

ONE WORLD.  
ONE CITY.  
ONE NOVI.

COMPLEMENTARY  
BUDGET STORY

Fiscal Year 2016 - 2017



# INTRODUCTION

Last year, I was the 'new' guy, taking it all in, still learning about the community and helping launch our first ever Complementary Budget Story. The first ever magazine-style piece provided an overview of our City Finances, highlights of projects and programs and facts about YOUR municipal government. Fast forward to Fiscal Year 2016-17 and I am happy to say the Story was well-received and here we are again, together, making amazing things happen in our Novi.

Congratulations to the City Council and the entire staff for elevating the City of Novi's Bond Rating to the highest possible level of AAA. The AAA rating is the highest issued governmental credit rating assigned by Standard & Poor's and is defined as a City "having extremely strong capacity to meet financial commitments." Novi is now among only approximately a dozen other entities in Michigan with this rating.

Residential development continues to grow, as Novi's reputation of maintaining and increasing home values ranks highest in the nation. The region's economy is also gaining strength. Technology has a large impact on business growth. Companies of all sizes can place their facilities anywhere in the world. This is why we must maintain focus on things within our control. We must build on goodwill and relationships with others and become the best sales force for our community. Being innovative includes looking at everything we do and figuring out how we can add value.

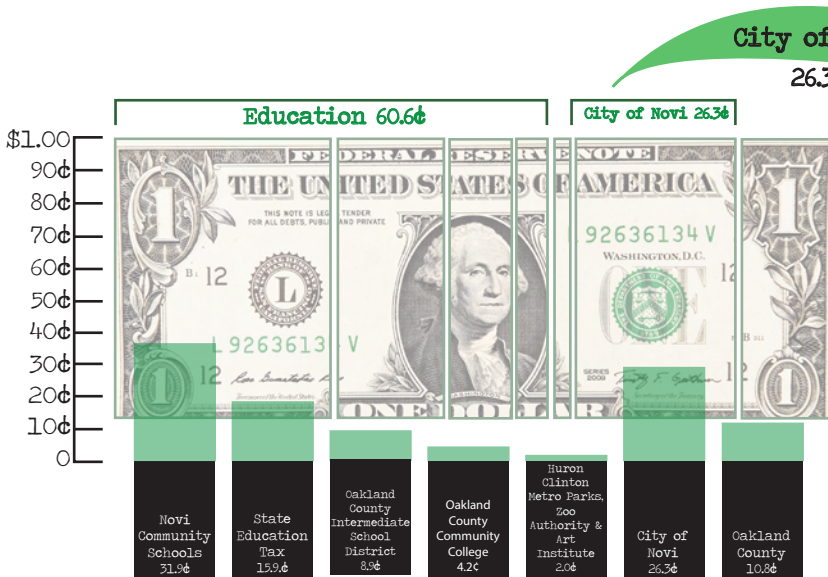
In conclusion, this year's Financial Plan calls for several Capital Improvement Projects including: approximately \$5.5 million in road rehab. There is a continued slow growth across southeast Michigan, but Novi retains stronger growth than the regional pattern. The U.S. economy is still fragile. The State of Michigan shows no sign of changing how communities are funded, so the City of Novi should continue to rely on the sound fiscal management of paying for projects, equipment, and infrastructure as we go and continuing to look for opportunities to grow our business corridors.

I ask that you continue to stay involved and be informed on happenings in our Novi. We remain committed to engaging our residents and businesses, while being mindful of ensuring quality service delivery, resourcefulness and innovativeness in all we do. Share your thoughts with us at [cityofnovi.org](http://cityofnovi.org) or visit us on social media.

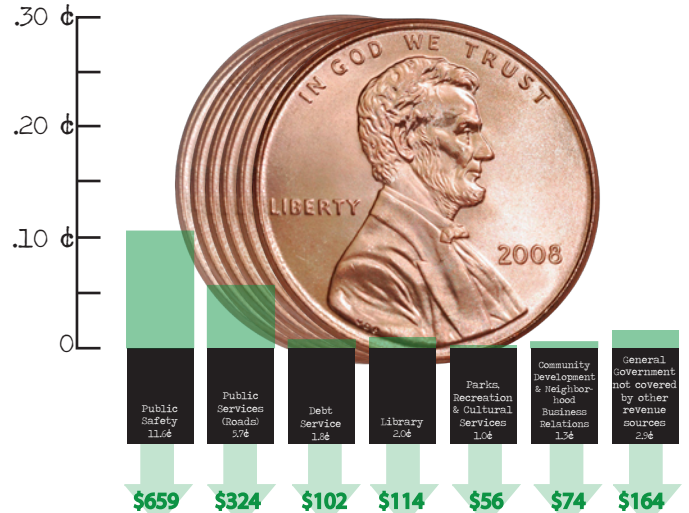
Pete Auger  
City Manager



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



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



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

The City of Novi receives 26.3¢ for every property tax dollar paid. The City of Novi's 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.

