



CITY OF NOVI CITY COUNCIL
MAY 18, 2020

SUBJECT: Consideration of a resolution to authorize Budget Amendment #2020-5.

SUBMITTING DEPARTMENT: Finance

BACKGROUND INFORMATION: The pandemic caused by COVID-19 has affected the City in many ways. All City activities were canceled and per the Governor's Executive Order (2020-21) on March 24, 2020, a statewide quarantine was instituted. Many of the City's operations have moved elsewhere and are adhering to the guidelines and reporting outlined by the Oakland County Executive order (2020-5). With these new operational norms, several of the City's revenues were significantly impacted and expenditure activities citywide needed to be adjusted to offset the revenue losses. As stated during the April 29, 2020 City Council budget session, the City administration will continue to monitor the City's budgets and bring forth budget amendments based upon information we know at the present time. The City will continue to monitor all activity for the remaining six weeks of the fiscal year and continue to adjust the budget as needed.

The General Fund police overtime budget amendment is due to the required 24 hour police presence at the Suburban Showplace alternative care facility as well as COVID-19 related supplies. Both of these items were not anticipated and unbudgeted. FEMA is expected to reimburse the City for 75% of its costs related to police services and supplies.

Major and Local Streets proposed budget amendment shifts funds from the Major Street Fund for the road portion of the Lee BeGole project (This part of the project will be reprogrammed in an out year next budget cycle) to the Neighborhood Road Program in the Local Street Fund. Actual costs for the Neighborhood Road program came in higher than anticipated during the bid process.

The Parks, Recreation, and Cultural Services Fund reviewed its revenues and expenditures for additional programs that have been cancelled due to the

pandemic. The attached budget amendment reflects the parks anticipated loss of revenues and expense savings due to the cancellations.

RECOMMENDED ACTION: Approval of resolution to authorize Budget Amendment #2020-5

Budget Amendment# 2020-5 - May 18, 2020

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
General Fund			
Revenues			
101-000.00-508.450	Federal grant revenue	Federal grants	105,000
			<u>\$ 105,000</u>
Appropriations			
101-301.00-706.330	Overtime COVID19	Personnel services	100,000
101-301.00-740.012	Supplies COVID19	Supplies	40,000
101-265.10-706.000	Overtime	Personnel Services	(7,404)
101-265.00-838.000	1% Reduction COVID19	Other Services and Charges	7,404
			<u>\$ 140,000</u>
Net Increase (decrease) to fund balance			\$ (35,000)

Ending Fund Balance	\$9,990,667
Fund Balance as a % of total annual expenditures	27%

Major Street Fund			
Revenues			
202-000.00-664.000	Interest on investments	Interest Income	20,000
			<u>\$ 20,000</u>
Appropriations			
202-000.00-965.203	Transfer to Local Streets Fund	Transfer Out	990,637
202-202.00-865.183	ENG008 Lee BeGole Dr (11 Mile-Terminus)	Capital Outlay	(990,637)
			<u>\$ -</u>
Net Increase (decrease) to fund balance			\$ 20,000

Ending Fund Balance	\$487,881
Fund Balance as a % of total annual expenditures	11%

Local Street Fund			
Revenues			
203-000.00-664.000	Interest on investments	Interest Income	18,000
203-000.00-676.202	Transfer from Major Street Fund	Transfer In	990,637
			<u>\$ 1,008,637</u>
Appropriations			
203-203.00-864.213	102-01 NRP 2020 - Asphalt (FY 2020-21)	Capital Outlay	990,637
			<u>\$ 990,637</u>
Net Increase (decrease) to fund balance			\$ 18,000

Ending Fund Balance	\$1,737,311
Fund Balance as a % of total annual expenditures	21%

