Park entry fees. Establish renewable energy goals for 2020 and 2025 (evaluate City building strategies and equipment capabilities, to reduce fossil fuel consumption where practical within Novi government operations. support education and other efforts to help residents reduce their carbon footprint.) Analyze land uses to identify which developments will generate the most taxes and encourage those through zoning changes and incentives.</p>
<p>V Value and build a desirable and vibrant community for residents and businesses alike now and into the future.</p>	<p>Create a plan for upgrading all of our major commercial corridors with streetlights, landscaping, etc. Encourage Development of Adell Property. Revamp Drain Millage to expand purpose to include funding preservation of natural areas and acquisition of park land. Acquire park land north of I-96 suitable for athletic fields.</p>
<p>I Invest properly in being a Safe Community at all times for all people.</p>	<p>Develop a plan to add street lights at major intersections across the City over the next 5 years. Evaluate alternative locations for Fire Stations #3 (Nine Mile and RR tracks). Relieve traffic congestion in the Novi Road I-96 area (implement recommendations from Transportation Master Plan of 2015). Make improvements to top 12 high crash intersections over 5 years (signals, streetlights, etc.)</p>



FINANCIAL SUMMARIES

The 2018-19 and 2019-20 budgets include the following items related to the goals and plans above:

- \$18.6 million investment in roads, pathways, sidewalks and intersections
- \$1.9 million investment in water and sewer infrastructure
- \$2.4 million investment in storm sewer and drainage
- \$9.2 million investment in parks, recreation, and cultural services capital projects
- \$5.1 million investment in machinery, equipment, and technology, including \$2.1 million investment in replacing meters for the advanced metering infrastructure project in the water and sewer fund
- Hiring an additional full-time staff for parks maintenance

The annual 2017-18 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 2017/2018 fiscal year budget and the subsequent two years are included at the end of this section.

FINANCIAL SUMMARIES



Consolidated Financial Schedule

	Governmental Funds				
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	2017-18	2017-18	2017-18	2017-18	2017-18
ESTIMATED REVENUES					
Property tax revenue	\$ 22,063,704	\$ 9,660,437	\$ 1,344,100	\$ 3,419,871	\$ -
Capital Contributions	-	-	-	-	-
Contributions-Employer	-	-	-	-	-
Donations	1,500	17,465	-	-	-
Federal grants	58,000	103,481	-	-	-
Fines and forfeitures	560,000	228,000	-	-	-
Interest income	593,273	301,599	500	69,580	70,000
Licenses, permits, and charges for services	4,695,302	2,245,000	-	110,000	-
Older adult program revenue	-	166,750	-	-	-
Operating Revenue	-	-	-	-	-
Other financing sources (uses)	-	-	-	12,371,088	-
Other revenue	756,070	825,350	-	-	-
Program Revenue	-	1,143,450	-	-	-
Special Assessments Levied	-	49,598	-	-	-
State grants	-	-	-	-	-
State sources	4,506,881	4,986,254	-	-	-
Tap In Fees	-	-	-	-	25,000
Transfers in	-	6,824,000	-	2,736,000	-
TOTAL ESTIMATED REVENUES	\$ 33,234,730	\$ 26,551,384	\$ 1,344,600	\$ 18,706,539	\$ 95,000
APPROPRIATIONS					
Personnel services	\$ 24,302,014	\$ 3,325,246	\$ -	\$ -	\$ -
Supplies	856,407	763,145	-	-	-
Other services and charges	6,193,670	8,913,193	500	475	-
Capital outlay	1,812,639	9,780,212	-	16,779,064	-
Debt Service	-	-	1,344,100	2,096,000	-
Transfer Out	320,000	4,766,000	-	-	2,242,000
TOTAL APPROPRIATIONS	\$ 33,484,730	\$ 27,547,796	\$ 1,344,600	\$ 18,875,539	\$ 2,242,000

Estimated Beginning Unassigned Fund Balance - July 1, 2017

Estimated Ending Unassigned Fund Balance - June 30, 2018

Fund balance as a percentage of total annual expenditures

Estimated Change in Fund Balance

FINANCIAL SUMMARIES

Consolidated Financial Schedule (continued)

	ENTERPRISE FUNDS BUDGET 2017-18	FIDUCIARY FUNDS BUDGET 2017-18	TOTAL FY 2017-18 BUDGET BUDGET 2017-18
ESTIMATED REVENUES			
Property tax revenue	\$ -	\$ -	\$ 36,488,112
Capital Contributions	2,850,000	-	2,850,000
Contributions-Employer	-	613,678	613,678
Donations	-	-	18,965
Federal grants	-	-	161,481
Fines and forfeitures	-	-	788,000
Interest income	329,193	1,466,322	2,830,467
Licenses, permits, and charges for services	-	-	7,050,302
Older adult program revenue	-	-	166,750
Operating Revenue	27,617,310	-	27,617,310
Other financing sources (uses)	-	-	12,371,088
Other revenue	886,000	-	2,467,420
Program Revenue	2,007,970	-	3,151,420
Special Assessments Levied	-	-	49,598
State grants	-	-	-
State sources	-	-	9,493,135
Tap In Fees	-	-	25,000
Transfers in	-	-	9,560,000
TOTAL ESTIMATED REVENUES	\$ 33,690,473	\$ 2,080,000	\$ 115,702,726
APPROPRIATIONS			
Personnel services	\$ 1,420,553	\$ 945,000	\$ 29,992,813
Supplies	84,075	-	1,703,627
Other services and charges	24,032,155	260,000	39,399,993
Capital outlay	8,715,167	-	37,087,082
Debt Service	1,770,630	-	5,210,730
Transfer Out	2,232,000	-	9,560,000
TOTAL APPROPRIATIONS	\$ 38,254,580	\$ 1,205,000	\$ 122,954,245
Estimated Beginning Unassigned Fund Balance - July 1, 2017			\$ 239,622,112
Estimated Ending Unassigned Fund Balance - June 30, 2018			\$ 232,370,593
Fund balance as a percentage of total annual expenditures			189%
Estimated Change in Fund Balance			-3%

FINANCIAL SUMMARIES



General Fund

General Fund

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

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
PROPERTY TAX REVENUE					
Property Tax Revenue - Current Levy	\$ 16,004,663	\$ 16,496,545	\$ 17,098,669	\$ 17,748,418	\$ 18,422,858
Property Tax Revenue- County Chargebacks	1,022	(22,713)	(25,000)	(50,000)	(50,000)
Property Tax Revenue - Tx Tribunal Accr	132,391	-	(5,000)	(5,000)	(5,000)
Property Tax Revenue -Brownfield Capture	(1,396)	(1,412)	(1,465)	(1,521)	(1,579)
Property Tax Revenue -Police & Fire Levy	-	-	4,848,000	5,033,000	5,225,000
Property Tax Revenue - C/Y Del PPT	(31,518)	(35,000)	(35,000)	(40,000)	(40,000)
Trailer fees	8,337	8,000	8,500	8,600	8,700
Penalty and interest	138,841	140,000	175,000	175,000	185,000
PROPERTY TAX REVENUE	<u>\$ 16,252,340</u>	<u>\$ 16,585,420</u>	<u>\$ 22,063,704</u>	<u>\$ 22,868,497</u>	<u>\$ 23,744,979</u>
DONATIONS					
Police Dept Donations	\$ 900	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Restricted Fire donations	575	500	500	500	500
DONATIONS	<u>\$ 1,475</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>	<u>\$ 1,500</u>



FINANCIAL SUMMARIES

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
LICENSES, PERMITS & CHARGES FOR SVCS					
Clerks Dept Fees (prior business regist)	\$ 25,315	\$ 25,000	\$ 26,000	\$ 27,000	\$ 28,000
Liquor license fees	60,918	65,000	65,000	65,000	65,000
Engineering review fees	203,272	300,000	250,000	250,000	250,000
Plan and landscape review fees	111,025	130,000	130,000	130,000	130,000
Wet, Wood, Landscape insp/review fees	818,895	500,000	432,500	437,500	440,500
Grading permit fees	9,343	12,000	-	-	-
Building permits	821,421	727,000	850,000	850,000	870,000
Plan review fees	356,913	375,000	375,000	375,000	375,000
Refrigeration permits	52,893	55,000	65,000	65,000	65,000
Electrical permits	201,066	225,000	200,000	200,000	210,000
Heating permits	190,028	200,000	200,000	190,000	200,000
Plumbing permits	115,356	125,000	125,000	125,000	125,000
Other charges	597,700	425,000	425,000	400,000	425,000
Court abatement revenue	-	5,000	-	-	-
Soil erosion fees	27,292	30,000	25,000	25,000	25,000
Cable television fee	951,481	875,000	975,000	975,000	1,025,000
Weed cutting revenue	6,825	10,000	6,000	6,000	6,000
Board of appeals	20,078	21,000	21,000	21,000	21,000
Police department-miscellaneous revenue	114,793	139,000	139,000	139,000	139,000
Police dispatch service revenue	113,946	116,276	118,602	120,974	123,393
Police contracted services	50,910	100,000	100,000	75,000	75,000
Police OWI revenue	23,757	1,000	-	-	-
Police Department - Hosted Training	17,145	10,000	20,000	20,000	20,000
Administrative reimburse	94,204	140,000	140,000	140,000	140,000
Fire Station CEMS revenue	7,200	7,200	7,200	7,200	7,200
LICENSES, PERMITS & CHARGES FOR SVCS	\$ 4,991,776	\$ 4,618,476	\$ 4,695,302	\$ 4,643,674	\$ 4,765,093
FEDERAL GRANTS					
Federal Grants	\$ 7,060	\$ -	\$ -	\$ -	\$ -
TIA Grant	15,127	8,000	8,000	8,000	8,000
Federal forfeitures-reimbursement only	31,190	30,000	30,000	30,000	30,000
SS Task Force Reimbursement	15,557	20,000	20,000	20,000	20,000
FEDERAL GRANTS	\$ 68,934	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000
FINES AND FORFEITURES					
Court fees and fines	\$ 549,841	\$ 550,000	\$ 535,000	\$ 520,000	\$ 540,000
Motor carrier fines and fees	28,750	20,000	25,000	25,000	25,000
FINES AND FORFEITURES	\$ 578,591	\$ 570,000	\$ 560,000	\$ 545,000	\$ 565,000

FINANCIAL SUMMARIES



GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
INTEREST INCOME					
Interest on Investments	\$ 291,149	\$ 175,000	\$ 190,000	\$ 165,000	\$ 175,000
Unrealized gain (loss) on investments	166,306	150,000	150,000	150,000	150,000
Interest on Trust & Agency Funds	423,985	248,418	253,273	249,882	256,563
INTEREST INCOME	\$ 881,440	\$ 573,418	\$ 593,273	\$ 564,882	\$ 581,563
OTHER REVENUE					
Insurance Reimbursement	\$ 24,264	\$ 16,441	\$ 50,000	\$ 20,000	\$ 20,000
Intergovernmental reimbursement	22,500	-	-	-	-
Fire Department	7,558	10,000	10,000	10,000	10,000
Novi Youth Council	9,388	9,500	9,500	9,500	9,500
Miscellaneous income	284,823	245,000	245,000	240,000	245,000
Filming permit revenue	150	200	200	200	200
Library Network Charges	17,918	35,000	35,000	35,000	35,000
State of the City revenue	3,626	4,000	4,000	4,000	4,000
Novi Township assessment	15,985	15,000	16,100	16,100	16,100
RRRASOC Hosting Fees	16,000	16,000	16,000	16,000	16,000
Cell tower revenue	3,000	5,000	5,000	5,000	5,000
Municipal service charges	365,270	365,270	365,270	365,270	365,270
OTHER REVENUE	\$ 770,482	\$ 721,411	\$ 756,070	\$ 721,070	\$ 726,070
STATE SOURCES					
Police training grant	\$ 35,172	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
State revenue sharing	4,326,321	4,403,392	4,481,881	4,526,700	4,571,967
STATE SOURCES	\$ 4,361,493	\$ 4,428,392	\$ 4,506,881	\$ 4,551,700	\$ 4,596,967
TRANSFERS IN					
Transfer from Public Safety Fund	\$ 5,300,000	\$ 5,855,000	\$ -	\$ -	\$ -
Transfer from Library Fund	40,000	-	-	-	-
TRANSFERS IN	\$ 5,340,000	\$ 5,855,000	\$ -	\$ -	\$ -
TOTAL ESTIMATED REVENUES	\$ 33,246,531	\$ 33,411,617	\$ 33,234,730	\$ 33,954,323	\$ 35,039,172



FINANCIAL SUMMARIES

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
APPROPRIATIONS					
Dept 101.00-CITY COUNCIL					
PERSONNEL SERVICES	\$ 36,512	\$ 39,797	\$ 36,121	\$ 36,123	\$ 36,125
SUPPLIES	70	550	500	500	500
OTHER SERVICES AND CHARGES	7,710	10,772	7,000	7,000	7,000
TOTAL Dept 101.00-CITY COUNCIL	\$ 44,292	\$ 51,119	\$ 43,621	\$ 43,623	\$ 43,625
Dept 172.00-CITY MANAGER					
PERSONNEL SERVICES	\$ 483,383	\$ 437,627	\$ 508,383	\$ 523,383	\$ 535,256
SUPPLIES	1,197	2,500	1,500	1,500	1,500
OTHER SERVICES AND CHARGES	121,253	196,275	129,120	129,120	129,120
TOTAL Dept 172.00-CITY MANAGER	\$ 605,833	\$ 636,402	\$ 639,003	\$ 654,003	\$ 665,876
<i>Financial Services</i>					
Dept 201.00-FINANCE DEPARTMENT					
PERSONNEL SERVICES	\$ 826,533	\$ 874,509	\$ 930,187	\$ 957,190	\$ 980,579
SUPPLIES	12,164	13,085	13,200	13,200	13,200
OTHER SERVICES AND CHARGES	61,317	74,904	72,960	75,210	76,960
CAPITAL OUTLAY	6,561	-	-	-	-
TOTAL Dept 201.00-FINANCE DEPARTMENT	\$ 906,575	\$ 962,498	\$ 1,016,347	\$ 1,045,600	\$ 1,070,739
Dept 253.00-TREASURY					
PERSONNEL SERVICES	\$ 250,339	\$ 278,801	\$ 277,029	\$ 286,893	\$ 294,391
SUPPLIES	29,768	30,659	31,000	31,000	31,000
OTHER SERVICES AND CHARGES	34,291	55,948	52,820	53,020	55,020
TOTAL Dept 253.00-TREASURY	\$ 314,398	\$ 365,408	\$ 360,849	\$ 370,913	\$ 380,411
<i>Financial Services Total</i>	\$ 1,220,973	\$ 1,327,906	\$ 1,377,196	\$ 1,416,513	\$ 1,451,150
Dept 205.00-INFORMATION TECHNOLOGY DEPT					
PERSONNEL SERVICES	\$ 636,535	\$ 685,254	\$ 733,394	\$ 755,701	\$ 772,101
SUPPLIES	25,080	33,400	33,540	34,650	35,650
OTHER SERVICES AND CHARGES	164,394	220,562	221,510	228,210	284,330
CAPITAL OUTLAY	232,949	157,679	6,500	13,415	-
TOTAL Dept 205.00-INFO TECHNOLOGY DEPT	\$ 1,058,958	\$ 1,096,895	\$ 994,944	\$ 1,031,976	\$ 1,092,081

FINANCIAL SUMMARIES



GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 209.00-ASSESSING DEPARTMENT					
PERSONNEL SERVICES	\$ 535,618	\$ 576,942	\$ 607,023	\$ 628,854	\$ 646,967
SUPPLIES	11,790	25,200	26,000	27,000	28,000
OTHER SERVICES AND CHARGES	109,636	149,820	159,680	197,130	199,580
CAPITAL OUTLAY	23,058	22,222	-	-	-
TOTAL Dept 209.00-ASSESSING DEPARTMENT	\$ 680,102	\$ 774,184	\$ 792,703	\$ 852,984	\$ 874,547
Dept 210.00-CITY ATTORNEY, INSURANCE, & CLAIMS					
OTHER SERVICES AND CHARGES	\$ 709,980	\$ 705,000	\$ 747,000	\$ 790,000	\$ 770,000
CAPITAL OUTLAY	26,544	50,000	50,000	50,000	50,000
TOTAL Dept 210.00-CITY ATTRNY, INSUR, & CLAIMS	\$ 736,524	\$ 755,000	\$ 797,000	\$ 840,000	\$ 820,000
Dept 215.00-CITY CLERK					
PERSONNEL SERVICES	\$ 583,375	\$ 571,550	\$ 594,013	\$ 620,043	\$ 641,396
SUPPLIES	47,380	40,573	42,000	42,000	42,000
OTHER SERVICES AND CHARGES	94,292	227,464	135,050	135,050	135,050
CAPITAL OUTLAY	-	8,275	7,500	-	-
TOTAL Dept 215.00-CITY CLERK	\$ 725,047	\$ 847,862	\$ 778,563	\$ 797,093	\$ 818,446
Dept 265.00-FACILITY MANAGEMENT					
PERSONNEL SERVICES	\$ 264,432	\$ 311,741	\$ 333,468	\$ 343,667	\$ 351,023
SUPPLIES	24,209	29,000	18,500	18,500	18,500
OTHER SERVICES AND CHARGES	442,344	500,035	543,390	533,940	533,940
CAPITAL OUTLAY	17,721	167,034	-	-	172,000
TOTAL Dept 265.00-FACILITY MANAGEMENT	\$ 748,706	\$ 1,007,810	\$ 895,358	\$ 896,107	\$ 1,075,463
Dept 265.10-FACILITY MANAGEMENT - PARKS MAINT					
PERSONNEL SERVICES	\$ 320,751	\$ 400,838	\$ 408,679	\$ 498,190	\$ 502,271
SUPPLIES	4,031	23,500	22,500	22,500	22,500
OTHER SERVICES AND CHARGES	65,979	301,809	300,970	300,970	300,970
CAPITAL OUTLAY	32,968	471,841	154,500	16,000	43,699
TOTAL Dept 265.10-FAC MGMNT - PARKS MAINT	\$ 423,729	\$ 1,197,988	\$ 886,649	\$ 837,660	\$ 869,440
Dept 270.00-HUMAN RESOURCES					
PERSONNEL SERVICES	\$ 329,681	\$ 329,494	\$ 357,423	\$ 369,175	\$ 372,725
SUPPLIES	885	1,050	1,000	1,000	1,000
OTHER SERVICES AND CHARGES	84,011	131,313	107,930	99,430	99,430
CAPITAL OUTLAY	-	16,000	-	5,730	-
TOTAL Dept 270.00-HUMAN RESOURCES	\$ 414,577	\$ 477,857	\$ 466,353	\$ 475,335	\$ 473,155



FINANCIAL SUMMARIES

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
Dept 295.00-NEIGHBORHOOD & BUSINESS RELATIONS GROUP					
PERSONNEL SERVICES	\$ 352,739	\$ 355,552	\$ 510,551	\$ 527,575	\$ 542,397
SUPPLIES	22,072	10,900	10,900	10,900	10,900
OTHER SERVICES AND CHARGES	382,827	396,164	405,530	405,530	405,530
TOTAL Dept 295.00-NEIGHBOR & BUSINESS REL	\$ 757,638	\$ 762,616	\$ 926,981	\$ 944,005	\$ 958,827
<i>Public Safety</i>					
Dept 301.00-POLICE DEPARTMENT					
PERSONNEL SERVICES	\$ 10,410,756	\$ 10,917,761	\$ 11,016,811	\$ 11,363,876	\$ 11,626,529
SUPPLIES	254,896	261,600	306,825	256,500	256,500
OTHER SERVICES AND CHARGES	998,005	1,086,342	1,050,735	1,050,735	1,050,735
CAPITAL OUTLAY	98,326	436,541	402,760	238,000	100,100
TOTAL Dept 301.00-POLICE DEPARTMENT	\$ 11,761,983	\$ 12,702,244	\$ 12,777,131	\$ 12,909,111	\$ 13,033,864
Dept 337.00-FIRE DEPARTMENT					
PERSONNEL SERVICES	\$ 4,163,963	\$ 4,401,691	\$ 4,838,005	\$ 4,964,770	\$ 5,040,236
SUPPLIES	157,813	182,845	166,500	166,500	206,665
OTHER SERVICES AND CHARGES	554,396	618,189	652,575	606,575	612,075
CAPITAL OUTLAY	103,389	557,704	116,550	333,020	219,790
TOTAL Dept 337.00-FIRE DEPARTMENT	\$ 4,979,561	\$ 5,760,429	\$ 5,773,630	\$ 6,070,865	\$ 6,078,766
<i>Public Safety Total</i>	\$ 16,741,544	\$ 18,462,673	\$ 18,550,761	\$ 18,979,976	\$ 19,112,630
<i>Community Development</i>					
Dept 371.00-COMMUNITY DEVELOPMENT-BUILDING					
PERSONNEL SERVICES	\$ 1,346,015	\$ 1,397,911	\$ 1,541,508	\$ 1,596,907	\$ 1,637,128
SUPPLIES	30,755	32,544	32,600	32,900	33,200
OTHER SERVICES AND CHARGES	256,497	361,633	338,160	339,660	408,160
CAPITAL OUTLAY	455,003	48,094	27,000	-	-
TOTAL Dept 371.00-COMM DEVELOP-BUILDING	\$ 2,088,270	\$ 1,840,182	\$ 1,939,268	\$ 1,969,467	\$ 2,078,488
Dept 807.00-COMMUNITY DEVELOPMENT-PLANNING					
PERSONNEL SERVICES	\$ 454,411	\$ 469,807	\$ 467,543	\$ 481,452	\$ 493,447
SUPPLIES	4,024	7,450	5,500	5,700	5,900
OTHER SERVICES AND CHARGES	270,128	129,351	51,600	50,600	50,600
CAPITAL OUTLAY	-	80,000	50,000	50,000	50,000
TOTAL Dept 807.00-COMM DEVELOP-PLANNING	\$ 728,563	\$ 686,608	\$ 574,643	\$ 587,752	\$ 599,947
<i>Community Development Total</i>	\$ 2,816,833	\$ 2,526,790	\$ 2,513,911	\$ 2,557,219	\$ 2,678,435

FINANCIAL SUMMARIES



GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
<i>Department of Public Services</i>					
Dept 442.00-DPS ADMINISTRATION DIVISION					
PERSONNEL SERVICES	\$ 219,078	\$ 231,295	\$ 270,902	\$ 280,104	\$ 288,445
SUPPLIES	9,809	12,700	11,200	11,200	11,200
OTHER SERVICES AND CHARGES	381,114	187,266	176,390	177,790	178,290
CAPITAL OUTLAY	4,867	19,223	6,700	-	-
TOTAL Dept 442.00-DPS ADMINISTRATION	\$ 614,868	\$ 450,484	\$ 465,192	\$ 469,094	\$ 477,935
Dept 442.10-DPS ENGINEERING DIVISION					
PERSONNEL SERVICES	\$ 97,768	\$ 76,218	\$ 161,521	\$ 175,427	\$ 179,631
SUPPLIES	1,497	2,000	2,000	2,000	2,000
OTHER SERVICES AND CHARGES	70,844	303,884	202,650	202,650	202,650
CAPITAL OUTLAY	114,604	994,365	77,929	-	-
TOTAL Dept 442.10-DPS ENGINEERING DIVISION	\$ 284,713	\$ 1,376,467	\$ 444,100	\$ 380,077	\$ 384,281
Dept 442.20-DPS FIELD OPERATIONS DIVISION					
PERSONNEL SERVICES	\$ 169,041	\$ 320,658	\$ 295,758	\$ 457,358	\$ 510,187
SUPPLIES	92,135	94,349	94,500	95,500	96,500
OTHER SERVICES AND CHARGES	482,017	570,592	494,060	483,060	483,060
CAPITAL OUTLAY	13,278	904,216	851,200	540,000	990,000
TOTAL Dept 442.20-DPS FIELD OPERATIONS	\$ 756,471	\$ 1,889,815	\$ 1,735,518	\$ 1,575,918	\$ 2,079,747
Dept 442.30-DPS FLEET ASSET DIVISION					
PERSONNEL SERVICES	\$ 289,838	\$ 396,401	\$ 366,319	\$ 383,702	\$ 393,323
SUPPLIES	29,309	30,000	27,000	27,000	27,000
OTHER SERVICES AND CHARGES	209,839	369,175	330,040	348,240	358,240
CAPITAL OUTLAY	175,401	314,425	62,000	-	-
TOTAL Dept 442.30-DPS FLEET ASSET DIVISION	\$ 704,387	\$ 1,110,001	\$ 785,359	\$ 758,942	\$ 778,563
<i>Department of Public Services Total</i>	\$ 2,360,439	\$ 4,826,767	\$ 3,430,169	\$ 3,184,031	\$ 3,720,526
Dept 665.00-NOVI YOUTH ASSISTANCE					
PERSONNEL SERVICES	\$ 46,378	\$ 46,689	\$ 47,376	\$ 47,656	\$ 47,829
SUPPLIES	4,193	9,642	9,642	9,642	9,642
TOTAL Dept 665.00-NOVI YOUTH ASSISTANCE	\$ 50,571	\$ 56,331	\$ 57,018	\$ 57,298	\$ 57,471
Dept 803.00-HISTORICAL COMMISSION					
OTHER SERVICES AND CHARGES	\$ 7,993	\$ 14,000	\$ 14,500	\$ 14,500	\$ 14,500
TOTAL Dept 803.00-HISTORICAL COMMISSION	\$ 7,993	\$ 14,000	\$ 14,500	\$ 14,500	\$ 14,500



FINANCIAL SUMMARIES

GENERAL FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 940.00-TRANSFER TO OTHER FUNDS					
TRANSFERS OUT	\$ 2,465,220	\$ 1,494,000	\$ 320,000	\$ 372,000	\$ 313,000
TOTAL Dept 940.00-TRANSFER TO OTHER FUNDS	\$ 2,465,220	\$ 1,494,000	\$ 320,000	\$ 372,000	\$ 313,000
TOTAL APPROPRIATIONS	\$ 31,858,979	\$ 36,316,200	\$ 33,484,730	\$ 33,954,323	\$ 35,039,172
NET OF REVENUES/APPROPRIATIONS	\$ 1,387,552	\$ (2,904,583)	\$ (250,000)	\$ -	\$ -
BEGINNING FUND BALANCE	12,357,650	13,745,202	10,840,619	10,590,619	10,590,619
ENDING FUND BALANCE	\$ 13,745,202	\$ 10,840,619	\$ 10,590,619	\$ 10,590,619	\$ 10,590,619

Fund balance as a percentage of total annual expenditures	43%	30%	32%	31%	30%
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Ending Fund Balance (22% min)	\$ 7,008,975	\$ 7,989,564	\$ 7,366,641	\$ 7,469,951	\$ 7,708,618
Funds above / (below) 22% min	\$ 6,736,227	\$ 2,851,055	\$ 3,223,978	\$ 3,120,668	\$ 2,882,001

Ending Fund Balance (25% max)	\$ 7,964,745	\$ 9,079,050	\$ 8,371,183	\$ 8,488,581	\$ 8,759,793
Funds above / (below) 25% max	\$ 5,780,457	\$ 1,761,569	\$ 2,219,437	\$ 2,102,038	\$ 1,830,826

Estimated Change in Fund Balance	11%	-21%	-2%	0%	0%
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* **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. Of the 201 total centerline miles that make up the City of Novi road network, the City has 43 centerline miles of Major streets. Financing is primarily provided by the City's share of State gas and weight taxes.

MAJOR STREET FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 48,835	\$ 2,730	\$ 2,732	\$ 3,500	\$ 3,500
State sources	3,225,227	3,411,852	3,669,926	3,726,526	3,873,458
Transfers in	-	1,105,000	777,000	-	2,710,000
TOTAL ESTIMATED REVENUES	\$ 3,274,062	\$ 4,519,582	\$ 4,448,658	\$ 3,730,026	\$ 6,586,958
APPROPRIATIONS					
Other services and charges	\$ 1,237,562	\$ 1,439,490	\$ 1,539,340	\$ 1,539,690	\$ 1,539,690
Capital outlay	1,573,084	3,214,108	2,909,532	1,462,506	4,775,805
Transfers out	600,753	-	-	727,000	-
TOTAL APPROPRIATIONS	\$ 3,411,399	\$ 4,653,598	\$ 4,448,872	\$ 3,729,196	\$ 6,315,495
NET OF REVENUES/APPROPRIATIONS - FUND 202	\$ (137,337)	\$ (134,016)	\$ 786	\$ 830	\$ 271,463
BEGINNING FUND BALANCE	832,658	695,321	561,305	562,091	562,921
ENDING FUND BALANCE	\$ 695,321	\$ 561,305	\$ 562,091	\$ 562,921	\$ 834,384

Fund balance as a percentage of total annual expenditures	20%	12%	13%	15%	13%
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Ending Fund Balance (10% minimum)	\$ 341,140	\$ 465,360	\$ 444,887	\$ 372,920	\$ 631,550
Funds above / (below) 10% minimum	\$ 354,181	\$ 95,945	\$ 117,204	\$ 190,001	\$ 202,835
Ending Fund Balance (20% maximum)	\$ 682,280	\$ 930,720	\$ 889,774	\$ 745,839	\$ 1,263,099
Funds above / (below) 20% maximum	\$ 13,041	\$ (369,415)	\$ (327,683)	\$ (182,918)	\$ (428,715)

Estimated Change in Fund Balance	-16%	-19%	0%	0%	48%
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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 158 centerline miles of 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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 61,218	\$ 2,796	\$ 3,400	\$ 3,500	\$ 3,500
Other revenue	4,000	1,050	-	-	-
State sources	1,125,929	1,191,854	1,282,328	1,302,128	1,338,887
Transfers in	1,090,013	3,563,200	3,735,000	3,619,000	3,532,000
TOTAL ESTIMATED REVENUES	\$ 2,281,160	\$ 4,758,900	\$ 5,020,728	\$ 4,924,628	\$ 4,874,387
APPROPRIATIONS					
Other services and charges	\$ 1,394,106	\$ 1,559,163	\$ 1,522,890	\$ 1,524,240	\$ 1,524,240
Capital outlay	1,047,738	3,236,950	3,596,952	3,400,000	3,350,000
TOTAL APPROPRIATIONS	\$ 2,441,844	\$ 4,796,113	\$ 5,119,842	\$ 4,924,240	\$ 4,874,240
NET OF REVENUES/APPROPRIATIONS - FUND 203	\$ (160,684)	\$ (37,213)	\$ (99,114)	\$ 388	\$ 147
BEGINNING FUND BALANCE	846,138	685,454	648,241	549,127	549,515
ENDING FUND BALANCE	\$ 685,454	\$ 648,241	\$ 549,127	\$ 549,515	\$ 549,662

Fund balance as a percentage of total annual expenditures	28%	14%	11%	11%	11%
Ending Fund Balance (10% minimum)	\$ 244,184	\$ 479,611	\$ 511,984	\$ 492,424	\$ 487,424
Funds above / (below) 10% minimum	\$ 441,270	\$ 168,630	\$ 37,143	\$ 57,091	\$ 62,238
Ending Fund Balance (20% maximum)	\$ 488,369	\$ 959,223	\$ 1,023,968	\$ 984,848	\$ 974,848
Funds above / (below) 20% maximum	\$ 197,085	\$ (310,982)	\$ (474,841)	\$ (435,333)	\$ (425,186)
Estimated Change in Fund Balance	-19%	-5%	-15%	0%	0%

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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 4,803,774	\$ 4,864,695	\$ 5,069,973	\$ 5,265,151	\$ 5,466,708
Interest income	147,217	45,000	66,000	10,000	10,000
Licenses, permits & charges for services	106,080	25,000	25,000	25,000	25,000
Other revenue	309,433	323,852	320,000	295,000	295,000
Special assessments levied	15,245	15,200	13,769	13,031	-
Transfers in	190,100	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 5,571,849	\$ 5,273,747	\$ 5,494,742	\$ 5,608,182	\$ 5,796,708
APPROPRIATIONS					
Other services and charges	\$ 417,744	\$ 596,575	\$ 668,325	\$ 587,675	\$ 582,175
Capital outlay	2,053,454	2,921,437	1,045,000	752,452	216,260
Transfers out	5,186,133	4,668,200	4,262,000	2,892,000	6,242,000
TOTAL APPROPRIATIONS	\$ 7,657,331	\$ 8,186,212	\$ 5,975,325	\$ 4,232,127	\$ 7,040,435
NET OF REVENUES/APPROPRIATIONS - FUND 204	\$ (2,085,482)	\$ (2,912,465)	\$ (480,583)	\$ 1,376,055	\$ (1,243,727)
BEGINNING FUND BALANCE	6,092,887	4,007,405	1,094,940	614,357	1,990,412
ENDING FUND BALANCE	\$ 4,007,405	\$ 1,094,940	\$ 614,357	\$ 1,990,412	\$ 746,685

Fund balance as a percentage of total annual expenditures	52%	13%	10%	47%	11%
Ending Fund Balance (10% minimum)	\$ 765,733	\$ 818,621	\$ 597,533	\$ 423,213	\$ 704,044
Funds above / (below) 10% minimum	\$ 3,241,672	\$ 276,319	\$ 16,825	\$ 1,567,199	\$ 42,642
Ending Fund Balance (20% maximum)	\$ 1,531,466	\$ 1,637,242	\$ 1,195,065	\$ 846,425	\$ 1,408,087
Funds above / (below) 20% maximum	\$ 2,475,939	\$ (542,302)	\$ (580,708)	\$ 1,143,987	\$ (661,402)
Estimated Change in Fund Balance	-34%	-73%	-44%	224%	-62%



FINANCIAL SUMMARIES

Public Safety Fund

The revenue for this fund is generated from property taxes in accordance with a special City Charter millage that was authorized to supplement the operations of the police and fire departments, including payment for personnel-related expenditures and for the purchase of fire trucks, apparatus and equipment.

The Public Safety Fund has historically been shown as special revenue fund but this fund will be closed as of FY 2016-17 due to changes in the accounting rules. Going forward the net revenues generated from the dedicated property tax levy will be recorded directly within the General Fund where the operations of the police and fire departments are budgeted.

PUBLIC SAFETY FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 4,574,743	\$ 4,623,317	\$ -	\$ -	\$ -
Interest income	67,931	46,683	-	-	-
TOTAL ESTIMATED REVENUES	\$ 4,642,674	\$ 4,670,000	\$ -	\$ -	\$ -
APPROPRIATIONS					
Transfers out	\$ 5,300,000	\$ 5,908,982	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ 5,300,000	\$ 5,908,982	\$ -	\$ -	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 205	\$ (657,326)	\$ (1,238,982)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	1,896,308	1,238,982	-	-	-
ENDING FUND BALANCE	\$ 1,238,982	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures	23%	0%	0%	0%	0%
Estimated Change in Fund Balance	-35%	-100%	0%	0%	0%

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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 1,235,317	\$ 1,275,051	\$ 1,295,457	\$ 1,345,366	\$ 1,397,179
Donations	143,275	33,500	4,500	4,500	4,500
Interest income	42,598	45,531	28,685	37,088	38,287
Older adult program revenue	181,785	181,650	166,750	166,750	166,750
Other revenue	38,822	7,400	7,400	7,400	7,400
Program revenue	1,259,906	1,210,553	1,143,450	1,143,450	1,162,250
State grants	368,230	402,500	-	-	-
Transfers in	365,220	450,000	70,000	372,000	313,000
TOTAL ESTIMATED REVENUES	\$ 3,635,153	\$ 3,606,185	\$ 2,716,242	\$ 3,076,554	\$ 3,089,366
APPROPRIATIONS					
Personnel services	\$ 1,087,936	\$ 1,134,443	\$ 1,201,408	\$ 1,236,420	\$ 1,273,382
Supplies	59,808	86,875	73,180	73,180	73,180
Other services and charges	1,279,027	1,406,013	1,391,654	1,394,954	1,429,804
Capital outlay	1,295,504	2,047,445	50,000	372,000	313,000
TOTAL APPROPRIATIONS	\$ 3,722,275	\$ 4,674,776	\$ 2,716,242	\$ 3,076,554	\$ 3,089,366
NET OF REVENUES/APPROPRIATIONS - FUND 208	\$ (87,122)	\$ (1,068,591)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	1,718,366	1,631,244	562,653	562,653	562,653
ENDING FUND BALANCE	\$ 1,631,244	\$ 562,653	\$ 562,653	\$ 562,653	\$ 562,653

Fund balance as a percentage of total annual expenditures	44%	12%	21%	18%	18%
Ending Fund Balance (12% minimum)	\$ 446,673	\$ 560,973	\$ 325,949	\$ 369,186	\$ 370,724
Funds above / (below) 12% minimum	\$ 1,184,571	\$ 1,680	\$ 236,704	\$ 193,467	\$ 191,929
Ending Fund Balance (22% maximum)	\$ 818,901	\$ 1,028,451	\$ 597,573	\$ 676,842	\$ 679,661
Funds above / (below) 22% maximum	\$ 812,344	\$ (465,798)	\$ (34,920)	\$ (114,189)	\$ (117,008)
Estimated Change in Fund Balance	-5%	-66%	0%	0%	0%



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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 78,536	\$ 55,415	\$ 58,668	\$ 55,123	\$ 56,522
Other revenue	1,384,840	340,000	420,000	395,000	395,000
TOTAL ESTIMATED REVENUES	\$ 1,463,376	\$ 395,415	\$ 478,668	\$ 450,123	\$ 451,522
APPROPRIATIONS					
Personnel services	\$ 63,420	\$ 81,420	\$ 93,408	\$ 94,863	\$ 96,262
Supplies	1,345	1,000	1,000	1,000	1,000
Other services and charges	176,745	324,995	354,260	354,260	354,260
Capital outlay	-	4,133	30,000	-	-
TOTAL APPROPRIATIONS	\$ 241,510	\$ 411,548	\$ 478,668	\$ 450,123	\$ 451,522
NET OF REVENUES/APPROPRIATIONS - FUND 209	\$ 1,221,866	\$ (16,133)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	2,494,798	3,716,664	3,700,531	3,700,531	3,700,531
ENDING FUND BALANCE	\$ 3,716,664	\$ 3,700,531	\$ 3,700,531	\$ 3,700,531	\$ 3,700,531

Fund balance as a percentage of total annual expenditures	1539%	899%	773%	822%	820%
Ending Fund Balance (\$500,000 minimum)	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Funds above / (below) \$500,000 minimum	\$ 3,216,664	\$ 3,200,531	\$ 3,200,531	\$ 3,200,531	\$ 3,200,531
Estimated Change in Fund Balance	49%	0%	0%	0%	0%

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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 1,096	\$ 650,000	\$ 690,937	\$ 717,535	\$ 745,143
Interest income	115,025	50,000	59,810	59,639	44,929
Other revenue	14,265	25,000	10,000	10,000	10,000
Transfers in	-	1,927,490	2,242,000	910,000	1,707,000
TOTAL ESTIMATED REVENUES	\$ 130,386	\$ 2,652,490	\$ 3,002,747	\$ 1,697,174	\$ 2,507,072
APPROPRIATIONS					
Other services and charges	\$ 647,487	\$ 936,862	\$ 1,386,318	\$ 836,668	\$ 986,668
Capital outlay	405,066	5,475,702	1,112,429	860,506	1,520,404
Transfers out	-	-	504,000	-	-
TOTAL APPROPRIATIONS	\$ 1,052,553	\$ 6,412,564	\$ 3,002,747	\$ 1,697,174	\$ 2,507,072
NET OF REVENUES/APPROPRIATIONS - FUND 210	\$ (922,167)	\$ (3,760,074)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	4,682,241	3,760,074	-	-	-
ENDING FUND BALANCE	\$ 3,760,074	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures	357%	0%	0%	0%	0%
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Estimated Change in Fund Balance	-20%	-100%	0%	0%	0%
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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 billing for the annual service took place on the December 1, 2016 tax bills with the first distribution of the collections occurring on January 3, 2017.