## Of the millage, you pay.....



	%	16-17 Millage Rate
General	50%	4.9925
Streets	15%	1.4923
Public Safety	14%	1.4208
Parks & Rec	4%	0.3836
Library Operating	8%	0.7678
Debt - Roads	2%	0.2270
Debt - Library	5%	0.4540
Drains	2%	0.2120
	100%	9.9500

## General Fund

	Total Budget	%
Public Safety	\$18,301,933	55%
DPS	\$3,732,996	11%
Community Devel.	\$2,488,873	7%
Other	\$7,950,565	27%
	\$33,288,909	100%

	Operating Budget	Capital Budget
Public Safety	\$17,378,438	\$923,495
DPS	\$2,597,456	\$1,123,230
Community Devel.	\$2,353,416	\$130,000
Other	\$8,482,301	\$400,573
	\$30,711,611	\$2,577,298



# NURTURE

Nurture public services that residents want and value.

79,172 seniors served by OAS

140,000+ users of parks programs



## WATER STORAGE FACILITY TO SAVE CITY \$3.1 MILLION ANNUALLY

In an effort to help mitigate the large water rate increases passed down from the Detroit Water & Sewerage Department (DWSD), the City of Novi constructed a \$3.5 million water storage facility on West Park Road last year that will help offset peak usage and reduce the water rate for residents and businesses. The facility, which can hold 1.5 million gallons of fresh water, pulls water from DWSD in the early morning hours and then releases it to the residents to cover the peak period. While residents won't necessarily see the savings reflected on their water bill, they will see less of an increase every year. It is believed the City will save \$3.1 million annually through the facility.



## NOVI LIBRARY ADDS 3D PRINTER TO ITS OFFERINGS

Explore your creative side and take advantage of the new 3D printer available to all Novi Public Library users. The printer, which was purchased with the help of the Friends of the Novi Library, is yet another service the library provides to help patrons of all ages and skill levels succeed in a technological world. For a nominal fee, patrons can create their own 3D project and have it in their hands within the hour or the next day depending on how detailed the design is.



3D CREATIONS



2,584 participants in summer reading program

392,047 visitors to library



1,288 acres of parkland

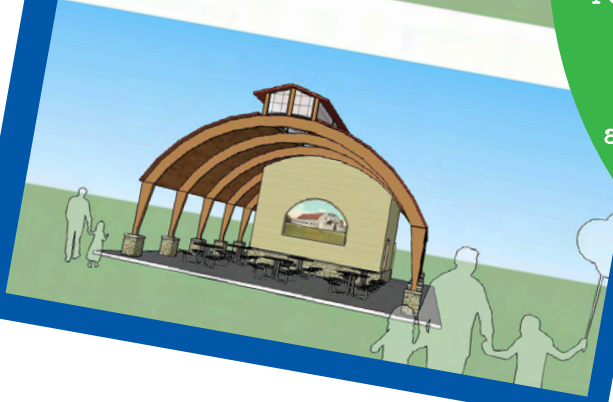
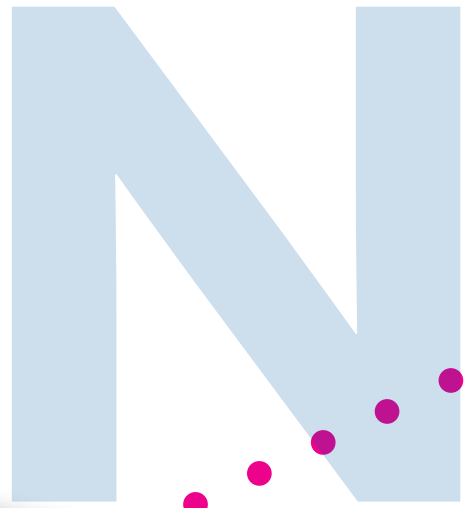
11 developed parks



A much needed reconstruction project on Beck Road between 8 and 9 Mile Road will take place in 2017 to improve an existing road surface that is in poor condition and in need of rehabilitation. This project includes continuous bike lanes and other non-motorized improvements. The \$1.7 million project includes nearly \$223,000 in federal funding.