<u>GL #</u>	<u>Project/Item Description</u>	<u>Budget Category</u>	<u>Amount</u>
Parks, Recreation, and Cultural Services Fund			
Revenues			
208-000.00-653.001	Adult softball league	Program revenue	(28,800)
208-000.00-653.003	Youth softball/t-ball	Program revenue	(8,250)
208-000.00-653.005	Men's basketball league	Program revenue	(1,240)
208-000.00-653.006	Youth basketball league	Program revenue	(7,465)
208-000.00-653.009	Youth volleyball	Program revenue	(805)
208-000.00-653.010	Youth soccer league	Program revenue	(30,000)
208-000.00-653.020	Sports field rentals & tourneys	Program revenue	(25,000)
208-000.00-653.029	Valentine - dads & daughters	Program revenue	(1,475)
208-000.00-653.030	Mother & son event	Program revenue	(605)
208-000.00-653.033	Youth programs	Program revenue	(2,285)
208-000.00-653.305	Lacrosse	Program revenue	(5,400)
208-000.00-653.307	Cricket	Program revenue	(1,575)
208-000.00-653.308	Karate	Program revenue	(9,145)
208-000.00-653.506	Choral Aires	Program revenue	(2,200)
208-000.00-653.509	Sports camps/clinics (previously soccer)	Program revenue	(23,750)
208-000.00-653.510	Contracted & OC park camps	Program revenue	(5,100)
208-000.00-653.629	Cultural Arts Camps	Program revenue	(2,500)
208-000.00-653.642	Dance Programs	Program revenue	(3,350)
208-000.00-653.643	Theatre Programs	Program revenue	(9,070)
208-000.00-653.644	Art Programs	Program revenue	(1,495)
208-000.00-653.645	Music Programs	Program revenue	(1,085)
208-000.00-653.912	Concession/Vending	Program revenue	(1,800)
208-000.00-653.920	Community center	Program revenue	(3,900)
208-000.00-653.921	Park rental	Program revenue	(4,100)
208-000.00-653.930	Special events	Program revenue	(760)
208-000.00-653.932	Special Events - Light Up the Night	Program revenue	(1,975)
208-000.00-653.999	Miscellaneous program rev (FINANCE GL)	Program revenue	(60,625)
208-000.00-653.569	Older Adults - Health Fair	Older adult program revenue	(500)
208-000.00-665.000	Miscellaneous income	Other revenue	(3,000)
208-000.00-665.257	Sr Regional Programs Revenue	Donations	(1,000)
208-000.00-666.999	Contributions - Misc (FINANCE GL)	Donations	(35,700)
			\$ (283,955)
Appropriations			
208-691.00-705.000	Temporary salaries	Personnel services	(930)
208-691.00-740.205	Villa Barr operating costs	Other Services and Charges	(15,000)
208-691.00-861.000	Gasoline and oil	Other Services and Charges	(800)
208-691.00-862.000	Mileage	Other Services and Charges	(100)
208-691.00-977.089	PRC040 Wildlife Woods Pickleball Crts (4) - <i>estimated rollover</i>	Capital Outlay	107,261
208-693.00-705.208	Temp Salaries -Parks Build Attendants	Personnel services	(5,000)
208-693.00-956.000	Conferences and workshops	Other Services and Charges	(4,960)
208-693.00-960.001	Adult softball league	Program expenditures	(3,000)
208-693.00-960.003	Youth softball/t-ball	Program expenditures	(2,000)
208-693.00-960.009	Youth volleyball	Program expenditures	(6,655)
208-693.00-960.010	Youth soccer league	Program expenditures	(8,000)
208-693.00-960.020	Sports field rental and tourneys	Program expenditures	(6,350)
208-693.00-960.033	Youth programs	Program expenditures	(800)
208-693.00-960.029	Valentine-dads/daughter	Program expenditures	(297)
208-693.00-960.030	Mother/Son Event	Program expenditures	(59)
208-693.00-960.305	Lacrosse	Program expenditures	(2,460)
208-693.00-960.307	Cricket	Program expenditures	(970)
208-693.00-960.308	Karate	Program expenditures	(8,080)
208-693.00-960.504	Lakeshore Beach	Program expenditures	(1,000)
208-693.00-960.506	Choral Aires	Program expenditures	(3,000)
208-693.00-960.932	Special Events - Light Up the Night	Program expenditures	(1,400)
208-695.00-960.568	Older Adults - Community Newsletter	Other Services and Charges	(2,980)
			\$ 33,420

Net Increase (decrease) to fund balance **\$ (317,375)**

Ending Fund Balance	\$396,483
Fund Balance as a % of total annual expenditures	12%

RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following
Budget Amendment# 2020-5 is authorized:

	INCREASE (DECREASE)
GENERAL FUND	
REVENUES	
Federal grants	105,000
TOTAL REVENUES	\$ 105,000
APPROPRIATIONS	
Integrated Solutions - Facility Management	
Other Services and Charges	7,404
Integrated Solutions - FM: Parks Maintenance	
Personnel Services	(7,404)
Public Safety - Police Department	
Personnel Services	100,000
Supplies	40,000
TOTAL APPROPRIATIONS	\$ 140,000
Net Increase (Decrease) to Fund Balance	\$ (35,000)
Ending Fund Balance \$9,990,667	
Fund Balance as a % of total annual expenditures 27%	
MAJOR STREET FUND	
REVENUES	
Interest income	20,000
TOTAL REVENUES	\$ 20,000
APPROPRIATIONS	
Capital Outlay	(990,637)
Transfer out	990,637
TOTAL APPROPRIATIONS	\$ -
Net Increase (Decrease) to Fund Balance	\$ 20,000
Ending Fund Balance \$487,881	
Fund Balance as a % of total annual expenditures 11%	

**INCREASE
(DECREASE)**

LOCAL STREET FUND

REVENUES	
Interest income	18,000
Transfers in	990,637
TOTAL REVENUES	\$ 1,008,637
APPROPRIATIONS	
Capital Outlay	990,637
TOTAL APPROPRIATIONS	\$ 990,637
Net Increase (Decrease) to Fund Balance	\$ 18,000

Ending Fund Balance	\$1,737,311
Fund Balance as a % of total annual expenditures	21%

PARKS, RECREATION, & CULTURAL SERVICES FUND
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REVENUES	
Program Revenue	(243,755)
Older Adult Program Revenue	(500)
Other revenues	(3,000)
Donations	(36,700)
TOTAL REVENUES	\$ (283,955)
APPROPRIATIONS	
Personnel Services	(5,930)
Other Services and Charges	(23,840)
Program Expenditures	(44,071)
Capital Outlay	107,261
TOTAL APPROPRIATIONS	\$ 33,420
Net Increase (Decrease) to Fund Balance	\$ (317,375)

Ending Fund Balance	\$396,483
Fund Balance as a % of total annual expenditures	12%

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi at a regular meeting held on May 18, 2020

Cortney Hanson
City Clerk