RUBBISH COLLECTION FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Licenses, permits & charges for services	\$ -	\$ 1,795,000	\$ 1,920,000	\$ 2,000,000	\$ 2,100,000
Other revenue	-	5,000	-	-	-
Transfers in	-	44,000	-	-	-
TOTAL ESTIMATED REVENUES	\$ -	\$ 1,844,000	\$ 1,920,000	\$ 2,000,000	\$ 2,100,000
APPROPRIATIONS					
Supplies	\$ -	\$ 5,000	\$ -	\$ -	\$ -
Other services and charges	-	1,839,000	1,920,000	2,000,000	2,100,000
TOTAL APPROPRIATIONS	\$ -	\$ 1,844,000	\$ 1,920,000	\$ 2,000,000	\$ 2,100,000
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%
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Estimated Change in Fund Balance	0%	0%	0%	0%	0%
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FINANCIAL SUMMARIES



PEG Cable Fund

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

PEG CABLE FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 9,796	\$ 2,418	\$ 2,733	\$ 2,388	\$ 3,325
Licenses, permits & charges for services	382,655	258,000	300,000	303,000	307,000
Other revenue	1,267	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 393,718	\$ 260,418	\$ 302,733	\$ 305,388	\$ 310,325
APPROPRIATIONS					
Personnel services	\$ 55,048	\$ 256,668	\$ 204,534	\$ 209,488	\$ 213,325
Supplies	10,631	3,050	-	-	-
Other services and charges	153,110	38,700	26,000	22,000	22,000
Capital outlay	212,724	47,126	46,199	16,900	37,000
TOTAL APPROPRIATIONS	\$ 431,513	\$ 345,544	\$ 276,733	\$ 248,388	\$ 272,325
NET OF REVENUES/APPROPRIATIONS - FUND 263	\$ (37,795)	\$ (85,126)	\$ 26,000	\$ 57,000	\$ 38,000
BEGINNING FUND BALANCE	407,457	369,662	284,536	310,536	367,536
ENDING FUND BALANCE	\$ 369,662	\$ 284,536	\$ 310,536	\$ 367,536	\$ 405,536

Fund balance as a percentage of total annual expenditures	86%	82%	112%	148%	149%
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Estimated Change in Fund Balance	-9%	-23%	9%	18%	10%
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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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Federal grants	\$ 53,721	\$ 108,932	\$ 98,481	\$ 100,000	\$ 100,000
TOTAL ESTIMATED REVENUES	\$ 53,721	\$ 108,932	\$ 98,481	\$ 100,000	\$ 100,000
APPROPRIATIONS					
Other services and charges	\$ 71,805	\$ 75,000	\$ 98,481	\$ 100,000	\$ 100,000
TOTAL APPROPRIATIONS	\$ 71,805	\$ 75,000	\$ 98,481	\$ 100,000	\$ 100,000
NET OF REVENUES/APPROPRIATIONS - FUND 264	\$ (18,084)	\$ 33,932	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	(15,848)	(33,932)	-	-	-
ENDING FUND BALANCE	\$ (33,932)	\$ -	\$ -	\$ -	\$ -
Fund balance as a percentage of total annual expenditures	-47%	0%	0%	0%	0%
Estimated Change in Fund Balance	114%	-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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Federal grants	\$ 1,901	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Fines and forfeitures	100,380	276,723	66,000	86,000	106,000
Interest income	5,538	2,500	2,500	2,500	2,500
Other revenue	46,537	22,950	3,000	3,000	3,000
TOTAL ESTIMATED REVENUES	\$ 154,356	\$ 307,173	\$ 76,500	\$ 96,500	\$ 116,500
APPROPRIATIONS					
Supplies	\$ 3,952	\$ 124,950	\$ 20,000	\$ 20,000	\$ 20,000
Other services and charges	475	500	475	525	525
Capital outlay	188,327	53,664	307,000	30,000	280,000
TOTAL APPROPRIATIONS	\$ 192,754	\$ 179,114	\$ 327,475	\$ 50,525	\$ 300,525
NET OF REVENUES/APPROPRIATIONS - FUND 266	\$ (38,398)	\$ 128,059	\$ (250,975)	\$ 45,975	\$ (184,025)
BEGINNING FUND BALANCE	299,364	260,966	389,025	138,050	184,025
ENDING FUND BALANCE	\$ 260,966	\$ 389,025	\$ 138,050	\$ 184,025	\$ -

Fund balance as a percentage of total annual expenditures	135%	217%	42%	364%	0%
Estimated Change in Fund Balance	-13%	49%	-65%	33%	-100%



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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 2,472,349	\$ 2,491,457	\$ 2,604,070	\$ 2,703,774	\$ 2,807,275
Donations	9,472	6,000	1,000	1,000	1,000
Fines and forfeitures	178,812	153,000	162,000	162,000	162,000
Interest income	64,630	30,000	35,000	36,000	37,000
Other revenue	65,103	65,269	64,950	65,076	65,205
State sources	34,496	29,000	34,000	34,000	34,000
TOTAL ESTIMATED REVENUES	\$ 2,824,862	\$ 2,774,726	\$ 2,901,020	\$ 3,001,850	\$ 3,106,480
APPROPRIATIONS					
Personnel services	\$ 1,745,141	\$ 1,784,000	\$ 1,825,896	\$ 1,873,390	\$ 1,921,080
Supplies	494,118	601,300	615,000	623,000	613,000
Other services and charges	441,036	523,700	517,000	498,500	501,500
Capital outlay	68,881	126,900	133,100	38,100	11,100
Transfers out	40,000	-	-	-	-
TOTAL APPROPRIATIONS	\$ 2,789,176	\$ 3,035,900	\$ 3,090,996	\$ 3,032,990	\$ 3,046,680
NET OF REVENUES/APPROPRIATIONS - FUND 268	\$ 35,686	\$ (261,174)	\$ (189,976)	\$ (31,140)	\$ 59,800
BEGINNING FUND BALANCE	1,719,423	1,755,109	1,493,935	1,303,959	1,272,819
ENDING FUND BALANCE	\$ 1,755,109	\$ 1,493,935	\$ 1,303,959	\$ 1,272,819	\$ 1,332,619

Fund balance as a percentage of total annual expenditures	63%	49%	42%	42%	44%
Estimated Change in Fund Balance	2%	-15%	-13%	-2%	5%

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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Donations	\$ 27,620	\$ 12,000	\$ 11,965	\$ 12,000	\$ 12,000
Interest income	44,778	20,000	42,000	42,000	42,000
TOTAL ESTIMATED REVENUES	\$ 72,398	\$ 32,000	\$ 53,965	\$ 54,000	\$ 54,000
APPROPRIATIONS					
Supplies	\$ 30,191	\$ 13,000	\$ 53,965	\$ 32,000	\$ 32,000
TOTAL APPROPRIATIONS	\$ 30,191	\$ 13,000	\$ 53,965	\$ 32,000	\$ 32,000
NET OF REVENUES/APPROPRIATIONS - FUND 269	\$ 42,207	\$ 19,000	\$ -	\$ 22,000	\$ 22,000
BEGINNING FUND BALANCE	1,629,605	1,671,812	1,690,812	1,690,812	1,712,812
ENDING FUND BALANCE	\$ 1,671,812	\$ 1,690,812	\$ 1,690,812	\$ 1,712,812	\$ 1,734,812

Fund balance as a percentage of total annual expenditures	5537%	13006%	3133%	5353%	5421%
Estimated Change in Fund Balance	3%	1%	0%	1%	1%



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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Special assessments levied	\$ -	\$ 7,529	\$ 7,529	\$ 7,529	\$ 7,529
Interest income	68	100	71	21	21
TOTAL ESTIMATED REVENUES	\$ 68	\$ 7,629	\$ 7,600	\$ 7,550	\$ 7,550
APPROPRIATIONS					
Other services and charges	\$ 8,209	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
TOTAL APPROPRIATIONS	\$ 8,209	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
NET OF REVENUES/APPROPRIATIONS - FUND 854	\$ (8,141)	\$ (2,371)	\$ (2,400)	\$ (2,450)	\$ (2,450)
BEGINNING FUND BALANCE	51,385	43,244	40,873	38,473	36,023
ENDING FUND BALANCE	\$ 43,244	\$ 40,873	\$ 38,473	\$ 36,023	\$ 33,573

Fund balance as a percentage of total annual expenditures	527%	409%	385%	360%	336%
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Estimated Change in Fund Balance	-16%	-5%	-6%	-6%	-7%
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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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Special assessments levied	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
Interest income	6	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 3,306	\$ 3,300	\$ 3,300	\$ 3,300	\$ 3,300
APPROPRIATIONS					
Other services and charges	\$ 3,161	\$ 3,300	\$ 3,450	\$ 3,500	\$ 3,550
TOTAL APPROPRIATIONS	\$ 3,161	\$ 3,300	\$ 3,450	\$ 3,500	\$ 3,550
NET OF REVENUES/APPROPRIATIONS - FUND 855	\$ 145	\$ -	\$ (150)	\$ (200)	\$ (250)
BEGINNING FUND BALANCE	2,168	2,313	2,313	2,163	1,963
ENDING FUND BALANCE	\$ 2,313	\$ 2,313	\$ 2,163	\$ 1,963	\$ 1,713

Fund balance as a percentage of total annual expenditures	73%	70%	63%	56%	48%
Estimated Change in Fund Balance	7%	0%	-6%	-9%	-13%



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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Special assessments levied	\$ 15,000	\$ 15,000	\$ 25,000	\$ 25,000	\$ 25,000
Interest income	70	50	-	-	-
TOTAL ESTIMATED REVENUES	\$ 15,070	\$ 15,050	\$ 25,000	\$ 25,000	\$ 25,000
APPROPRIATIONS					
Other services and charges	\$ 2,292	\$ 15,050	\$ 25,000	\$ 25,000	\$ 25,000
TOTAL APPROPRIATIONS	\$ 2,292	\$ 15,050	\$ 25,000	\$ 25,000	\$ 25,000
NET OF REVENUES/APPROPRIATIONS - FUND 856	\$ 12,778	\$ -	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	40,665	53,443	53,443	53,443	53,443
ENDING FUND BALANCE	\$ 53,443	\$ 53,443	\$ 53,443	\$ 53,443	\$ 53,443

Fund balance as a percentage of total annual expenditures	2332%	355%	214%	214%	214%
Estimated Change in Fund Balance	31%	0%	0%	0%	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.

LIBRARY CONSTRUCTION DEBT FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Property tax revenue	\$ 1,472,133	\$ 1,482,113	\$ 1,344,100	\$ 1,355,250	\$ 1,370,450
Interest income	734	500	500	500	500
Other financing sources (uses)	9,995,301	-	-	-	-
Transfers in	52,734	96,000	-	-	-
TOTAL ESTIMATED REVENUES	\$ 11,520,902	\$ 1,578,613	\$ 1,344,600	\$ 1,355,750	\$ 1,370,950
APPROPRIATIONS					
Debt service	\$ 1,654,364	\$ 1,293,928	\$ 1,344,100	\$ 1,355,250	\$ 1,370,450
Other financing sources (uses)	9,887,462	-	-	-	-
Other services and charges	475	500	500	500	500
TOTAL APPROPRIATIONS	\$ 11,542,301	\$ 1,294,428	\$ 1,344,600	\$ 1,355,750	\$ 1,370,950
NET OF REVENUES/APPROPRIATIONS - FUND 317	\$ (21,399)	\$ 284,185	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	92,653	71,254	355,439	355,439	355,439
ENDING FUND BALANCE	\$ 71,254	\$ 355,439	\$ 355,439	\$ 355,439	\$ 355,439

Fund balance as a percentage of total annual expenditures	1%	27%	26%	26%	26%
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Estimated Change in Fund Balance	-23%	399%	0%	0%	0%
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FINANCIAL SUMMARIES

2002 Street & Refunding Bond Debt Fund

This fund was established to account for annual debt service payments for a bond that was issued for paving purposes, the remaining park debt, and the fire debt. The annual debt service is paid from property tax collections authorized by a voter approved millage.

2002 STREET & REFUNDING BOND DEBT FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Property tax revenue	\$ 1,043,409	\$ 749,317	\$ -	\$ -	\$ -
Interest income	1,060	800	-	-	-
TOTAL ESTIMATED REVENUES	\$ 1,044,469	\$ 750,117	\$ -	\$ -	\$ -
APPROPRIATIONS					
Debt service	\$ 747,305	\$ 1,462,407	\$ -	\$ -	\$ -
Other services and charges	475	475	-	-	-
Transfers out	-	96,000	-	-	-
TOTAL APPROPRIATIONS	\$ 747,780	\$ 1,558,882	\$ -	\$ -	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 397	\$ 296,689	\$ (808,765)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	512,076	808,765	-	-	-
ENDING FUND BALANCE	\$ 808,765	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures	108%	0%	0%	0%	0%
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Estimated Change in Fund Balance	58%	-100%	0%	0%	0%
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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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 106,156	\$ 65,000	\$ 50,475	\$ 50,500	\$ 50,500
TOTAL ESTIMATED REVENUES	\$ 106,156	\$ 65,000	\$ 50,475	\$ 50,500	\$ 50,500
APPROPRIATIONS					
Other services and charges	\$ 475	\$ 500	\$ 475	\$ 500	\$ 500
Transfers out	-	-	-	-	-
TOTAL APPROPRIATIONS	\$ 475	\$ 500	\$ 475	\$ 500	\$ 500
NET OF REVENUES/APPROPRIATIONS - FUND 235	\$ 105,681	\$ 64,500	\$ 50,000	\$ 50,000	\$ 50,000
BEGINNING FUND BALANCE	3,806,154	3,911,835	3,976,335	4,026,335	4,076,335
ENDING FUND BALANCE	\$ 3,911,835	\$ 3,976,335	\$ 4,026,335	\$ 4,076,335	\$ 4,126,335

Fund balance as a percentage of total annual expenditures	823544%	795267%	847649%	0%	0%
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Estimated Change in Fund Balance	3%	2%	1%	0%	0%
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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. The first levy for this millage is July 1, 2017.

CAPITAL IMPROVEMENT PROGRAM (CIP) FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ -	\$ -	\$ 3,419,871	\$ 3,549,016	\$ 3,683,106
Interest income	-	742	18,105	19,984	19,894
Other financing sources (uses)	-	190,000	12,371,088	3,777,791	-
Transfers in	2,100,000	1,000,000	2,736,000	-	-
TOTAL ESTIMATED REVENUES	\$ 2,100,000	\$ 1,190,742	\$ 18,545,064	\$ 7,346,791	\$ 3,703,000
APPROPRIATIONS					
Debt service	\$ -	\$ -	\$ 2,096,000	\$ 2,096,000	\$ 2,096,000
Capital outlay	-	3,290,742	16,449,064	5,250,791	-
TOTAL APPROPRIATIONS	\$ -	\$ 3,290,742	\$ 18,545,064	\$ 7,346,791	\$ 2,096,000
NET OF REVENUES/APPROPRIATIONS - FUND 402	\$ 2,100,000	\$ (2,100,000)	\$ -	\$ -	\$ 1,607,000
BEGINNING FUND BALANCE	-	2,100,000	-	-	-
ENDING FUND BALANCE	\$ 2,100,000	\$ -	\$ -	\$ -	\$ 1,607,000

Fund balance as a percentage of total annual expenditures	0%	0%	0%	0%	77%
Estimated Change in Fund Balance	0%	-100%	0%	0%	0%

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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Licenses, permits & charges for services	\$ 103,505	\$ 110,000	\$ 110,000	\$ 100,000	\$ 100,000
Interest income	3,293	2,000	1,000	1,000	2,000
TOTAL ESTIMATED REVENUES	\$ 106,798	\$ 112,000	\$ 111,000	\$ 101,000	\$ 102,000
APPROPRIATIONS					
Capital outlay	\$ -	\$ -	\$ 330,000	\$ 90,800	\$ -
TOTAL APPROPRIATIONS	\$ -	\$ -	\$ 330,000	\$ 90,800	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 402	\$ 106,798	\$ 112,000	\$ (219,000)	\$ 10,200	\$ 102,000
BEGINNING FUND BALANCE	110,545	217,343	329,343	110,343	120,543
ENDING FUND BALANCE	\$ 217,343	\$ 329,343	\$ 110,343	\$ 120,543	\$ 222,543
Fund balance as a percentage of total annual expenditures	0%	0%	33%	133%	0%
Estimated Change in Fund Balance	97%	52%	-66%	9%	85%



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 improvement 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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Transfers in	\$ 4,696,873	\$ -	\$ -	\$ -	\$ -
TOTAL ESTIMATED REVENUES	\$ 4,696,873	\$ -	\$ -	\$ -	\$ -
APPROPRIATIONS					
Capital outlay	\$ 3,093,258	\$ 4,696,874	\$ -	\$ -	\$ -
TOTAL APPROPRIATIONS	\$ 3,093,258	\$ 4,696,874	\$ -	\$ -	\$ -
NET OF REVENUES/APPROPRIATIONS - FUND 403	\$ 1,603,615	\$ (4,696,874)	\$ -	\$ -	\$ -
BEGINNING FUND BALANCE	3,093,259	4,696,874	-	-	-
ENDING FUND BALANCE	\$ 4,696,874	\$ -	\$ -	\$ -	\$ -

Fund balance as a percentage of total annual expenditures

152% 0% 0% 0% 0%

Estimated Change in Fund Balance

52% -100% 0% 0% 0%

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	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 183,000	\$ 135,000	\$ 70,000	\$ 35,000	\$ 22,000
Tap-in fees	21,217	25,000	25,000	25,000	25,000
TOTAL ESTIMATED REVENUES	\$ 204,217	\$ 160,000	\$ 95,000	\$ 60,000	\$ 47,000
APPROPRIATIONS					
Transfers out	\$ -	\$ 1,927,490	\$ 2,242,000	\$ 910,000	\$ 1,707,000
TOTAL APPROPRIATIONS	\$ -	\$ 1,927,490	\$ 2,242,000	\$ 910,000	\$ 1,707,000
NET OF REVENUES/APPROPRIATIONS - FUND 211	\$ 204,217	\$ (1,767,490)	\$ (2,147,000)	\$ (850,000)	\$ (1,660,000)
BEGINNING FUND BALANCE	6,521,300	6,725,517	4,958,027	2,811,027	1,961,027
ENDING FUND BALANCE	\$ 6,725,517	\$ 4,958,027	\$ 2,811,027	\$ 1,961,027	\$ 301,027
Fund balance as a percentage of total annual expenditures	0%	257%	125%	215%	18%
Estimated Change in Fund Balance	3%	-26%	-43%	-30%	-85%



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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Program revenue	\$ 2,105,758	\$ 2,012,310	\$ 2,007,970	\$ 2,024,202	\$ 2,041,893
Interest income	45,193	20,000	25,000	25,000	25,000
Other revenue	96,273	89,300	89,400	89,400	89,900
TOTAL ESTIMATED REVENUES	\$ 2,247,224	\$ 2,121,610	\$ 2,122,370	\$ 2,138,602	\$ 2,156,793
APPROPRIATIONS					
Supplies	\$ 14,717	\$ 12,150	\$ 11,000	\$ 11,800	\$ 11,800
Other services and charges	1,567,595	1,332,017	1,352,809	1,356,049	1,366,822
Capital outlay	47,878	319,000	50,000	27,000	201,600
Debt service	104,820	585,420	563,660	562,140	560,380
TOTAL APPROPRIATIONS	\$ 1,735,010	\$ 2,248,587	\$ 1,977,469	\$ 1,956,989	\$ 2,140,602
NET OF REVENUES/APPROPRIATIONS - FUND 590	\$ 512,214	\$ (126,977)	\$ 144,901	\$ 181,613	\$ 16,191
BEGINNING FUND BALANCE	3,474,665	3,986,879	3,859,902	4,004,803	4,186,416
ENDING FUND BALANCE	\$ 3,986,879	\$ 3,859,902	\$ 4,004,803	\$ 4,186,416	\$ 4,202,607

Fund balance as a percentage of total annual expenditures

230%

172%

203%

214%

196%

Estimated Change in Fund Balance

15%

-3%

4%

5%

0%

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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Operating revenue	\$ 24,420,550	\$ 23,336,000	\$ 25,591,000	\$ 25,916,000	\$ 26,241,000
Capital contributions	5,337,278	2,850,000	2,850,000	2,850,000	2,850,000
Federal Grants	-	1,470,167	-	-	-
Interest income	1,469,812	800,000	850,000	900,000	950,000
Other revenue	285,479	215,345	220,593	221,785	222,978
TOTAL ESTIMATED REVENUES	\$ 31,513,119	\$ 28,671,512	\$ 29,511,593	\$ 29,887,785	\$ 30,263,978
APPROPRIATIONS					
Personnel services	\$ 1,261,519	\$ 1,353,109	\$ 1,420,553	\$ 1,453,572	\$ 1,490,619
Supplies	61,383	76,175	61,600	63,600	65,600
Other services and charges	25,921,524	19,888,550	21,842,646	22,951,301	24,144,236
Capital outlay	24,004	8,688,595	8,471,167	2,380,868	1,739,917
Debt service	13,779	159,563	153,750	-	-
Transfers out	-	-	2,232,000	-	-
TOTAL APPROPRIATIONS	\$ 27,282,209	\$ 30,165,992	\$ 34,181,716	\$ 26,849,341	\$ 27,440,372
NET OF REVENUES/APPROPRIATIONS - FUND 592	\$ 4,230,910	\$ (1,494,480)	\$ (4,670,123)	\$ 3,038,444	\$ 2,823,606
BEGINNING FUND BALANCE	175,033,894	179,264,804	177,770,324	173,100,201	176,138,645
ENDING FUND BALANCE	\$ 179,264,804	\$ 177,770,324	\$ 173,100,201	\$ 176,138,645	\$ 178,962,251

Fund balance as a percentage of total annual expenditures	657%	589%	506%	656%	652%
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Estimated Change in Fund Balance	2%	-1%	-3%	2%	2%
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FINANCIAL SUMMARIES

Senior Housing Fund

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

SENIOR HOUSING FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19 2019-20	
ESTIMATED REVENUES					
Operating revenue	\$ 2,002,871	\$ 2,011,791	\$ 2,026,310	\$ 2,049,210	\$ 2,069,977
Interest income	38,941	15,000	11,000	12,000	13,000
Other revenue	21,526	19,200	19,200	19,200	19,200
TOTAL ESTIMATED REVENUES	\$ 2,063,338	\$ 2,045,991	\$ 2,056,510	\$ 2,080,410	\$ 2,102,177
APPROPRIATIONS					
Supplies	\$ 6,379	\$ 11,475	\$ 11,475	\$ 11,475	\$ 11,475
Other services and charges	1,072,716	835,725	836,700	847,824	864,400
Capital outlay	27,563	1,143,219	194,000	-	-
Debt service	795,772	1,053,028	1,053,220	1,048,010	1,017,744
TOTAL APPROPRIATIONS	\$ 1,902,430	\$ 3,043,447	\$ 2,095,395	\$ 1,907,309	\$ 1,893,619
NET OF REVENUES/APPROPRIATIONS - FUND 594	\$ 160,908	\$ (997,456)	\$ (38,885)	\$ 173,101	\$ 208,558
BEGINNING FUND BALANCE	2,881,194	3,042,102	2,044,646	2,005,761	2,178,862
ENDING FUND BALANCE	\$ 3,042,102	\$ 2,044,646	\$ 2,005,761	\$ 2,178,862	\$ 2,387,420

Fund balance as a percentage of total annual expenditures

160%

67%

96%

114%

126%

Estimated Change in Fund Balance

6%

-33%

-2%

9%

10%

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 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Contributions-Employer	\$ 871,702	\$ 617,207	\$ 613,678	\$ 613,678	\$ 613,678
Interest income	148,449	750,000	1,466,322	1,477,322	1,475,322
Other revenue	-	5,000	-	-	-
TOTAL ESTIMATED REVENUES	\$ 1,020,151	\$ 1,372,207	\$ 2,080,000	\$ 2,091,000	\$ 2,089,000
APPROPRIATIONS					
Personnel Services	\$ 784,904	\$ 768,990	\$ 945,000	\$ 1,000,000	\$ 1,070,000
Other services and charges	245,157	68,000	260,000	272,000	284,000
TOTAL APPROPRIATIONS	\$ 1,030,061	\$ 836,990	\$ 1,205,000	\$ 1,272,000	\$ 1,354,000
NET OF REVENUES/APPROPRIATIONS - FUND 590	\$ (9,910)	\$ 535,217	\$ 875,000	\$ 819,000	\$ 735,000
BEGINNING FUND BALANCE	24,439,563	24,429,653	24,964,870	25,839,870	26,658,870
ENDING FUND BALANCE	\$ 24,429,653	\$ 24,964,870	\$ 25,839,870	\$ 26,658,870	\$ 27,393,870
Fund balance as a percentage of total annual expenditures	2372%	2983%	2144%	2096%	2023%
Estimated Change in Fund Balance	0%	2%	4%	3%	3%



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 non-spendable, 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 non-spendable, restricted, committed or assigned (a residual deficit). In determining a residual deficit, no amount should be reported as assigned.

All Funds FY 2017-18 Budget

	Governmental Funds							TOTAL FY 2017-18 BUDGET
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS	ENTERPRISE FUNDS	FIDUCIARY FUNDS	
	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	BUDGET 2017-18	
TOTAL ESTIMATED REVENUES	\$ 33,234,730	\$ 26,551,384	\$ 1,344,600	\$ 18,706,539	\$ 95,000	\$ 33,690,473	\$ 2,080,000	\$ 115,702,726
TOTAL APPROPRIATIONS	33,484,730	27,547,796	1,344,600	18,875,539	2,242,000	38,254,580	1,205,000	122,954,245
NET OF REVENUES/APPROPRIATIONS - ALL FUNDS	\$ (250,000)	\$ (996,412)	\$ -	\$ (169,000)	\$ (2,147,000)	\$ (4,564,107)	\$ 875,000	\$ (7,251,519)
BEGINNING FUND BALANCE	10,840,619	10,522,607	355,439	4,305,678	4,958,027	183,674,872	24,964,870	239,622,112
ENDING FUND BALANCE	\$ 10,590,619	\$ 9,526,195	\$ 355,439	\$ 4,136,678	\$ 2,811,027	\$ 179,110,765	\$ 25,839,870	\$ 232,370,593
Fund balance as a percentage of total annual expenditures	32%	35%	26%	22%	125%	468%	2144%	189%



The following governmental funds are anticipated to have significant changes in fund balance for FY 2017-18 (increase or decrease more than 10%):

Special Revenue Funds

The Local Street Fund is projected to use approximately \$99,000 of fund balance in FY 2017-18. These funds will be used for future local street projects throughout the City which are listed in the capital improvement program.

The Municipal Street Fund is projected to use approximately \$480,000 of fund balance in FY 2017-18. These funds will be used for future municipal street projects throughout the City which are listed in the capital improvement program.

The Forfeiture Fund is projected to use approximately \$250,000 of fund balance in FY 2017-18 to fund \$307,000 in capital expenditures.

The Library Fund is projected to use approximately \$190,000 of fund balance in FY 2017-18 to help fund operations and spend \$133,100 towards capital.

Capital Project Funds

The Gun Range Facility Fund is projected to decrease fund balance by \$219,000 to help fund the Gun Range Building Addition project in the amount of \$330,000.

Permanent Fund

The Drain Perpetual Maintenance Fund is projected to use approximately \$2,242,000 of fund balance in FY 2017-18 to help fund capital projects within the Drain Fund which is the purpose of this fund.

FINANCIAL SUMMARIES



Major Revenue Sources, Assumptions, and Trends

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

Property Tax Revenue

The maximum allowable millage rates are used for all funds except the Drain Fund. Taxable value projections are as of March 7, 2017. The 2017 taxable value increased approximately \$64,234,000 for net new construction. The future property values for 2018 and beyond include approximately \$92,000,000 in cumulative net new construction. Penalties and interest are based on historical collections. Inflation for the 2017 tax year was 0.9% but due to new construction, the City anticipates an overall net increase (see loss of personal property taxes discussed below) in revenue of 3.6%. The City closed the Public Safety Fund as of June 30, 2017 and the dedicated public safety millage is recorded directly in the General Fund rather than a transfer in.

The proposed millage rate is 10.5376 mills, increased from 9.95, due to the new 1.0 voted mill for capital improvements offset by expiring voted debt mills. A significant factor that has been taken into account for the future year's taxable value is the expected decrease in the personal property tax, per the new State of Michigan law (SB 10) that erases the personal property tax on the industrial property and other businesses with equipment less than \$40,000.

Licenses, Permits & Charges for Services

This revenue includes fees for various services and licenses. Revenues also include estimated fees paid by developers and contractors for the plan review, inspection of commercial, industrial and residential construction which partially covers the cost of the Community Development Department. This revenue is difficult to project since it is directly related to construction activity. The City's building activity is projected to remain strong with a 1% increase in most fees projected each for the next fiscal years. The remaining revenue relates to liquor licenses 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 new Capital Improvement Fund has transfers from various enterprise funds to cover their share of the costs for the department of public works building improvement project as well as a transfer from the Special Assessment Revolving Fund to fund the Crescent Blvd (ring road) 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. A Consolidation of Services Plan and an Unfunded Accrued Liability Plan are not required under the CVTRS program. The City estimates a 2% increase in overall revenue sharing in fiscal year 17/18 and a 1% increase in 18/19 and 19/20.

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. The City anticipates a onetime 7.5% increase in 17/18 and an annual increase in this revenue of 1% in 18/19 and 19/20.

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 or no growth in overall earnings.

Program Revenue/Older Adult Program Revenue

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

Operating Revenue

This revenue represents charges to customers for water and sewer usage as well as fees collected at the ice arena and rents collected at the senior housing facility. Operating revenue in the Water and Sewer Fund is anticipated to increase by 9% in 17/18 (primarily due to increased consumption) and future annual increases of 1-2% annually based on projections and anticipated new customers. Ice arena and senior housing revenues are anticipating 1-2% annual inflationary increases.

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

FINANCIAL SUMMARIES



Revenue Schedule

	Governmental Funds				
	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	2017-18	2017-18	2017-18	2017-18	2017-18
ESTIMATED REVENUES					
Property tax revenue	\$ 22,063,704	\$ 9,660,437	\$ 1,344,100	\$ 3,419,871	\$ -
Capital Contributions	-	-	-	-	-
Contributions-Employer	-	-	-	-	-
Donations	1,500	17,465	-	-	-
Federal grants	58,000	103,481	-	-	-
Fines and forfeitures	560,000	228,000	-	-	-
Interest income	593,273	301,599	500	69,580	70,000
Licenses, permits, and charges for services	4,695,302	2,245,000	-	110,000	-
Older adult program revenue	-	166,750	-	-	-
Operating Revenue	-	-	-	-	-
Other financing sources (uses)	-	-	-	12,371,088	-
Other revenue	756,070	825,350	-	-	-
Program Revenue	-	1,143,450	-	-	-
Special Assessments Levied	-	49,598	-	-	-
State grants	-	-	-	-	-
State sources	4,506,881	4,986,254	-	-	-
Tap In Fees	-	-	-	-	25,000
Transfers in	-	6,824,000	-	2,736,000	-
TOTAL ESTIMATED REVENUES	\$ 33,234,730	\$ 26,551,384	\$ 1,344,600	\$ 18,706,539	\$ 95,000



FINANCIAL SUMMARIES

Revenue Schedule (continued)

	ENTERPRISE FUNDS	FIDUCIARY FUNDS	TOTAL FY 2017-18 BUDGET	% of Total Revenues	% of Total Revenues (discussed)
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	2017-18	2017-18	2017-18	2017-18	2017-18
ESTIMATED REVENUES					
Property tax revenue	\$ -	\$ -	\$ 36,488,112	32%	32%
Capital Contributions	2,850,000	-	\$ 2,850,000	2%	
Contributions-Employer	-	613,678	\$ 613,678	1%	
Donations	-	-	\$ 18,965	0%	
Federal grants	-	-	\$ 161,481	0%	
Fines and forfeitures	-	-	\$ 788,000	1%	
Interest income	329,193	1,466,322	\$ 2,830,467	2%	2%
Licenses, permits, and charges for services	-	-	\$ 7,050,302	6%	6%
Older adult program revenue	-	-	\$ 166,750	0%	
Operating Revenue	27,617,310	-	\$ 27,617,310	24%	24%
Other financing sources (uses)	-	-	\$ 12,371,088	11%	11%
Other revenue	886,000	-	\$ 2,467,420	2%	
Program Revenue	2,007,970	-	\$ 3,151,420	3%	3%
Special Assessments Levied	-	-	\$ 49,598	0%	
State grants	-	-	\$ -	0%	
State sources	-	-	\$ 9,493,135	8%	8%
Tap In Fees	-	-	\$ 25,000	0%	
Transfers in	-	-	\$ 9,560,000	8%	8%
TOTAL ESTIMATED REVENUES	\$ 33,690,473	\$ 2,080,000	\$ 115,702,726	100%	94%

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

ACTUAL (as billed, excluding adjustments for tribunals, write-off of accounts receivable, etc.) Property Tax Year Fiscal Year	2010-2015						Estimated	BUDGET	PROJECTED		Expiration Year
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	
Taxable Value - Real - Res	\$ 2,984,101,470	\$ 2,758,932,940	\$ 2,699,988,360	\$ 2,748,382,830	\$ 1,984,120,840	\$ 2,087,604,500	\$ 2,169,188,620	\$ 2,223,556,787	\$ 2,334,734,626	\$ 2,451,471,358	
Taxable Value - Real - Com/Ind					861,684,810	878,128,690	916,563,180	930,192,952	972,051,635	1,010,933,700	
Taxable Value - Personal Property	220,466,950	220,678,540	220,345,290	223,698,750	225,066,560	239,836,740	237,292,830	225,121,800	220,000,000	200,000,000	
Taxable Value - New Construction								64,234,051	46,000,000	46,000,000	
Total Taxable Value	\$ 3,204,568,420	\$ 2,979,611,480	\$ 2,920,333,650	\$ 2,972,081,580	\$ 3,070,872,210	\$ 3,205,569,930	\$ 3,323,044,630	\$ 3,443,105,590	\$ 3,572,786,261	\$ 3,708,405,058	
% Change in total taxable value from the prior year without new construction estimate						7.9%	8.2%	1.7%	2.4%	2.5%	
% Change in total taxable value from the prior year	-9.9%	-7.0%	-2.0%	1.8%	3.3%	7.9%	8.2%	3.6%	3.8%	3.8%	
Less various allowances				(40,000,000)	35,000,000	(57,000,000)	(31,000,000)	(25,000,000)	(27,000,000)	(28,000,000)	
Adjusted Taxable Value*	\$ 3,204,568,420	\$ 2,979,611,480	\$ 2,920,333,650	\$ 2,932,081,580	\$ 3,105,872,210	\$ 3,148,569,930	\$ 3,292,044,630	\$ 3,418,105,590	\$ 3,545,786,261	\$ 3,680,405,058	
Millage Rate **											
General Fund	5.0182	5.0182	5.0182	5.0182	5.0182	5.0056	4.9925	4.9206	4.9206	4.9206	
Municipal Street Fund	0.7719	0.7719	0.7719	1.5000	1.5000	1.4962	1.4923	1.4708	1.4708	1.4708	
Police and Fire Fund	1.4282	1.4282	1.4282	1.4282	1.4282	1.4246	1.4208	1.4003	1.4003	1.4003	
Parks and Recreation Fund	0.3857	0.3857	0.3857	0.3857	0.3857	0.3847	0.3836	0.3780	0.3780	0.3780	
Drain Revenue Fund	0.0885	0.2642	0.3435	0.1057	-	-	0.2120	0.2648	0.2648	0.2648	
Capital Improvement Fund	-	-	-	-	-	-	-	0.9856	0.9856	0.9856	
Library Fund	0.7719	0.7719	0.7719	0.7719	0.7719	0.7699	0.7678	0.7567	0.7567	0.7567	
Total Operating Millage	8.4644	8.6401	8.7194	9.2097	9.1040	9.0810	9.2690	10.1768	10.1768	10.1768	
2000 Street Debt Fund	0.2254	-	-	-	-	-	-	-	-	-	
Library Construction Debt Fund	0.2008	0.1930	0.3281	0.3852	0.3716	0.4566	0.4540	0.3608	0.3608	0.3608	
1993 Refunding Debt Fund	-	-	-	-	-	-	-	-	-	-	
2010 Refunding Debt Fund	0.0629	0.3843	0.3698	0.3487	0.3462	0.3374	-	-	-	-	
2003 Refunding Debt Fund	0.2891	0.3459	0.3488	-	-	-	-	-	-	-	
2002 Street & Refunding Debt Fund	1.2990	0.9783	0.4339	0.2564	0.3782	0.3250	0.2270	-	-	-	
Total Debt Millage	2.0772	1.9015	1.4806	0.9903	1.0960	1.1190	0.6810	0.3608	0.3608	0.3608	
Total City Millage Rate	10.5416	10.5416	10.2000	10.2000	10.2000	10.2000	9.9500	10.5376	10.5376	10.5376	
Tax Revenue											
General Fund	\$ 16,081,000	\$ 14,952,000	\$ 14,463,208	\$ 14,699,475	\$ 15,618,990	\$ 15,898,000	\$ 16,436,000	\$ 17,065,000	\$ 17,702,000	\$ 18,375,000	
Municipal Street Fund	2,474,000	2,300,000	2,226,168	4,293,742	4,754,081	4,747,000	4,913,000	5,101,000	5,291,000	5,492,000	
Police and Fire Fund	4,577,000	4,255,000	4,119,209	4,211,853	4,390,579	4,469,000	4,677,000	4,856,000	5,038,000	5,229,000	
Parks and Recreation Fund	1,236,000	1,149,000	1,112,311	1,137,385	1,185,648	1,215,000	1,263,000	1,311,000	1,360,000	1,412,000	
Drain Revenue Fund	284,000	787,000	982,539	315,771	9,920	(8,000)	698,000	344,000	357,000	370,000	
Capital Improvement Fund	-	-	-	-	-	-	-	3,418,000	3,546,000	3,680,000	2026-27
Library Fund	2,474,000	2,300,000	2,226,168	2,276,337	2,372,929	2,408,000	2,528,000	2,624,000	2,722,000	2,826,000	
2000 Street Debt Fund	722,310	-	-	-	-	-	-	-	-	-	
Library Construction Debt Fund	643,477	575,065	943,480	1,134,064	1,141,259	1,284,000	1,495,000	1,299,000	1,347,000	1,399,000	2027-28
1993 Refunding Debt Fund	-	-	-	-	-	-	-	-	-	-	
2010 Refunding Debt Fund	201,567	1,145,065	1,063,856	1,029,037	1,065,166	1,061,000	-	-	-	-	
2003 Refunding Debt Fund	926,441	1,030,648	1,018,612	-	-	-	-	-	-	-	
2002 Street & Refunding Debt Fund	4,162,734	2,914,954	1,330,622	780,142	1,134,897	1,040,000	747,000	-	-	-	
Total City Property Tax Revenue	\$ 33,782,530	\$ 31,408,731	\$ 29,486,173	\$ 29,877,806	\$ 31,673,469	\$ 32,114,000	\$ 32,757,000	\$ 36,018,000	\$ 37,363,000	\$ 38,783,000	

*Includes reduction for Personal Property Tax write-off, Tax Tribunals Adjustments and chargebacks

** Headlee rollback has been assumed for fiscal years 2018 and 2019

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



Expenditure Analysis

Personnel Services

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

Personnel cost increases and decreases are pursuant to each of the current collective bargaining agreements. An increase of 0-2.5% each year, using 2016-17 as base year, is assumed based on total personnel costs. Defined benefit pension contributions increased 25.7% for 17/18 and are assumed to increase by approximately 8% annually for the subsequent two years (increase in required contributions primarily due to changes in MERS assumptions along with unfavorable investment returns). Employee health insurance costs are assumed to increase 2.5% for 17/18 and at 7% annually for the subsequent two years. The personnel assumptions are based on the number of staff as presented in the Departmental Information - Personnel Summary section for the fiscal year 2017-18.

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 2-9% 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 PC replacement, are included in the 2017-18 budget and while department allocation may change, total estimated replacement remains the same plus inflationary adjustment of 3%.

Capital Improvements

The General, Major Street, Local Street, Municipal Street, Drain, Parks, Recreation and Cultural Services, PEG Cable, and Forfeiture Funds reflect anticipated expenditures for each year based on the Capital Improvement Program.

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Capital Improvement Program

Introduction

The City of Novi's Capital Improvement Program (CIP) is a planning tool, with a goal to identify and schedule capital improvements over a six-year period between fiscal years ending 2018-2023. The CIP is summarized within this budget document and also can be viewed interactively on our CIP website <https://cip.cityofnovi.org/>. Here you can find detailed descriptions of the projects, maps, cost estimates, and other support documentation.

The CIP is an opportunity to formulate strategic long-term policy decisions that extend beyond the 2017-2018 fiscal year. Each year, the City of Novi invests significant time and resources to design, construct, and maintain the infrastructure and facilities needed to deliver municipal services to residents and businesses. Because of the high costs associated with building and maintaining capital assets, the City must carefully balance the need for such assets with our requirements to sustain a strong financial position.

Novi's CIP is a six year balanced plan that addresses projects that are needed, or will be needed, across a broad spectrum of areas. Annually, a significant amount of effort is expounded to update the CIP to ensure not only critical needs are being met, but also that the cost, scope and timing of all projects are coordinated throughout. Coordinating the timing of different projects in the same location is particularly important since it helps us to minimize service disruptions.

A capital improvement is defined as any new equipment, construction, acquisition or improvement to public lands, buildings or structures in excess of \$25,000 with a minimum life expectancy of five years. Maintenance-oriented, operational or continuous expenditures are not considered to be capital improvements. Capital projects include design and construction, as well as the acquisition of land and the purchase of capital assets.

Specifically, the purpose of the CIP is to:

- Identify and evaluate the needs for public facilities.
- Determine cost estimates for each capital project submitted.
- Determine if there will be future operating costs for such projects.
- Determine potential sources of funding for such projects.
- Adopt policies for implementing capital improvement construction.
- Anticipate and pre-plan projects with an emphasis on seizing opportunities for partnerships and alternative funding.

CAPITAL IMPROVEMENT PROGRAM AND DEBT



The projects identified in the CIP represent the City of Novi's plan to serve residents and anticipate the needs of a growing and dynamic community. The following documents were considered in preparation of the CIP:

- Master Plan for Land Use
- Water System Master Plan
- Storm Water Master Plan
- Sanitary Sewer Capacity Management
- Strategic Community Recreation and Master Park Plan
- Pathway and Sidewalk Prioritization Analysis and Process
- Non-Motorized Master Plan
- Parking Lot Inventory and Maintenance Plan
- ADA Compliance and Transition Plan for City Owned Pathways
- ADA Compliance Transition Plan for City Owned Facilities
- Chip Seal Street Evaluation
- Novi and Wixom Transportation Improvement Plan—MDOT

Overview

The CIP helps track multi-year projects that may require planning, design, land acquisition and construction.

Definition of a Capital Improvement

The CIP allows for responsible and thoughtful planning of future major expenditures that are not necessarily financed or automatically included in the annual budgeting process. All capital projects, however, as they pertain to the definition of capital improvements above should be part of this CIP.

Impact of Capital Budget on the Operating Budget

As new policies and programs are approved, both the operating and capital budgets are impacted. For example, an increase in service levels approved as part of the operating budget would have long-term effects on the Capital Improvements Program. Conversely, a restrictive change to the use of long-term debt would slow capital programs. Regardless of the difference between the operating and capital budgets, the two are interdependent. Budgetary policy states that all foreseeable operating costs related to capital projects be estimated and provided for as part of the review process associated with the Capital Improvements Program. In addition, departments are required to include costs associated with operating and maintaining capital projects that are requested for the upcoming year.