Meadowbrook Road between I-96 bridge and Twelve Mile Road, which has a PASER of 2, is slated for reconstruction in 2017. The \$1.3 million project with \$185,000 in outside funding, calls for rehabilitation of the existing pavement and providing paved shoulders for non-motorized connectivity.

The City also plans to spend \$2.5 million for Neighborhood Road rehabilitation, repaving and reconstruction.



## PRESERVING THE LEGACY OF THE WALLED LAKE CASINO

Many memories were made on the shores of Walled Lake with people dancing the night away at the Walled Lake Casino.

In what is now Pavilion Shore Park, a new restroom/shelter is being built that resembles the architecture of the old dance hall.

The pavilion will have men's, women's and a family restroom, and seating to accommodate approximately six, four-top tables.

This design is something that will be unique to Novi.

# OPERATE

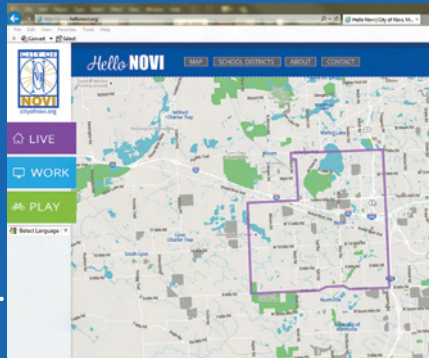
Operate a world-class and sustainable local government.

## SAY hello TO NOVI!



An all-inclusive website created through a partnership with Novi, Northville and Walled Lake School districts, to attract families locating to southeast Michigan.

The site features a location-based presentation, allowing users to navigate through various parts of the area and get information about the schools, major points of interest and various recreational opportunities. This website will especially be useful for families relocating for limited assignments from overseas.



3,816 Facebook "likes"

1,447 Twitter followers

40,700 visits to cityofnovi.org each month



## USHERING IN A NEW ERA OF NOVI VIDEO

In an effort to further improve communication and engage residents, Novi Television is being enhanced with television programming and video production coming to a studio inside the Novi Civic Center. Studio 6 is housed in a state-of-the-art studio on the second floor of the Civic Center and content will be produced by two video production specialists. The cost of the studio build-out and the salaries of the two employees are completely covered by restricted PEG fees, \$350,000 annually, with no money coming out of the City's general fund. The City's government access channel (13 on Brighthouse and 99 on AT&T U-Verse) will continue to provide meeting coverage, information about City services and events, and new shows that will highlight all things Novi.



2.4 million incoming calls to the City of Novi

STUDIO NO.VI



# TRASH TALK

Trash/recycling services in the City of Novi have a new look. All residents who receive curbside trash and recycling collection and do not have a current contract with a trash provider started being serviced by Waste Management on July 1.

Novi was the only city of its size in Oakland County that did not have a single hauler ordinance, instead allowing individual homeowners or subdivisions to negotiate contracts on their own. That method served the City well for many years, but rising prices and complaints from our residents about inconsistent services showed the need to change.

Waste Management is providing service in the City four days a week and eventually will be the sole provider of curbside trash and recycling services when the existing contracts expire.



\$611,000 generated in revenue since 2007 from selling items

6.75% average residential taxable increase for 2016

\$3.2 billion in taxable property value

## NOVI'S BOND RATING AT ALL-TIME HIGH

Novi is among an elite group of municipalities in Michigan with a AAA bond rating from Standard & Poor's Rating Service. This rating is the highest issuer governmental credit rating assigned by the financial services company and is defined as a city "having extremely strong capacity to meet financial commitments." According to Standard & Poor's credit analyst Helen Samuelson, "The upgrade reflects Standard & Poor's assessment of the City's improved economy, with increasing market value and decreasing unemployment, as well as the City's passage of more formalized financial policies and procedures."