Legal Basis of the Capital Improvements Program

The Capital Improvements Program has been authorized by the Michigan Planning Enabling Act (Public Act 33 of 2008). This mandate gives responsibility for preparing a CIP to local Planning Commission bodies, and reads as follows:

125.3865 Capital improvements program of public structures and improvements; preparation; basis.

Section. 65:

“(1) To further the desirable future development of the local unit of government under the master plan, a planning commission, after adoption of a master plan, shall annually prepare a capital improvements program of public structures and improvements, unless the planning commission is exempted from this requirement by charter or otherwise. If the planning commission is exempted, the legislative body either shall prepare and adopt a capital improvements program, separate from or as a part of the annual budget, or shall delegate the preparation of the capital improvements program to the chief elected official or a nonelected administrative official, subject to final approval by the legislative body. The capital improvements program shall show those public structures and improvements, in the general order of their priority that in the commission’s judgment will be needed or desirable and can be undertaken within the ensuing 6-year period. The capital improvements program shall be based upon the requirements of the local unit of government for all types of public structures and improvements. Consequently, each agency or department of the local unit of government with authority for public structures or improvements shall upon request furnish the planning commission with lists, plans, and estimates of time and cost of those public structures and improvements.”

Planning and Benefits of the Capital Improvements Program

The CIP is first and foremost, a planning tool. It can be quite useful as a primary guide in implementing the Master Plan for Land Use. With thoughtful foresight and review as a result of a CIP, the many outstanding capital projects that communities are faced with implementing every year, can be viewed as one package, rather than as small, fragmented groups or lists, with no unified sense of focus and direction. When capital improvements begin with careful planning and study, the City of Novi’s chances for receiving State and Federal grants are greatly enhanced. Some grants require the inclusion of a CIP with their application. Formulation of a CIP assists those involved to look at alternative funding mechanisms that might not have been considered before. Instead of relying on local revenue sources alone, the CIP allows the City to think more creatively to fulfill Master Plan for Land Use goals and policies. The CIP often avoids reactive planning, and instead replaces it with balanced growth initiatives.

CAPITAL IMPROVEMENT PROGRAM AND DEBT



CIP Development Process

Capital improvement planning has proven to be a year-round process, with City departments continually re-evaluating and prioritizing their capital needs. However, the process is most involved from August through December. It is during this period that City staff identify and prioritize projects, estimate project costs, determine available resources, balance project requests within the available resources, and, ultimately, submit a recommended program/piece of infrastructure to the Capital Improvement Program sub-committee and ultimately to the City's Planning Commission. Collaboration between the City Manager's office, Engineering Division, Facilities Management Division, Internal Technology Department, and the Finance Department coordinates the annual update of the six-year CIP as part of the annual budget process. Department staff also forecast revenues for the various funds used to finance capital projects, and set the financial parameters for the development of the CIP. Capital projects originate in the operating departments where subject matter experts identify needs based on master planning documents and other technical criteria. All requests are submitted and the financial parameters established and a preliminary plan is prepared for the review of the CIP Committee comprised of three City Council members and two members from the Planning Commission. The Committee recommends to the City's Planning Commission for ultimate approval prior to it being included in the City Manager's annual budget which is presented and considered by the City Council. On the following page is an overview of the CIP development process:

July – September: Operating departments identify projects, define project scopes, prepare cost estimates, and prioritize projects based on direction received from the City Manager and City Leadership Team. Capital project requests are submitted to the Engineering Division and Facilities Management Division for review and feedback. Department Directors review project requests before final submittal.

October: Capital project requests are submitted to the Finance Department for review and inclusion to the CIP database.

December: The CIP is presented to the City Manager's office for evaluation and consideration making necessary adjustments as needed. The CIP is provided to City Council, the CIP Committee, and Planning Commission after City Manager review.

January: The CIP Committee offers its recommendations during its annual meeting.

February: A public hearing takes place during a Planning Commission meeting. Following the public hearing the Commission approves the Capital Improvement Program. City Administration finalizes the recommended CIP for the consideration of the City Council.

March: The CIP is included in the City Manager's proposed budget which is presented to the City Council.



CAPITAL IMPROVEMENT PROGRAM AND DEBT

Operating Budget Impact

The Capital Improvement Program has direct and sometimes significant impacts on Novi's operating budget. Upon their completion, most capital projects require ongoing costs for operation and maintenance. New buildings require electricity, water and sewer service, and maintenance and repair. New roads require regular sweeping as well as periodic crack filling and sealing, patching, milling, minor resurfacing, and replacement of stripes and markings. New parks and landscaped rights-of-way (such as medians and streets shoulders) require irrigation, fertilizing, mowing, and trimming. Some projects, such as a recreation center, require additional employees.

Departments submitting capital projects estimate the operations and maintenance costs of each project based on cost guidelines that are updated each year. The departments also consider any additional revenues or savings the City can reasonably expect to recognize upon completion of the project. For example, membership fees from a new recreation center help to offset the increased operating costs. The net operating costs are included not only in the project request, but also in the long-range forecasts of the respective funds to ensure that we properly account for operating budget impacts of all capital projects. The following are some of the operating items included in the budgets related to new capital improvement projects:

- Increase in summer/winter maintenance costs related to new sidewalks
- Decrease in road maintenance costs for new road reconstruction projects
- Increase traffic signal maintenance and utility costs for new intersection/signal work
- Increase operating costs for parks and recreation for maintenance of new ITC Sports Park expansion
- Increase rental revenue and increase maintenance costs for upgrades to Ella Mae Park
- Increase rental revenue and increase maintenance costs for new Lakeshore Park facility
- Decrease in maintenance costs for various parking lot resurface projects
- Increase/decrease operating and maintenance/repair costs related to the replacement of numerous DPS and Water and Sewer Department vehicles, machinery and equipment
- Increase in utility costs related to street lighting installation program
- Increase in licensing and maintenance costs related to the new technology purchases
- Increase operating costs for DPS for maintenance of new DPS expansion
- Decrease in vehicle maintenance and replacement costs due to being able to house all DPS vehicles inside the new DPS building expansion

CAPITAL IMPROVEMENT PROGRAM AND DEBT

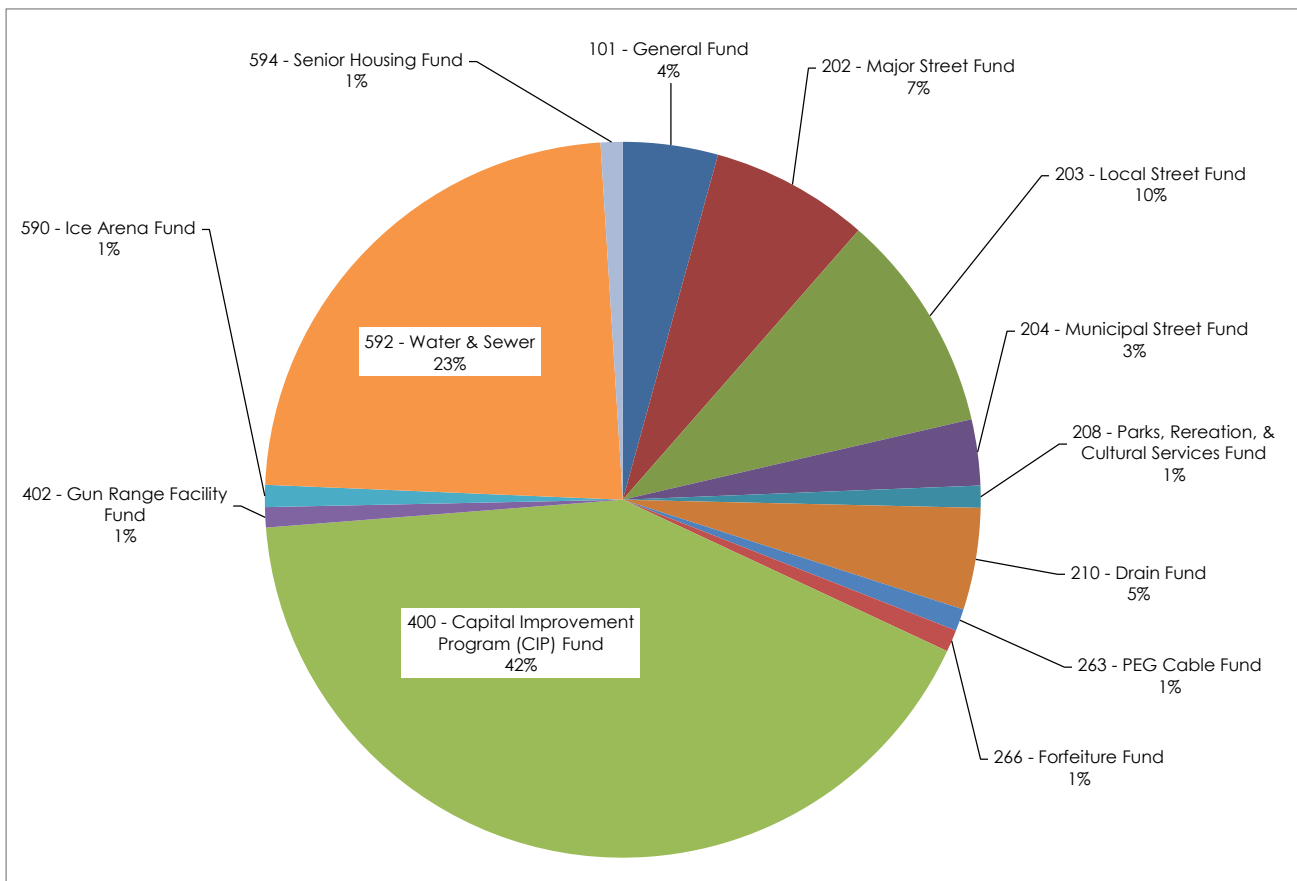


The following is a summary of the CIP six-year plan by category (including leveraged funds).

Capital Improvements by Fund (City Cost only; does not include outside leverage)

FUND	Budget	Projected			Forecast		
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	
101 - General Fund	\$ 1,550,014	\$ 966,520	\$ 1,615,489	\$ 4,982,280	\$ 1,623,900	\$ 441,450	
202 - Major Street Fund	\$ 2,587,532	\$ 1,362,506	\$ 4,675,805	\$ 5,710,983	\$ 3,129,680	\$ 24,868,367	
203 - Local Street Fund	\$ 3,596,952	\$ 3,400,000	\$ 3,350,000	\$ 3,300,000	\$ 2,800,000	\$ 2,650,000	
204 - Municipal Street Fund	\$ 1,077,000	\$ 752,452	\$ 216,260	\$ 23,849,535	\$ 10,232,828	\$ 82,000	
208 - Parks, Rereation, & Cultural Services Fund	\$ -	\$ 317,000	\$ 283,000	\$ 1,418,399	\$ 1,543,480	\$ 566,887	
210 - Drain Fund	\$ 1,662,429	\$ 860,506	\$ 1,670,404	\$ 795,335	\$ 110,000	\$ -	
263 - PEG Cable Fund	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	
266 - Forfeiture Fund	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	
400 - Capital Improvement Program (CIP) Fund	\$ 16,449,064	\$ 5,250,791	\$ -	\$ 5,000,000	\$ 4,000,000	\$ -	
402 - Gun Range Facility Fund	\$ 330,000	\$ 90,800	\$ -	\$ 280,781	\$ -	\$ -	
590 - Ice Arena Fund	\$ 30,000	\$ 27,000	\$ 201,600	\$ 35,000	\$ 125,000	\$ -	
592 - Water & Sewer	\$ 8,439,167	\$ 2,380,868	\$ 1,739,917	\$ 2,785,510	\$ 3,121,719	\$ 2,443,896	
594 - Senior Housing Fund	\$ 194,000	\$ -	\$ -	\$ -	\$ 348,411	\$ 349,554	
TOTAL	\$ 35,996,158	\$ 15,408,443	\$ 13,752,475	\$ 48,157,823	\$ 27,035,018	\$ 31,402,154	

FY 2017-18 Capital Improvements by Fund





CAPITAL IMPROVEMENT PROGRAM AND DEBT

Program Funding

There are multiple methods available to local governments for financing capital improvement projects. Since capital improvements require large outlays of capital for any given project, it is often necessary to pursue multiple creative solutions for financing projects.

General Obligation (G.O.) Bonds

These types of bonds are especially useful for financing large municipal projects such as infrastructure improvements. They require voter approval and usually are used for projects that will benefit the residents of the entire community.

When the City sells G.O. Bonds, the purchaser is basically lending money to the City. The amount of the bond, plus interest is repaid through property taxes that the City, as the issuing authority, has the power to levy at the level necessary and within State guidelines to retire the debt.

A variation of the G.O. Bonds is the G.O. Limited Tax Bonds which can be repaid through tax millage. The interest rate for this type of issue is slightly higher than for the G.O. Bonds, and though voter approval is not required, a referendum period is afforded to the citizenry to challenge the proposed bond resolution.

Revenue Bonds

These bonds are generally sold as a means for constructing revenue-producing facilities such as water and sewer systems, and other such facilities that produce tolls, fees, rental charges, etc. (i.e. Novi Ice Arena, and Meadowbrook Commons). Security for and payment of revenue bonds are typically based upon the revenue-producing facility or activity rather than the economic or taxpaying base.

Federal Grants

Funding is made available to cities through Federal grants and programs. Grants are usually subject-specific, and require application by the local government for consideration. Amounts of grants vary, and are determined by the grantor through criteria-based processes. The availability of grants is usually a competitive process, so creative and effective grant writing is crucial to receiving funding for capital improvement projects.

Building Authority

The City of Novi has a Building Authority that functions as a mechanism to facilitate the selling of bonds to finance public improvements. These bonds can be used as funding for buildings and recreational uses. Though voter approval is not required, a referendum period is afforded to the citizenry to challenge the proposed bond resolution. This is the mechanism used in the construction of the ice arena and the older adult housing facility.

Enterprise Funds

Enterprise funds are typically established for services such as water, sewer, recreation, and housing. Revenues are generated primarily through user charges and connection fees from those who benefit from the improvements.

CAPITAL IMPROVEMENT PROGRAM AND DEBT



Developer Contributions

Developers, as part of subdivision and site planning requirements, may provide infrastructure, open space and recreational facilities. Developers may contribute a share of funds to the government entity, or install the facilities themselves as local need arises, and/or during the construction process. Once completed, the local government entity may agree to maintain the facilities.

Special Assessments

Special assessment financing allows local government to collect special taxes from owners of property directly benefiting from capital improvements. These types of improvements often include streets and sidewalks, sanitary sewer, storm drainage, and water distribution systems.

Gas and Weight Tax

The City of Novi receives a formula-rated share of motor fuel and highway usage taxes from the State of Michigan to be utilized for transportation and maintenance-related projects.

Millage

Property taxes are based upon the local millage rate. Revenue received from property taxes may be used for capital improvements as part of the General Fund, but such improvements are usually smaller scale and less expensive.

General Fund

The General Fund for the City of Novi may be used for capital improvements; however, it is not the intent of the CIP to earmark these funds for projects. Instead, smaller scale, less expensive capital projects with a high priority could be funded as line-items.

State Shared Revenue

In addition to the Gas and Weight Taxes above which are shared revenue, the City receives its share of various taxes and fees from programs and requirements by the State of Michigan.

Public/Private Partnership

This type of financing has become increasingly popular in areas where creative financing is fostered. In many communities the local revenue share may not support some types of public improvements. In contrast, private developers may avoid taking on a project where the infrastructure cost far exceeds profitability. This method of funding brings both the public sector and private contributor together to share in the costs of a project, or a part of a project, which inevitably lessens the overall financial burden falling onto a single source.

Miscellaneous Funding

There are additional methods that are suitable for funding capital improvements. Examples of alternative funding methods are Tax Increment Financing (TIF), Impact Fees, Facility User Fees, etc. Current State legislation does not permit some of these funding methods, which have been used successfully in other states. Changes in legislation could see these and other innovative methods permitted in the future.



CAPITAL IMPROVEMENT PROGRAM AND DEBT

CIP Expenditures by Budget Category

The following is a table that summarizes the City's cost, as well as the leveraged funds, for all CIP projects by budget category.

		<u>Budget</u>	<u>Projected</u>		<u>Forecast</u>		
		Fiscal Year 2017-18	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
Roads	Leveraged Funds	\$ -	\$ -	\$ -	\$ 666,552	\$ -	\$ 800,000
	City Costs	\$ 6,734,484	\$ 9,690,658	\$ 7,515,701	\$ 23,007,904	\$ 9,928,780	\$ 27,518,367
Intersections & Signals	Leveraged Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	City Costs	\$ 32,000	\$ 322,639	\$ 826,364	\$ 283,525	\$ 363,687	\$ 32,000
Sidewalks & Pathways	Leveraged Funds	\$ -	\$ -	\$ -	\$ 733,384	\$ -	\$ -
	City Costs	\$ 1,045,000	\$ 752,452	\$ 50,000	\$ 9,569,089	\$ 5,870,041	\$ 50,000
Storm Sewer & Drainage	Leveraged Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	City Costs	\$ 712,429	\$ 860,506	\$ 1,520,404	\$ 545,335	\$ -	\$ -
Sanitary Sewer	Leveraged Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	City Costs	\$ 7,615,899	\$ 341,409	\$ 562,121	\$ -	\$ 614,669	\$ -
Water Distribution	Leveraged Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	City Costs	\$ -	\$ 989,459	\$ -	\$ 2,609,543	\$ 2,507,050	\$ 2,443,896
Parks, Recreation, & Cultural Services	Leveraged Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	City Costs	\$ 8,907,976	\$ 317,000	\$ 283,000	\$ 5,119,160	\$ 5,543,480	\$ 566,887
Parking Lots	Leveraged Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	City Costs	\$ 419,017	\$ -	\$ -	\$ 400,046	\$ -	\$ -
Buildings & Property	Leveraged Funds	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -
	City Costs	\$ 7,887,925	\$ -	\$ 363,600	\$ 2,407,701	\$ 428,411	\$ 524,554
Machinery & Equipment	Leveraged Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	City Costs	\$ 2,529,428	\$ 2,084,320	\$ 2,581,285	\$ 4,072,020	\$ 1,778,900	\$ 266,450
Technology	Leveraged Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	City Costs	\$ 112,000	\$ 50,000	\$ 50,000	\$ 143,500	\$ -	\$ -
TOTAL		\$ 35,996,158	\$ 15,408,443	\$ 13,752,475	\$ 51,557,759	\$ 27,035,018	\$ 32,202,154

The budget categories mentioned in this table are defined on the following pages and include graphs and maps to help illustrate the CIP projects included within each budget category.

CAPITAL IMPROVEMENT PROGRAM AND DEBT

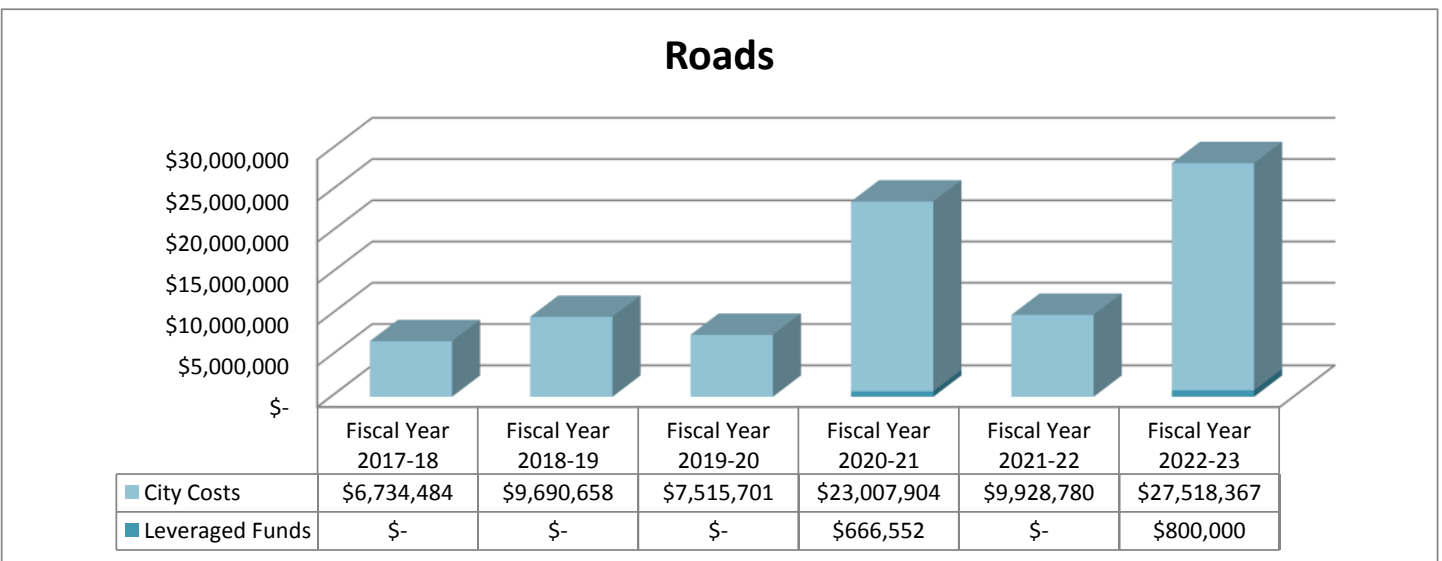


Roads

Transportation-related issues are a high priority for the City of Novi. The Capital Improvement Program addresses traffic congestion by constructing new roadways, adding lanes to existing roadways, widening intersections, and enhancing traffic management systems. The maintenance and preservation of roadways is an important component of the program, which provides the necessary resources for scheduled pavement maintenance applications throughout the City.

The City of Novi contains both public and private roadways. Public roads (I-96, I-275 and M-5) are owned and operated by the Michigan Department of Transportation (MDOT), the Road Commission of Oakland County (RCOC), and the City of Novi. Private roads are owned and operated by private developments and homeowner groups. The City currently maintains approximately 201 miles of major roads and Neighborhood Streets. In order to define priorities and establish a course of action for the local street and major road rehabilitation programs, the City has a formal asset management program that categorizes roads based on their Pavement Surface Evaluation and Rating (PASER). Roads in poor condition would be candidates for reconstruction or rehabilitation. Those in fair condition would receive capital preventive maintenance, while roads in good condition would be candidates for routine maintenance work. The lowest rated roads in each of these categories would generally be addressed first.

Road projects in the City's six-year CIP plan are funded from a dedicated road millage that was approved by voters to provide 1.5 mills, generating between \$2.5 and \$2.9 million dollars per year for neighborhood road rehabilitation and construction.

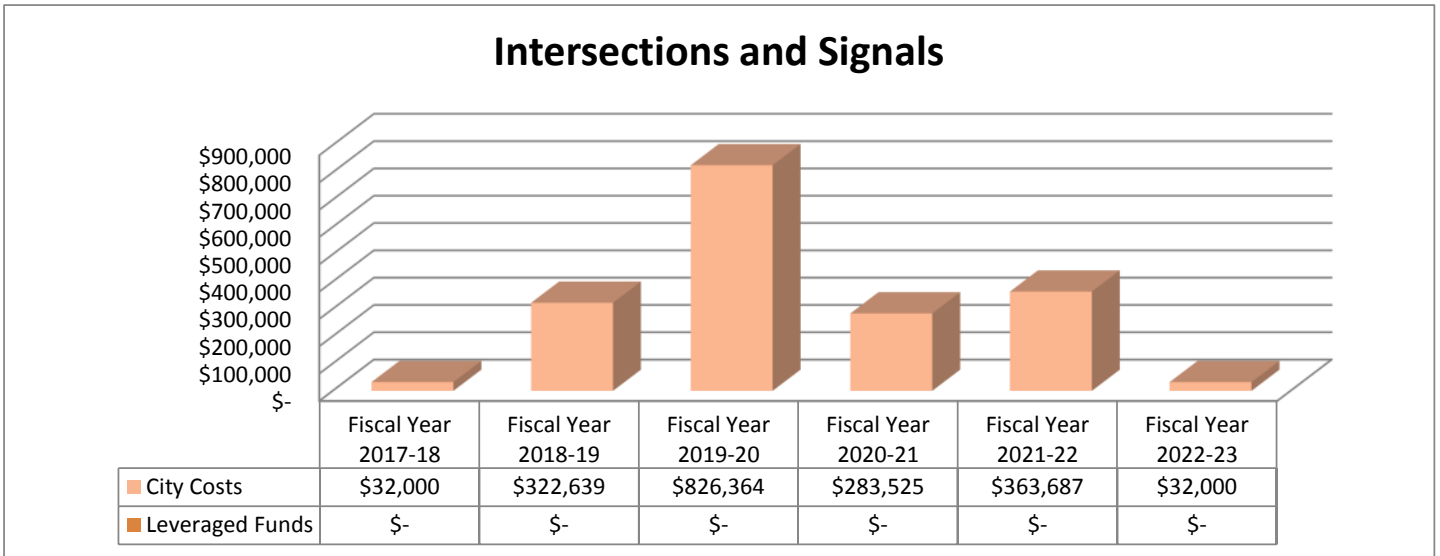


CAPITAL IMPROVEMENT PROGRAM AND DEBT

Intersection and Signals

The City of Novi is 32 square miles with 201 miles of major and neighborhood roads. To facilitate safe motorized and non-motorized transportation throughout the City safe road and street intersections and traffic signals need to be designed and maintained year in and year out. Sample projects found in this category are new traffic signals at City intersections, pedestrian crossing signals, turn lanes on major roads and roundabouts at key intersections to calm traffic.

Funding for proposed projects come from a variety of sources Major, Local and Municipal Street funds, and various grant programs that fund traffic related projects.



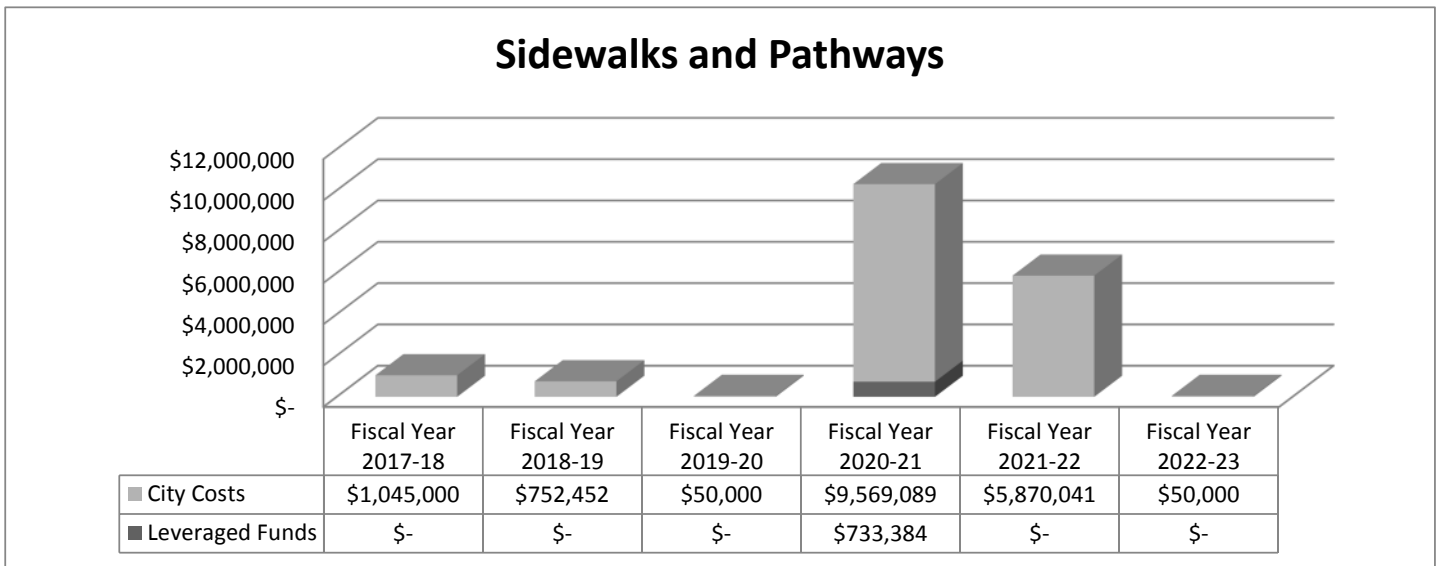
CAPITAL IMPROVEMENT PROGRAM AND DEBT



Sidewalk and Pathways

The City of Novi is committed to providing non-motorized sidewalks and pathways in an effort to provide alternative modes of transportation for citizens and stakeholders alike. In this effort the City Council adopted a Non-Motorized Master Plan. It recommends the installation of bike routes and wayfinding signage along residential streets to enhance the existing neighborhood connections. The City of Novi has had a long standing interest in providing pathways and sidewalks to connect neighborhoods with destinations throughout the City and Region. Currently the City has over 270 miles of pathways and sidewalks. The Capital Improvement Plan incorporates plans and efforts and preferences of the Non-Motorized Plan.

Walkable Novi Committee along with the analysis from the City's Engineering Division makes recommendations to fill the non-motorized gaps throughout the City. A portion of the City's road millage goes toward financing sidewalk and pathway projects in the City of Novi.





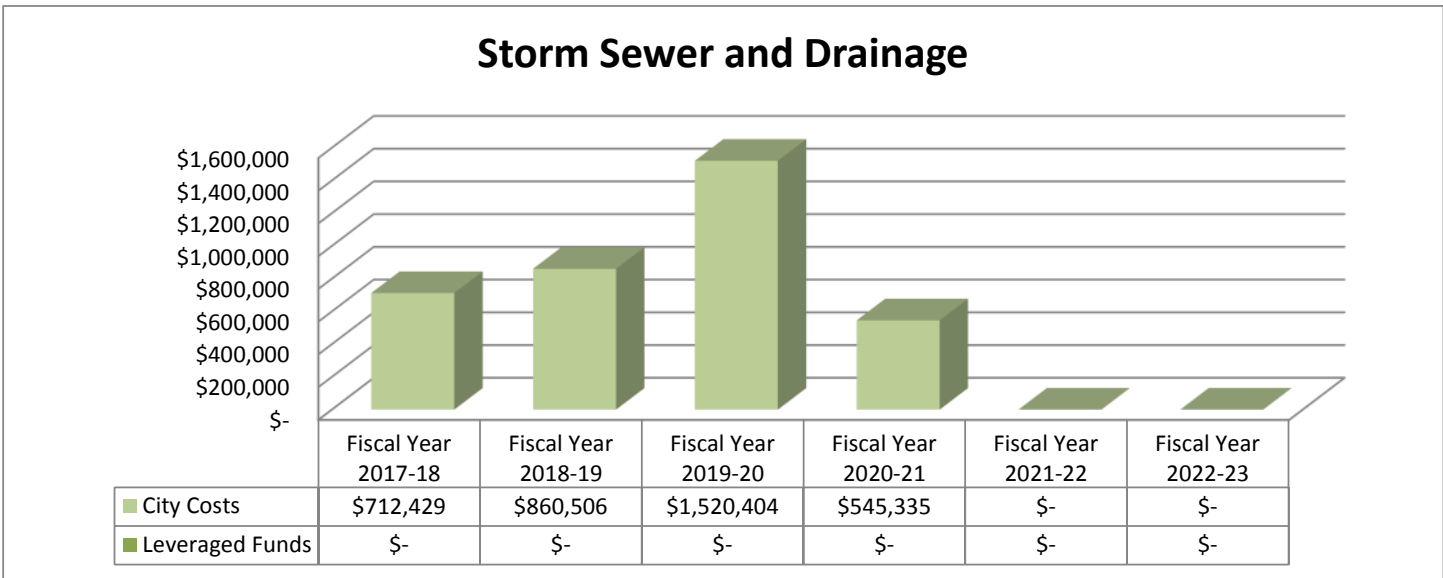
CAPITAL IMPROVEMENT PROGRAM AND DEBT

Storm Sewer & Drainage

The City of Novi is located within two major watersheds in southeast Michigan (the Rouge River Watershed and the Huron River Watershed). Novi is committed to protecting the water courses within and downstream of the community.

As development occurs, the additional impervious surface area impacts the effective drainage of these flows, driving the need for drainage infrastructure. The City partners with the development community to ensure that onsite drainage issues are addressed during the development process.

The City's Capital Improvement Program addresses regional drainage issues through the drainage projects contained herein. Drainage projects are funded by a dedicated millage for acquiring, constructing, improving, and maintaining drain, storm water, and flood control systems in the City of Novi; up to 0.7678 mills annually.



CAPITAL IMPROVEMENT PROGRAM AND DEBT



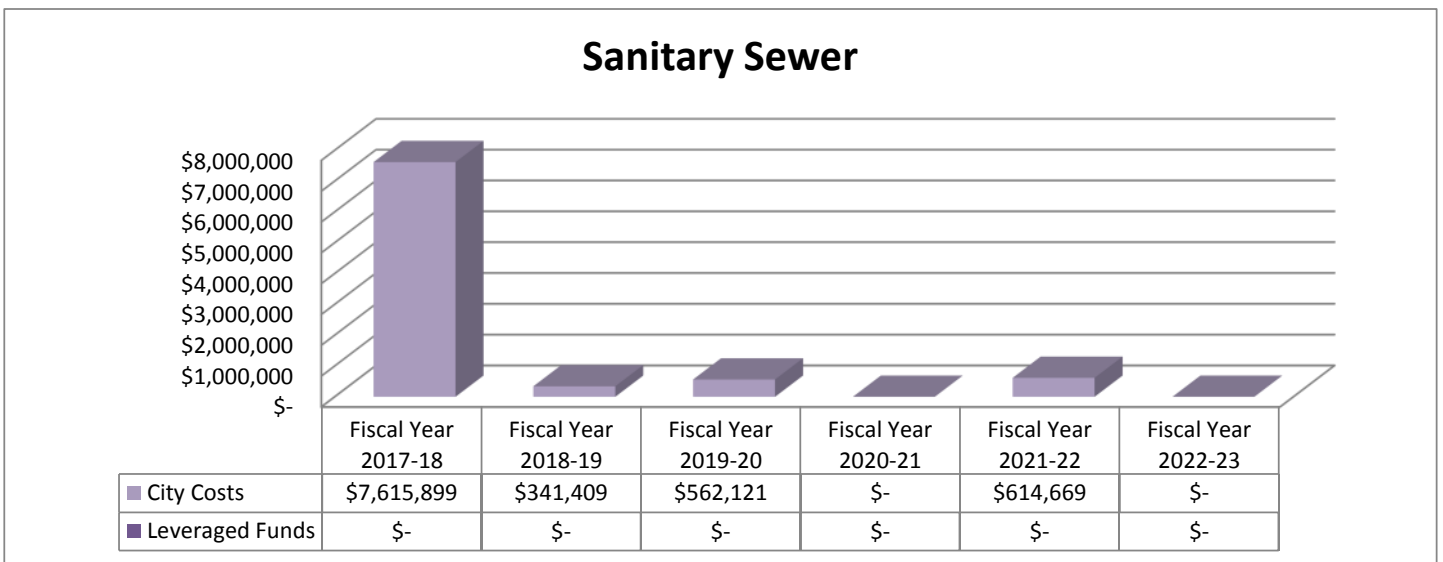
Sanitary Sewer

The City of Novi purchases sewage disposal services from Oakland County Water Resources Commissioner (OCWRC). The City currently has approximately 268 miles of sanitary sewer mains. These sewer mains are part of three separate districts: the Wayne County North Huron Valley/Rouge Valley (NHV/RV) System, South Commerce Township Treatment Plant, and the Walled Lake-Novi Treatment Plant. The majority of the City is served by the NHV/RV system. The City of Novi Water & Sewer Fund, the Oakland County Water Resource Commission (OCWRC) and the Detroit Water & Sewerage Department (DWSD) are all not-for profit entities and therefore rates are intended and required to only cover costs.

The development of the proposed sanitary sewer projects were based upon system deficiencies and needs obtained from area residents, business owners, and City staff. These projects are coordinated with storm water management, roadway, and pathway improvements to maximize cost savings through economies of scale, resulting in a more effective and efficient process to implement the construction projects.

The proposed water and sanitary sewer projects are flexible, allowing for the addition of new improvements to address specific needs without deferring other projects along the way. Studies and analysis of the existing system is an on-going program that, coupled with new technologies, provides for improved system capabilities and reliability.

Water and sanitary sewer projects identified as urgent are not subject to the rating/weighting scale required of capital improvement. Projects included in this category are funded by the City's Water and Sewer Fund which is financed through user rates and connection fees.



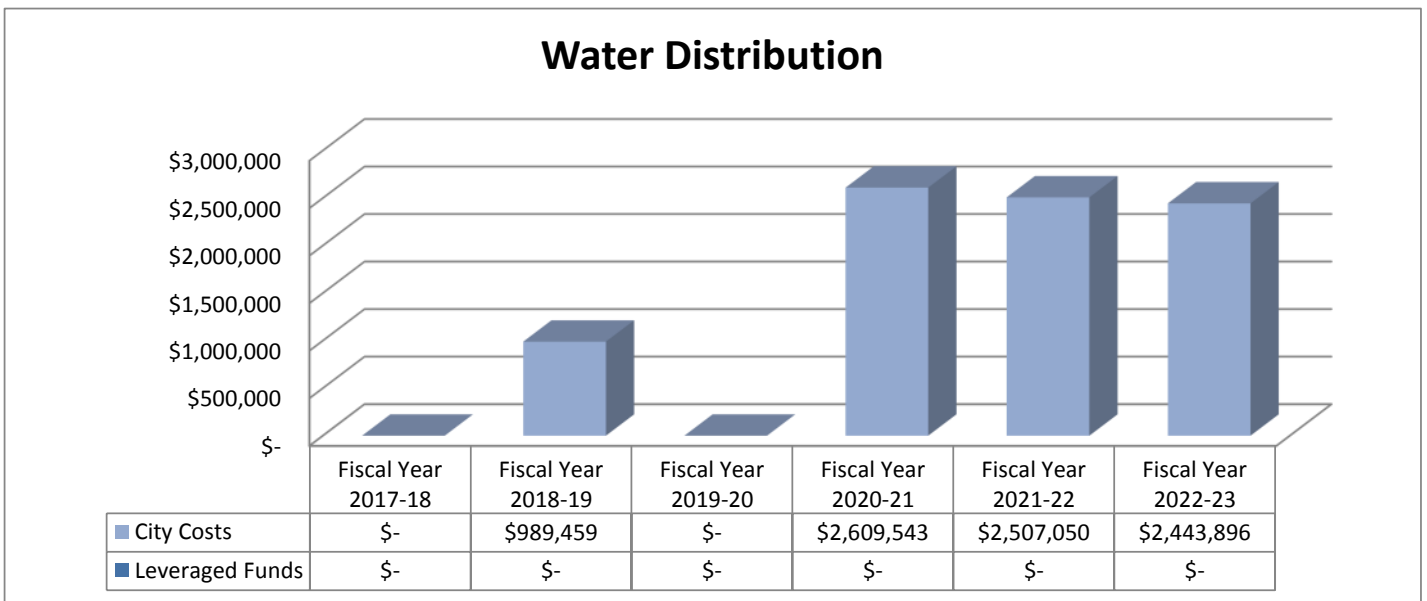


CAPITAL IMPROVEMENT PROGRAM AND DEBT

Water Distribution

The City of Novi purchases treated water from Detroit Water and Sewerage Department (DWSD). DWSD operates the largest water system in the State of Michigan and supplies water to roughly four million people. Water production is costly. Aging water and wastewater treatment systems must be maintained and replaced to ensure reliable service. Rate increases are primarily due to new and rehabilitative projects that are completed under the DWSD Capital Improvement Programs. DWSD rates reflect energy costs to maintain water pumps, water mains, and storage tanks necessary to transport water to our community.

The City is responsible for 336 miles of water main pipe, 4,181 fire hydrants and 13,530 water service connections. Projects included in this category are funded by the City's Water and Sewer Fund which is financed through user rates and connection fees.



CAPITAL IMPROVEMENT PROGRAM AND DEBT

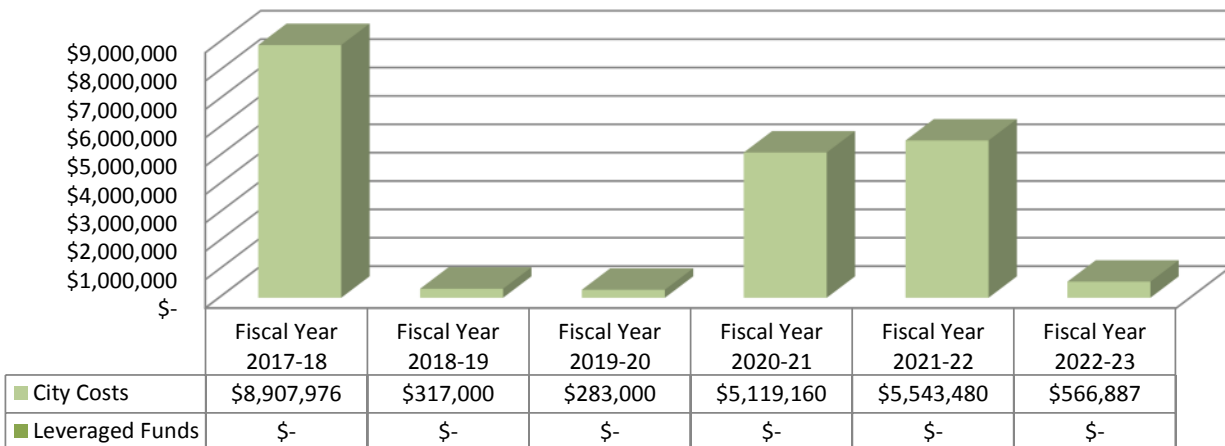


Parks, Recreation and Cultural Services

Quality of life initiatives, such as those represented by parks; open space, and trails projects, are an important component of the Capital Improvement Program. The City of Novi Department of Parks, Recreation and Cultural Services offers lighted ball fields, extensive picnic grounds, shaded playgrounds, beaches, an urban lake, and much, much more. Neighborhood parks provide recreational amenities close to home, while the city's ever-growing network of trails accommodates walkers, joggers, strollers, bicyclists, roller bladders, and equestrians.

Funding for parks, open space, and cultural events is primarily from the Parks and Recreation dedicated millage that was established for maintaining parks and recreation purposes. A dedicated millage of 0.3836 mills and impact fees make up the main funding source for Parks, Recreation and Cultural Services.

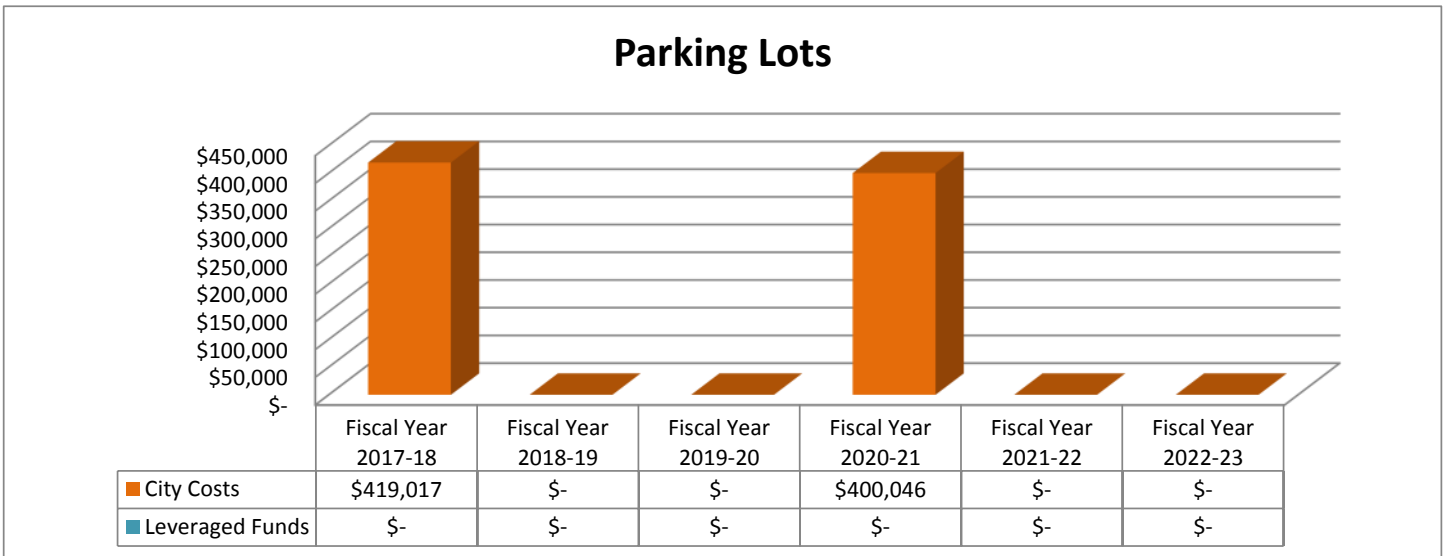
Parks, Recreation, and Cultural Services



CAPITAL IMPROVEMENT PROGRAM AND DEBT

Parking Lots

In addition to the “bricks and mortar” at the various operating facilities within the City of Novi, there are a substantial number of parking lots. The City maintains the lots through annual budget appropriations but replacement and/or improvement of the lots fall under the capital improvement program. The parking lots include all those at public services facilities, police and fire stations, parks, senior housing, ice arena and the civic center.



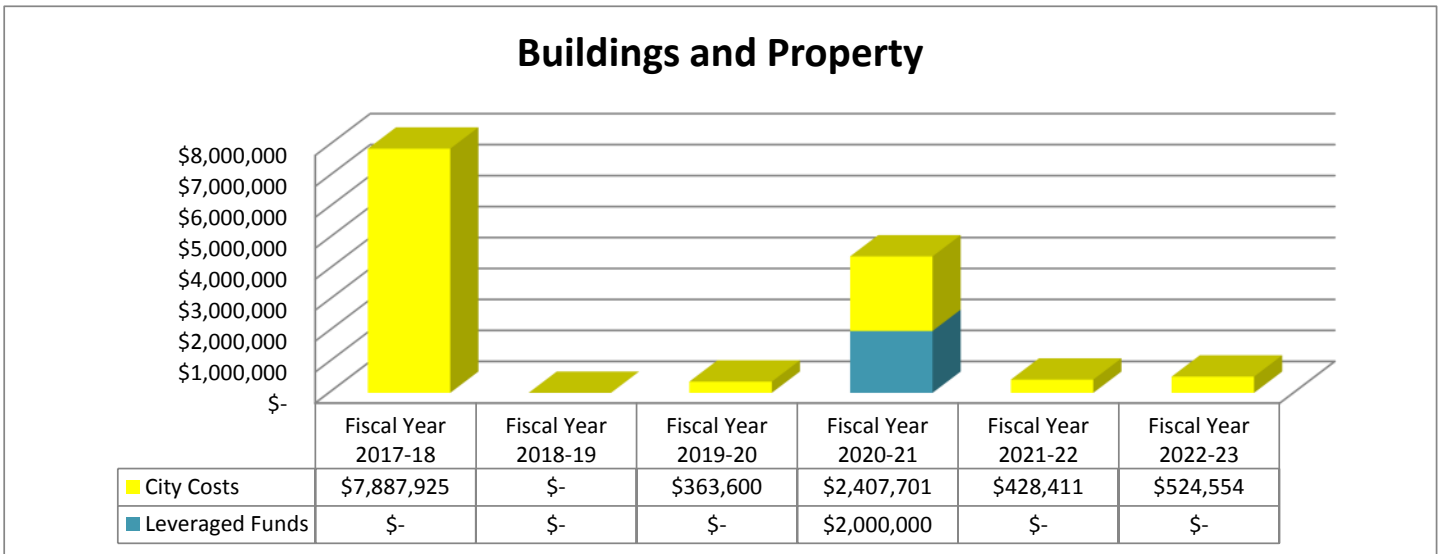
CAPITAL IMPROVEMENT PROGRAM AND DEBT



Buildings and Property

Operational facilities are the “bricks and mortar” from which the City of Novi provides services to its residents and businesses. Increasingly, operational facilities also include the systems that facilitate service delivery in the information age. Projects include the construction of new facilities, as well as the maintenance, rehabilitation, renovation, and expansion of existing facilities.

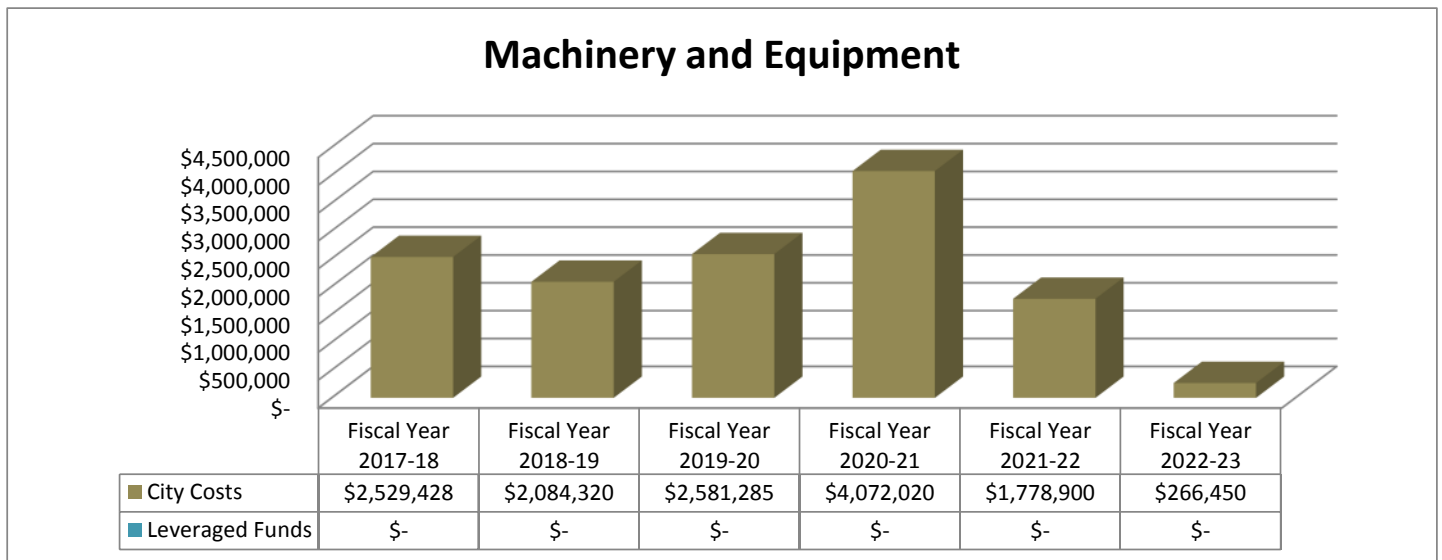
Operational facilities projects are funded from a variety of different sources, depending on the use of the facility. Sources mainly are tied to the General Fund and leveraged funds.



CAPITAL IMPROVEMENT PROGRAM AND DEBT

Machinery and Equipment

Novi employees depend on dependable equipment to allow and assist them to do their jobs day in and day out. The equipment comes in many forms, plow trucks, generators, fire apparatus, etc., the equipment that literally keeps the City of Novi moving. All the vehicles found in this category are the cars and trucks that appear at the front doors of Novi residents and business owners such as public safety (police, fire, water, sewer and street maintenance). Generators that keep municipal buildings and a 911 call center operational during power outages along with ice resurfaces for the City's ice arena fall under this category. Novi City Council has established the precedent over the years in providing Novi employees with the tools necessary to do their job and provide the best level of service to the community. A number of varied funding sources can be used to finance the equipment necessary to efficiently deliver service: General, Major Street, Local Street, Public Safety, and Drug Forfeiture funds.

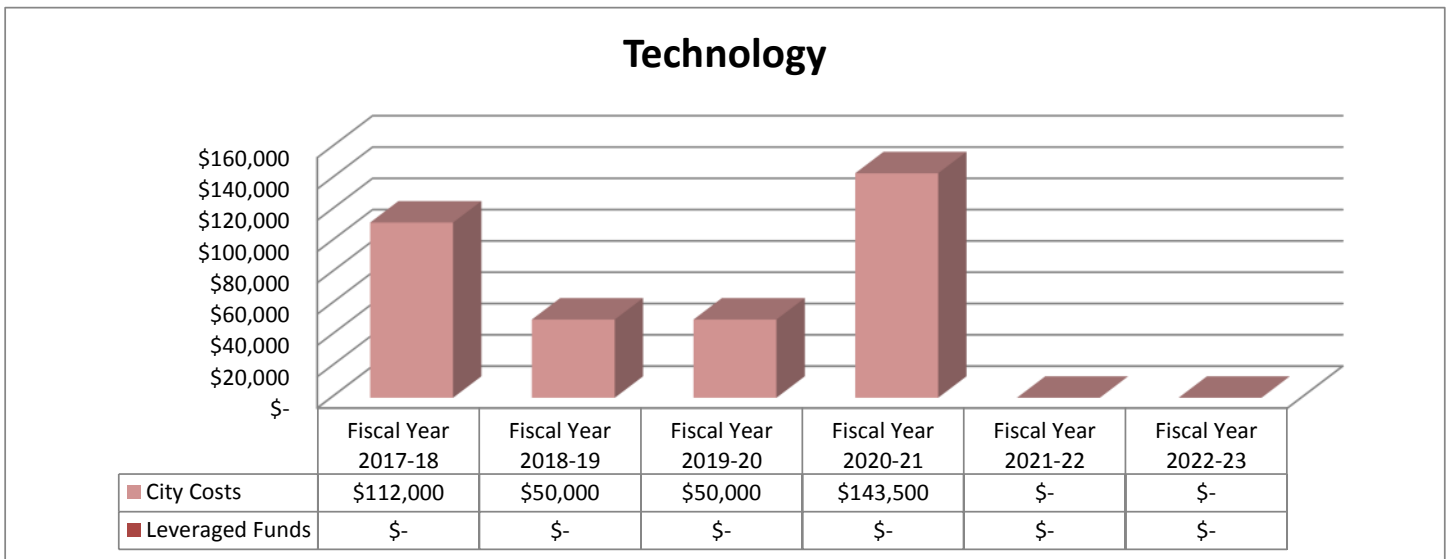


CAPITAL IMPROVEMENT PROGRAM AND DEBT



Technology

The City of Novi continues to provide its customers and employees with the latest technology to support outstanding customer services. Technology includes items such as servers, storage and scanners for employees as well as items like security cameras, water and sewer flow monitors and alarms to ensure our customers are safe and have uninterrupted services.



Summary

On the following pages is the summary of the six-year CIP program which lists each project by category. It provides a CIP project number, a brief description of each project, the funding source, includes an estimated total project cost, includes any estimated outside leverage, includes estimated City cost, and the year each project is scheduled to be funded:



CAPITAL IMPROVEMENT PROGRAM (CIP)

FY 2017-18 Budget

<https://cip.cityofnovi.org/>

Project ID#	PROJECT DESCRIPTION	FUNDING SOURCE	GENERAL LEDGER ACCOUNT #	TOTAL			BUDGET		PROJECTED				FORECAST					
				PROJECT BUDGET	OUTSIDE FUNDING	CITY BUDGET	FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23	
							OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET
1	102-01 Neighborhood Rehabilitation, Repaving, and Reconstruction Road Program	LOCAL STREET FUND 203	203-203.00-864.XXX	\$ 15,770,000	\$ -	\$ 15,770,000		\$ 2,970,000		\$ 2,600,000		\$ 2,700,000		\$ 2,500,000		\$ 2,500,000		\$ 2,500,000
2	FLD039 Concrete Panel Repair Program (FY 2017-18 General Fund 101 contribution \$250,000)	LOCAL STREET FUND 203	203-203.00-985.002	\$ 3,150,000	\$ -	\$ 3,150,000		\$ 450,000		\$ 800,000		\$ 650,000		\$ 800,000		\$ 300,000		\$ 150,000
		DRAIN FUND 210	210-211.00-985.002	\$ 700,000	\$ -	\$ 700,000		\$ 550,000				\$ 150,000						
3	121-001 Taft Road (10 Mile Road to Grand River Avenue)	MAJOR STREET FUND 202	202-202.00-865.179	\$ 1,882,762	\$ -	\$ 1,882,762		\$ 1,882,762										
4	132-03 Meadowbrook Road (North of 12 Mile Road) - Major Repair	MAJOR STREET FUND 202	202-202.00-865.173	\$ 704,770	\$ -	\$ 704,770		\$ 704,770										
5	112-01 Sixth Gate Reconstruction (Section 23)	LOCAL STREET FUND 203	203-203.00-865.178	\$ 176,952	\$ -	\$ 176,952		\$ 176,952										
6	082-03 Crescent Blvd (New Roadway) Extension Between Grand River Avenue and Novi Road - Phase II and III aka Ring Road	CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400	400-204.00-865.260	\$ 5,250,791	\$ -	\$ 5,250,791				\$ 5,250,791								
7	10-2023 13 Mile Road Rehabilitation (Novi Road to Meadowbrook Road)	MAJOR STREET FUND 202	202-202.00-865.176	\$ 757,780	\$ -	\$ 757,780				\$ 757,780								
8	132-05 Meadowbrook Road (Southbound at 11 Mile)--Add right Turn Lane	MAJOR STREET FUND 202	202-202.00-865.172	\$ 282,087	\$ -	\$ 282,087				\$ 282,087								
9	102-05 Taft Road Rehabilitation (9 Mile to 10 Mile)	MAJOR STREET FUND 202	202-202.00-865.170	\$ 1,555,323	\$ -	\$ 1,555,323						\$ 1,555,323						
10	142-01 Beck Road Rehabilitation (White Pines to 10 Mile)	MAJOR STREET FUND 202	202-202.00-865.167	\$ 892,638	\$ -	\$ 892,638						\$ 892,638						
11	102-04 Old Novi Road Rehabilitation	MAJOR STREET FUND 202	202-202.00-865.180	\$ 879,444	\$ -	\$ 879,444						\$ 879,444						
12	082-16 Trans-X Drive Rehabilitation (Section 23)	MAJOR STREET FUND 202	202-202.00-865.174	\$ 522,036	\$ -	\$ 522,036						\$ 522,036						
13	162-04 West Park Bridge over CSX Railroad	MUNICIPAL STREET FUND 204	204-204.00-865.939	\$ 166,260	\$ -	\$ 166,260						\$ 166,260						
14	162-01 12 Mile Road Widening (Beck Road to Cabaret Drive) NOT secured outside funding \$460,896	MUNICIPAL STREET FUND 204	204-204.00-865.???	\$ 11,777,662	\$ 460,896	\$ 11,316,766							\$ 460,896	\$ 11,316,766				
15	092-50 Southwest Quadrant Ring Road Flint Street, Novi Road and Grand River - New secured reimbursable outside funding \$205,656; \$68,552 over 3 years beginning FY 2016-17	MUNICIPAL STREET FUND 204	204-204.00-865.261	\$ 2,763,143	\$ 205,656	\$ 2,557,487							\$ 205,656	\$ 2,557,487				
16	152-13 Wixom Road (11 Mile Road to City Limits)	MAJOR STREET FUND 202	202-202.00-865.???	\$ 1,825,498	\$ -	\$ 1,825,498							\$ 1,825,498					
17	132-26 11 Mile Rehabilitation (Beck to Wixom)	MAJOR STREET FUND 202	202-202.00-865.181	\$ 1,334,817	\$ -	\$ 1,334,817							\$ 1,334,817					
18	132-28 West Park Rehabilitation (West Road to Pontiac Trail)	MAJOR STREET FUND 202	202-202.00-865.???	\$ 1,129,629	\$ -	\$ 1,129,629							\$ 1,129,629					
19	092-22 Wixom Road (10 Mile Road to 11 Mile Road)	MAJOR STREET FUND 202	202-202.00-865.???	\$ 890,440	\$ -	\$ 890,440							\$ 890,440					
20	132-27 11 Mile Rehabilitation (Taft to Clark)	MAJOR STREET FUND 202	202-202.00-865.177	\$ 530,599	\$ -	\$ 530,599							\$ 530,599					
21	162-05 Meadowbrook Rd over Courter Ditch & Cranbrooke Dr	MUNICIPAL STREET FUND 204	204-204.00-865.???	\$ 122,668	\$ -	\$ 122,668							\$ 122,668					
22	142-05 12 Mile Road/Declaration Drive Boulevard Extension (Cabaret Dr to west of Declaration Dr)	MUNICIPAL STREET FUND 204	204-204.00-865.???	\$ 2,354,803	\$ -	\$ 2,354,803								\$ 2,354,803				
23	152-10 12 Mile Road (Medina Blvd to City Limits) pave gravel portion and construct missing sidewalks	MUNICIPAL STREET FUND 204	204-204.00-865.???	\$ 1,644,297	\$ -	\$ 1,644,297								\$ 1,644,297				
24	152-11 West Park Rehabilitation (12 Mile to West Road)	MAJOR STREET FUND 202	202-202.00-865.???	\$ 1,260,729	\$ -	\$ 1,260,729								\$ 1,260,729				
25	082-30 11 Mile Road Rehabilitation and Repaving (Taft Road to Beck Road)	MAJOR STREET FUND 202	202-202.00-865.182	\$ 1,090,844	\$ -	\$ 1,090,844								\$ 1,090,844				
26	162-02 Taft Road Rehabilitation (9 Mile South to City Limits)	MAJOR STREET FUND 202	202-202.00-865.???	\$ 778,107	\$ -	\$ 778,107								\$ 778,107				
27	132-25 Beck Road Widening (8 Mile to 9 Mile) NOT secured outside funding \$400,000	MAJOR STREET FUND 202	202-202.00-865.091	\$ 7,514,461	\$ 400,000	\$ 7,114,461											\$ 400,000	\$ 7,114,461
28	162-03 Beck Road Widening (9 Mile Road to 10 Mile Road) NOT secured outside funding \$400,000	MAJOR STREET FUND 202	202-202.00-865.???	\$ 6,644,668	\$ 400,000	\$ 6,244,668											\$ 400,000	\$ 6,244,668
29	162-06 Beck Road Widening (10 Mile Road to 11 Mile Road)	MAJOR STREET FUND 202	202-202.00-865.???	\$ 7,541,087	\$ -	\$ 7,541,087												\$ 7,541,087
30	162-07 Beck Road Widening (11 Mile Road to Grand River)	MAJOR STREET FUND 202	202-202.00-865.???	\$ 3,968,151	\$ -	\$ 3,968,151												\$ 3,968,151
				\$ 85,862,446	\$ 1,466,552	\$ 84,395,894	\$ -	\$ 6,734,484	\$ -	\$ 9,690,658	\$ -	\$ 7,515,701	\$ 666,552	\$ 23,007,904	\$ -	\$ 9,928,780	\$ 800,000	\$ 27,518,367

Roads



CAPITAL IMPROVEMENT PROGRAM (CIP)

FY 2017-18 Budget

<https://cip.cityofnovi.org/>

Project ID#	PROJECT DESCRIPTION	FUNDING SOURCE	GENERAL LEDGER ACCOUNT #	TOTAL			BUDGET		PROJECTED				FORECAST						
				PROJECT BUDGET	OUTSIDE FUNDING	CITY BUDGET	FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23		
							OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	
Intersections and Signals																			
31	FLD040	Traffic Signal Mast Arm Inspection (every 5 years)	MUNICIPAL STREET FUND 204	204-204.00-867.020	\$ 64,000	\$ -	\$ 64,000		\$ 32,000							\$ 32,000			
32	136-02	Traffic Signal Modernization (Beck Road and 9 Mile Road)	MAJOR STREET FUND 202	202-202.00-863.021	\$ 322,639	\$ -	\$ 322,639			\$ 322,639									
33	136-01	Traffic Signal Modernization (Novi Road and 13 Mile Road)	MAJOR STREET FUND 202	202-202.00-863.016	\$ 413,182	\$ -	\$ 413,182				\$ 413,182								
34	146-01	Traffic Signal Modernization (West Park and South Lake Drive)	MAJOR STREET FUND 202	202-202.00-863.017	\$ 413,182	\$ -	\$ 413,182				\$ 413,182								
35	086-07	Traffic Signal (Lewis and Haggerty Road) - new	MUNICIPAL STREET FUND 204	204-204.00-863.???	\$ 283,525	\$ -	\$ 283,525					\$ 283,525							
36	156-01	Traffic Signal Modernization (Beck Road and 11 Mile Road)	MUNICIPAL STREET FUND 204	204-204.00-863.???	\$ 363,687	\$ -	\$ 363,687						\$ 363,687						
					\$ 1,860,215	\$ -	\$ 1,860,215	\$ -	\$ 32,000	\$ -	\$ 322,639	\$ -	\$ 826,364	\$ -	\$ 283,525	\$ -	\$ 363,687	\$ -	\$ 32,000
Sidewalks and Pathways																			
37	10-5002	Americans with Disabilities Act (ADA) Compliance Plan Annual Implementation	MUNICIPAL STREET FUND 204	204-204.00-975.XXX	\$ 300,000	\$ -	\$ 300,000		\$ 50,000		\$ 50,000		\$ 50,000		\$ 50,000		\$ 50,000		
38	115-009	Segment 9 -- Pontiac Trail (South Side; Beck Road to West Park Drive) - 6' Sidewalk	MUNICIPAL STREET FUND 204	204-204.00-974.446	\$ 995,000	\$ -	\$ 995,000		\$ 995,000										
39	095-93	Segment 93 -- 9 Mile Road (North side; Novi Road to Taff) - 6' foot Sidewalk	MUNICIPAL STREET FUND 204	204-204.00-974.454	\$ 381,728	\$ -	\$ 381,728			\$ 381,728									
40	085-62	Segment 62 -- 10 Mile Road (North side; Eaton Center to Churchill) - 6' Sidewalk and Boardwalk	MUNICIPAL STREET FUND 204	204-204.00-974.456	\$ 320,724	\$ -	\$ 320,724			\$ 320,724									
41	115-0003	M-5/I-275 Regional Trail Connection - Phase II (Meadowbrook Road and 13 Mile Road; Between 12 Mile Road and M-5) NOT secured outside funding \$733,384	MUNICIPAL STREET FUND 204	204-204.00-974.434	\$ 2,403,384	\$ 733,384	\$ 1,670,000					\$ 733,384	\$ 1,670,000						
42	085-84	Segment 84 -- Meadowbrook Road (East side; 9 Mile Road to 10 Mile Road) - 6' Sidewalk	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 1,275,000	\$ -	\$ 1,275,000						\$ 1,275,000						
43	085-81	Segment 81A&81B -- 10 Mile Road (South side; Meadowbrook Road to Haggerty)	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 1,179,609	\$ -	\$ 1,179,609						\$ 1,179,609						
44	115-0002	Non-Motorized Crossing of I-96 at Novi Road	MUNICIPAL STREET FUND 204	204-204.00-974.455	\$ 1,017,356	\$ -	\$ 1,017,356						\$ 1,017,356						
45	095-99	Segment 99 -- 10 Mile Road (South Side; Wixom Road to Beck Rd) - 8' foot Pathway	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 957,628	\$ -	\$ 957,628						\$ 957,628						
46	125-119	Segment 119 -- Meadowbrook Road (East Side; 8 Mile Road to 9 Mile Road) - 6' foot Sidewalk	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 766,110	\$ -	\$ 766,110						\$ 766,110						
47	135-70	Segment 70 -- Meadowbrook Road (West side; Gateway Village to 11 Mile) - 8' Pathway	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 687,633	\$ -	\$ 687,633						\$ 687,633						
48	105-90	Segment 90 -- 10 Mile Road (South side; Novi Road to Chipmunk Trail) - 8' foot Pathway	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 546,117	\$ -	\$ 546,117						\$ 546,117						
49	095-88	Segment 88 -- 9 Mile Road (North side; Novi Road - Railroad) - 6' Sidewalk	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 383,868	\$ -	\$ 383,868						\$ 383,868						
50	10-5007	Segment NC4 -- Neighborhood Connection Between Main Street and Meadowbrook Glens	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 319,321	\$ -	\$ 319,321						\$ 319,321						
51	125-039	Segment 39 -- Beck Road (West side; 11 Mile Road to Providence)	MUNICIPAL STREET FUND 204	204-204.00-974.457	\$ 318,328	\$ -	\$ 318,328						\$ 318,328						
52	155-120A	Segment 120A -- Haggerty Road Pathway (Eight Mile to North of Orchard Hill Place)	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 265,496	\$ -	\$ 265,496						\$ 265,496						
53	155-120B	Segment 120B -- Haggerty Road Pathway (South of High Pointe Blvd)	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 132,623	\$ -	\$ 132,623						\$ 132,623						
54	115-0005	Non-Motorized Crossing of I-96 at Taff Road	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 3,187,322	\$ -	\$ 3,187,322							\$ 3,187,322					
55	145-38	Segment 38 -- Beck Road (East side; Eleven Mile to Grand River) - 6' sidewalk	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 998,513	\$ -	\$ 998,513							\$ 998,513					
56	145-64	Segment 64 -- Taff Road (East side; Ten Mile to 11 Mile) - 6' sidewalk	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 995,400	\$ -	\$ 995,400							\$ 995,400					
57	135-51	Segment 51 -- 10 Mile Road (North side; Dinsler to Woodham) - 6' sidewalk	MUNICIPAL STREET FUND 204	204-204.00-974.???	\$ 432,244	\$ -	\$ 432,244							\$ 432,244					
58	125-053	Segment 53 -- Beck Road (West Side; 11 Mile Road to Kirkway Place) - 8' foot Pathway	MUNICIPAL STREET FUND 204	204-204.00-974.451	\$ 206,562	\$ -	\$ 206,562							\$ 206,562					
					\$ 18,069,966	\$ 733,384	\$ 17,336,582	\$ -	\$ 1,045,000	\$ -	\$ 752,452	\$ -	\$ 50,000	\$ 733,384	\$ 9,569,089	\$ -	\$ 5,870,041	\$ -	\$ 50,000



CAPITAL IMPROVEMENT PROGRAM (CIP)

FY 2017-18 Budget

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Project ID#	PROJECT DESCRIPTION	FUNDING SOURCE	GENERAL LEDGER ACCOUNT #	TOTAL			BUDGET		PROJECTED				FORECAST					
				PROJECT BUDGET	OUTSIDE FUNDING	CITY BUDGET	FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23	
							OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET
Storm Sewer and Drainage																		
59	133-05	Streambank Stabilization Ingersol Creek (10 Mile Road to Willowbrook Drive)	DRAIN FUND 210	210-211.00-865.143	\$ 462,429	\$ -	\$ 462,429		\$ 462,429									
60	153-02	Storm Drainage Improvement Pilot Project	DRAIN FUND 210	210-211.00-865.144	\$ 500,000	\$ -	\$ 500,000		\$ 250,000									
61	133-07	Streambank Stabilization Bishop Creek (along Meadowbrook, north of Grand River)	DRAIN FUND 210	210-211.00-865.145	\$ 610,506	\$ -	\$ 610,506				\$ 610,506							
62	133-08	Streambank Stabilization on Rouge River (near 9 Mile Road)	DRAIN FUND 210	210-211.00-865.146	\$ 1,520,404	\$ -	\$ 1,520,404					\$ 1,520,404						
63	153-01	Bishop District New Sedimentation Dredging (Near 11 Mile Road, north of 11 mile)	DRAIN FUND 210	210-211.00-865.???	\$ 545,335	\$ -	\$ 545,335						\$ 545,335					
					\$ 3,638,674	\$ -	\$ 3,638,674	\$ -	\$ 712,429	\$ -	\$ 860,506	\$ -	\$ 1,520,404	\$ -	\$ 545,335	\$ -	\$ -	
Sanitary Sewer																		
64	WTS007	8 Mile Equalization Basin Project	WATER AND SEWER FUND 592	592-592.00-976.014	\$ 7,000,000	\$ -	\$ 7,000,000		\$ 7,000,000									
65	WTS010	Wixom Road Pump Station	WATER AND SEWER FUND 592	592-592.00-976.025	\$ 615,899	\$ -	\$ 615,899		\$ 615,899									
66	WTS011	Drakes Bay Pump Station	WATER AND SEWER FUND 592	592-592.00-976.026	\$ 341,409	\$ -	\$ 341,409				\$ 341,409							
67	WTS012	Drakes Bay Effluent Sewer Upgrades	WATER AND SEWER FUND 592	592-592.00-976.035	\$ 562,121	\$ -	\$ 562,121					\$ 562,121						
68	WTS013	Lanny's Influent Sewer Upgrades	WATER AND SEWER FUND 592	592-592.00-976.???	\$ 614,669	\$ -	\$ 614,669							\$ 614,669				
					\$ 9,134,098	\$ -	\$ 9,134,098	\$ -	\$ 7,615,899	\$ -	\$ 341,409	\$ -	\$ 562,121	\$ -	\$ -	\$ -	\$ 614,669	
Water Distribution																		
69	091-06	PRV Redistricting (Meadowbrook and 13 Mile Road)	WATER AND SEWER FUND 592	592-592.00-976.013	\$ 989,459	\$ -	\$ 989,459				\$ 989,459							
70	WTS008	Island Lake Pressure District Expansion - Phase 1	WATER AND SEWER FUND 592	592-592.00-976.016	\$ 2,609,543	\$ -	\$ 2,609,543						\$ 2,609,543					
71	WTS017	Watermain Loop Connection - Beck Road (Dunhill to Casa Loma)	WATER AND SEWER FUND 592	592-592.00-976.???	\$ 1,492,124	\$ -	\$ 1,492,124							\$ 1,492,124				
72	WTS009	Island Lake Pressure District Expansion - Phase 2	WATER AND SEWER FUND 592	592-592.00-976.???	\$ 1,014,926	\$ -	\$ 1,014,926							\$ 1,014,926				
73	091-11	Master Meter Connection - new	WATER AND SEWER FUND 592	592-592.00-982.???	\$ 1,651,456	\$ -	\$ 1,651,456									\$ 1,651,456		
74	091-18	11 Mile Loop Connection at Seely Road	WATER AND SEWER FUND 592	592-592.00-976.018	\$ 792,440	\$ -	\$ 792,440									\$ 792,440		
					\$ 8,549,948	\$ -	\$ 8,549,948	\$ -	\$ -	\$ -	\$ 989,459	\$ -	\$ -	\$ -	\$ 2,609,543	\$ -	\$ 2,507,050	
Parks, Recreation, and Cultural Services																		
75	PRC031	Lakeshore Park	CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400	400-691.00-977.013	\$ 5,000,000	\$ -	\$ 5,000,000		\$ 5,000,000									
76	PRC040	ITC Trail (Garfield/Nine Mile Rd to 11 Mile Rd)	CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400	400-691.00-977.020	\$ 3,500,000	\$ -	\$ 3,500,000		\$ 3,500,000									
77	PRC034	Villa Barr Property Parking lot, Bus loop, and Sculpture garden pathway	CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400	400-691.00-977.014	\$ 299,344	\$ -	\$ 299,344		\$ 299,344									
78	PRC035	Ella Mae Power Park Spectator Bleacher Upgrade (fields 1 through 4)	CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400	400-691.00-977.015	\$ 108,632	\$ -	\$ 108,632		\$ 108,632									
79	PRC004	Ella Mae Power Park Lighting - Ball Fields 5 & 6	PARKS, RECREATION & CULTURAL SERVICES 208	208-691.00-977.017	\$ 317,000	\$ -	\$ 317,000				\$ 317,000							
80	PRC008	Ella Mae Power Park Irrigation and Fencing Replacement - Fields 5 & 6	PARKS, RECREATION & CULTURAL SERVICES 208	208-691.00-977.018	\$ 153,000	\$ -	\$ 153,000					\$ 153,000						
81	PRC025	Mobile Sound Stage Replacement	PARKS, RECREATION & CULTURAL SERVICES 208	208-691.00-982.022	\$ 130,000	\$ -	\$ 130,000					\$ 130,000						
82	PRC032	Park Improvements - Property Acquisition	CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400	400-691.00-971.005	\$ 4,000,000	\$ -	\$ 4,000,000						\$ 4,000,000					



CAPITAL IMPROVEMENT PROGRAM (CIP)

FY 2017-18 Budget

<https://cip.cityofnovi.org/>

Project ID#	PROJECT DESCRIPTION	FUNDING SOURCE	GENERAL LEDGER ACCOUNT #	TOTAL			BUDGET		PROJECTED				FORECAST					
				PROJECT BUDGET	OUTSIDE FUNDING	CITY BUDGET	FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23	
							OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET
83	PRC024	ITC Field Improvements	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.???	\$ 500,360	\$ -	\$ 500,360								\$ 500,360				
84	109-03	Tim Pope Play Structure Replacement	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.016	\$ 259,000	\$ -	\$ 259,000								\$ 259,000				
85	PRC019	ITC Community Sports Park Update	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.005	\$ 671,800	\$ -	\$ 671,800								\$ 200,000	\$ 471,800			
86	PRC023	Village Wood Lake Park Improvements	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.???	\$ 159,800	\$ -	\$ 159,800								\$ 159,800				
87	PRC036	Park Improvements - Develop Property	CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400 400-691.00-977.???	\$ 4,000,000	\$ -	\$ 4,000,000									\$ 4,000,000			
88	PRC028	Novi Northwest Park Construction	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.???	\$ 665,975	\$ -	\$ 665,975									\$ 665,975			
89	PRC010	Wildlife Wood Trail	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.004	\$ 304,910	\$ -	\$ 304,910									\$ 304,910			
90	100-003	ITC Community Sports Park Play Structure Replacement	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.003	\$ 100,795	\$ -	\$ 100,795									\$ 100,795			
91	PRC037	Trailhead (Nine Mile & Garfield) - ITC Corridor	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.???	\$ 200,000	\$ -	\$ 200,000												\$ 200,000
92	PRC038	ITC Pathway Extension - Napier Road Connector (North of 8 Mile Rd, East of Napier Rd)	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.???	\$ 179,637	\$ -	\$ 179,637												\$ 179,637
93	PRC022	Wildlife Woods Entrance	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.???	\$ 105,000	\$ -	\$ 105,000												\$ 105,000
94	PRC039	Ella Mae Power Park South Playground Replacement	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-977.???	\$ 82,250	\$ -	\$ 82,250												\$ 82,250
				\$ 20,737,503	\$ -	\$ 20,737,503	\$ -	\$ 8,907,976	\$ -	\$ 317,000	\$ -	\$ 283,000	\$ -	\$ 5,119,160	\$ -	\$ 5,543,480	\$ -	\$ 566,887

Parking Lots

95	LOT017	Pavilion Shore Parking Lot addition	CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400 400-691.00-981.008	\$ 341,088	\$ -	\$ 341,088		\$ 341,088										
96	LOT018	Fire Parking Lot Improvements (FS #2) - Replacement	GENERAL FUND 101 101-442.10-981.009	\$ 77,929	\$ -	\$ 77,929		\$ 77,929										
97	LOT014	ITC Community Sports Park Parking Lot Improvements	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-981.???	\$ 203,462	\$ -	\$ 203,462								\$ 203,462				
98	LOT019	Fire Parking Lot Improvements (CEMS) - Replacement	GENERAL FUND 101 101-442.10-981.???	\$ 100,807	\$ -	\$ 100,807								\$ 100,807				
99	LOT015	Rotary Park Parking Area	PARKS, RECREATION & CULTURAL SERVICES 208 208-691.00-981.???	\$ 95,777	\$ -	\$ 95,777								\$ 95,777				
				\$ 819,063	\$ -	\$ 819,063	\$ -	\$ 419,017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,046	\$ -	\$ -	\$ -	\$ -



CAPITAL IMPROVEMENT PROGRAM (CIP)

FY 2017-18 Budget

<https://cip.cityofnovi.org/>

Project ID#	PROJECT DESCRIPTION	FUNDING SOURCE	GENERAL LEDGER ACCOUNT #	TOTAL			BUDGET		PROJECTED				FORECAST						
				PROJECT BUDGET	OUTSIDE FUNDING	CITY BUDGET	FY 2017-18		FY 2018-19		FY 2019-20		FY 2020-21		FY 2021-22		FY 2022-23		
							OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	OUTSIDE FUNDING	CITY BUDGET	
166	FLD011	All-Wheel Drive Motor Grader (Replaces #612; 2005 CAT)	GENERAL FUND 101	101-442.20-984.???	\$ 315,000	\$ -	\$ 315,000												
167	FPM006	1-Ton Dump Truck w/Front Plow and Swap Loader (Replaces #633 - 1998 GMC)	GENERAL FUND 101	101-265.10-984.???	\$ 130,000	\$ -	\$ 130,000											\$ 130,000	
168	FLD026	1-Ton Dump Truck w/Front Plow and Swap Loader (Replaces #690 - 1999 Ford)	GENERAL FUND 101	101-442.20-984.???	\$ 130,000	\$ -	\$ 130,000											\$ 130,000	
169	ICE015	Shell and Tube Chiller Replacement	ICE ARENA FUND 590	590-000.00-969.???	\$ 125,000	\$ -	\$ 125,000											\$ 125,000	
170	FLD037	Backhoe (replaces #625; 2007 Case)	DRAIN FUND 210	210-211.00-984.???	\$ 110,000	\$ -	\$ 110,000											\$ 110,000	
171	FLD036	Hi-Lo Lift Truck (replaces #627; 1999 Alta)	GENERAL FUND 101	101-442.20-984.???	\$ 60,000	\$ -	\$ 60,000											\$ 60,000	
172	FIR027	Rescue Replacement (replaces #338; 2015 GMC Sierra Crew Cab)	GENERAL FUND 101	101-337.00-979.000	\$ 103,225	\$ -	\$ 103,225											\$ 103,225	
					\$ 13,312,403	\$ -	\$ 13,312,403	\$ -	\$ 2,529,428	\$ -	\$ 2,084,320	\$ -	\$ 2,581,285	\$ -	\$ 4,072,020	\$ -	\$ 1,778,900	\$ -	\$ 266,450
Technology																			
173	CDP003	Document Imaging - Scanning	GENERAL FUND 101	101-807.00-986.005	\$ 200,000	\$ -	\$ 200,000		\$ 50,000		\$ 50,000		\$ 50,000		\$ 50,000				
174	FLT001	Fleet Management/Integration Software	GENERAL FUND 101	101-442.30-986.017	\$ 62,000	\$ -	\$ 62,000		\$ 62,000										
175	IFT004	Firewall Replacement	GENERAL FUND 101	101-205.00-986.???	\$ 30,500	\$ -	\$ 30,500								\$ 30,500				
176	IFT003	Server Storage Replacement	GENERAL FUND 101	101-205.00-986.???	\$ 63,000	\$ -	\$ 63,000								\$ 63,000				
					\$ 355,500	\$ -	\$ 355,500	\$ -	\$ 112,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 143,500	\$ -	\$ -	\$ -	\$ -
					\$ 175,952,007	\$ 4,199,936	\$ 171,752,071	\$ -	\$ 35,996,158	\$ -	\$ 15,408,443	\$ -	\$ 13,752,475	\$ 3,399,936	\$ 48,157,823	\$ -	\$ 27,035,018	\$ 800,000	\$ 31,402,154

GENERAL FUND 101	\$ 11,179,653	\$ -	\$ 11,179,653	\$ -	\$ 1,550,014	\$ -	\$ 966,520	\$ -	\$ 1,615,489	\$ -	\$ 4,982,280	\$ -	\$ 1,623,900	\$ -	\$ 441,450
MAJOR STREET FUND 202	\$ 43,134,873	\$ 800,000	\$ 42,334,873	\$ -	\$ 2,587,532	\$ -	\$ 1,362,506	\$ -	\$ 4,675,805	\$ -	\$ 5,710,983	\$ -	\$ 3,129,680	\$ 800,000	\$ 24,868,367
LOCAL STREET FUND 203	\$ 19,096,952	\$ -	\$ 19,096,952	\$ -	\$ 3,596,952	\$ -	\$ 3,400,000	\$ -	\$ 3,350,000	\$ -	\$ 3,300,000	\$ -	\$ 2,800,000	\$ -	\$ 2,650,000
MUNICIPAL STREET FUND 204	\$ 37,610,011	\$ 1,399,936	\$ 36,210,075	\$ -	\$ 1,077,000	\$ -	\$ 752,452	\$ -	\$ 216,260	\$ 1,399,936	\$ 23,849,535	\$ -	\$ 10,232,828	\$ -	\$ 82,000
PARKS, RECREATION, & CULTURAL SERVICES FUND 208	\$ 4,128,766	\$ -	\$ 4,128,766	\$ -	\$ -	\$ -	\$ 317,000	\$ -	\$ 283,000	\$ -	\$ 1,418,399	\$ -	\$ 1,543,480	\$ -	\$ 566,887
DRAIN FUND 210	\$ 5,098,674	\$ -	\$ 5,098,674	\$ -	\$ 1,662,429	\$ -	\$ 860,506	\$ -	\$ 1,670,404	\$ -	\$ 795,335	\$ -	\$ 110,000	\$ -	\$ -
PEG CABLE FUND 263	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FORFEITURE FUNDS 266	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL IMPROVEMENT PROGRAM (CIP) FUND 400	\$ 32,699,855	\$ 2,000,000	\$ 30,699,855	\$ -	\$ 16,449,064	\$ -	\$ 5,250,791	\$ -	\$ -	\$ 2,000,000	\$ 5,000,000	\$ -	\$ 4,000,000	\$ -	\$ -
GUN RANGE FACILITY FUND 402	\$ 701,581	\$ -	\$ 701,581	\$ -	\$ 330,000	\$ -	\$ 90,800	\$ -	\$ -	\$ -	\$ 280,781	\$ -	\$ -	\$ -	\$ -
ICE ARENA FUND 590	\$ 418,600	\$ -	\$ 418,600	\$ -	\$ 30,000	\$ -	\$ 27,000	\$ -	\$ 201,600	\$ -	\$ 35,000	\$ -	\$ 125,000	\$ -	\$ -
WATER & SEWER FUND 592	\$ 20,911,077	\$ -	\$ 20,911,077	\$ -	\$ 8,439,167	\$ -	\$ 2,380,868	\$ -	\$ 1,739,917	\$ -	\$ 2,785,510	\$ -	\$ 3,121,719	\$ -	\$ 2,443,896
SENIOR HOUSING FUND 594	\$ 891,965	\$ -	\$ 891,965	\$ -	\$ 194,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 348,411	\$ -	\$ 349,554
	\$ 175,952,007	\$ 4,199,936	\$ 171,752,071	\$ -	\$ 35,996,158	\$ -	\$ 15,408,443	\$ -	\$ 13,752,475	\$ 3,399,936	\$ 48,157,823	\$ -	\$ 27,035,018	\$ 800,000	\$ 31,402,154



CAPITAL IMPROVEMENT PROGRAM AND DEBT

Debt Service

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

City Charter and Public Act 279 of 1909 (as amended) provide that the net indebtedness of the City shall not be in excess of 10% of the State Equalized Valuation of all real and personal property in the City, plus assessed value equivalent of Act 198 specific tax levies.