12,386 voters at the polls

1,053 passports processed

1,234 requests for No-Knock Registry



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



# VALUE

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

## THE CONNECTED CAR COMING TOGETHER IN NOVI

The future of advanced technology solutions for the connected car, automotive audio and cloud services is on display inside the anchor tenant of the 400-acre Haggerty Corridor Corporate Park.

HARMAN International Industries, one of the premiere connected technologies companies for automotive, consumer and enterprise markets, unveiled its new North American Headquarters in January, giving visitors a glimpse into the cutting-edge technologies that will set the precedent for automotive innovation.

The 1,000 employees at the 188,000-square-foot North American headquarters will be focused on engineering and development. More than 25 million automobiles on the road today are equipped with HARMAN audio and connected car systems.

“The location of HARMAN facility underscores the incredible wealth of talent in the region and the importance of proximity to our customers and partners. We are proud to be a part of the Novi community and eager to continue our collaborations with the top American automakers to create smart, seamless solutions for the best driving experience,” said Dubesh Paliwal, Chairman, President and Chief Executive Officer.



Aramco



## SAUDI ARAMCO EXPANDS ITS GLOBAL RESEARCH CAPABILITIES

Saudi Aramco, the world's largest producer of oil, celebrated the grand opening of a new research and development company geared toward growing the global research capabilities of the company. Aramco Research Center - Detroit will focus specifically on fuel combustion and emissions, technology integration and strategic transport studies.



\$114,763,712  
value of the 201  
commercial  
permits issued



\$29,675,034 value of the 198 new, single family homes constructed

## NATIONAL FOOD GROUP UNVEILS INNOVATION CENTER

As part of their efforts to remain on the cutting edge of wholesale food distribution, National Food Group opened the doors on their new Innovation Center earlier this year. The state-of-the-art commercial kitchen is designed to provide customers, partners and employees an inviting atmosphere to learn about food and food preparation techniques.

The new kitchen is outfitted with the same industry standard equipment found in professional food service kitchens, and is in a modern bistro-style space with metal, barn wood and granite finishing. It also features commercial video and teleconferencing equipment to live stream or record meetings and demonstrations. The business has housed its national headquarters in Novi since 1990, and continues to grow, adding 25 employees in 2015 and more expected in 2016.



## SOMETHING IS BREWING ON MAIN STREET

Craft beer lovers don't have to travel far to quench their thirst and taste new brews with the opening of the Michigan Beer Company on Main Street. The restaurant and beer garden features more than 100 Michigan beers accompanied by locally-sourced ingredients used in a wide array of unique food items. Along with other restaurants like Rojo Mexican Bistro and bd's Mongolian Grill among others, Main Street is becoming a destination spot.



## RETAIL IS ALIVE AND WELL IN NOVI

The West Oaks shopping center is undergoing a revitalization of sorts as two major retailers have chosen the center for business expansion. The Container Store - Michigan's first - opened in June 2016, and 33,000 square-foot Nordstrom Rack will be opening in the fall of 2016 where David's Bridal used to be located. David's Bridal has moved into a new space along with its neighbor Gander Mountain.



\$2,103,100 value of the 7 new multi-family homes



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

# INVEST

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



36,886 trees maintained along public streets and on city land

333 miles of water main maintained to provide safe drinking water



66,816 total police calls for service



## DATA DRIVES REDUCTION IN CRIME, TRAFFIC ACCIDENTS

It has been three years since the Novi Police Department implemented its Data-Driven Approaches to Crime and Traffic Safety (DDACTS) initiative and the results have been overwhelmingly positive. DDACTS is a form of community-oriented policing that integrates location-based crime and traffic data to determine the most effective methods for deploying law enforcement and other resources to reduce crime. Not only has the City seen a 1.53% reduction in Part A crimes (murder and non-negligent homicide, Forcible rape, robbery, aggravated assault, burglary, motor vehicle theft, larceny-theft, and arson) city-wide, but also significant reductions have been made in crashes and crimes in four DDACTS areas.