The schedules of indebtedness associated with special assessments are not included in the following information because the debt is paid with installment collections from benefited property owners.

Bond Rating History Unlimited Tax General Obligation Bonds

	2016	2015	2014	2013	2012	2011	2010	2008	2003	2002
S&P	AAA	AAA	AA+	AA+	AA+	AA+	AA+	AA+	AA-	AA-
Moody's	Aa1	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	A1

Standard & Poors	Moody's Investor Services	Fitch
***AAA	Aaa	AAA
AA+	***Aa1	AA+
AA-	Aa2	AA-
A+	Aa3	A+
A	A1	A
A-	A2	A-
BBB+	A3	BBB+
BBB-	Baa1	BBB-
BB+	Baa2	BB+
BB	Baa3	BB
BB-	Ba1	BB-
B+	Ba2	B+
B	Ba3	B
B-	B1	B-
CCC+	B2	CCC+
CCC-	B3	CCC-
	Caa1	CC
	Caa2	C
	Caa3	DDD
	Ca	DD
	C	D

*** City of Novi's rating

CAPITAL IMPROVEMENT PROGRAM AND DEBT



Debt Summary

Description of Debt	Funding Source	Debt Outstanding 6/30/2017	Debt Service Payments 2017-18		
			Principal	Interest	Total
VOTED TAX GENERAL OBLIGATION DEBT FUNDS:					
2008 Library Construction Bonds	Debt Service	11,550,000	920,000	424,100	1,344,100
Total Direct Debt Service		\$ 11,550,000	\$ 920,000	\$ 424,100	\$ 1,344,100
Total Special Assessment Debt		\$ 150,000	\$ 150,000	\$ 3,750	\$ 153,750
2014 Refunding Bonds-Ice Arena	Ice Arena	\$ 3,465,000	\$ 480,000	\$ 83,660	\$ 563,660
2015 Refunding Bonds-Senior Housing	Sr Housing	8,220,000	875,000	178,220	1,053,220
Total Debt Service		\$ 23,385,000	\$ 2,425,000	\$ 689,730	\$ 3,114,730



CAPITAL IMPROVEMENT PROGRAM AND DEBT

**Debt Service Requirements to Maturity
General Obligation Bonds
Fiscal Year 2018-2029**

Fiscal Year Ending	Principal (less interest earnings & fund balance appropriations)	Interest	Total*	Projected Taxable Value** (in thousands)	Estimated Millage Rate for Debt Service
2018	920,000	424,100	1,344,100	3,418,000	0.3932
2019	965,000	390,250	1,355,250	3,548,000	0.3820
2020	1,015,000	355,450	1,370,450	3,683,000	0.3721
2021	1,055,000	329,100	1,384,100	3,793,000	0.3649
2022	1,135,000	267,700	1,402,700	3,907,000	0.3590
2023	1,195,000	221,100	1,416,100	4,024,000	0.3519
2024	1,240,000	172,400	1,412,400	4,145,000	0.3407
2025	1,295,000	121,700	1,416,700	4,269,000	0.3319
2026	1,340,000	75,700	1,415,700	4,397,000	0.3220
2027	1,390,000	27,800	1,417,800	4,529,000	0.3130
	<u>\$ 11,550,000</u>	<u>\$ 2,385,300</u>	<u>\$ 13,935,300</u>		
Average Annual Requirement:			\$ 1,266,845		

**Total debt service payments above exclude fees*

***Projected taxable value is net of adjustments for tax tribunal cases, uncollected personal property tax, etc. For years 2018-2020, the estimate includes a 3.8% per year annual growth assumption and does not include any offset for interest earnings. For years 2021-2027, the estimate includes a 3.0% per year annual growth assumption and does not include any offset for interest earnings.*

CAPITAL IMPROVEMENT PROGRAM AND DEBT



Computation of Legal Debt Margin

As of July 1, 2013, the Debt Policy approved by the City Council in March 2013 puts forth these additional debt limits:

- The City's net bonded indebtedness incurred for all public purposes should not exceed \$2,500 per capita.
- Debt service payments are limited to 20% of the combined operating and debt-service fund expenditures.
- Municipal securities issued for capital improvement purposes shall not exceed 5% of the state equalized valuation of the property assessed in the City of Novi.

Obligations which are not included in the computation of legal debt margin are:

- Special Assessment Bonds;
- Mortgage Bonds;
- Michigan Transportation Bonds;
- Revenue Bonds;
- Bonds issued, or contracts or assessment obligations, incurred, to comply with an order of the Water Services Commission (now the Department of Environmental Quality) or a court of competent jurisdiction;
- Other obligations incurred for water supply, sewage, drainage or refuse disposal projects necessary to protect the public health by abating pollution.



CAPITAL IMPROVEMENT PROGRAM AND DEBT

Total Net Bonded Indebtedness Should Not Exceed \$2,500 Per Capita

Debt Limit

Population	59,324
Debt Limit (\$2,500 per capita)	\$ 148,310,000

Debt Applicable to Debt Limit, at July 1, 2017

Total Bonded Debt Outstanding	\$ 23,385,000
Less:	
Special Assessment Bonds	150,000
Total Amount of Debt Applicable to Limit	23,235,000

Debt Margin Available **\$ 125,075,000**

Net Debt subject to limit as percent of Debt Limit **16%**

Debt Service Payment Should Not Exceed 20% of Combined Operating and Debt-Service Fund Expenditures

Debt Limit

Combined Operating and Debt-Service Fund Expenditures, estimated 2017-18	\$ 32,696,691
Debt Service Limit (20% of Operating and Debt-Service Expenditures)	\$ 6,539,338

Debt Service Applicable to Debt Limit, budget 2017-18

Total Bonded Debt Service	\$ 3,114,730
Less:	
Special Assessment Bond Service	153,750
Total Amount of Debt Applicable to Limit	2,960,980

Debt Service Margin Available **\$ 3,578,358**

Net Debt Service subject to limit as percent of Debt Limit **45%**

CAPITAL IMPROVEMENT PROGRAM AND DEBT



Municipal securities shall not exceed 5% of the State Equalized Value

Debt Limit

2016 State Equalized Valuation (SEV)	\$	3,952,090,850
Assessed value equivalent of Act 198 exemption		21,045,740
		<hr/>
	\$	3,973,136,590
		<hr/> <hr/>
Debt Limit (5% of State Equalized Valuation)	\$	198,656,830

Debt Applicable to Debt Limit, at July 1, 2017

Total Bonded Debt Outstanding	\$	23,385,000
Less:		
Special Assessment Bonds		150,000
		<hr/>
Total Amount of Debt Applicable to Limit		23,235,000
		<hr/> <hr/>

Legal Debt Margin Available **\$** **175,421,830**

Net Debt subject to limit as percent of Debt Limit **11.70%**



CAPITAL IMPROVEMENT PROGRAM AND DEBT

2008 Library Construction Debt Fund

This general obligation bond issue was approved by the voters in November 2007. Bonds issued in June 2008. The new Library is a two-story state-of-the-art facility with approximately 55,000 square feet.

SCHEDULE OF INDEBTEDNESS
YEAR ISSUED: 2008
AMOUNT OF ISSUE: \$16,000,000

<u>PRINCIPAL DUE OCTOBER 1</u>	<u>INTEREST RATE</u>	<u>PRINCIPAL</u>
2017	4.0000%	\$ 750,000
2018	4.0000%	750,000
2019	4.0000%	750,000
2020	4.0000%	750,000
		<u>\$ 3,000,000</u>

SCHEDULE OF INDEBTEDNESS
YEAR ISSUED: 2015
AMOUNT OF ISSUE: \$8,715,000

<u>PRINCIPAL DUE OCTOBER 1</u>	<u>INTEREST RATE</u>	<u>PRINCIPAL</u>	<u>PRINCIPAL DUE OCTOBER 1</u>	<u>INTEREST RATE</u>	<u>PRINCIPAL</u>
			2021	4.0000%	\$ 1,135,000
			2022	4.0000%	1,195,000
2017	2.0000%	\$ 170,000	2023	4.0000%	1,240,000
2018	2.0000%	215,000	2024	4.0000%	1,295,000
2019	2.0000%	265,000	2025	3.0000%	1,340,000
2020	3.0000%	305,000	2026	4.0000%	1,390,000
					<u>\$ 8,550,000</u>

**The 2008 Library Construction Debt Fund Bonds were partially refinanced in Fiscal Year 2015-2016 to take advantage of lower interest rates available.*

CAPITAL IMPROVEMENT PROGRAM AND DEBT



2014 Refunding Debt (Ice Arena Fund)

This issue was used for refunding bonds issued for the balance of the 2004 Ice Arena Recreation Facility Building Authority Refunding Bonds.

SCHEDULE OF INDEBTEDNESS
YEAR ISSUED: 2014
AMOUNT OF ISSUE: \$4,905,000

PRINCIPAL DUE JUNE 1	INTEREST RATE	PRINCIPAL	PRINCIPAL DUE JUNE 1	INTEREST RATE	PRINCIPAL
			2021	2.4000%	\$ 500,000
			2022	2.4000%	490,000
			2023	2.4000%	500,000
2018	2.4000%	\$ 480,000	2024	2.4000%	485,000
2019	2.4000%	490,000	2025	2.4000%	520,000
					<u>\$ 3,465,000</u>

2015 Refunding Debt (Senior Housing Fund)

This issue was used for refunding bonds issued for the balance of the 1999 Building Authority (Senior Complex) Bonds.

SCHEDULE OF INDEBTEDNESS
YEAR ISSUED: 2015
AMOUNT OF ISSUE: \$9,075,000

PRINCIPAL DUE OCTOBER 1	INTEREST RATE	PRINCIPAL	PRINCIPAL DUE OCTOBER 1	INTEREST RATE	PRINCIPAL
			2020	2.2900%	\$ 855,000
			2021	2.2900%	850,000
			2022	2.2900%	870,000
2017	2.2900%	\$ 875,000	2023	2.2900%	980,000
2018	2.2900%	890,000	2024	2.2900%	1,000,000
2019	2.2900%	880,000	2025	2.2900%	1,020,000
					<u>\$ 8,220,000</u>

*The Senior Housing 2005 Refunding Building Authority Bonds were callable October 2015. The City refunded the bonds in Fiscal Year 2015-2016 to take advantage of lower interest rates available.



Personnel (full-time staff)

The City of Novi employs full-time staff in various capacities. The costs for these employees are budgeted within their respective departments. The FY 2017-18 Budget includes six additional full-time positions: an Economic Development Director, two Dispatchers, two Police officers, and a Fire Protection Officer.

The Economic Development Director is a General Fund position within the Neighborhood and Business Relations Group. This new position is responsible for the coordination and execution of the City's economic development efforts to build a quality, diverse and sustainable quality tax base. This position works in unison with City departments to develop and implement strategic economic development policies and programs, as well as effectively coordinates with regional and state development agencies (Oakland County, Michigan Economic Development Corporation, and various Chambers of Commerce.)

The two Police Officers are General Fund positions within the Public Safety: Police Department. These additional positions will help to reach targeted goals which include increased patrol coverage for the city, improved customer service through quicker response times, enhanced crime prevention activities and enhanced visible enforcement efforts to address crime and traffic safety issues identified by the Department's Data-Drive Approach to Crime and Traffic Safety (DDACTS) operational model.

The two Dispatcher positions are General Fund positions within the Public Safety: Police Department. The additional two positions will allow us to add an additional dispatcher to each platoon, working during the high call volume times, i.e. 1 pm – 1 am. The Novi Public Safety Dispatch Center, serves as a regional dispatch center, dispatching police and fire personnel for the cities of Novi and South Lyon, Michigan. The Dispatch Center also serves as the emergency after-hours call center for other City of Novi departments such as the Department of Public Service. It is estimated that once the two new dispatchers are completely trained we would save approximately \$70K per year in overtime.

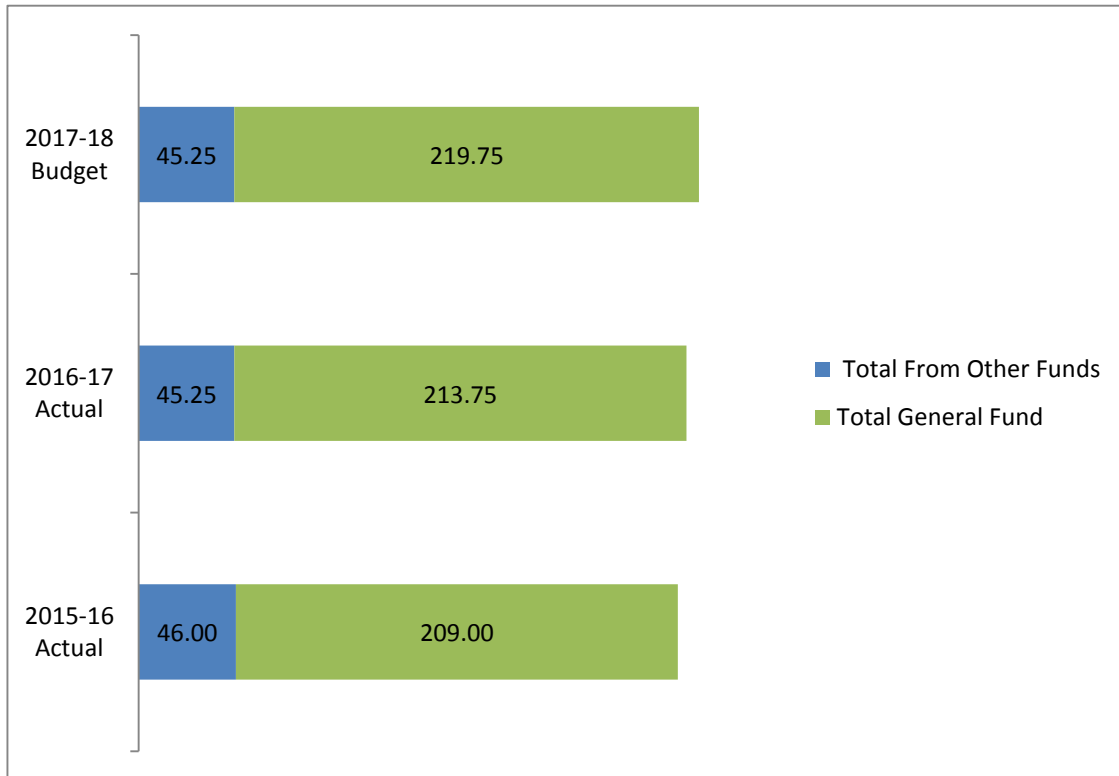
The Fire Protection Officer is a General Fund position within the Public Safety: Fire Department. This additional position, recommended by Council, will ensure adequate public safety staffing levels. The additional position will assist with minimum daily staffing, facilitate staffing during the peak daytime hours, and cover the ever increasing call demands of the Fire Department. The goal with the improved coverage is a predictable Fire and Emergency Medical coverage that will help reduce the response time to priority emergencies calls to all areas of the City of Novi.

The personnel charts on the following pages reflect all budgeted full-time personnel, including filled and vacant positions.

DEPARTMENTAL INFORMATION



City of Novi Full-Time Employee History



	2015-16 Actual	2016-17 Actual	2017-18 Budget
Total From Other Funds	46.00	45.25	45.25
Total General Fund	209.00	213.75	219.75
	<u>255.00</u>	<u>259.00</u>	<u>265.00</u>



Full-Time Personnel Summary

	<u>2015-16 ACTUAL</u>	<u>2016-17 BUDGET</u>	<u>2016-17 ACTUAL</u>	<u>2017-18 BUDGET</u>	<u>INCREASE (DECREASE)</u>
GENERAL FUND					
CITY MANAGER'S OFFICE					
City Manager	1.0	1.0	1.0	1.0	0.0
Assistant City Manager	1.0	1.0	1.0	1.0	0.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>0.0</u>
FINANCIAL SERVICES					
FINANCE DEPARTMENT					
Finance Director/Treasurer/CFO	1.0	1.0	1.0	1.0	0.0
Deputy Finance Director	0.0	1.0	1.0	1.0	0.0
Accountant	1.0	1.0	1.0	1.0	0.0
Senior Financial Analyst	2.0	1.0	1.0	1.0	0.0
Senior Customer Service Representative	1.0	1.0	1.0	1.0	0.0
Purchasing Manager	1.0	1.0	1.0	1.0	0.0
TREASURY DEPARTMENT					
Assistant City Treasurer	1.0	1.0	1.0	1.0	0.0
Account Clerk	1.0	1.0	2.0	2.0	0.0
Senior Customer Service Representative	1.0	1.0	0.0	0.0	0.0
	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>	<u>0.0</u>
INFORMATION TECHNOLOGY					
Chief Information Officer	1.0	1.0	1.0	1.0	0.0
Computer Support Specialist	2.0	2.0	2.0	2.0	0.0
GIS Manager	1.0	1.0	1.0	1.0	0.0
Business Analyst	0.0	0.0	1.0	1.0	0.0
GIS/NEAMS Technician	1.0	1.0	1.0	1.0	0.0
IT Manager/Network Operations	1.0	1.0	1.0	1.0	0.0
	<u>6.0</u>	<u>6.0</u>	<u>7.0</u>	<u>7.0</u>	<u>0.0</u>
ASSESSING					
Assessor	1.0	1.0	1.0	1.0	0.0
Deputy Assessor	1.0	1.0	1.0	1.0	0.0
Personal Property Auditor	0.0	1.0	0.0	0.0	0.0
Account Clerk	1.0	1.0	1.0	1.0	0.0
Commercial/Industrial Appraiser	1.0	1.0	1.0	1.0	0.0
Residential Appraiser	1.0	1.0	1.0	1.0	0.0
	<u>5.0</u>	<u>6.0</u>	<u>5.0</u>	<u>5.0</u>	<u>0.0</u>

DEPARTMENTAL INFORMATION



	<u>2015-16 ACTUAL</u>	<u>2016-17 BUDGET</u>	<u>2016-17 ACTUAL</u>	<u>2017-18 BUDGET</u>	<u>INCREASE (DECREASE)</u>
GENERAL FUND (continued)					
CITY CLERK					
City Clerk	1.0	1.0	1.0	1.0	0.0
Deputy City Clerk	1.0	1.0	1.0	1.0	0.0
Executive Secretary	1.0	1.0	1.0	1.0	0.0
Account Clerk	2.0	2.0	2.0	2.0	0.0
	5.0	5.0	5.0	5.0	0.0
FACILITY MANAGEMENT					
Facility Manager	1.0	1.0	1.0	1.0	0.0
Facility Management Specialist	1.0	1.0	1.0	1.0	0.0
Facility Maintenance	0.0	0.0	1.0	1.0	0.0
Facility Support Specialist	1.0	1.0	0.0	0.0	0.0
	3.0	3.0	3.0	3.0	0.0
FACILITY MANAGEMENT - PARKS MAINTENANCE					
Parks & Municipal Property Supervisor	1.0	1.0	1.0	1.0	0.0
Work Leader	0.0	0.0	1.0	1.0	0.0
Park Maintenance	5.0	5.0	4.0	4.0	0.0
	6.0	6.0	6.0	6.0	0.0
HUMAN RESOURCES					
Human Resource Director	1.0	1.0	1.0	1.0	0.0
Human Resource Generalist	1.0	1.0	1.0	1.0	0.0
Benefits Coordinator	0.0	0.0	1.0	1.0	0.0
Account Clerk	1.0	1.0	0.0	0.0	0.0
Customer Service Representative	0.0	0.0	1.0	1.0	0.0
Senior Customer Service Representative	1.0	1.0	0.0	0.0	0.0
	4.0	4.0	4.0	4.0	0.0
NEIGHBORHOOD AND BUSINESS RELATIONS GROUP					
Director of Communications	0.5	0.5	0.5	0.5	0.0
Economic Development Director	0.0	0.0	0.0	1.0	1.0
Communications Specialist	1.0	1.0	1.0	1.0	0.0
Community Outreach & Events Specialist	1.0	1.0	1.0	1.0	0.0
Customer Service Representative	0.5	0.5	0.0	0.0	0.0
Communications Coordinator	1.0	1.0	1.0	1.0	0.0
	4.0	4.0	3.5	4.5	1.0



DEPARTMENTAL INFORMATION

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET	INCREASE (DECREASE)
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GENERAL FUND (continued)

PUBLIC SAFETY

POLICE DEPARTMENT

Director of Public Safety/Chief of Police	1.0	1.0	1.0	1.0	0.0
Assistant Chief of Police	2.0	2.0	2.0	2.0	0.0
Lieutenant	2.0	2.0	2.0	2.0	0.0
Sergeant	10.0	10.0	10.0	10.0	0.0
Analyst Planner/Office Manager	1.0	1.0	1.0	1.0	0.0
Communications Shift Leader	3.0	3.0	2.0	2.0	0.0
Communications Manager	1.0	1.0	1.0	1.0	0.0
Dispatcher	9.0	9.0	10.0	12.0	2.0
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
Police Officer	39.0	41.0	41.0	43.0	2.0
Detective	11.0	11.0	11.0	11.0	0.0
Police Clerk	6.0	6.0	6.0	6.0	0.0
Public Safety Performance Measurement Analyst	1.0	1.0	1.0	1.0	0.0
Lead Mechanic	1.0	1.0	1.0	1.0	0.0

FIRE DEPARTMENT

Director of Emergency Medical Services & Fire Operations	1.0	1.0	1.0	1.0	0.0
Fire Marshal	1.0	1.0	1.0	1.0	0.0
Fire Protection Officer	16.0	17.0	17.0	18.0	1.0
Fire Lieutenant	4.0	4.0	4.0	4.0	0.0
Fire Captain	4.0	4.0	4.0	4.0	0.0
Training Officer	1.0	1.0	1.0	1.0	0.0
	115.0	118.0	118.0	123.0	5.0

COMMUNITY DEVELOPMENT

BUILDING DEPARTMENT

Community Development Director	1.0	1.0	1.0	1.0	0.0
Community Development Deputy Director	1.0	1.0	1.0	1.0	0.0
Bond Coordinator	0.0	0.0	1.0	1.0	0.0
Building Inspector	2.0	2.0	2.0	2.0	0.0
Building Permit Coordinator	1.0	1.0	0.0	0.0	0.0
Code Compliance Officer	3.0	3.0	3.0	3.0	0.0
Customer Service Representative	0.5	0.5	1.0	1.0	0.0
Account Clerk	1.0	1.0	1.0	1.0	0.0
Electrical Inspector	1.0	1.0	1.0	1.0	0.0
Plumbing Inspector	1.0	1.0	1.0	1.0	0.0
Mechanical Inspector	1.0	1.0	1.0	1.0	0.0
Senior Customer Service Representative	2.0	2.0	1.0	1.0	0.0
Project Coordinator	0.0	0.0	1.0	1.0	0.0
Plan Examiner	1.0	1.0	1.0	1.0	0.0

PLANNING DEPARTMENT

City Planner	1.0	1.0	1.0	1.0	0.0
Landscape Architect	1.0	1.0	1.0	1.0	0.0
Planning Assistant	1.0	1.0	1.0	1.0	0.0
Planner	2.0	2.0	2.0	2.0	0.0
	20.5	20.5	21.0	21.0	0.0

DEPARTMENTAL INFORMATION



	<u>2015-16 ACTUAL</u>	<u>2016-17 BUDGET</u>	<u>2016-17 ACTUAL</u>	<u>2017-18 BUDGET</u>	<u>INCREASE (DECREASE)</u>
GENERAL FUND (continued)					
DEPARTMENT OF PUBLIC SERVICES (DPS)					
ADMINISTRATION					
Public Services Director/City Engineer	1.0	1.0	1.0	1.0	0.0
Analyst Planner	1.0	1.0	1.0	1.0	0.0
Senior Customer Service Representative	0.5	0.5	0.25	0.25	0.0
ENGINEERING DIVISION					
Engineering Manager	1.0	1.0	0.0	0.0	0.0
Engineering Senior Manager	0.0	0.0	1.0	1.0	0.0
Civil Engineer	1.0	1.0	1.0	1.0	0.0
Construction Engineer Coordinator	1.0	1.0	1.0	1.0	0.0
Construction Engineer	1.0	1.0	1.0	1.0	0.0
Staff Engineer	1.0	1.0	1.0	1.0	0.0
FIELD OPERATIONS DIVISION					
Field Operations Senior Manager	1.0	1.0	1.0	1.0	0.0
Roadway Asset Manager	1.0	1.0	1.0	1.0	0.0
Heavy Equipment Operator	4.0	4.0	4.0	4.0	0.0
Light Equipment Operator	6.0	6.0	6.0	6.0	0.0
Senior Customer Service Representative	2.0	2.0	2.0	2.0	0.0
Sign Technician	1.0	1.0	1.0	1.0	0.0
Work Leader	3.0	3.0	3.0	3.0	0.0
FLEET OPERATIONS DIVISION					
Fleet Asset Manager	0.0	1.0	1.0	1.0	0.0
Head Mechanic	1.0	1.0	1.0	1.0	0.0
Lead Mechanic	1.0	1.0	1.0	1.0	0.0
Mechanic	1.0	1.0	1.0	1.0	0.0
	<u>28.5</u>	<u>29.5</u>	<u>29.25</u>	<u>29.25</u>	<u>0.0</u>

TOTAL GENERAL FUND	209.0	214.0	213.75	219.75	6.0
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	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET	INCREASE (DECREASE)
PARKS, RECREATION & CULTURAL SERVICES FUND					
PARKS, RECREATION & CULTURAL SERVICES DEPARTMENT					
ADMINISTRATION					
Director of Parks, Recreation & Cultural Services	1.0	1.0	1.0	1.0	0.0
Deputy Director of Parks, Recreation & Cultural Services	1.0	1.0	1.0	1.0	0.0
Management Assistant	1.0	1.0	1.0	1.0	0.0
Account Clerk	1.0	1.0	1.0	1.0	0.0
RECREATION DEPARTMENT					
Recreation Coordinator - Cultural Services	1.0	1.0	0.0	0.0	0.0
Recreation Supervisor	3.0	3.0	4.0	4.0	0.0
Recreation Programmer	1.0	1.0	1.0	1.0	0.0
OLDER ADULT SERVICES DEPARTMENT					
Account Clerk	1.0	1.0	1.0	1.0	0.0
Older Adult Social Services Coordinator	1.0	1.0	1.0	1.0	0.0
Older Adult Services Manager	1.0	1.0	1.0	1.0	0.0
TOTAL PARKS, RECREATION & CULTURAL SERVICES FUND	12.0	12.0	12.0	12.0	0.0
TREE FUND					
FORESTRY DEPARTMENT					
Forestry Asset Manager	1.0	1.0	1.0	1.0	0.0
TOTAL TREE FUND	1.0	1.0	1.0	1.0	0.0
PEG CABLE FUND					
PEG CABLE DEPARTMENT					
Director of Communications	0.5	0.5	0.5	0.5	0.0
Multi-Media Production Specialist	0.0	0.0	2.0	2.0	0.0
Video Production Technician	2.0	2.0	0.0	0.0	0.0
TOTAL PEG FUND	2.5	2.5	2.5	2.5	0.0
WATER AND SEWER FUND					
WATER AND SEWER DEPARTMENT					
Water & Sewer Financial Services Specialist	1.0	1.0	1.0	1.0	0.0
Water & Sewer Asset Manager	1.0	1.0	0.0	0.0	0.0
Water & Sewer Manager	0.0	0.0	1.0	1.0	0.0
Water and Sewer Senior Manager	0.0	0.0	1.0	1.0	0.0
Water and Sewer Senior Engineer	1.0	1.0	0.0	0.0	0.0
Light Equipment Operator	4.0	4.0	4.0	4.0	0.0
Maintenance	3.0	3.0	3.0	3.0	0.0
Senior Customer Service Representative	1.5	1.5	1.75	1.75	0.0
Water & Sewer Cross Connection Specialist	1.0	1.0	1.0	1.0	0.0
Work Leader	1.0	1.0	1.0	1.0	0.0
TOTAL WATER AND SEWER FUND	13.5	13.5	13.75	13.75	0.0

DEPARTMENTAL INFORMATION



	<u>2015-16 ACTUAL</u>	<u>2016-17 BUDGET</u>	<u>2016-17 ACTUAL</u>	<u>2017-18 BUDGET</u>	<u>INCREASE (DECREASE)</u>
LIBRARY FUND					
LIBRARY					
Administrative Assistant	1.0	1.0	1.0	1.0	0.0
Collections Specialist	1.0	1.0	1.0	1.0	0.0
Communications Coordinator	1.0	1.0	1.0	1.0	0.0
Department Head-Information Systems	1.0	1.0	1.0	1.0	0.0
Department Head-Information Technology	1.0	1.0	1.0	1.0	0.0
Department Head-Support Services	1.0	1.0	1.0	1.0	0.0
Facilities Assistant II	1.0	1.0	1.0	1.0	0.0
Librarian	4.0	4.0	4.0	4.0	0.0
Librarian-Electronic Services	1.0	1.0	1.0	1.0	0.0
Library Director	1.0	1.0	1.0	1.0	0.0
Supervisor	3.0	3.0	2.0	2.0	0.0
System Administrator	1.0	1.0	1.0	1.0	0.0
TOTAL LIBRARY FUND	17.0	17.0	16.0	16.0	0.0
TOTAL ALL FUNDS	255.0	260.0	259.0	265.0	6.0

Department Descriptions, Performance Measures, Goals, & Objectives

The City of Novi has 22 General Fund departments that are accounted for separately within the fund; including the City's contracted legal firm. There are three departments within the Parks, Recreation, and Cultural Services Fund; one department within the Tree Fund; one department within the PEG Cable Fund; one department accounted for within the Library Fund; one department within the Water and Sewer Fund; a contractual management company within the Ice Arena Fund; and a contractual management company within the Senior Housing (Meadowbrook Commons) Fund.

Mayor and City Council (101.00)

Overview

The citizens of Novi elect the Mayor (two-year term) and the six members of Council (staggered four-year terms) as their representatives. The City Council has the power to adopt laws, ordinances and resolutions, to approve contracts and agreements, to adopt the budget, to levy taxes, and to set policy. The City Council appoints a City Manager who is accountable for all administrative functions that are not directed by the City Charter or ordinance upon another official.

Performance Measures, Goals, and Objectives

Objectives

- Continue to conduct City Council Early Budget Input Session to provide management with citywide goals and objectives.

Goals

- The following are the strategic goals:
 - Nurture public services that residents want and value
 - Operate a world-class and sustainable local government
 - Value and build a desirable and vibrant community for residents and businesses alike now and into the future
 - Invest properly in being a Safe Community at all times for all people

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 101.00-CITY COUNCIL					
PERSONNEL SERVICES	\$ 36,512	\$ 39,797	\$ 36,121	\$ 36,123	\$ 36,125
SUPPLIES	70	550	500	500	500
OTHER SERVICES AND CHARGES	7,710	10,772	7,000	7,000	7,000
TOTAL Dept 101.00-CITY COUNCIL	\$ 44,292	\$ 51,119	\$ 43,621	\$ 43,623	\$ 43,625

DEPARTMENTAL INFORMATION



City Manager (172.00)

Overview

The City Manager's Office strives to effectively serve the City Council and public through responsible administration of all City affairs as well as demonstrate and promote the highest standard of ethics, professionalism, and integrity throughout the City organization. The City Manager's Office fosters open and transparent communications, actively solicits and incorporates citizen involvement and participation, and achieves outstanding results through partnerships with other service providers in both the public and private sectors. The City Manager's Office demonstrates through words, actions, and policies a commitment to treat all colleagues and citizens with respect, accountability and dignity.

Performance Measures, Goals, and Objectives

Objectives

- Continue to implement City Council's strategic goals

FY 2016-17 Performance Measures

- Form a committee to evaluate and eventually develop a plan to relocate Fire Station 1
- Continue to engage and partner with the private development stakeholders of Novi

FY 2017-18 Goals

- Move Main Street Development project from last years 'Long Term' to this year 'Short Term'.
- Establish open space enhancement grants for subdivisions, similar to subdivision entrance enhancement grants. Focus on education/natural plantings in subs.
- Review all City Boards and Commissions to determine if they are still relevant or if any changes to them need to be initiated.
- Work with 12 Oaks Mall, Novi Town Center, West Oaks and Twelve Mile Crossing at Fountain Walk to set up a mall circulator for customers between all locations.

Budget Summary

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
Dept 172.00-CITY MANAGER					
PERSONNEL SERVICES	\$ 483,383	\$ 437,627	\$ 508,383	\$ 523,383	\$ 535,256
SUPPLIES	1,197	2,500	1,500	1,500	1,500
OTHER SERVICES AND CHARGES	121,253	196,275	129,120	129,120	129,120
TOTAL Dept 172.00-CITY MANAGER	\$ 605,833	\$ 636,402	\$ 639,003	\$ 654,003	\$ 665,876

Full-Time Personnel Summary

	2015-16	2016-17	2016-17	2017-18
	ACTUAL	BUDGET	ACTUAL	BUDGET
CITY MANAGER'S OFFICE				
City Manager	1.0	1.0	1.0	1.0
Assistant City Manager	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0
	3.0	3.0	3.0	3.0



Financial Services: Finance Department (201.00)

Overview

The Finance Department provides high quality operational services including accounting, budgeting, debt administration, arbitrage reporting, grant reporting, accounts receivable, payroll, accounts payable, and purchasing. The budget function provides financial planning, evaluation, forecasting and management analysis services in support of City operations. The Finance Department maintains the City's financial records in accordance with City Charter, State law, and generally accepted accounting principles (GAAP) by providing the highest quality, most efficient and cost effective accounting function. A comprehensive annual financial report is prepared each year in connection with the City's annual audit. The Finance Department also supports all financial aspects of initiatives stemming from the City Manager's Office towards the general promotion of fiscally responsible government.

Performance Measures, Goals, and Objectives

Objectives

- Earn the annual Government Finance Officers Association Distinguished Budget Award
- Earn the annual Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting
- Complete a Comprehensive Annual Financial Report for the City of Novi and achieve an unqualified (clean) opinion
- Monitor the City's OPEB contributions to ensure the City maintains its fully funded status.

FY 2016-17 Performance Measures

- Continue to make paying down the City's current debt a budget priority

FY 2017-18 Goals

- Develop CIP-like plan for other financial obligations (pension fund, etc.)

DEPARTMENTAL INFORMATION



Budget Summary

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
<i>Financial Services</i>					
Dept 201.00-FINANCE DEPARTMENT					
PERSONNEL SERVICES	\$ 826,533	\$ 874,509	\$ 930,187	\$ 957,190	\$ 980,579
SUPPLIES	12,164	13,085	13,200	13,200	13,200
OTHER SERVICES AND CHARGES	61,317	74,904	72,960	75,210	76,960
CAPITAL OUTLAY	6,561	-	-	-	-
TOTAL Dept 201.00-FINANCE DEPARTMENT	\$ 906,575	\$ 962,498	\$ 1,016,347	\$ 1,045,600	\$ 1,070,739

Full-Time Personnel Summary

	2015-16	2016-17	2016-17	2017-18
	ACTUAL	BUDGET	ACTUAL	BUDGET
FINANCIAL SERVICES				
FINANCE DEPARTMENT				
Finance Director/Treasurer/CFO	1.0	1.0	1.0	1.0
Deputy Finance Director	0.0	1.0	1.0	1.0
Accountant	1.0	1.0	1.0	1.0
Senior Financial Analyst	2.0	1.0	1.0	1.0
Senior Customer Service Representative	1.0	1.0	1.0	1.0
Purchasing Manager	1.0	1.0	1.0	1.0
	6.0	6.0	6.0	6.0

Financial Services: Treasury (253.00)

Overview

The mission of the Treasurer's Department is to provide extraordinary service to the community through continued professional development and cross-training of our staff, and through credible, proactive and continued improvements to our procedures and technologies. The Treasurer's Department is responsible for all monetary collections on behalf of the City of Novi. Treasury oversees the billing, collection and distribution of City, County, School and State Education taxes and prepares the delinquent tax rolls. The Department prepares all special billings and rolls, collects City receivables, conducts daily banking, and issues dog licenses on behalf of Oakland County. The financial services for the Water and Sewer Division are provided by the Department including billing and collection of water and sewer usage; calculation, invoicing and collection of capital charges; administration of monitoring agreements; and the distribution and reconciliation of payback agreements. The Department is also responsible for investing public funds in a manner consistent with the City's Investment Policy with the primary focus and order of priority on security, risk and then yield.

Performance Measures, Goals, and Objectives

Objectives

- Ensure the safety of City funds by working with bank financial experts to incorporate programs consistent with our investment policy principles of safety, liquidity and yield.
- Maintain approximately \$170 million (as of December 31, 2015) in cash and investments including post-retirement health care funding by balancing interest rate risk, risk and concentration of risk.

FY 2016-17 Performance Measures

- Through mailings and other outreach, increase the number of customers utilizing E-billing and direct payment services enhancing customer service and improving cash flow for the City.
- Expand Credit card and other electronic payment options and make available to customers in the satellite collection locations in the City Clerks, Public Safety and Public Services departments. The Treasury Department will review other methods of payment to help improve customer service.

DEPARTMENTAL INFORMATION



Budget Summary

	<u>ACTUAL</u> <u>2015-16</u>	<u>ESTIMATED</u> <u>2016-17</u>	<u>BUDGET</u> <u>2017-18</u>	<u>PROJECTED</u>	
				<u>2018-19</u>	<u>2019-20</u>
<i>Financial Services</i>					
Dept 253.00-TREASURY					
PERSONNEL SERVICES	\$ 250,339	\$ 278,801	\$ 277,029	\$ 286,893	\$ 294,391
SUPPLIES	29,768	30,659	31,000	31,000	31,000
OTHER SERVICES AND CHARGES	34,291	55,948	52,820	53,020	55,020
TOTAL Dept 253.00-TREASURY	<u>\$ 314,398</u>	<u>\$ 365,408</u>	<u>\$ 360,849</u>	<u>\$ 370,913</u>	<u>\$ 380,411</u>

Full-Time Personnel Summary

	<u>2015-16</u> <u>ACTUAL</u>	<u>2016-17</u> <u>BUDGET</u>	<u>2016-17</u> <u>ACTUAL</u>	<u>2017-18</u> <u>BUDGET</u>
FINANCIAL SERVICES				
TREASURY DEPARTMENT				
Assistant City Treasurer	1.0	1.0	1.0	1.0
Account Clerk	1.0	1.0	2.0	2.0
Senior Customer Service Representative	1.0	1.0	0.0	0.0
	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>	<u>3.0</u>



Information Technology Department (205.00)

Overview

The City of Novi Information Technology Department's mission is to form and maintain sustainable relationships with its business partners, leveraging the right balance of technology and governance to engineer technology solutions which are citizen-centric, cost-effective, and drive efficient public service delivery throughout the City. The Information Technology (IT) Department maintains a City-wide service delivery focus while working in collaboration with all City service areas. The team develops plans and strategies for maximizing business value by making the City's technology resources available to more than 300 full-time/part-time staff, volunteers, and the community at large. IT staff provide project management expertise, application/hardware support, technology procurement guidance, custom training, enforcement of uniform governance standards, auditing services and cost-benefit analyses for technology alternatives and recommended solutions. The IT Department also maintains the City's location based information services, resources, and products. Locational intelligence is an integral part of emergency service response, utility asset management, economic/community development, capital improvement planning, and recreation programming. The team's expertise enables the design of interactive web mapping resources, manage automatic vehicle locator (AVL) technology, provide reverse E-911 system support for over 60,000 landline subscribers, administer asset management systems, and professionally design over 30 standardized map products used by the community and staff to communicate how City services are delivered and ordinances are uniformly enforced throughout the community.

Performance Measures, Goals, and Objectives

Objectives

- The key to success is maintaining effective communication channels with other City departments and intergovernmental partners.
- Constantly identify opportunities to equip the community with technology solutions delivering outstanding public service.
- Develop flexible, cost-effective Information Technology systems for the City including communications, data management, application enhancement/support, and extensible hardware infrastructure.
- Provide reliable and secure data center services and support for citywide information technology systems.
- Provide wide and local area network (WAN/LAN) design and support, including network monitoring and security.
- Provide support for hosted internet services as well as desktop support services
- Embrace the virtual City Hall concept providing 24x7 citizen accesses.

FY 2016-17 Performance Measures

- FY 2016-17 Securely deliver a virtual desktop solution to fulfill the increasing need to access applications and data anywhere
- FY 2016-17 Add to our existing recovery system with a Unitrends Digital Backup Appliance

FY 2017-18 Goals

- PC Refreshes throughout departments
- Server replacement at the Civic Center and Server replacement at DPS

DEPARTMENTAL INFORMATION



Budget Summary

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
Dept 205.00-INFORMATION TECHNOLOGY DEPT					
PERSONNEL SERVICES	\$ 636,535	\$ 685,254	\$ 733,394	\$ 755,701	\$ 772,101
SUPPLIES	25,080	33,400	33,540	34,650	35,650
OTHER SERVICES AND CHARGES	164,394	220,562	221,510	228,210	284,330
CAPITAL OUTLAY	232,949	157,679	6,500	13,415	-
TOTAL Dept 205.00-INFO TECHNOLOGY DEPT	<u>\$ 1,058,958</u>	<u>\$ 1,096,895</u>	<u>\$ 994,944</u>	<u>\$ 1,031,976</u>	<u>\$ 1,092,081</u>

Full-Time Personnel Summary

	2015-16	2016-17	2016-17	2017-18
	ACTUAL	BUDGET	ACTUAL	BUDGET
INFORMATION TECHNOLOGY				
Chief Information Officer	1.0	1.0	1.0	1.0
Computer Support Specialist	2.0	2.0	2.0	2.0
GIS Manager	1.0	1.0	1.0	1.0
Business Analyst	0.0	0.0	1.0	1.0
GIS/NEAMS Technician	1.0	1.0	1.0	1.0
IT Manager/Network Operations	1.0	1.0	1.0	1.0
	<u>6.0</u>	<u>6.0</u>	<u>7.0</u>	<u>7.0</u>



Assessing Department (209.00)

Overview

The mission of the Assessing Department is to uniformly and equitably value all taxable real and personal property within the City of Novi. The annual creation of this tax base provides funding for education, City services and other government functions. The Assessing Department continually works to improve the quality of service to the public and to deliver reliable information in a timely and professional manner.

Performance Measures, Goals, and Objectives

Objectives

- The department continues to provide useful information to the public through the internet. The department continues to digitally sketch buildings and makes those available on-line.

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 209.00-ASSESSING DEPARTMENT					
PERSONNEL SERVICES	\$ 535,618	\$ 576,942	\$ 607,023	\$ 628,854	\$ 646,967
SUPPLIES	11,790	25,200	26,000	27,000	28,000
OTHER SERVICES AND CHARGES	109,636	149,820	159,680	197,130	199,580
CAPITAL OUTLAY	23,058	22,222	-	-	-
TOTAL Dept 209.00-ASSESSING DEPARTMENT	\$ 680,102	\$ 774,184	\$ 792,703	\$ 852,984	\$ 874,547

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
ASSESSING				
Assessor	1.0	1.0	1.0	1.0
Deputy Assessor	1.0	1.0	1.0	1.0
Personal Property Auditor	0.0	1.0	0.0	0.0
Account Clerk	1.0	1.0	1.0	1.0
Commercial/Industrial Appraiser	1.0	1.0	1.0	1.0
Residential Appraiser	1.0	1.0	1.0	1.0
	5.0	6.0	5.0	5.0

DEPARTMENTAL INFORMATION



City Attorney, Insurance, and Claims (210.00)

Overview

The City Attorney represents the City in civil and criminal proceedings and serves as legal advisor to the City, its agencies, and officials and in some instances its employees.

As legal advisor, the City Attorney prepares documents and instruments, drafts ordinances, renders formal and informal opinions, reviews contracts and performs other services as required by law.

City Attorney services are contracted through the firm of Johnson, Rosati, Schultz & Joppich, P.C. City Attorney legal support extends to City Council, Planning Commission, Zoning Board of Appeals, City Administration, and as needed, City Boards and Commissions. The City Attorney does not provide legal advice to members of the public.

Performance Measures, Goals, and Objectives

Objectives

- Continue to provide professional legal advice and services to the City

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 210.00-CITY ATTORNEY, INSURANCE, & CLAIMS					
OTHER SERVICES AND CHARGES	\$ 709,980	\$ 705,000	\$ 747,000	\$ 790,000	\$ 770,000
CAPITAL OUTLAY	26,544	50,000	50,000	50,000	50,000
TOTAL Dept 210.00-CTY ATTRNY, INSUR, & CLAIMS	\$ 736,524	\$ 755,000	\$ 797,000	\$ 840,000	\$ 820,000



City Clerk (215.00)

Overview

The City Clerk's Office is responsible for administering all elections in accordance with State and Federal law. The City Clerk and Deputy Clerk are accredited by the Secretary of State under Michigan election law to conduct training for precinct inspectors appointed to serve in the polls at Local, School, County, State, and Federal elections. The City Clerk and Deputy Clerk are also Certified Michigan Municipal Clerks in accordance with the standards set by the Michigan Municipal Clerks Association and re-certified every 2 years. As the City's "Official Record keeper", the Clerk's office is responsible for document storage and retrieval of contracts, agreements, leases, bids, deeds, easements, City Code amendments and minutes of City Council and all Boards and Commissions. We respond to requests for public records in accordance with the Freedom of Information Act (FOIA) daily and maintain and produce documents that enable transparency of local government for the public. The City Clerk attends all City Council Regular, Special, Ad Hoc and Budget meetings. Staff coordinates with all departments in the preparation of electronic Council packets. The Clerk's office posts and publishes notices of meetings, public hearings, zoning map amendments, and adopted ordinances in accordance with the Open Meetings Act. All meeting actions are recorded, transcribed, and maintained in the Clerk's office. The City Clerk's office also produces and tracks agreements approved by City Council. The City Clerk's Office reviews and maintains the City's Property and Liability Insurance. The City Clerk's Office processes liquor license applications, ordinance amendments and resolutions adopted by City Council, issuing permits and licenses for refuse haulers, arcades, auctioneers, massage therapist permits, massage business licenses, pawnbroker, peddlers and non-commercial solicitor permits, precious items dealers, taxicab and outdoor gathering permits. The Clerk's office provides notary services at no charge to residents. We are certified as a National passport acceptance agency and provide passport photo service on a daily basis.

Performance Measures, Goals, and Objectives

Objectives

- Conduct elections in accordance with State of Michigan election law, receive certification from County Board of Canvassers and audits by State of Michigan Bureau of Elections.
- Receive, route and provide response documents for FOIA (Freedom of Information Act) requests.
- Accept and process Passport applications and Passport Photos. Process and issue licenses and permits.

FY 2016-17 Performance Measures

- The State Bureau of Elections is seeking new equipment for which they will pay at least half. Voting equipment for all precincts including 10 absentee plus 3 spare tabulators for a total of 35 will be purchased. The State of Michigan Bureau of Elections has directed communities to plan for \$1,000 - \$2,000 per precinct. The State of Michigan HAVA grant funds will be utilized to pay for the remaining \$3,500 per machine.

FY 2017-18 Goals

- Scanner replacements (2)

DEPARTMENTAL INFORMATION



Budget Summary

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
Dept 215.00-CITY CLERK					
PERSONNEL SERVICES	\$ 583,375	\$ 571,550	\$ 594,013	\$ 620,043	\$ 641,396
SUPPLIES	47,380	40,573	42,000	42,000	42,000
OTHER SERVICES AND CHARGES	94,292	227,464	135,050	135,050	135,050
CAPITAL OUTLAY	-	8,275	7,500	-	-
TOTAL Dept 215.00-CITY CLERK	\$ 725,047	\$ 847,862	\$ 778,563	\$ 797,093	\$ 818,446

Full-Time Personnel Summary

	2015-16	2016-17	2016-17	2017-18
	ACTUAL	BUDGET	ACTUAL	BUDGET
CITY CLERK				
City Clerk	1.0	1.0	1.0	1.0
Deputy City Clerk	1.0	1.0	1.0	1.0
Executive Secretary	1.0	1.0	1.0	1.0
Account Clerk	2.0	2.0	2.0	2.0
	5.0	5.0	5.0	5.0

Facility Management (265.00)

Overview

The Facility Management Division's mission is to provide core operation, maintenance, and strategic planning for the City-owned building infrastructure. The Facility Operations Division will deliver these services in a safe, cost-effective, and energy efficient manner in support of the citizens and employees who use these facilities.

Performance Measures, Goals, and Objectives

Objectives

- Facility Operations is responsible for the day to day operation of City-owned buildings. In this role they are accountable for asset management, preventative maintenance, energy reduction/management, HVAC, repair/renovation, electrical, and contracted services management.

FY 2016-17 Performance Measures

- Assume and manage police and fire facility related capital projects, including countertop and cabinet replacement at the police station and epoxy floor upgrade at Fire Station #3
- Incorporate solar panels at the Civic Center in order to be more energy efficient

FY 2017-18 Goals

- Civic Center Duct Cleaning

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 265.00-FACILITY MANAGEMENT					
PERSONNEL SERVICES	\$ 264,432	\$ 311,741	\$ 333,468	\$ 343,667	\$ 351,023
SUPPLIES	24,209	29,000	18,500	18,500	18,500
OTHER SERVICES AND CHARGES	442,344	500,035	543,390	533,940	533,940
CAPITAL OUTLAY	17,721	167,034	-	-	172,000
TOTAL Dept 265.00-FACILITY MANAGEMENT	\$ 748,706	\$ 1,007,810	\$ 895,358	\$ 896,107	\$ 1,075,463

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
FACILITY MANAGEMENT				
Facility Manager	1.0	1.0	1.0	1.0
Facility Management Specialist	1.0	1.0	1.0	1.0
Facility Maintenance	0.0	0.0	1.0	1.0
Facility Support Specialist	1.0	1.0	0.0	0.0
	3.0	3.0	3.0	3.0

DEPARTMENTAL INFORMATION



Facility Management – Parks Maintenance (265.10)

Overview

The Facility Management – Parks Maintenance Division's mission is to provide and maintain an exceptional level of service to the residents, customers, volunteers, and visitors to the Novi parks system. The Parks Maintenance team will ensure that concerns are met in a timely and professional manner by working together with contractors, customers, and other departments to provide quality parks and facilities.

The scope of the parks maintenance division includes service to community facilities and parks covering 925 acres, neighborhood parks with over 22 acres, and municipal properties totaling over 234 acres. These parks include amenities such as athletic fields, restrooms, pavilions, common areas, nature trails, and playgrounds.

Performance Measures, Goals, and Objectives

Objectives

- Increase the quality of athletic fields, playgrounds, and amenities through cost effective maintenance and by replacing/repairing equipment proactively.
- Develop a long term plan for establishing and maintaining a healthy turf stand at the Novi Dog Park.
- Reduce flood areas within all parks by installing proper drainage.
- Develop a more effective fertilizer and pesticide programs to better maintain turf on all athletic fields within the parks as well as surrounding areas.
- Perform preventive maintenance by applying the principles and practices of a planned infrastructure management strategy.
- Perform routine maintenance, by taking actions on a regular or controllable basis to keep assets safe and present a proper appearance.
- Perform reactive maintenance, by responding to uncontrollable events and taking actions to immediately rectify a park maintenance concern.
- Establish an equipment maintenance and replacement program for small engine equipment and parks truck fleet.
- Oversee and aid in proposed capital improvement projects and various other funded projects and improvements.
- Work with facilities department to address needed repairs and maintain preservation of several buildings located throughout the parks.
- Assist and setup for special events including baseball tournaments, River Day, Arbor Day, Light up the Night, etc.

FY 2016-17 Performance Measurements

- Replace two utility vehicles

FY 2017-18 Goals

- Utility Tractor w/ cab replacement
- Gator Utility Vehicle replacement
- Zero Radius Mower replacement
- Pickup trucks with plows (2) – new

DEPARTMENTAL INFORMATION

Budget Summary

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
Dept 265.10-FACILITY MANAGEMENT - PARKS MAINT					
PERSONNEL SERVICES	\$ 320,751	\$ 400,838	\$ 408,679	\$ 498,190	\$ 502,271
SUPPLIES	4,031	23,500	22,500	22,500	22,500
OTHER SERVICES AND CHARGES	65,979	301,809	300,970	300,970	300,970
CAPITAL OUTLAY	32,968	471,841	154,500	16,000	43,699
TOTAL Dept 265.10-FAC MGMNT - PARKS MAINT	\$ 423,729	\$ 1,197,988	\$ 886,649	\$ 837,660	\$ 869,440

Full-Time Personnel Summary

	2015-16	2016-17	2016-17	2017-18
	ACTUAL	BUDGET	ACTUAL	BUDGET
FACILITY MANAGEMENT - PARKS MAINTENANCE				
Parks & Municipal Property Supervisor	1.0	1.0	1.0	1.0
Work Leader	0.0	0.0	1.0	1.0
Park Maintenance	5.0	5.0	4.0	4.0
	6.0	6.0	6.0	6.0

DEPARTMENTAL INFORMATION



Human Resources (270.00)

Overview

The mission of the Human Resources Department (HR) is to provide vision, leadership and guidance while developing a work culture that supports continuous improvement and superior customer service. The department strives to attract, develop and retain a highly qualified, diverse and dynamic workforce. The goal of the department is to provide timely guidance and direction to management as well as all employees.

HR is responsible for providing support to all City Departments by performing the centralized functions of recruitment, selection, testing, on-boarding, training, and staff development. The Department is also responsible for the maintenance and negotiation of various collective bargaining agreements representing six union groups as well as the employment relationship with all non-union employees. The City of Novi HR Department also is responsible for the coordination and administration of the City's various health plans for active and retired employees. The Employee Wellness program, also managed through the HR Department, was designed to provide employees with opportunities to gain information on how to achieve a healthy work/life balance. Wellness opportunities include Health Risk Assessments, weight management, healthy cooking, smoking cessation, financial wellness and various other wellness-based educational opportunities. Programs are marketed to improve overall health and wellbeing and may include incentive-based workshops and challenges (incentives may include nutrition based books or educational materials, gift cards, etc.).

The traditional HR functions including compliance with all employment law requirements such as Equal Employment Opportunity, Fair Labor Standards Act, Family Medical Leave Act, American with Disability Act and the Patient Protection and Affordable Care Act (ACA) are also managed through Human Resources.

Performance Measures, Goals, and Objectives

Objectives

- Continue to provide opportunities for all employees to participate in a variety of wellness workshops and challenges that promote good health and overall wellness, in conjunction with the ACA. Such opportunities may include, but are not be limited to, fitness challenges (altered according to employee ability), fitness memberships or fitness class reimbursements, nutrition classes, health-related campaigns and events, and financial wellness seminars.

FY 2016-17 Performance Measures

- Implement new pre-employment assessment program.



DEPARTMENTAL INFORMATION

Budget Summary

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
Dept 270.00-HUMAN RESOURCES					
PERSONNEL SERVICES	\$ 329,681	\$ 329,494	\$ 357,423	\$ 369,175	\$ 372,725
SUPPLIES	885	1,050	1,000	1,000	1,000
OTHER SERVICES AND CHARGES	84,011	131,313	107,930	99,430	99,430
CAPITAL OUTLAY	-	16,000	-	5,730	-
TOTAL Dept 270.00-HUMAN RESOURCES	\$ 414,577	\$ 477,857	\$ 466,353	\$ 475,335	\$ 473,155

Full-Time Personnel Summary

	2015-16	2016-17	2016-17	2017-18
	ACTUAL	BUDGET	ACTUAL	BUDGET
HUMAN RESOURCES				
Human Resource Director	1.0	1.0	1.0	1.0
Human Resource Generalist	1.0	1.0	1.0	1.0
Benefits Coordinator	0.0	0.0	1.0	1.0
Account Clerk	1.0	1.0	0.0	0.0
Customer Service Representative	0.0	0.0	1.0	1.0
Senior Customer Service Representative	1.0	1.0	0.0	0.0
	4.0	4.0	4.0	4.0

DEPARTMENTAL INFORMATION



Neighborhood and Business Relations Group (295.00)

Overview

The mission of the Neighborhood and Business Relations Group is to provide open and thorough communication between the City of Novi and all community members – business and residential. A key element of the efforts is to present a positive image of the City of Novi, internally and externally, through personal, printed, and visual communication, with citizen engagement as an overall goal.

The Community Relations team works with citizens, businesses, and City staff to ensure open lines of communication at all times. Community Relations is also responsible for coordinating employee engagement for the Novi staff team.

The Group also supports and coordinates City events and functions that promote community spirit, volunteer activism, encourage citizen engagement, and enhance the sense of community. Community Relations additionally leads the Employee Wellness and Engagement Series (EWES) to promote City spirit among employees and enhance work culture. Offerings include, but are not limited to Quarterly Employee Recognition Breakfasts, Evening of Appreciation Dinner, years of service recognition awards, annual picnic, National Employee Appreciation Day, Lunch and a Movie, and more.

Performance Measures, Goals, and Objectives

Objectives

- Partner with Community Publishing & Marketing to produce the quarterly Novi Today publication at NO cost to the City.
- Coordinate Spring into Novi at the Novi Civic Center.
- Coordinate Youth Council initiatives.
- Produce cable television programming
- Expand the Employee Wellness and Engagement Series (EWE(s)) to enhance the work culture and overall health and wellness of Novi employees.
- Coordinate the annual Evening of Appreciation, Volunteer Appreciation Dinner, and State of the City Address and HOA Leader's Breakfast.
- Host the international CLAIR delegation.
- Manage the City of Novi's presence on Twitter, Facebook and Pinterest.
- Launch the City's presence on Instagram.
- Participated in more than a dozen ribbon cuttings.
- Coordinate the Novi Ambassador Academy for education/training of future community leaders and initiated Novi University for City staff.
- Produce the Complementary Budget Story
- Publish the bi-annual Community Profile

FY 2017-18 Goals

- Set up a Committee to plan Novi's 50th Birthday in 2019.
- Enhance our Economic Development Department staffing.
- Start on a business incubator program with local universities like "Launch Fishers."



Budget Summary

	ACTUAL	ESTIMATED	BUDGET	PROJECTED	
	2015-16	2016-17	2017-18	2018-19	2019-20
Dept 295.00-NEIGHBORHOOD & BUSINESS RELATIONS GROUP					
PERSONNEL SERVICES	\$ 352,739	\$ 355,552	\$ 510,551	\$ 527,575	\$ 542,397
SUPPLIES	22,072	10,900	10,900	10,900	10,900
OTHER SERVICES AND CHARGES	382,827	396,164	405,530	405,530	405,530
TOTAL Dept 295.00-NEIGHBOR & BUSINESS REL	\$ 757,638	\$ 762,616	\$ 926,981	\$ 944,005	\$ 958,827

Full-Time Personnel Summary

	2015-16	2016-17	2016-17	2017-18
	ACTUAL	BUDGET	ACTUAL	BUDGET
NEIGHBORHOOD AND BUSINESS RELATIONS GROUP				
Director of Communications	0.5	0.5	0.5	0.5
Economic Development Director	0.0	0.0	0.0	1.0
Communications Specialist	1.0	1.0	1.0	1.0
Community Outreach & Events Specialist	1.0	1.0	1.0	1.0
Customer Service Representative	0.5	0.5	0.0	0.0
Communications Coordinator	1.0	1.0	1.0	1.0
	4.0	4.0	3.5	4.5

DEPARTMENTAL INFORMATION



Public Safety: Police Department (301.00)

Overview

The men and women of the Novi Police Department work tirelessly toward providing a safe and healthy community for all to enjoy. We embrace and utilize the most innovative programs available; always striving to be on the cutting edge of new technology. Our focus is on problem oriented and community oriented policing, which is fully embodied in the Department's mission statement, "Partners with our Community." The Novi Police Department is committed to proactively enhancing the quality of life and reducing the criminal fears of all community members.

The Operations Division responds to all emergencies and other calls for police service with uniform personnel. In addition, this division has primary responsibility for the enforcement of state and local laws and ordinances, traffic enforcement, preliminary case investigations, arresting offenders and prisoner processing.

The Support Services Division consists of the Communications Section, Records Section, and the Investigations Section. The Communications Section receives incoming calls for service, dispatching police, fire and ambulance services for the City of Novi and other regional dispatch consortium members. The City of Novi provides emergency dispatch services for the entire City of Novi as well as for the City of South Lyon. The Records Section is responsible for the storage and retention of all official police and fire documents. The unit is also responsible for all aspects of the police computer system as well as the management and storage of all digital in-car camera media, and the police building and Firearms Training Center closed circuit monitoring system. The Investigations Section is comprised of detectives who conduct detailed follow-up investigations into all criminal matters and present their findings for criminal prosecution. The Investigations Section is responsible for all crime prevention programs, our undercover assets in surveillance and narcotics, and the School Resource Officer partnership we have with the Novi Community School District.

Performance Measures, Goals, and Objectives

Objectives

- In support of the goals established by City Council, the Novi Police Department continues to pursue State, Federal and local law enforcement agencies to rent the Firearms Training Center.

FY 2016-17 Performance Measures

- Add 2 full-time police officers
- Improvements to facilities and parking lot
- Marked patrol vehicles replacement program
- Replace Next generation 911 system
- Purchase unmarked patrol vehicles utilizing forfeiture funds.

FY 2017-18 Goals

- In addition to the one police officer planned for 2017/18 budget year. Add a second police officer for the 2017/18 budget year.
- Fund safety improvements for at least 2 of the top 10 dangerous intersections. (also see DPS: Engineering Division)

DEPARTMENTAL INFORMATION

- Gun Range Building Addition
- Police Station Rubber Flooring (Sgt.'s Office & Briefing Room)
- Police Training Center / EOC Furniture / Carpet replacement & IT upgrades
- In-car camera system replacement
- Property Room Shelving System
- Dispatchers (2)
- Unmarked Vehicle replacement – investigations
- Marked Vehicle replacements and Equipment/Install
- All Terrain Vehicle (ATV) – new

The Forfeiture Special Revenue 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.

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
<i>Public Safety</i>					
Dept 301.00-POLICE DEPARTMENT					
PERSONNEL SERVICES	\$ 10,410,756	\$ 10,917,761	\$ 11,016,811	\$ 11,363,876	\$ 11,626,529
SUPPLIES	254,896	261,600	306,825	256,500	256,500
OTHER SERVICES AND CHARGES	998,005	1,086,342	1,050,735	1,050,735	1,050,735
CAPITAL OUTLAY	98,326	436,541	402,760	238,000	100,100
TOTAL Dept 301.00-POLICE DEPARTMENT	<u>\$ 11,761,983</u>	<u>\$ 12,702,244</u>	<u>\$ 12,777,131</u>	<u>\$ 12,909,111</u>	<u>\$ 13,033,864</u>

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
PUBLIC SAFETY				
POLICE DEPARTMENT				
Director of Public Safety/Chief of Police	1.0	1.0	1.0	1.0
Assistant Chief of Police	2.0	2.0	2.0	2.0
Lieutenant	2.0	2.0	2.0	2.0
Sergeant	10.0	10.0	10.0	10.0
Analyst Planner/Office Manager	1.0	1.0	1.0	1.0
Communications Shift Leader	3.0	3.0	2.0	2.0
Communications Manager	1.0	1.0	1.0	1.0
Dispatcher	9.0	9.0	10.0	12.0
Administrative Assistant	1.0	1.0	1.0	1.0
Police Officer	39.0	41.0	41.0	43.0
Detective	11.0	11.0	11.0	11.0
Police Clerk	6.0	6.0	6.0	6.0
Public Safety Performance Measurement Analyst	1.0	1.0	1.0	1.0
Lead Mechanic	1.0	1.0	1.0	1.0
	<u>88.0</u>	<u>90.0</u>	<u>90.0</u>	<u>94.0</u>

DEPARTMENTAL INFORMATION



Public Safety: Fire Department (337.00)

Overview

The Novi Fire Department provides fire protection services as well as Basic Life Support, Fire Prevention & Education Services, and Fire Code and Commercial Inspection Services. The department has oversight and operational responsibility for coordinating and administering a private Advanced Life Support contract with Community Emergency Medical Services (CEMS). The men and women of the Novi Fire Department work in concert with other public and private safety and emergency medical service providers to ensure a safe and efficient service delivery model.

The Novi Fire Department is responsible for providing the community of Novi with life and property protection from fire and other threatening situations. The Department takes pride in providing timely response and effective management of fire control situations, rescue, medical and environmental emergencies. The Department is involved in the enforcement of State laws and City ordinances that relate to fire protection. Inspections of commercial/industrial buildings and multiple dwellings are conducted to determine if buildings comply with Fire Protection Code.

The Novi Fire Department is a combination Department, staffed by full-time, part-time, and paid-on-call members.

The Operations Division responds to all fire, medical emergencies, hazardous material, and service incidents in Novi, as well as mutual aid requests from surrounding communities.

The Training Division provides fire, medical, and related instruction to members of the Department. Fire safety, cardiopulmonary resuscitation training and fire protection education programs are provided to the public.

Performance Measures, Goals, and Objectives

Objectives

- The Fire Department and Public Safety Administration continue to place considerable emphasis on the recruitment and marketing efforts for paid-on-call firefighter positions.

FY 2016-17 Performance Measures

- Add one full-time Fire protection Officer and add Part time staffing model for Fire Station #3
- Addition of essential equipment including thermal imaging cameras, hydraulic extrication tools, and fire apparatus hoses
- Replace tanker truck

FY 2017-18 Goals

- Review current Fire Department staffing to ensure adequate coverage city-wide 24x7
- Fund staffing Fire Station #4 24hrs/7days.
- Hydraulic Extrication Tools and Fire Apparatus Hose replacements
- Thermal Imaging Cameras (3)
- Fire Vehicle replacements and equipment/Install (2)
- Fire Protection Officer and Fire Part Time Staffing Model Proposal (FS #4)



DEPARTMENTAL INFORMATION

The operations of the Police and Fire Departments within the General Fund, including payment for personnel-related expenditures and for the purchase of fire trucks, apparatus and equipment is supplemented by the City Charter authorized Public Safety property tax millage.

The Police and Fire Departments support and assist in the coordination of the City events and functions that promote community spirit, volunteer activism, encourage citizen engagement, promote City spirit amongst staff and enhance work culture. Offerings include Annual Police and Fire Awards Ceremony, hosting training for staff as well as citizens and outside agencies, hosting meetings with outside agencies, the 911 Recognition Breakfast, Spring for Novi, retirement ceremonies, new hire oath ceremonies, and Addicted to Movies Not Drugs and Addicted to Games Not Drugs events. Crime prevention items, light refreshments as well as plaques are purchased as necessary.

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
<i>Public Safety</i>					
Dept 337.00-FIRE DEPARTMENT					
PERSONNEL SERVICES	\$ 4,163,963	\$ 4,401,691	\$ 4,838,005	\$ 4,964,770	\$ 5,040,236
SUPPLIES	157,813	182,845	166,500	166,500	206,665
OTHER SERVICES AND CHARGES	554,396	618,189	652,575	606,575	612,075
CAPITAL OUTLAY	103,389	557,704	116,550	333,020	219,790
TOTAL Dept 337.00-FIRE DEPARTMENT	\$ 4,979,561	\$ 5,760,429	\$ 5,773,630	\$ 6,070,865	\$ 6,078,766

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
PUBLIC SAFETY				
FIRE DEPARTMENT				
Director of Emergency Medical Services & Fire Operations	1.0	1.0	1.0	1.0
Fire Marshal	1.0	1.0	1.0	1.0
Fire Protection Officer	16.0	17.0	17.0	18.0
Fire Lieutenant	4.0	4.0	4.0	4.0
Fire Captain	4.0	4.0	4.0	4.0
Training Officer	1.0	1.0	1.0	1.0
	27.0	28.0	28.0	29.0

DEPARTMENTAL INFORMATION



Community Development — Building Department (371.00) and Planning Department (807.00)

Overview

The Community Development Department strives daily to apply the vision and goals set by the City Council, Commissions and Boards to the development and transformation of the Novi community. Quality development constructed in accordance with the high standards contributed to Novi's ability to weather the recent economic storm better than many similar communities. As economic conditions continue to improve, so does the opportunity to leverage the desirability and stability of the community to attract new businesses and residents with first class development, investment, and job opportunities.

The continuum of planning through physical construction followed by maintenance and redevelopment of the built environment remains a high priority. Development standards need to reflect uses, materials and processes that did not exist a decade ago. Continued implementation of the Non-Motorized Master Plan focuses on pathways and sidewalks to enhance the quality of life for Novi residents and the character of the community, while prioritizing the allocation of funds and other resources for improvements to the non-motorized network. Continuous improvement and refinement of the Zoning Ordinance through amendments and Master Plan recommendations balance the priorities of the residential, development and business communities.

The Community Development Department continues to work closely with staff provide exemplary customer service to our residents, customers and businesses. This often means expending extraordinary effort to assist, guide and support new businesses and developments in the City.

Ordinance Enforcement continues to be a significant need and this will hold true for the near future. Whether addressing minor yard maintenance, signage and zoning violations, soil erosion and sedimentation control or removing entire buildings, these efforts are effective throughout our neighborhoods and are carried out in cooperation with many other departments.

Performance Measures, Goals, and Objectives

Objectives

- Continue development and growth in use of the capabilities of the BS&A Building.Net software including project closeout and workflow.

FY 2016-17 Performance Measures

- Facility renovations completed for operational efficiency, increased customer service and cost savings
- Update 2011 Non-motorized Master Plan and Thoroughfare Plan
- Document Imaging Project

FY 2017-18 Goals

- Document Imaging/Scanning Project will provide the capability to capture, store, manage, retrieve, and route documents in secure electronic manner. Paper documents, photos, and graphics will be scanned and saved as images to reduce onsite storage and shipping/handling costs.
- Vehicle replacement – utilized by Ordinance Officer

DEPARTMENTAL INFORMATION

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
<i>Community Development</i>					
Dept 371.00-COMMUNITY DEVELOPMENT-BUILDING					
PERSONNEL SERVICES	\$ 1,346,015	\$ 1,397,911	\$ 1,541,508	\$ 1,596,907	\$ 1,637,128
SUPPLIES	30,755	32,544	32,600	32,900	33,200
OTHER SERVICES AND CHARGES	256,497	361,633	338,160	339,660	408,160
CAPITAL OUTLAY	455,003	48,094	27,000	-	-
TOTAL Dept 371.00-COMM DEVELOP-BUILDING	\$ 2,088,270	\$ 1,840,182	\$ 1,939,268	\$ 1,969,467	\$ 2,078,488
Dept 807.00-COMMUNITY DEVELOPMENT-PLANNING					
PERSONNEL SERVICES	\$ 454,411	\$ 469,807	\$ 467,543	\$ 481,452	\$ 493,447
SUPPLIES	4,024	7,450	5,500	5,700	5,900
OTHER SERVICES AND CHARGES	270,128	129,351	51,600	50,600	50,600
CAPITAL OUTLAY	-	80,000	50,000	50,000	50,000
TOTAL Dept 807.00-COMM DEVELOP-PLANNING	\$ 728,563	\$ 686,608	\$ 574,643	\$ 587,752	\$ 599,947
<i>Community Development Total</i>	\$ 2,816,833	\$ 2,526,790	\$ 2,513,911	\$ 2,557,219	\$ 2,678,435

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
COMMUNITY DEVELOPMENT				
BUILDING DEPARTMENT				
Community Development Director	1.0	1.0	1.0	1.0
Community Development Deputy Director	1.0	1.0	1.0	1.0
Bond Coordinator	0.0	0.0	1.0	1.0
Building Inspector	2.0	2.0	2.0	2.0
Building Permit Coordinator	1.0	1.0	0.0	0.0
Code Compliance Officer	3.0	3.0	3.0	3.0
Customer Service Representative	0.5	0.5	1.0	1.0
Account Clerk	1.0	1.0	1.0	1.0
Electrical Inspector	1.0	1.0	1.0	1.0
Plumbing Inspector	1.0	1.0	1.0	1.0
Mechanical Inspector	1.0	1.0	1.0	1.0
Senior Customer Service Representative	2.0	2.0	1.0	1.0
Project Coordinator	0.0	0.0	1.0	1.0
Plan Examiner	1.0	1.0	1.0	1.0
PLANNING DEPARTMENT				
City Planner	1.0	1.0	1.0	1.0
Landscape Architect	1.0	1.0	1.0	1.0
Planning Assistant	1.0	1.0	1.0	1.0
Planner	2.0	2.0	2.0	2.0
	20.5	20.5	21.0	21.0

DEPARTMENTAL INFORMATION



Department of Public Services — Administration (442.00), Engineering (442.10), Field Operations (442.20), Fleet Asset (442.30), and Water Sewer (592.00)

Overview

DPS staff members are committed to responding to and efficiently fulfilling service requests while maintaining the high quality of service that Novi residents expect. DPS's top priority is to provide a safe and healthy environment for the residents and business owners of the community. The department is comprised of dedicated and professional individuals who have a shared goal of ensuring the health, safety and welfare of the community.

The DPS is organized into five functional divisions:

Administration: The Administration Division is primarily responsible for providing direct support to the department's day-to-day activities.

Engineering: The Engineering Division performs civil engineering activities involving:

- Planning, designing and constructing public capital projects
- Site plan review and oversight of the design and construction of private development projects
- Coordinating and controlling engineering inspection of public and private construction projects; Issuing permits for and inspecting construction in the City's rights-of-way.
- Providing technical assistance to other DPS divisions and other City departments that need professional civil engineering support.

Field Operations: The Field Operations Division plays a key role in optimizing the useful life of many of Novi's infrastructure assets. Field Operations is responsible for road maintenance and repair, snow and ice removal, bridge maintenance, drain maintenance, forestry operations, street light maintenance, implementation of the City's mosquito control program, recycling center operation and maintenance, roadside debris clean-up, community special event support, and traffic control sign fabrication, installation and repair. These operations not only are budgeted within the General Fund, but are also budgeted throughout several special revenue funds: Major Street, Local Street, Municipal Street, Tree, and Drain.

Fleet Asset: The Fleet Asset Division is responsible for maintaining the City's fleet, which is made up of over 300 vehicles and pieces of heavy equipment. The fleet is maintained at separate maintenance facilities located at the Field Services Complex and Police Department Headquarters.

Water & Sewer: The Water & Sewer Division is responsible for the management of the City's water distribution and sanitary sewage collection systems. Water & Sewer workers operate, maintain, monitor, and control water and sewer pipeline networks, water system pumping stations, sanitary sewage lift stations and pump stations, and water/sewer meters. Maintenance activities include reactive, routine and preventive maintenance services that preserve the useful life of the City's water and sanitary sewer infrastructure assets. All of these activities are accounted for within its own enterprise fund.

Performance Measures, Goals, and Objectives

Administration, Engineering, Field Operations, and Fleet Asset Divisions

FY 2016-17 Performance Measures

- Continue to improve the City's major and local roads and sidewalks/pathways by properly scoping, budgeting, and implementing appropriate routine maintenance, rehabilitation and construction projects.
- Continue to improve Storm sewer and drainage, including: Rotary streambank stabilization, Bishop District New Sedimentation Dredging Near 11 Mile Rd, and Storm Drainage Improvement Pilot Project through the Drain Special Revenue Fund. The Drain Fund's purpose is to improve and maintain the City's regional and arterial detention systems as part of the City Council's capital improvement plan.
- Make ongoing parking lot improvements/replacements at various locations; including the Civic Center, Police Station, and the Firearms Training Center.
- Replace essential maintenance equipment: portable lifts, mechanics bay hoist and concrete cutting saw.
- Replace two (2) essential heavy duty vehicles: Single Axle 5-Cubic Yard Dump Truck with Front Plow and Underbody Scraper & Wing Plow, and a Tandem-Axle Swap Loader Dump truck with Front Plow and Underbody Scraper & Wing Plow
- Proceed with a design to improve and expand the Field Services Complex.
- Continue to improve and modernize the City's fleet; introduce City Pool Vehicle Program to the fleet asset inventory.
- Continued Spring and Fall planting of new trees with a budget of \$150,000.