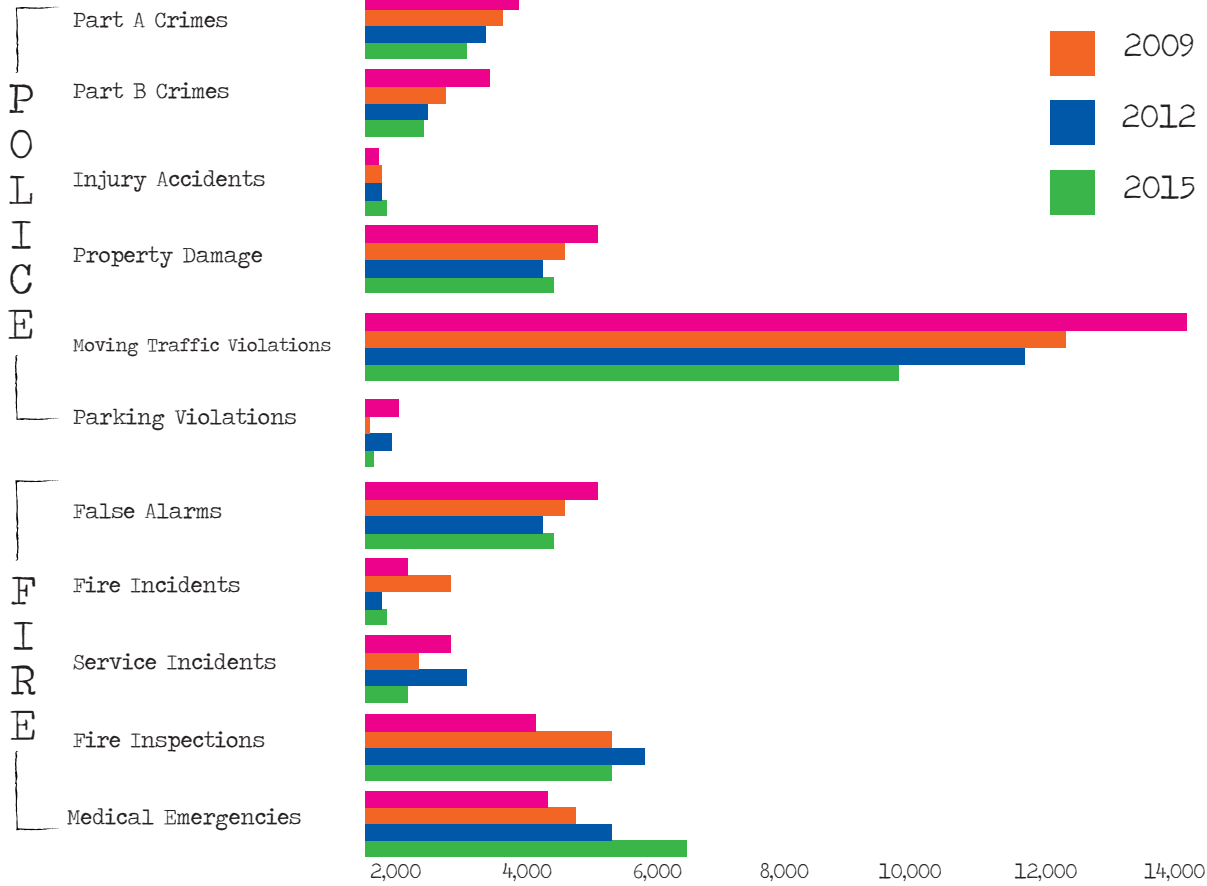
- Haggerty & Nine Mile: Targeted crimes down 72%, traffic stops increased by over 225%, more than 130 arrests made.
- Haggerty & Eight Mile: Traffic crashes reduced by 80%, over 1,000 citizen contacts made
- Beck & Pontiac Trail: Targeted crimes down 57%, over 170 individuals arrested, more than 16,300 miles and 1,700 hours dedicated to traffic enforcement.
- Novi Road & I-96: Target crimes down 48%, traffic crashes reduced by 32%, over 95 individuals arrested and over 940 citizen contacts made.



As a result of the department's efforts, it was given the "Outstanding Traffic Safety Achievement Award" from the Governor's Traffic Safety Advisory Commission earlier this year.



# Operating Indicator Stats



500+ lane miles plowed by DPS in Winter

232 child car seat inspections



282 miles of sidewalks and pathways

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

NOVI CITY COUNCIL

Bob Gatt, Mayor  
Dave Staudt, Mayor Pro Tem  
Andrew Mutch  
Wayne Wrobel  
Laura Casey  
Gwen Markham  
Brian Burke

Pete Auger, City Manager  
Victor Cardenas, Assistant City Manager

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The City of Novi's 2016-2017 Annual Budget and Fiscal Plan can be found at [cityofnovi.org](http://cityofnovi.org).