FY 2017-18 Goals

- Create a 4-year program for Concrete panel replacement in Neighborhoods – 3,000 panels.
- Fund safety improvements for at least 2 of the top 10 intersections. (also see Public Safety Goals)
- Complete ITC Trail. (also see Parks, Recreation, and Cultural Services Goals)
- Permanently protect high quality woodlands using Tree Fund dollars. Goal: Protect at least 50 acres. (also see Forestry Department Goals)
- Annual Neighborhood Road Program, Crescent Blvd – new roadway between Grand River Avenue and Novi Road, Taft Road (10 Mile Road to Grand River Avenue), Meadowbrook Road (north of 12 Mile Road) – major repair, Sixth Gate reconstruction,
- Traffic Signal Mast Arm Inspection, Annual American with Disabilities Act (ADA) Compliance, Segment 9 Sidewalk – Pontiac Trail (south side; Beck Rd to West Park Dr)
- Streambank Stabilization Ingersol Creek (10 Mile Rd to Willowbrook Dr), Storm Drainage Improvement Pilot Project
- Pavilion Shore Parking lot addition, Fire Parking Lot Improvements (FS# 2)
- DPS Expansion/Improvement Project, Streetlighting Installation Program

DEPARTMENTAL INFORMATION



- Truck Mounted Combination (jet and Vacuum) Sewer Cleaner replacement, Tandem-axle Swap Loader Dump Truck w/ Front Plow; Underbody Scraper & Wing Plow replacement, Single-axle Dump truck Swap Loader w/ Front Plow; Underbody Scraper & Wing Plow replacement, One-Ton Dump Truck w/ Front Plow and Swap Loader – new, Bobcat All-Wheel Loader with milling machine attachment – new, Mini Excavator replacement, Four-Ton Asphalt Hot Box – new, Pickup Utility Boxes (3) – new, Fleet Management Integration Software – new, Pressure Washer replacement, Two-Ton Asphalt Hot Box replacement,
- DPS Forestry Vehicle – new (also see Forestry Department Goals),
- Non-motorized part-time staff – new
- Annual Tree fund Planting increase \$50,000 (also see Forestry Department Goals)

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
<i>Department of Public Services</i>					
Dept 442.00-DPS ADMINISTRATION DIVISION					
PERSONNEL SERVICES	\$ 219,078	\$ 231,295	\$ 270,902	\$ 280,104	\$ 288,445
SUPPLIES	9,809	12,700	11,200	11,200	11,200
OTHER SERVICES AND CHARGES	381,114	187,266	176,390	177,790	178,290
CAPITAL OUTLAY	4,867	19,223	6,700	-	-
TOTAL Dept 442.00-DPS ADMINISTRATION	<u>\$ 614,868</u>	<u>\$ 450,484</u>	<u>\$ 465,192</u>	<u>\$ 469,094</u>	<u>\$ 477,935</u>
Dept 442.10-DPS ENGINEERING DIVISION					
PERSONNEL SERVICES	\$ 97,768	\$ 76,218	\$ 161,521	\$ 175,427	\$ 179,631
SUPPLIES	1,497	2,000	2,000	2,000	2,000
OTHER SERVICES AND CHARGES	70,844	303,884	202,650	202,650	202,650
CAPITAL OUTLAY	114,604	994,365	77,929	-	-
TOTAL Dept 442.10-DPS ENGINEERING DIVISION	<u>\$ 284,713</u>	<u>\$ 1,376,467</u>	<u>\$ 444,100</u>	<u>\$ 380,077</u>	<u>\$ 384,281</u>
Dept 442.20-DPS FIELD OPERATIONS DIVISION					
PERSONNEL SERVICES	\$ 169,041	\$ 320,658	\$ 295,758	\$ 457,358	\$ 510,187
SUPPLIES	92,135	94,349	94,500	95,500	96,500
OTHER SERVICES AND CHARGES	482,017	570,592	494,060	483,060	483,060
CAPITAL OUTLAY	13,278	904,216	851,200	540,000	990,000
TOTAL Dept 442.20-DPS FIELD OPERATIONS	<u>\$ 756,471</u>	<u>\$ 1,889,815</u>	<u>\$ 1,735,518</u>	<u>\$ 1,575,918</u>	<u>\$ 2,079,747</u>
Dept 442.30-DPS FLEET ASSET DIVISION					
PERSONNEL SERVICES	\$ 289,838	\$ 396,401	\$ 366,319	\$ 383,702	\$ 393,323
SUPPLIES	29,309	30,000	27,000	27,000	27,000
OTHER SERVICES AND CHARGES	209,839	369,175	330,040	348,240	358,240
CAPITAL OUTLAY	175,401	314,425	62,000	-	-
TOTAL Dept 442.30-DPS FLEET ASSET DIVISION	<u>\$ 704,387</u>	<u>\$ 1,110,001</u>	<u>\$ 785,359</u>	<u>\$ 758,942</u>	<u>\$ 778,563</u>
<i>Department of Public Services Total</i>	<u>\$ 2,360,439</u>	<u>\$ 4,826,767</u>	<u>\$ 3,430,169</u>	<u>\$ 3,184,031</u>	<u>\$ 3,720,526</u>

DEPARTMENTAL INFORMATION

Full-Time Personnel Summary

	<u>2015-16</u> <u>ACTUAL</u>	<u>2016-17</u> <u>BUDGET</u>	<u>2016-17</u> <u>ACTUAL</u>	<u>2017-18</u> <u>BUDGET</u>
DEPARTMENT OF PUBLIC SERVICES (DPS)				
ADMINISTRATION				
Public Services Director/City Engineer	1.0	1.0	1.0	1.0
Analyst Planner	1.0	1.0	1.0	1.0
Senior Customer Service Representative	0.5	0.5	0.25	0.25
ENGINEERING DIVISION				
Engineering Manager	1.0	1.0	0.0	0.0
Engineering Senior Manager	0.0	0.0	1.0	1.0
Civil Engineer	1.0	1.0	1.0	1.0
Construction Engineer Coordinator	1.0	1.0	1.0	1.0
Construction Engineer	1.0	1.0	1.0	1.0
Staff Engineer	1.0	1.0	1.0	1.0
FIELD OPERATIONS DIVISION				
Field Operations Senior Manager	1.0	1.0	1.0	1.0
Roadway Asset Manager	1.0	1.0	1.0	1.0
Heavy Equipment Operator	4.0	4.0	4.0	4.0
Light Equipment Operator	6.0	6.0	6.0	6.0
Senior Customer Service Representative	2.0	2.0	2.0	2.0
Sign Technician	1.0	1.0	1.0	1.0
Work Leader	3.0	3.0	3.0	3.0
FLEET OPERATIONS DIVISION				
Fleet Asset Manager	0.0	1.0	1.0	1.0
Head Mechanic	1.0	1.0	1.0	1.0
Lead Mechanic	1.0	1.0	1.0	1.0
Mechanic	1.0	1.0	1.0	1.0
	28.5	29.5	29.25	29.25

DEPARTMENTAL INFORMATION



Performance Measures, Goals, and Objectives

Water & Sewer Division

Objectives

- Replace or upgrade critical equipment used in water/sewer operations and maintenance, as needed.
- Make improvements to existing infrastructure as recommended in the Water Distribution Study and Master Plan and as a result of the findings from implementation of the CMOM Program (lift/pump stations, collection mains, distribution and transmission lines, storage and appurtenant facilities).
- Work in conjunction with the Great Lakes Water Authority (Detroit Water & Sewerage Department) to ensure the community receives sufficient water pressure and flow volume during seasonal high demand periods.
- Continue to work with the Michigan Department of Environmental Quality (MDEQ) and the Federal Environmental Protection Agency (EPA) to prepare for and conduct further and aggressive water system byproducts testing.
- Provide uninterrupted water and sewer service to residents of Novi.
- Provide public education programs to facilitate water management and promote greater awareness and support of the Division and its activities.
- Continue to study, coordinate and improve City services based on input from customers and staff.

FY 2016-17 Performance Measures

- Water and Sewer Suite upgrades within the Field Services Complex (separate from the design to improve and expand the Field Services Complex mentioned above).
- Update the Water & Sewer fleet by adding a new Camera Utility Van and Pickup Truck with Plow.
- Make the following water distribution upgrades: 10 Mile Loop Connection West of Wixom Road and 11 Mile Loop Connection between Mandalay and Sullivan

FY 2017-18 Goals

- 8 Mile Road Equalization Basin Project
- Wixom Road Pump Station
- Fixed Network – Advanced Metering Infrastructure Project (phase 1 – replace AMR system)
- Fixed Network – Advanced Metering Infrastructure Project (phase 2 – Meter replacements)
- SCADA Implementation – 3 master meter replacements (NV01, NV02, NV03)
- NEAMS OnBase Integration for Water & Sewer Records
- NEAMS Cityworks Analytics Report Module
- Cross Connection Coordinator part-time
- Seasonal Laborer
- Security Camera/Card Readers (Island Lake, Hudson, Lannys)



DEPARTMENTAL INFORMATION

WATER AND SEWER FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED 2018-19	PROJECTED 2019-20
ESTIMATED REVENUES					
Operating revenue	\$ 24,420,550	\$ 23,336,000	\$ 25,591,000	\$ 25,916,000	\$ 26,241,000
Capital contributions	5,337,278	2,850,000	2,850,000	2,850,000	2,850,000
Federal Grants	-	1,470,167	-	-	-
Interest income	1,469,812	800,000	850,000	900,000	950,000
Other revenue	285,479	215,345	220,593	221,785	222,978
TOTAL ESTIMATED REVENUES	\$ 31,513,119	\$ 28,671,512	\$ 29,511,593	\$ 29,887,785	\$ 30,263,978
APPROPRIATIONS					
Personnel services	\$ 1,261,519	\$ 1,353,109	\$ 1,420,553	\$ 1,453,572	\$ 1,490,619
Supplies	61,383	76,175	61,600	63,600	65,600
Other services and charges	25,921,524	19,888,550	21,842,646	22,951,301	24,144,236
Capital outlay	24,004	8,688,595	8,471,167	2,380,868	1,739,917
Debt service	13,779	159,563	153,750	-	-
Transfers out	-	-	2,232,000	-	-
TOTAL APPROPRIATIONS	\$ 27,282,209	\$ 30,165,992	\$ 34,181,716	\$ 26,849,341	\$ 27,440,372
NET OF REVENUES/APPROPRIATIONS - FUND 592	\$ 4,230,910	\$ (1,494,480)	\$ (4,670,123)	\$ 3,038,444	\$ 2,823,606
BEGINNING FUND BALANCE	175,033,894	179,264,804	177,770,324	173,100,201	176,138,645
ENDING FUND BALANCE	\$ 179,264,804	\$ 177,770,324	\$ 173,100,201	\$ 176,138,645	\$ 178,962,251

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
WATER AND SEWER DEPARTMENT				
Water & Sewer Financial Services Specialist	1.0	1.0	1.0	1.0
Water & Sewer Asset Manager	1.0	1.0	0.0	0.0
Water & Sewer Manager	0.0	0.0	1.0	1.0
Water and Sewer Senior Manager	0.0	0.0	1.0	1.0
Water and Sewer Senior Engineer	1.0	1.0	0.0	0.0
Light Equipment Operator	4.0	4.0	4.0	4.0
Maintenance	3.0	3.0	3.0	3.0
Senior Customer Service Representative	1.5	1.5	1.75	1.75
Water & Sewer Cross Connection Specialist	1.0	1.0	1.0	1.0
Work Leader	1.0	1.0	1.0	1.0
	13.5	13.5	13.75	13.75

DEPARTMENTAL INFORMATION



Novi Youth Assistance (665.00)

Overview

Novi Youth Assistance is dedicated to the prevention of juvenile delinquency, child abuse and child neglect in the 26 communities within Oakland County and is administered under the auspices of the Oakland County Circuit Court-Family Division. Novi Youth Assistance operates with the sponsorship of the Oakland County Circuit Court-Family Division, the Novi Community School District, the City of Novi, with principal funding supplied through the Oakland County Board of Commissioners.

Performance Measures, Goals, and Objectives

Objectives

- Continue to provide successful, positive, and effective services and programs to youths

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 665.00-NOVI YOUTH ASSISTANCE					
PERSONNEL SERVICES	\$ 46,378	\$ 46,689	\$ 47,376	\$ 47,656	\$ 47,829
SUPPLIES	4,193	9,642	9,642	9,642	9,642
TOTAL Dept 665.00-NOVI YOUTH ASSISTANCE	\$ 50,571	\$ 56,331	\$ 57,018	\$ 57,298	\$ 57,471

DEPARTMENTAL INFORMATION

Historical Commission (803.00)

Overview

Since 1986, the Novi Historical Commission has worked in partnership with the City of Novi, Novi Public Library, educators, and others to provide programs and services concerning the history of our community. The Commission's work includes the development of presentations, exhibits, and events that showcase the over 180 year history of Novi. The Novi Historical Commission is located within the Novi Public Library and offers open office hours in the Local History Room on the first and third Mondays of each month.

Performance Measures, Goals, and Objectives

Objectives

- Continue to collect and preserve the history of Novi through the solicitation of donated documents, photographs, and recorded personal experiences.

Budget Summary

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
Dept 803.00-HISTORICAL COMMISSION					
OTHER SERVICES AND CHARGES	\$ 7,993	\$ 14,000	\$ 14,500	\$ 14,500	\$ 14,500
TOTAL Dept 803.00-HISTORICAL COMMISSION	\$ 7,993	\$ 14,000	\$ 14,500	\$ 14,500	\$ 14,500

DEPARTMENTAL INFORMATION



Parks, Recreation, and Cultural Services: Administration (691.00), Recreation (693.00) and Older Adult Services (695.00)

Overview

The mission of Parks, Recreation and Cultural Services (PRCS) is “Provide exceptional park, recreational and cultural opportunities that are diverse and enhance lives.” The vision of PRCS is “To be seen as an essential service whose benefits are recognized and valued in the Novi Community.” The Department administers all parks, recreation and cultural services operations, including strategic direction, policy development, older adult services and resource identification. The Department serves as the liaison to the Parks, Recreation and Cultural Services Commission, the Novi Parks Foundation, and also coordinates the Cultural Arts Advisory Board and the Older Adult Advisory Board. There are three divisions within Parks, Recreation and Cultural Services: Administration, Recreation, and Older Adult Services. Any revenues and expenditures related to any of these activities are recorded within their own special revenue fund separate from the General Fund, except for contributions from the General Fund for capital purchases.

Performance Measures, Goals, and Objectives

Objectives

The core values for the Novi Parks, Recreation and Cultural Services Department are: “Innovation, Excellence, Integrity, Inclusion and Environment.” These core values are qualities that shape our culture and define the character of the organization. Core values were identified by staff, community and Park Commissioner input and defined as follows:

- Innovation – Be at the forefront of forming industry standards
- Excellence – Passion to do our best in each moment
- Integrity – Do the right thing the right way
- Inclusion – Provide programming and services for the entire community
- Environment – Protect the environment and educate the community about its value

FY 2016-17 Performance Measures

- Upgrade Civic Center Stage
- Create Lakeshore Park Concept Plan, Shelter, and Facility reconfiguration
- Construct Ella Mae Power Park Pathway
- Construct Pavilion Shore Park facility
- Acquire transportation software for Older Adult Services Department

FY 2017-18 Goals

- Complete the ITC Trail (also see DPS Goals)
- Finalize plans to upgrade Rotary Park in conjunction with the Novi Rotary Club and Novi Parks Foundation.
- Lakeshore Park Reconfiguration Project
- Trailhead (10 Mile & Wixom Rd) – ITC Corridor
- Villa Barr Property Parking Lot, Bus Loop, and Sculpture Garden Pathway
- Ella Mae Power Park Spectator Bleacher Upgrade – Fields 1 through 4
- Transit Van replacement



DEPARTMENTAL INFORMATION

PARKS, RECREATION & CULTURAL SERVICES FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 1,235,317	\$ 1,275,051	\$ 1,295,457	\$ 1,345,366	\$ 1,397,179
Donations	143,275	33,500	4,500	4,500	4,500
Interest income	42,598	45,531	28,685	37,088	38,287
Older adult program revenue	181,785	181,650	166,750	166,750	166,750
Other revenue	38,822	7,400	7,400	7,400	7,400
Program revenue	1,259,906	1,210,553	1,143,450	1,143,450	1,162,250
State grants	368,230	402,500	-	-	-
Transfers in	365,220	450,000	70,000	372,000	313,000
TOTAL ESTIMATED REVENUES	\$ 3,635,153	\$ 3,606,185	\$ 2,716,242	\$ 3,076,554	\$ 3,089,366
APPROPRIATIONS					
Personnel services	\$ 1,087,936	\$ 1,134,443	\$ 1,201,408	\$ 1,236,420	\$ 1,273,382
Supplies	59,808	86,875	73,180	73,180	73,180
Other services and charges	1,279,027	1,406,013	1,391,654	1,394,954	1,429,804
Capital outlay	1,295,504	2,047,445	50,000	372,000	313,000
TOTAL APPROPRIATIONS	\$ 3,722,275	\$ 4,674,776	\$ 2,716,242	\$ 3,076,554	\$ 3,089,366

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
PARKS, RECREATION & CULTURAL SERVICES DEPARTMENT				
ADMINISTRATION				
Director of Parks, Recreation & Cultural Services	1.0	1.0	1.0	1.0
Deputy Director of Parks, Recreation & Cultural Services	1.0	1.0	1.0	1.0
Management Assistant	1.0	1.0	1.0	1.0
Account Clerk	1.0	1.0	1.0	1.0
RECREATION DEPARTMENT				
Recreation Coordinator - Cultural Services	1.0	1.0	0.0	0.0
Recreation Supervisor	3.0	3.0	4.0	4.0
Recreation Programmer	1.0	1.0	1.0	1.0
OLDER ADULT SERVICES DEPARTMENT				
Account Clerk	1.0	1.0	1.0	1.0
Older Adult Social Services Coordinator	1.0	1.0	1.0	1.0
Older Adult Services Manager	1.0	1.0	1.0	1.0
	12.0	12.0	12.0	12.0

DEPARTMENTAL INFORMATION



Forestry (209.00)

Overview

The Forestry Division provides high quality operational services and contract management including annually: tree planting, tree removals, and tree pruning. Additional services provided by the Forestry Division include forest health diagnostics, tree hazard assessments, resident relations, invasive species removal, natural resources education, and public outreach.

Performance Measures, Goals, and Objectives

FY 2016-17 Performance Measures

- Annual tree planting

FY 2017-18 Goals

- Permanently protect high quality woodlands using Tree Fund dollars. Goal: Protect at least 50 acres. (also see DPS Goals)
- Increase Annual Tree Fund Planting \$50,000 (also see DPS Goals)
- DPS Forestry vehicle – new (also see DPS Goals)

TREE FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 78,536	\$ 55,415	\$ 58,668	\$ 55,123	\$ 56,522
Other revenue	1,384,840	340,000	420,000	395,000	395,000
TOTAL ESTIMATED REVENUES	\$ 1,463,376	\$ 395,415	\$ 478,668	\$ 450,123	\$ 451,522
APPROPRIATIONS					
Personnel services	\$ 63,420	\$ 81,420	\$ 93,408	\$ 94,863	\$ 96,262
Supplies	1,345	1,000	1,000	1,000	1,000
Other services and charges	176,745	324,995	354,260	354,260	354,260
Capital outlay	-	4,133	30,000	-	-
TOTAL APPROPRIATIONS	\$ 241,510	\$ 411,548	\$ 478,668	\$ 450,123	\$ 451,522

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
FORESTRY DEPARTMENT				
Forestry Asset Manager	1.0	1.0	1.0	1.0
	1.0	1.0	1.0	1.0



PEG Cable (263.00)

Overview

Cable television programming is produced by the Neighborhood and Business Relations Group and budgeted within the PEG Cable Special Revenue Fund. The purpose of the PEG Fund is to track the revenues and expenditures related to providing cable services to the City, including cable franchise revenues and cable production fees. The PEG fees help to keep the community engaged in the City's operations.

Performance Measures, Goals, and Objectives

FY 2017-18 Goals

- Electronic Message Board @ Civic Center Campus
- Phaser replacement

PEG CABLE FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Interest income	\$ 9,796	\$ 2,418	\$ 2,733	\$ 2,388	\$ 3,325
Licenses, permits & charges for services	382,655	258,000	300,000	303,000	307,000
Other revenue	1,267	-	-	-	-
TOTAL ESTIMATED REVENUES	\$ 393,718	\$ 260,418	\$ 302,733	\$ 305,388	\$ 310,325
APPROPRIATIONS					
Personnel services	\$ 55,048	\$ 256,668	\$ 204,534	\$ 209,488	\$ 213,325
Supplies	10,631	3,050	-	-	-
Other services and charges	153,110	38,700	26,000	22,000	22,000
Capital outlay	212,724	47,126	46,199	16,900	37,000
TOTAL APPROPRIATIONS	\$ 431,513	\$ 345,544	\$ 276,733	\$ 248,388	\$ 272,325

Full-Time Personnel Summary

	2015-16 ACTUAL	2016-17 BUDGET	2016-17 ACTUAL	2017-18 BUDGET
PEG CABLE DEPARTMENT				
Director of Communications	0.5	0.5	0.5	0.5
Multi-Media Production Specialist	0.0	0.0	2.0	2.0
Video Production Technician	2.0	2.0	0.0	0.0
	2.5	2.5	2.5	2.5

DEPARTMENTAL INFORMATION



Library (268.00)

Overview

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.

Performance Measures, Goals, and Objectives

Objectives

- **Library Motto:** Inform. Inspire. Include.

FY 2016-17 Performance Measures

- Continue offering of extended hours: Fridays and Saturday until 6pm, Sundays 12:00-6:00pm and Sundays open 12:00-6:00pm year round.
- Achieve highest Summer Reading Program attendance on record with 2,584 participants.
- Celebrate 5 years in our building (June 2015) and 55 years as a Public Library (September 2015).
- Launch FREE online courses on over 300 topics.
- Continue partnership with The Library Network for central services and gasoline usage

LIBRARY FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Property tax revenue	\$ 2,472,349	\$ 2,491,457	\$ 2,604,070	\$ 2,703,774	\$ 2,807,275
Donations	9,472	6,000	1,000	1,000	1,000
Fines and forfeitures	178,812	153,000	162,000	162,000	162,000
Interest income	64,630	30,000	35,000	36,000	37,000
Other revenue	65,103	65,269	64,950	65,076	65,205
State sources	34,496	29,000	34,000	34,000	34,000
TOTAL ESTIMATED REVENUES	\$ 2,824,862	\$ 2,774,726	\$ 2,901,020	\$ 3,001,850	\$ 3,106,480
APPROPRIATIONS					
Personnel services	\$ 1,745,141	\$ 1,784,000	\$ 1,825,896	\$ 1,873,390	\$ 1,921,080
Supplies	494,118	601,300	615,000	623,000	613,000
Other services and charges	441,036	523,700	517,000	498,500	501,500
Capital outlay	68,881	126,900	133,100	38,100	11,100
Transfers out	40,000	-	-	-	-
TOTAL APPROPRIATIONS	\$ 2,789,176	\$ 3,035,900	\$ 3,090,996	\$ 3,032,990	\$ 3,046,680



DEPARTMENTAL INFORMATION

Full-Time Personnel Summary

	2015-16	2016-17	2016-17	2017-18
	ACTUAL	BUDGET	ACTUAL	BUDGET
LIBRARY				
Administrative Assistant	1.0	1.0	1.0	1.0
Collections Specialist	1.0	1.0	1.0	1.0
Communications Coordinator	1.0	1.0	1.0	1.0
Department Head-Information Systems	1.0	1.0	1.0	1.0
Department Head-Information Technology	1.0	1.0	1.0	1.0
Department Head-Support Services	1.0	1.0	1.0	1.0
Facilities Assistant II	1.0	1.0	1.0	1.0
Librarian	4.0	4.0	4.0	4.0
Librarian-Electronic Services	1.0	1.0	1.0	1.0
Library Director	1.0	1.0	1.0	1.0
Supervisor	3.0	3.0	2.0	2.0
System Administrator	1.0	1.0	1.0	1.0
	17.0	17.0	16.0	16.0

DEPARTMENTAL INFORMATION



Ice Arena (590.00)

Overview

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. The primary customer base is comprised of Novi Youth Hockey Association, The Skating Club of Novi, Learn to Skate, Novi Ice Arena Adult Hockey League, Novi & Northville High Schools and Club Teams, and Recreational Skating Activities (Public Skate, Drop-in Hockey, etc.)

This facility does not have any direct impact on the City's General Fund Budget because all activities are accounted for within its own enterprise fund.

Performance Measures, Goals, and Objectives

FY 2016-17 Performance Measures

- Zamboni Ice Resurfacers
- Evaporative cooling tower replacement
- Replace essential equipment: café equipment, ice edger, variable frequency drives for refrigeration plant motors, domestic hot water pumps, and condenser tower bleed-off controls/water treatment

FY 2017-18 Goals

- HVAC Management System Upgrade
- Variable Frequency Drives (4)
- Elevator Maintenance and Repairs

ICE ARENA FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Program revenue	\$ 2,105,758	\$ 2,012,310	\$ 2,007,970	\$ 2,024,202	\$ 2,041,893
Interest income	45,193	20,000	25,000	25,000	25,000
Other revenue	96,273	89,300	89,400	89,400	89,900
TOTAL ESTIMATED REVENUES	\$ 2,247,224	\$ 2,121,610	\$ 2,122,370	\$ 2,138,602	\$ 2,156,793
APPROPRIATIONS					
Supplies	\$ 14,717	\$ 12,150	\$ 11,000	\$ 11,800	\$ 11,800
Other services and charges	1,567,595	1,332,017	1,352,809	1,356,049	1,366,822
Capital outlay	47,878	319,000	50,000	27,000	201,600
Debt service	104,820	585,420	563,660	562,140	560,380
TOTAL APPROPRIATIONS	\$ 1,735,010	\$ 2,248,587	\$ 1,977,469	\$ 1,956,989	\$ 2,140,602



DEPARTMENTAL INFORMATION

Senior Housing —Meadowbrook Commons (594.00)

Overview

Meadowbrook Commons, located on Meadowbrook Road between Grand River Avenue and 10 Mile Road, is a 55+ adult independent living housing community owned by the City of Novi and managed by a contractual management company. The three-story building contains 115 one- and two-bedroom apartments and 60 two-bedroom ranch style condos which surround the outside of the main building. The complex was built to provide market price affordable housing for the older adults in Novi. The complex is also home to the Meadowbrook Activities Center which promotes healthy and active lifestyles that support independence and vitality for adults 55+.

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. This facility does not have any direct impact on the City's General Fund Budget because all activities are recorded within its own enterprise fund.

Performance Measures, Goals, and Objectives

FY 2016-17 Performance Measures

- Complete parking lot and road way replacement
- Replace hot water tanks for ranch apartments (55)
- Replace Refrigerators for ranch apartments(55)
- Install Security Camera System

FY 2017-18 Goals

- Generator

SENIOR HOUSING FUND

	ACTUAL 2015-16	ESTIMATED 2016-17	BUDGET 2017-18	PROJECTED	
				2018-19	2019-20
ESTIMATED REVENUES					
Operating revenue	\$ 2,002,871	\$ 2,011,791	\$ 2,026,310	\$ 2,049,210	\$ 2,069,977
Interest income	38,941	15,000	11,000	12,000	13,000
Other revenue	21,526	19,200	19,200	19,200	19,200
TOTAL ESTIMATED REVENUES	\$ 2,063,338	\$ 2,045,991	\$ 2,056,510	\$ 2,080,410	\$ 2,102,177
APPROPRIATIONS					
Supplies	\$ 6,379	\$ 11,475	\$ 11,475	\$ 11,475	\$ 11,475
Other services and charges	1,072,716	835,725	836,700	847,824	864,400
Capital outlay	27,563	1,143,219	194,000	-	-
Debt service	795,772	1,053,028	1,053,220	1,048,010	1,017,744
TOTAL APPROPRIATIONS	\$ 1,902,430	\$ 3,043,447	\$ 2,095,395	\$ 1,907,309	\$ 1,893,619

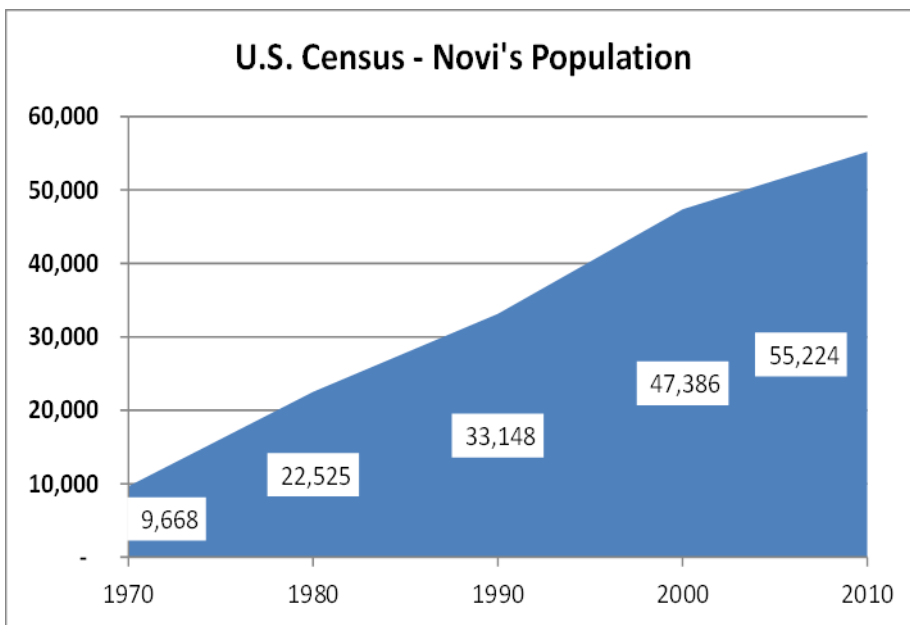
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About the City of Novi

The City of Novi encompasses an area of approximately 31.6 square miles or 20,417 acres and is about thirty miles northwest of downtown Detroit, in the southern portion of Oakland County. The City surrounds about two-thirds of Walled Lake, and the gently rolling topography of the area has made the City one of the most attractive places in Michigan to live.

The City of Novi is governed by a seven-member City Council under the Council/Manager form of government. A full range of City services are provided including police, fire, parks, recreation, forestry, library, planning and zoning, building and engineering, and various maintenance services. In addition to the usual City services, Novi offers a senior citizen housing facility, Meadowbrook Commons, and an Ice Arena.

Since its original settlement and incorporation in February, 1969, the City has seen remarkable changes. Once a stand-alone settlement, Novi now finds itself in the heart of the Detroit Metropolitan region. Novi's location at the crossroads of several major transportation routes has thrust the City into a period of unprecedented growth and development. Between the 1990 and 2000 Census, Novi was the fastest growing city in Oakland County. The 2000 Census stated Novi's position as a growing and attractive community with a population of 47,386. This was an increase of 43 percent from 1990. A special mid-decade census in 2006 showed an increase of just over 9% from 2000 with a population of 52,231. Between the 2000 and 2010 Census Novi's population grew by 16.5% to 55,224. Novi is presently home to prestigious schools, quality residential neighborhoods, a thriving retail and high-tech economy, and beautifully preserved natural areas. Novi has indeed changed and the change has been dramatic. The SEMCOG 2035 Forecast includes a population estimate of 57,344.



1970	9,668
1980	22,525
1990	33,148
2000	47,386
2010	55,224

Source: U.S. Census Bureau.

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA



Points of Interest

The Erie Canal was opened in 1825 at the same time the City of Novi was settled, drawing settlers from the east coast to Michigan.

Farming was the principal land use activity in Novi in the early days, but by 1830, there were enough families to support small businesses at the intersection of Novi Road and Grand River Avenue, known as Novi Corners.

In the 1850's, Grand River Avenue provided a connection from Lansing to Detroit, passing through the heart of Novi.

In the 1950's, the Interstate Highway System divided Novi with the construction of I-96. This freeway allowed fast access to Detroit and took "through commuters" off the Grand River Avenue corridor.

As early as 1959, the Village of Novi was considering becoming a city, although Novi did not incorporate as a city until 1969.

Twelve Oaks Mall, located at Interstate Highway 96 and Novi Road, houses nearly 180 retailers, specialty shops, restaurants and stores on over 1,687,781 square feet.

The Novi School District is comprised of 1 high school, 1 middle school (7-8), 1 upper elementary school (5-6), and 5 elementary schools (K-4). An instructional Technology Center links the 5th grade house and the 6th grade house of Novi Meadows. (The majority of students residing within the City of Novi attend Novi Community Schools.)

The City of Novi is served by four school districts: Northville Public School District, Novi Community School District, South Lyon Community School District, and Walled Lake Consolidated School District.

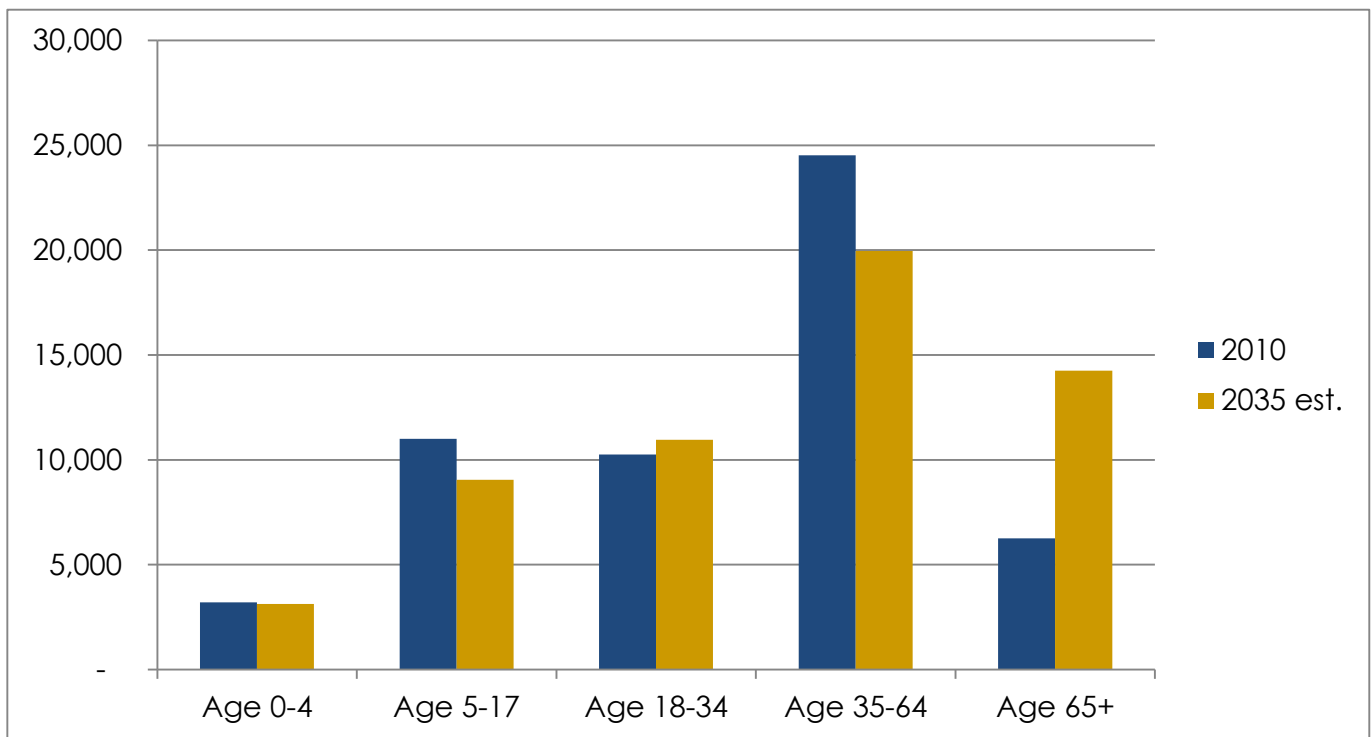


STATISTICAL INFORMATION AND SUPPLEMENTAL DATA

Population

Approximately 44% of Novi's residents are 35 to 64 years old and 11% are senior citizens. The median age for Novi is 39.1 years and for the State is 38.9 years.

Age Groups	1990 Census		2000 Census		2010 Census		2035 est.	
	Est	%	Est	%	Est	%	Est	%
Age 0-4	2,580	8%	3,506	7%	3,204	6%	3,122	6%
Age 5-17	5,857	18%	9,621	20%	11,006	20%	9,047	16%
Age 18-34	9,930	30%	10,428	23%	10,245	19%	10,954	19%
Age 35-64	12,140	36%	20,168	42%	24,521	44%	19,966	35%
Age 65+	2,641	8%	3,856	8%	6,248	11%	14,255	24%
Total Population	33,148	100%	47,579	100%	55,224	100%	57,344	100%



Source: U.S. Census Bureau and SEMCOG 2040 Forecast produced in 2010.

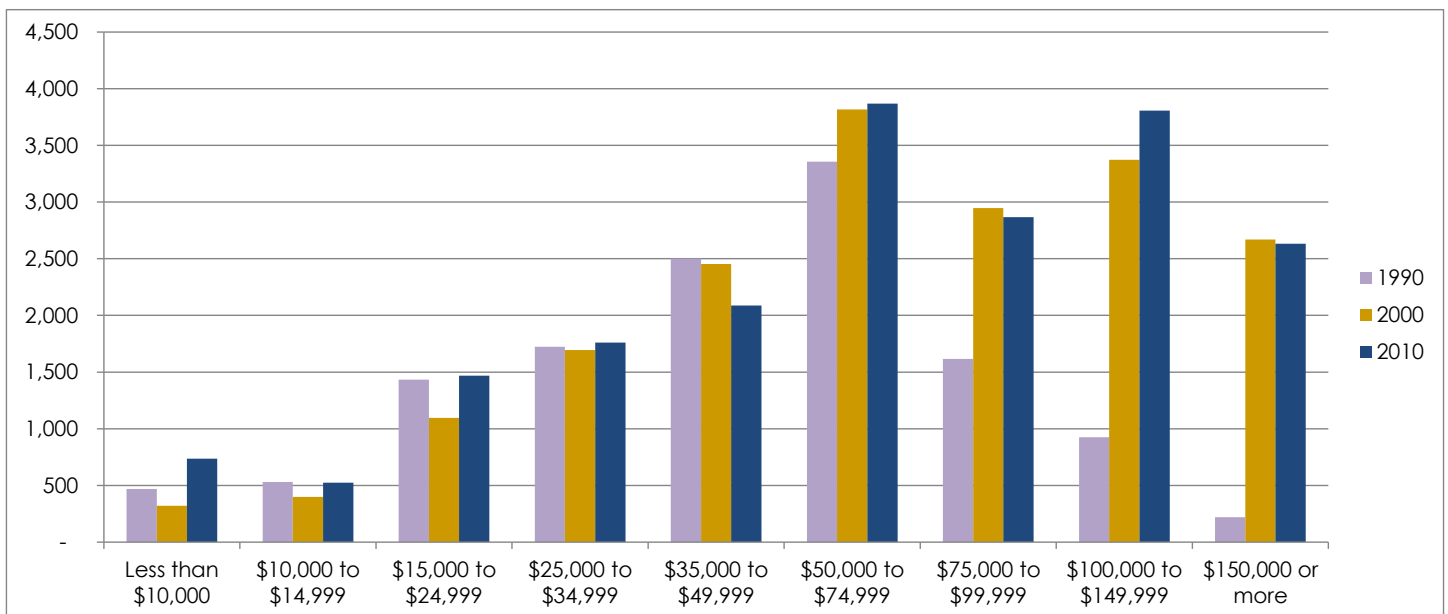
STATISTICAL INFORMATION AND SUPPLEMENTAL DATA



Income Characteristics

City of Novi's median household income is \$80,151.

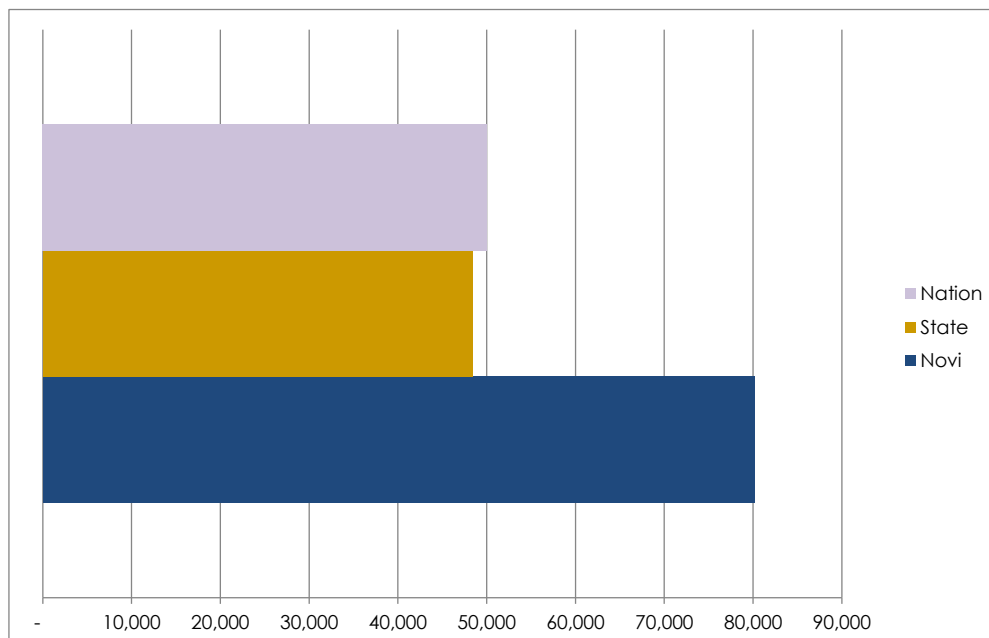
Income Categories	1990 Census		2000 Census		2010 Census	
	Est	%	Est	%	Est	%
Less than \$10,000	468	4%	321	2%	735	4%
\$10,000 to \$14,999	530	4%	399	2%	523	3%
\$15,000 to \$24,999	1,434	11%	1,095	6%	1,468	7%
\$25,000 to \$34,999	1,724	13%	1,695	9%	1,761	9%
\$35,000 to \$49,999	2,500	20%	2,454	136%	2,088	10%
\$50,000 to \$74,999	3,357	26%	3,818	20%	3,868	20%
\$75,000 to \$99,999	1,616	13%	2,948	16%	2,868	15%
\$100,000 to \$149,999	926	7%	3,374	18%	3,808	19%
\$150,000 or more	220	2%	2,670	14%	2,633	13%
Total Households	12,775	100%	18,774	223%	19,752	100%



Source: U.S. Census Bureau.

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA

	Novi	State	Nation
INCOME AND BENEFITS (IN 2010 INFLATION-ADJUSTED DOLLARS)	2010 Census	2010 Census	2010 Census
Total households	22,047	3,843,997	114,567,419
Less than \$10,000	735	304,785	5,757,190
\$10,000 to \$14,999	523	219,924	6,668,865
\$15,000 to \$24,999	1,468	442,676	13,165,380
\$25,000 to \$34,999	1,761	430,558	12,323,322
\$35,000 to \$49,999	2,088	577,569	16,312,385
\$50,000 to \$74,999	3,868	728,579	20,940,859
\$75,000 to \$99,999	2,868	466,664	13,526,500
\$100,000 to \$149,999	3,808	433,144	13,544,839
\$150,000 to \$199,999	2,633	134,211	4,809,998
\$200,000 or more	2,295	105,887	4,518,081
Median household income (dollars)	80,151	48,432	50,046



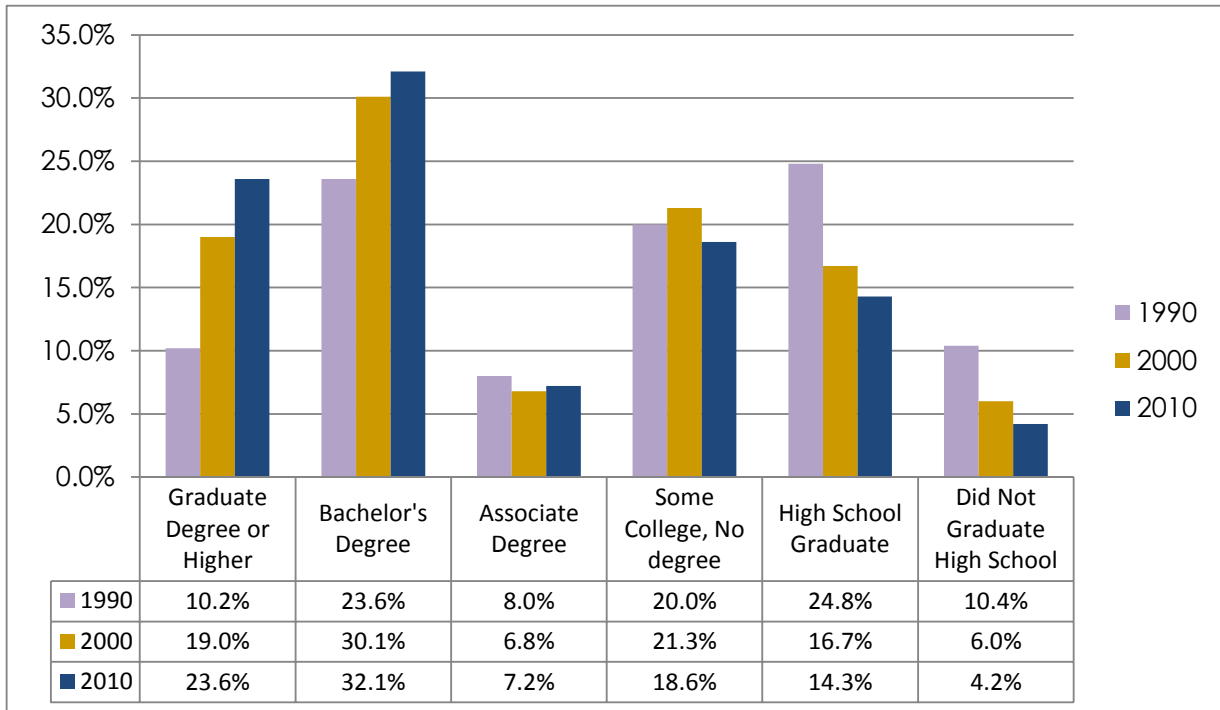
Source: U.S. Census Bureau.

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA



Education Level

Approximately 81.5% of Novi's residents have at least some college education. Only 4.2% are not high school graduates.



Educational Attainment Population Age 25 years or older	City of Novi, MI					State of Michigan					United States				
	2010 (estimated)		2000		1990	2010 (estimated)		2000		1990	2010 (estimated)		2000		1990
	% of Population	Percentage Point Change 2000-2010	% of Population	Percentage Point Change 1990-2000	% of Population	% of Population	Percentage Point Change 2000-2010	% of Population	Percentage Point Change 2000-2010	% of Population	% of Population	Percentage Point Change 2000-2010	% of Population	Percentage Point Change 2000-2010	% of Population
Graduate / professional degree	23.60%	4.60%	19.00%	8.80%	10.20%	9.60%	1.50%	8.10%	1.70%	6.40%	10.40%	1.50%	8.90%	1.70%	7.20%
Bachelor's degree	31.00%	0.90%	30.10%	6.50%	23.60%	15.60%	1.90%	13.70%	2.80%	10.90%	17.70%	2.20%	15.50%	2.40%	13.10%
Associate's degree	7.90%	1.10%	6.80%	-1.40%	8.20%	8.40%	1.40%	7.00%	0.30%	6.70%	7.60%	1.30%	6.30%	0.10%	6.20%
Some College, No Degree	18.20%	-3.10%	21.30%	-1.30%	22.60%	24.20%	0.90%	23.30%	2.90%	20.40%	21.30%	0.30%	21.00%	2.30%	18.70%
High School Graduate	14.80%	-1.90%	16.70%	-8.10%	24.80%	30.90%	-0.40%	31.30%	-1.00%	32.30%	28.50%	-0.10%	28.60%	-1.40%	30.00%
Did Not Graduate High School	4.70%	-1.30%	6.00%	-4.40%	10.40%	11.30%	-5.20%	16.50%	-6.70%	23.20%	14.40%	-5.20%	19.60%	-5.20%	24.80%

Source: SEMCOG Community Profiles, US Census ACS 2008-2010, US Census Bureau



STATISTICAL INFORMATION AND SUPPLEMENTAL DATA

Housing Characteristics

City of Novi has 24,069 total housing units and about half of those are one-family detached units.

Structure Type	1990 Census		2000 Census		2010 Census	
	Estimate	Percentage	Estimate	Percentage	Estimate	Percentage
One-Family Detached	6,238	46%	10,059	51%	12,015	50%
One-Family Attached	1,726	13%	1,938	10%	2,604	11%
Two-Family / Duplex	43	0%	95	0%	40	0%
Multi-Unit Apartments	3,671	27%	5,947	30%	8,172	34%
Moble Homes	1,821	13%	1,684	9%	1,238	5%
Other Units	107	1%	-	0%	-	0%
Total Housing Units	13,606	n/a	19,723	n/a	24,069	n/a

	1990	1995	2000	2010	2035
Households	12,747	16,102	18,792	24,286	25,472
Population	33,148	41,595	47,579	55,224	57,344

Housing Tenure	1990 Census		2000 Census		2010 Census	
	Estimate	Percentage	Estimate	Percentage	Estimate	Percentage
Owner Occupied Units	9,311	68%	13,734	70%	15,035	62%
Renter Occupied Units	3,436	25%	5,418	25%	7,282	30%
Vacant Units	859	7%	925	5%	1,969	8%
Total Housing Units	13,606	100%	19,717	100%	24,286	100%
Median Housing Value (in 2010 Dollars)	\$168,866		\$236,800		\$259,656	
Median Contract Rent (in 2010 Dollars)	\$898		\$746		\$944	

Source: SEMCOG Community Profiles, US Census Bureau

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA



Industrial Characteristics

The City of Novi is seeing growth in the industrial sector. Flexible industrial space has become the hallmark of the City's industrial parks, which are filling with a variety of uses. Flex space commonly has an office component to support light manufacturing, research and development, or warehousing in the remainder of the building.



Commercial – Business Characteristics

Novi has always been known as a source of shopping destinations. With Twelve Oaks Mall, the Novi Town Center, West Oaks I & II, Twelve Mile Crossing at Fountainwalk, Westmarket Square, and the Novi Promenade, shoppers come from throughout the region to shop in Novi.

Commercial – Office Characteristics

The City initiated a rezoning of over 1,200 acres of privately owned property in several strategic locations throughout the community to a high-technology zoning district called the Office Service Technology District. The rezoning is serving as a catalyst to attract quality, high-tech businesses looking to locate within Michigan.

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA

City Millages

The City is the fiduciary for the collection of taxes for Novi, Northville, South Lyon, and Walled Lake School Districts; the related transfer districts; as well as for the State Education Tax, Oakland County, Schoolcraft College, and Oakland County Community College. The photo shows the allocation of your "2016 Property Tax Dollar" for fiscal year 2016-17 (homestead taxpayer).

The City continues to maintain one of the lowest municipal tax rates in Oakland County at 10.5376 mils. Property taxes are expressed in terms of millage with one mil being equal to \$1.00 per thousand dollars of taxable value.

City of Novi Homestead Property Tax Rate Information (Novi & OCC School Districts)



Where does your property tax dollar go?
The image above shows the updated allocation of "Your Property Tax Dollar" (homestead taxpayer.)



If your homestead's taxable value is \$150,000 and your estimated City taxes are \$1,493 annually, in the data shown above, you will spend:

\$676 **\$347** **\$60** **\$114** **\$60** **\$84** **\$240**

The City of Novi receives 26.4¢ for every property tax dollar paid. The City of Novi overall taxable values continue to fare relatively well (declining less than most), supported by a diverse tax base of residential and other properties, combined with new construction.

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA



2015 Top Ten Property Owners (by Taxable Value)

2015 Rank	Taxpayer	2015 Taxable Value	Percentage of Total
1	Taubman	\$ 52,806,020	1.65%
2	Northern Equities Et al	49,172,110	1.53%
3	Singh Development	43,603,360	1.36%
4	Novi Campus LLC – Fox Run	34,884,280	1.09%
5	International Transmission Co	28,228,540	0.88%
6	Occidental Development Ltd.	27,901,640	0.87%
7	Bowman	27,399,110	0.85%
8	Detroit Edison	26,792,660	0.84%
9	Providence Hospital	20,827,540	0.65%
10	Fountain Walk	14,501,410	0.45%

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA

Operating Indicators by Function/Program (Last Ten Fiscal Years)

Function/ program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Election data										
Registered voters	33,253	35,117	36,320	35,764	36,921	37,366	38,757	39,248	39,341	38,706
Voters at polls	20,612	9,020	19,684	2,887	14,535	3,633	20,484	4,719	14,341	3,423
Absentee ballots	4,500	2,768	8,455	2,212	4,575	2,386	8,765	2,599	5,029	2,588
Percent voting	62%	26%	77%	14%	52%	16%	75%	19%	49%	16%
Police										
Part A crimes	2,077	2,102	2,018	1,868	1,679	1,841	2,048	1,736	1,654	1,508
Part B crimes	1,388	987	721	793	814	627	626	673	622	638
Injury accidents	203	242	264	216	272	288	310	276	295	300
Property damage	1,853	1,825	1,737	1,602	1,761	1,631	1,695	1,153	1,037	1,084
Moving traffic violations	11,486	6,813	11,184	11,635	10,167	9,381	10,058	8,487	8,216	7,916
Parking violations	427	N/A	N/A	512	285	288	199	185	75	231
Adult arrests	2,001	1,703	1,987	2,353	2,368	2,082	2,241	2,355	2,574	2,428
Juvenile arrests	237	189	229	201	213	166	137	142	98	98
OUIL arrests	398	266	369	363	415	335	342	268	164	217
False alarms	2,664	2,403	2,275	2,262	2,357	2,090	2,270	2,538	2,164	2,094
Fire										
Fire incidents	287	266	1,015	134	92	120	112	120	113	124
Service incidents	1,207	1,218	567	2,006	1,311	1,249	1,360	1,345	457	642
Fire inspections conducted	2,301	2,619	3,049	2,341	2,920	3,557	3,063	2,919	3,108	2,898
Medical emergencies	2,458	2,724	2,766	2,957	3,299	3,169	3,383	3,425	3,811	3,784
Paid-on-call staff	59	56	68	68	66	68	55	54	39	71
Parks and recreation										
Youth classes/clinics	780	572	715	1,154	1,238	1,544	1,620	1,149	1,584	1,475
Adult classes/clinics	493	428	213	439	458	414	340	462	1,244	549
Youth leagues	3,091	2,983	2,198	2,585	2,371	2,431	2,512	2,471	2,199	2,934
Adult leagues	1,980	2,240	2,394	2,750	4,024	4,120	5,220	5,279	5,300	3,868
Summer day camp	367	341	339	742	703	668	N/A	334	498	747
Lakeshore Park vehicle entry	7,910	10,335	7,065	11,533	9,846	10,822	13,000	15,462	14,391	1,007
Lakeshore Park attendance	17,120	17,777	17,663	28,833	24,615	27,055	32,500	38,655	35,978	37,488
Lakeshore Park picnic shelter rental	104	163	130	128	98	105	116	125	120	231
Senior citizens served (1)	106,522	87,188	78,978	78,432	68,517	76,462	77,759	75,832	79,172	77,687
Special event attendance	9,981	11,413	11,049	12,071	14,311	14,018	17,021	20,028	16,840	18,153
Civic Center Rentals	2,746	2,731	2,116	1,060	1,516	1,492	1,520	1,560	1,058	1,203
Civic Center Attendance	96,503	97,249	81,810	57,519	37,457	35,506	17,021	44,200	33,988	23,023
Novi Theaters - Cast	284	226	214	206	181	198	253	293	86	-
Novi Theaters - Audience	4,929	6,392	4,548	5,041	4,757	4,715	5,454	4,997	1,705	-
Library (2)										
Items circulated	544,874	580,438	628,724	556,582	759,021	803,552	800,031	799,475	734,643	793,991
Book collections	126,259	128,711	123,884	137,220	146,187	152,024	151,724	152,236	149,941	140,895
Audio/Video/CD collections	13,805	13,774	13,232	14,295	18,015	20,618	23,507	25,677	27,776	29,077
Periodical subscriptions	170	179	162	185	215	208	210	242	207	207
Requests of Information	158,265	159,485	154,735	171,324	220,427	210,960	N/A	115,392	115,392	113,778
Youth Summer Reading	1,171	1,491	1,491	1,061	1,261	1,338	2,042	2,340	2,584	2,084
Program participants	26,720	35,062	18,772	24,145	34,198	45,572	34,899	40,010	40,901	46,854
Visitors	265,795	269,815	280,560	262,826	371,274	378,571	389,220	401,984	392,047	404,979
Interlibrary loans	55,102	60,182	78,214	67,615	100,342	109,274	109,330	106,250	105,588	112,016
Water and Sewer										
Customers:										
Residential	12,708	12,716	12,641	12,874	12,940	13,191	13,604	13,760	13,946	14,105
Commercial	1,399	1,280	1,287	1,225	1,239	1,254	1,223	1,204	1,259	1,264
Water (in thousand gallons):										
Purchased from Detroit	\$ 2,424,237	\$ 2,402,589	\$ 2,182,409	\$ 2,041,594	\$ 2,166,712	\$ 2,459,402	\$ 2,321,313	\$ 2,216,075	\$ 1,835,567	\$ 2,276,389
Sold to residents	\$ 2,355,938	\$ 2,192,050	\$ 2,079,696	\$ 1,919,763	\$ 2,024,406	\$ 2,109,414	\$ 2,222,787	\$ 2,138,305	\$ 1,811,910	\$ 1,963,221
Rates:										
Fixed rate quarterly water charge	-	-	-	-	35.00	37.00	40.00	57.00	57.00	80.00
Additional usage per 1,000 gallons	2.94	3.17	3.95	4.06	3.31	3.44	3.86	4.00	4.13	3.05
Fixed rate quarterly sewer charge	-	-	-	-	5.00	5.00	6.00	6.00	6.00	30.00
Sewer (per thousand gallons of water usage)	2.21	2.32	2.51	2.67	2.90	4.00	4.25	4.00	4.30	3.40

(1) The total utilization no longer includes the phone calls and questions fielded by the Novi Senior Center.
The June 30, 2008 total is a true reflection of those actually served at the center via programs and services.
This tracking methodology will be used for all future years.

(2) This information represents 10 months worth of information. The Library was closed for the months of April and May.
The New Library opened on June 1, 2010.

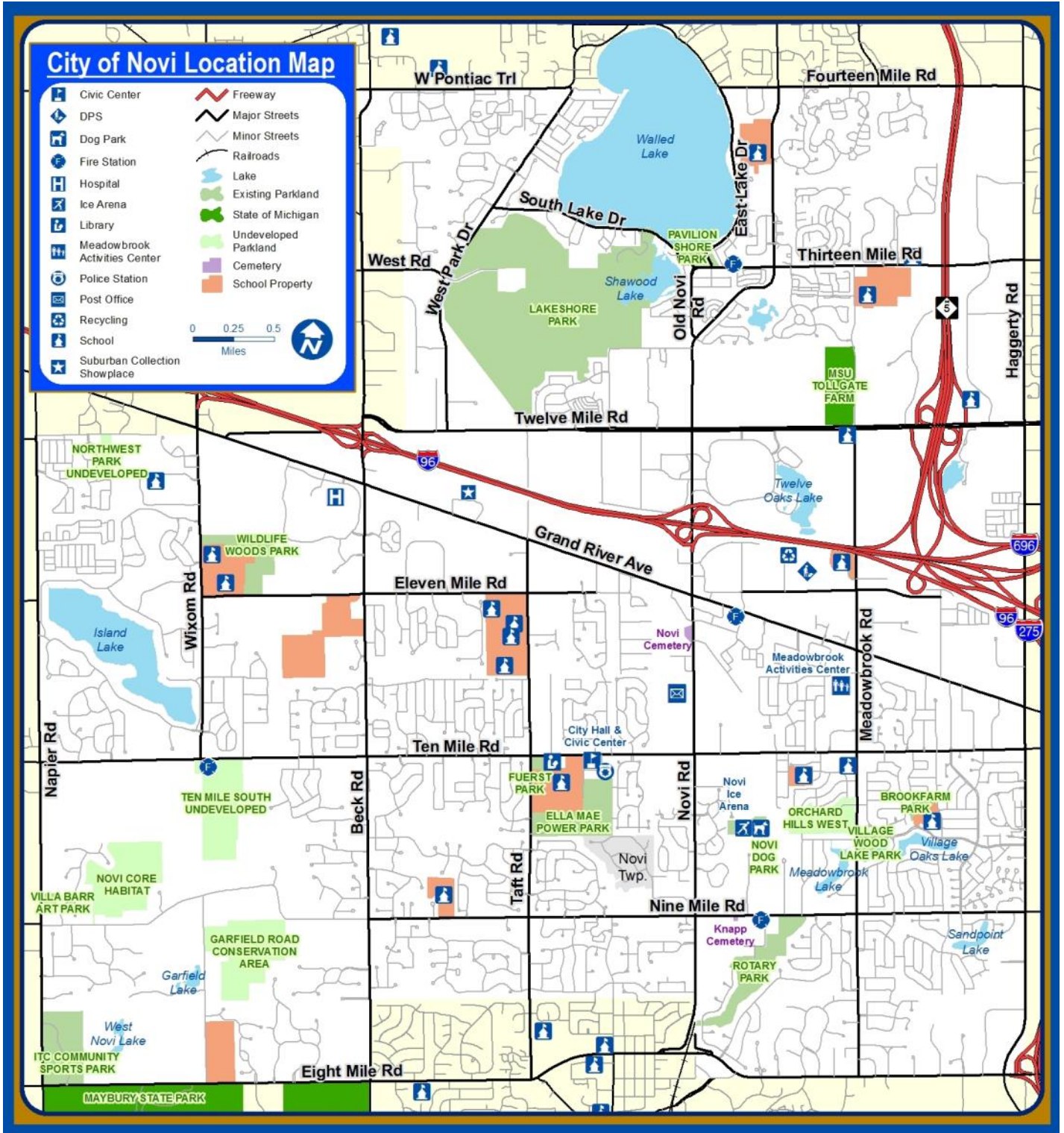
(3) Effective August 1, 2010 the City of Novi adopted a fixed rate structure for water and sewer usage which does not include a minimum consumption charge.

Source: City's finance department records

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA

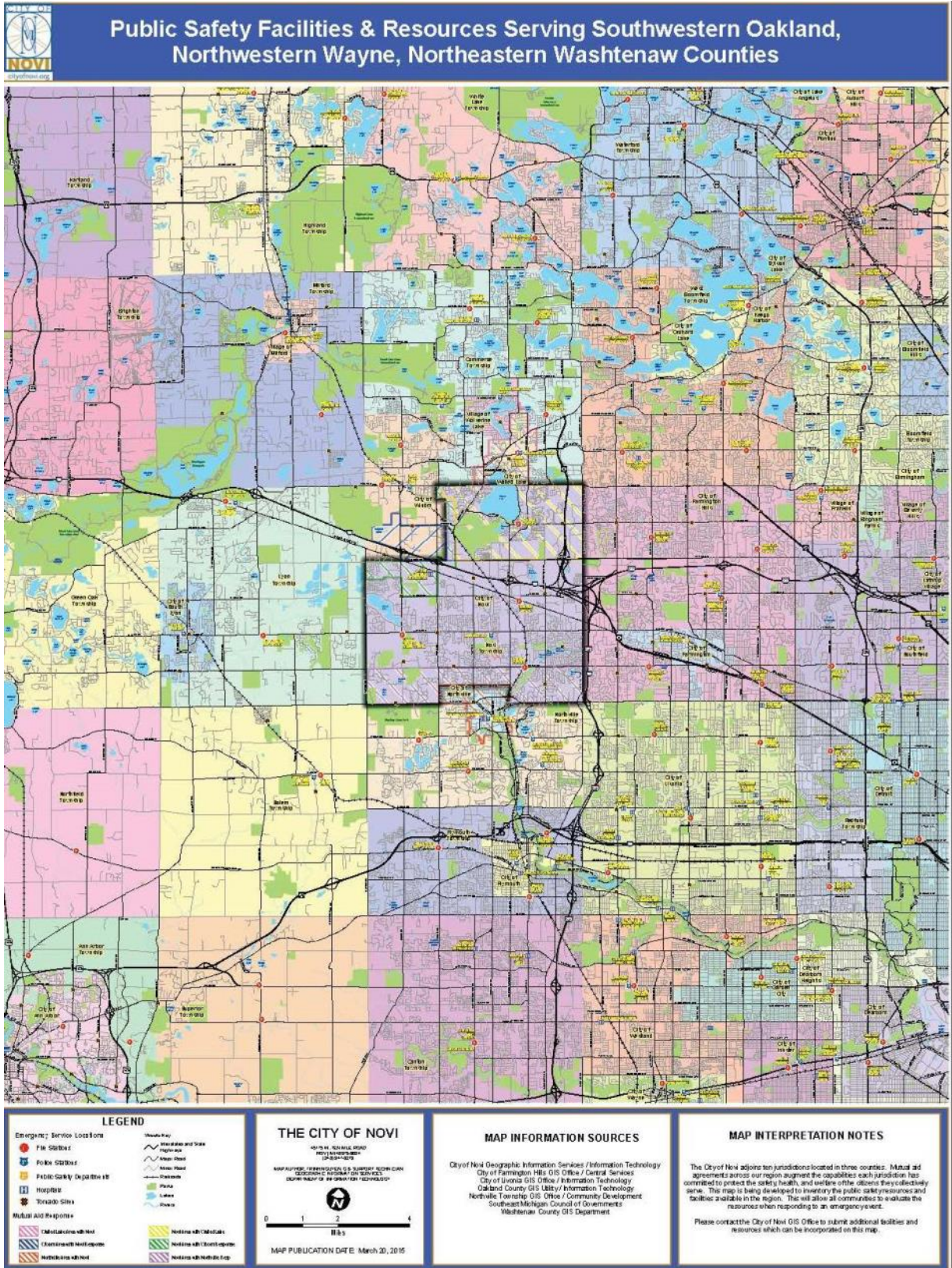


City of Novi Location Map



STATISTICAL INFORMATION AND SUPPLEMENTAL DATA

Public Safety Facilities & Resources Serving Southwestern Oakland, Northwestern Wayne, and Northwestern Washtenaw Counties



STATISTICAL INFORMATION AND SUPPLEMENTAL DATA



City of Novi and National Comparison: City Demographics for Benchmarking

	Carlsbad, CA	Cary, NC	Greenville, NC	Lewisville, TX	North Richland Hills, TX	Novi, MI	Olathe, KS	Orland Park, IL	Redmond, WA	Rochester Hills, MI	Rock Hill, SC	Roswell, GA
City Size (square miles)	39.11	54.40	26.30	42.47	18.20	31.28	60.42	22.16	16.94	32.91	43.16	42.00
Population density (people per sq. mile)	2,795	2,685	3,329	2,332	3,617	1,819	2,150	2,608	3,347	2,194	1,580	2,199
POPULATION (U.S. Census Bureau)												
2014 Estimate	109,296	146,041	87,546	99,039	65,835	56,887	129,913	57,802	56,704	72,195	68,185	92,364
% Change (2010-2014)	3.8%	8.0%	3.5%	3.9%	3.9%	3.0%	3.2%	1.8%	4.7%	1.7%	3.1%	4.5%
2010 Census	105,328	135,234	84,554	95,290	63,343	55,224	125,872	56,767	54,144	70,995	66,154	88,346
% Change (2000-2010)	34.6%	43.1%	39.8%	22.6%	13.9%	16.1%	35.4%	11.1%	19.6%	3.2%	32.9%	11.4%
2000 Census	78,247	94,536	60,476	77,737	55,635	47,579	92,962	51,077	45,256	68,825	49,765	79,334
% Change (1990-2000)	24.0%	115.6%	34.5%	67.1%	21.2%	44.2%	46.7%	43.0%	26.4%	11.4%	19.5%	65.5%
1990 Census	63,126	43,858	44,972	46,521	45,895	32,998	63,352	35,720	35,800	61,766	41,643	47,923
DEMOGRAPHICS (2010-2014 American Community Survey)												
Median Age of Population	41.4	36.9	26.3	32.4	36.7	39.8	33.8	45.0	34.5	31.8	41.4	38.8
School Age Children (5 to 19)	Count: 26,995 Percentage: 25%	Count: 41,936 Percentage: 29%	Count: 23,002 Percentage: 26%	Count: 27,328 Percentage: 28%	Count: 17,553 Percentage: 27%	Count: 15,060 Percentage: 26%	Count: 41,810 Percentage: 32%	Count: 13,445 Percentage: 23%	Count: 13,110 Percentage: 23%	Count: 18,550 Percentage: 26%	Count: 18,955 Percentage: 28%	Count: 24,183 Percentage: 26%
Senior Citizens (65 & over)	Count: 16,266 Percentage: 15%	Count: 13,322 Percentage: 9%	Count: 7,178 Percentage: 8%	Count: 7,679 Percentage: 8%	Count: 8,218 Percentage: 12%	Count: 7,504 Percentage: 13%	Count: 10,304 Percentage: 8%	Count: 11,203 Percentage: 19%	Count: 5,445 Percentage: 10%	Count: 10,230 Percentage: 14%	Count: 1,562 Percentage: 2%	Count: 10,875 Percentage: 12%
Race - White	Count: 92,963 Percentage: 85%	Count: 105,037 Percentage: 72%	Count: 48,677 Percentage: 56%	Count: 73,778 Percentage: 74%	Count: 55,975 Percentage: 85%	Count: 40,803 Percentage: 72%	Count: 111,167 Percentage: 86%	Count: 50,803 Percentage: 88%	Count: 35,663 Percentage: 63%	Count: 58,926 Percentage: 82%	Count: 36,845 Percentage: 54%	Count: 71,880 Percentage: 78%
Race - Black or African American	Count: 1,466 Percentage: 1%	Count: 11,728 Percentage: 8%	Count: 32,123 Percentage: 37%	Count: 8,875 Percentage: 9%	Count: 2,691 Percentage: 4%	Count: 4,217 Percentage: 7%	Count: 6,395 Percentage: 5%	Count: 1,389 Percentage: 2%	Count: 897 Percentage: 2%	Count: 4,084 Percentage: 6%	Count: 26,549 Percentage: 39%	Count: 11,350 Percentage: 12%
Race - Asian	Count: 7,998 Percentage: 7%	Count: 20,568 Percentage: 14%	Count: 2,495 Percentage: 3%	Count: 7,777 Percentage: 8%	Count: 2,484 Percentage: 4%	Count: 10,017 Percentage: 18%	Count: 5,987 Percentage: 5%	Count: 3,833 Percentage: 7%	Count: 16,592 Percentage: 29%	Count: 7,174 Percentage: 10%	Count: 1,581 Percentage: 2%	Count: 4,852 Percentage: 5%
Race - Hispanic or Latino (of any race)	Count: 15,500 Percentage: 14%	Count: 12,960 Percentage: 9%	Count: 3,741 Percentage: 4%	Count: 29,951 Percentage: 30%	Count: 11,780 Percentage: 18%	Count: 1,569 Percentage: 3%	Count: 14,001 Percentage: 11%	Count: 3,674 Percentage: 6%	Count: 5,251 Percentage: 9%	Count: 2,371 Percentage: 3%	Count: 3,251 Percentage: 5%	Count: 12,716 Percentage: 14%
HOUSING AND EDUCATION (2010-2014 American Community Survey)												
% Owner Occupied Units	63%	69%	37%	45%	63%	66%	72%	89%	51%	76%	51%	67%
Average Family Size	3.10	3.19	3.00	3.22	3.18	3.15	3.32	3.20	3.03	3.14	3.10	3.26
Median Household Income (2014 dollars)	\$87,416	\$91,481	\$35,225	\$58,559	\$62,927	\$80,299	\$76,519	\$79,334	\$99,586	\$80,806	\$40,718	\$79,359
Median Home Value	\$626,000	\$301,600	\$145,700	\$156,100	\$151,300	\$235,600	\$195,500	\$275,700	\$462,200	\$215,200	\$131,400	\$289,700
Median Gross Rent	\$1,714	\$1,006	\$743	\$961	\$948	\$1,053	\$895	\$1,089	\$1,445	\$1,093	\$786	\$1,021
Average Commute Length (minutes)	28.2	22.3	17.2	25.4	26.5	26.5	20.9	34.3	20.9	26.9	22.5	27.7
% College Degree	54%	62%	38%	31%	31%	56%	45%	41%	62%	52%	28%	55%
% Homes Built Since 1980	63%	69%	37%	45%	63%	66%	72%	89%	51%	76%	51%	67%
ECONOMIC CHARACTERISTICS (2012 Economic Census)												
Accommodation & Food Service	# of Employees: 7,216 # of Establishments: 251	# of Employees: 7,249 # of Establishments: 372	# of Employees: 10,151 # of Establishments: 448	# of Employees: 4,707 # of Establishments: 232	# of Employees: 2,539 # of Establishments: 127	# of Employees: 3,802 # of Establishments: 161	# of Employees: 5,437 # of Establishments: 234	# of Employees: 4,254 # of Establishments: 170	# of Employees: 4,597 # of Establishments: 244	# of Employees: 2,490 # of Establishments: 105	# of Employees: 4,123 # of Establishments: 196	# of Employees: 4,531 # of Establishments: 237
Health Care & Social Assistance	# of Employees: 4,331 # of Establishments: 322	# of Employees: 6,572 # of Establishments: 498	# of Employees: 8,205 # of Establishments: 493	# of Employees: 1,652 # of Establishments: 242	# of Employees: 2,763 # of Establishments: 133	# of Employees: 4,914 # of Establishments: 242	# of Employees: 6,408 # of Establishments: 269	# of Employees: 2,500-4,999 # of Establishments: 303	# of Employees: 3,076 # of Establishments: 232	# of Employees: 3,647 # of Establishments: 309	# of Employees: 6,390 # of Establishments: 261	# of Employees: 5,501 # of Establishments: 389
Manufacturing	# of Employees: 12,711 # of Establishments: 160	# of Employees: 1,693 # of Establishments: 68	# of Employees: 3,863 # of Establishments: 104	# of Employees: 2,046 # of Establishments: 99	# of Employees: 1,003 # of Establishments: 20	# of Employees: 1,726 # of Establishments: 73	# of Employees: 5,995 # of Establishments: 100	# of Employees: 414 # of Establishments: 33	# of Employees: 6,634 # of Establishments: 127	# of Employees: 4,059 # of Establishments: 97	# of Employees: 2,691 # of Establishments: 60	# of Employees: 636 # of Establishments: 57
Professional, Scientific & Technical Service	# of Employees: 6,385 # of Establishments: 899	# of Employees: 8,770 # of Establishments: 908	# of Employees: 7,890 # of Establishments: 811	# of Employees: 1,997 # of Establishments: 216	# of Employees: 875 # of Establishments: 142	# of Employees: 4,877 # of Establishments: 314	# of Employees: 1,676 # of Establishments: 342	# of Employees: 1,155 # of Establishments: 237	# of Employees: 7,439 # of Establishments: 386	# of Employees: 2,652 # of Establishments: 250	# of Employees: 941 # of Establishments: 161	# of Employees: 4,280 # of Establishments: 752
Retail Trade	# of Employees: 7,796 # of Establishments: 785	# of Employees: 9,194 # of Establishments: 495	# of Employees: 12,402 # of Establishments: 777	# of Employees: 7,286 # of Establishments: 411	# of Employees: 3,641 # of Establishments: 150	# of Employees: 6,929 # of Establishments: 355	# of Employees: 6,935 # of Establishments: 336	# of Employees: 8,020 # of Establishments: 371	# of Employees: 3,923 # of Establishments: 251	# of Employees: 5,126 # of Establishments: 247	# of Employees: 4,914 # of Establishments: 322	# of Employees: 5,202 # of Establishments: 324

Glossary

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget Document in understanding these terms, this glossary has been included.

Accrual Basis of Accounting: A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

Activity: Cost center within a fund or department to which specific expenses are to be allocated.

Ad Valorem: Tax imposed at a percentage rate of the value as stated.

ADA: Abbreviation for Americans with Disabilities Act.

Appropriation: An authorization made by the City Council, which permits officials to incur obligations against, and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

Assessed Valuation: The estimated value placed upon real and personal property by the City Assessor. Assessed value is required to be at 50% of true cash value.

Assets: Property owned by the City, which has monetary value.

Audit: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal controls and is intended to ascertain whether financial statements fairly present financial positions and results of operations;

- Test whether transactions have been legally performed;
- Identify areas for possible improvements in accounting practices and procedures;
- Ascertain whether transactions have been recorded accurately and consistently;
- Ascertain the stewardship of officials responsible for governmental resources.

BAR: Abbreviation for budget amendment request.

Base Budget: The budget predicted on maintaining the existing level of service.

Bond (Debt Instrument): A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital improvements.

STATISTICAL INFORMATION AND SUPPLEMENTAL DATA



Budget (Operating): A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceiling under which the City and its departments operate.

Budget Calendar: The schedule of key dates or milestones that the City follows in the preparation and adoption of the budget.

Budgetary Control: The level at which expenditures cannot legally exceed the appropriated amounts.

Budgeted Funds: Funds that are planned for certain uses. The budget document that is submitted for Council approval is composed of budgeted funds.

Budget Message (City Manager's): Initially, a general discussion of the proposed budget document presented in writing as a supplement to the budget document. The budget message explains principle budget issues against the background of financial experience in recent years and presents recommendations made by the City Manager. Subsequent to adoption this document is updated to reflect changes made during City Council deliberations.

CAFR: Abbreviation for Comprehensive Annual Financial Report.

Capital Outlay: A disbursement of money, which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than \$5,000 and have a useful life of more than one year.

Cash Management: The management of cash necessary to pay government services while investing idle cash in order to earn interest. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds safely in order to achieve the highest interest on temporary cash balances.

CIP: Abbreviation for Capital Improvement Program.

Contingency: An estimated amount of funds needed for deficiency or emergency purposes. An annual appropriation to cover short falls in revenue and/or underestimation of expenditures. Under Michigan law, to be used contingencies must be moved to a more distinctive appropriation by a budget amendment.

Contractual Services: Items of expenditure from services that the City receives from an outside company. Heating and cooling mechanical services, maintenance, custodial services and support for the City owned telephone systems are examples of contractual services.

CPI: Abbreviation for Consumer Price Index. Renamed the Inflation Rate Multiplier (IRM).



STATISTICAL INFORMATION AND SUPPLEMENTAL DATA

CPM: Acronym for the Center for Performance Measurement. The International City/County Manager's Association (ICMA) CPM has been in existence since 1994 to assist local governments in improving the quality, effectiveness, and efficiency of public services through the collection, reporting, analysis, and application of performance information. CPM measures performance across 18 categories and currently has 191 members.

Current Taxes: Taxes that are levied and due within one year.

CVTRS: Abbreviation for City, Village, and Township Revenue Sharing program.

DARE: Abbreviation for Drug Abuse Resistance Education.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Department: A major administrative division of the City, which indicates overall management responsibility for an operation of a group of related operations within a functional area.

Depreciation: That portion of the cost of a capital asset, used during the year to provide service.

DWSD: Abbreviation for Detroit Water and Sewerage Department.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water and sewer.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: The cost of goods delivered and services rendered, whether paid or unpaid.

Expense: The cost of goods delivered and services rendered, whether paid or unpaid in the Enterprise Funds.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance: The excess of an entity's assets over liabilities. A negative fund balance is sometimes called a deficit.

GAAP: Abbreviation for Generally Accepted Accounting Principles.

GASB: The Governmental Accounting Standards Board, which provides direction in accounting and reporting requirements for units of government.

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General Fund: The largest fund within the City, the General Fund accounts for most of the financial resources of the government that may be used for any lawful purpose. General Fund revenues include property taxes, licenses and permits, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, public works and general administration.

General Obligation Bonds: When the City pledges its full faith and credit to the repayment of the bonds it issues, those bonds are general obligation (G.O.) bonds. Issuance of these bonds requires a citywide election and is usually repaid by an ad valorem property tax levy.

GFOA: Acronym for Government Finance Officers Association. The purpose of the GFOA is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

GIS: Abbreviation for Geographic Information System.

Headlee Amendment: The Headlee Amendment places an upper limit on the total amount of property taxes a city can collect in the fiscal year. This constitutional amendment limits the growth in taxable value attributed to market adjustment (excluding new construction) to the growth in the consumer price index (CPI). If this situation occurs, the operating millages, which are applied to the taxable value, must be reduced to compensate for any increase in excess of the CPI.

Headlee Override: A Headlee override is a vote by the electors to return the millage to the amount originally authorized via charter, state statute, or a vote of the people, and is necessary to counteract the effects of the Headlee Rollback.

Headlee Rollback: The term Headlee Rollback became part of municipal finance lexicon in 1978 with the passage of the Headlee Amendment to the Constitution of the State of Michigan of 1963. The Headlee Amendment requires a local unit of government to reduce its millage when annual growth on existing property is greater than the rate of inflation (IRM-CPI). As a consequence, the local unit's millage rate is "rolled back" so that the resulting growth in property tax revenue, community-wide, is not more than the rate of inflation.

Inflation Rate Multiplier (IRM): State of Michigan term for CPI computation in the Headlee computation.

Investment: Securities purchased and held for the production of income in the form of interest.

ISO: Abbreviation for Insurance Service Office. The ISO rating is a national standard with a 1 to 10 rating scale: 1 is the best and 10 is the lowest possible rating. ISO ratings are a factor in insurance rates charged to homeowners and businesses.

Liabilities: Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date. The term does not include encumbrances.



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Litigation: The process of taking an argument between people or groups to a court of law.

Long Term Debt: Debt with a maturity of more than one year.

Maturities: The date on which the principal or stated values of investments or debt obligation mature and may be reclaimed.

MERS: The Michigan Municipal Employees Retirement System is a multiple- employer statewide public employee retirement plan created to provide retirement and survivor and disability benefits to local government employees.

Millage: A rate (as of taxation) expressed in mills per dollar.

MIOSHA: Abbreviation for Michigan Occupational Safety and Health Administration.

MLGBC: Acronym for the Michigan Local Government Benchmarking Consortium. MLGBC is a program designed to bring together cities, townships, villages and counties from across Michigan and produce meaningful and relevant performance measures for the purpose of benchmarking and multijurisdictional performance comparisons. Performance measures cover 14 service areas and currently have 43 members.

Modified Accrual Basis of Accounting: Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar obligations, which should be recognized when due.

OPEB: Abbreviation for Other Post-Employment Benefits.

Other Charges: An expenditure object within an activity, which includes professional services, utilities, rents, and training for example.

PASER: Abbreviation for Pavement Surface Evaluation and Rating System.

Per Capita Basis: Per unit population.

Personnel Services: An expenditure object within an activity, which includes payroll and all fringe benefits.

PRV: Pressure Reducing Valve for maintaining water pressure levels.

Revenue: An addition to the assets of a fund, which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets, and does not represent a contribution of fund capital in an enterprise.

RCOC: Abbreviation for the Road Commission for Oakland County.

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RRASOC: Abbreviation for Regional Recycling Authority of South Oakland County.

SEMCOG: South East Michigan Council of Governments.

SEV: Abbreviation for State Equalized Value.

Special Assessment Fund: Special Assessment Funds are used to account for the construction and financing of public improvements benefiting a limited number of properties. Assessments are repaid over a number of years with interest.

Supplies: An expenditure object within an activity that includes all supplies that have a useful life of less than one year and/or a purchase price of less than \$1,000 dollars.

STPU: Surface Transportation Program – Urban.

SWOCC: Southwester Oakland Cable Commission in which the City is a member of this joint venture with the cities of Farmington and Farmington Hills.

Taxable Value: This is a value used as a base for levying property taxes. It was established by a state constitutional amendment. Taxable value limits increases in value attributed to market adjustment. The increase is limited to the lesser of the actual increase, the rate of inflation as established by the consumer price index, or 5%. When property changes ownership, the value returns to 50% of true cash value.

Transfers In/Out: A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

Trust and Agency Fund: Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments, or other funds.

Venture Team: Team to start up business, secure financing, and execute a business plan.

Water and Sewer Fund: This enterprise fund is used to account for the provision of water and sewer services to the customer financed primarily by user charges.

Resolution of Adoption 2017 Millage Rates

WHEREAS, the City Council has agreed to increase the City's total millage rate from last year's (2016) total of 9.9500 mills to 10.5376 mills based on the voters' approval of 1.0000 mill CIP millage in August 2016, and

WHEREAS, that these levies are being placed on a diversified tax base that has increased slightly as anticipated in the financial plan, and

WHEREAS, a public hearing was also held on April 24, 2016 on 2017 millage rates and the 2017-2018 budget,

NOW, THEREFORE, BE IT RESOLVED, that to finance the level of services established for the 2017-2018 fiscal-year, and to meet specific debt obligations of the City that the following millages are authorized to be spread:

General Operating	4.9206
Municipal Street	1.4708
Public Safety	1.4003
Parks and Recreation	0.3780
Drain	0.2648
Capital Improvement	0.9856
Library	0.7567
2008 Library Construction Debt	<u>0.3608</u>
	<u>10.5376</u>

I 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 this 8th day of May 2017.



Courtney Hanson, City Clerk



Resolution of Adoption Fiscal-Year 2017-2018 Budget and Acknowledging the Multi-Year Budget Including Projections of Future Fiscal-Years 2018-2019 and 2019-2020

WHEREAS, the City Manager's recommended budget is based upon the January 14, 2017 City Council early budget input session where City Council's strategic themes were discussed, and the December 18, 2016 property tax projection presentation to City Council, and

WHEREAS, this budget has incorporated the CIP plan as approved by the City's Planning Commission at the public hearing held on February 22, 2017, and

WHEREAS, pursuant to Section 8.3 of the Novi City Charter, a detailed revenue and expenditure plan has been presented in accordance with all applicable City, State and Federal Statutes, and

WHEREAS, the City Council passed five amendments to the recommended budget during the April 5, 2017 Special Budget Meeting, and

WHEREAS, a public hearing was also held on April 24, 2017 on the proposed budget, and

WHEREAS, this budget takes into consideration the City's Multi-Year Budget and financial planning through fiscal-year 2019-2020, and

NOW, THEREFORE, BE IT RESOLVED, that the fiscal year 2017-18 attached budget is adopted and that the City Council acknowledges the Multi-Year Budget, Including Projections of Future Fiscal-Years 2018-2019 and 2019-2020 as part of this resolution.

I 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 this 8th day of May 2017.

Cortney Hanson

Cortney Hanson, City Clerk



PUBLIC SAFETY



ECONOMIC DEVELOPMENT



PARKS



PARTNERSHIPS



COMMUNITY ENGAGEMENT



NATURAL FEATURES



INFRASTRUCTURE



ART



ANNUAL BUDGET AND FINANCIAL PLAN

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