

# AGENDA

SPECIAL BUDGET MEETING OF THE COUNCIL OF THE CITY OF SOUTHFIELD TO BE HELD IN THE COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING, 26000 EVERGREEN ROAD, SOUTHFIELD, MICHIGAN, ON MONDAY, JUNE 16, 2014 AT 6:30 P.M., LOCAL TIME, PURSUANT TO SECTION 4.3 OF THE CITY CHARTER.

## ROLL CALL

## PLEDGE OF ALLEGIANCE

## PRESENTATIONS

## APPOINTMENTS

## MINUTES

CONSENT AGENDA (Any item on the Consent Agenda will be removed for discussion upon the request of a Council Member, the Mayor, or a member of the public.)

## CONSENT AGENDA ITEMS FOR DISCUSSION

## PUBLIC HEARINGS

- A. 2014-2015 City of Southfield Budget Adoption

## SITE PLANS

## COMMUNICATIONS

## COUNCIL

## MAYOR

## ADMINISTRATION

## ATTORNEY

## CLERK, TREASURER, PLANNER, ASSESSOR, ENGINEER

## SCHEDULE

## ORDINANCES

June 16, 2014

Honorable Mayor and Council  
Municipal Building  
Southfield, Michigan

**Re: 2014-15 City of Southfield Budget Adoption**

Dear Sirs and Mesdames:

**Background:** At a special meeting of City Council scheduled for June 16 2014 at 6:30 p.m., the proposed City budget will be presented in its final form. This proceeding will be in a public hearing format. Reflecting the City's commitment to meaningful public information and transparency in government, award winning City Cable 15 has produced a video summary of the budget which will be introduced at the special meeting. It will be shown a number of times on Cable 15 and will be available for neighborhood associations, the media, and other interested parties. The proposed budget was reviewed at length by the Mayor and City Council at the June 5, 2014 Committee-of-the-Whole meeting.

**Fiscal Impact:** The final proposed total General Fund budget, at \$66,786,272 remains unchanged since June 5, 2014. This reflects a increase of \$1,186,716 or 1.8% from the previous year's total. No fund balance reserves are utilized for General Fund operations; realizing a key long-term financial planning goal. The total budget for all funds for 2014-15 is \$166,461,123 reflects an increase of \$19,738,514 or 13.5% primarily for the purpose of funding facility and infrastructure projects. The proposed budget includes 34 capital projects totaling \$29,639,294.

**Goals Impacted:** All City strategic goals are impacted by the proposed budget.



Active City to Enjoy and Have Fun



Quality Development and Redevelopment



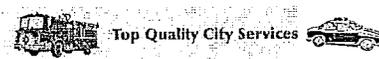
Financially Sound and Sustainable City Government



Southfield - One Community, One City



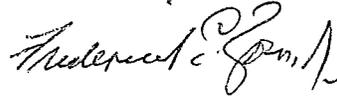
Preferred Place to Make Home



Top Quality City Services

**Recommendation:** The City Council approves the 2014-15 Budget Adoption Resolution herein provided. Consistent with the financial policies of the City, strongly endorsed and supported by your Honorable body, this proposed budget was developed in the broader context of a longer range financial plan. The dedicated leadership of all City elected officials and their concern for the continued progress of the community is respectfully acknowledged and deeply appreciated.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Frederick E. Zorn, Jr.", written in a cursive style.

Frederick E. Zorn, Jr., CEcD  
Acting City Administrator

## 2014-15 BUDGET ADOPTION RESOLUTION

**WHEREAS:** City Council has reviewed the recommended 2014-15 budget and determined that the appropriation of funds and service levels provided properly meet the needs of the community and are aligned with the City's strategic goals;

**NOW, THEREFORE, BE IT RESOLVED:** That the 2014-15 budget be adopted, as provided in the budget resolution, totaling \$166,461,123.

# 2014 - 2015 Budget Resolution

**Moved By:** Councilperson Donald F. Fracassi  
**Supported By:** Councilperson Jeremy Moss

**Date:** June 16, 2014

**BE IT RESOLVED:** Consistent with the Uniform Budgeting and Accounting Act, expenditure authority is hereby appropriated to the following budgetary centers for the fiscal year commencing July 1, 2014 and ending June 30, 2015:

**GENERAL FUND:**

Administration .....	\$ 513,838
City Clerk.....	896,214
City Council.....	166,454
Community Relations .....	357,894
Court - State 46th District.....	3,473,819
Administrative Services Group.....	11,916,695
Human Services .....	299,466
Law .....	895,055
Mayor's Office .....	201,934
Public Safety Group.....	38,807,892
Community Development Administration.....	1,123,914
Building.....	1,743,613
Planning .....	530,739
Streets & Highways.....	88,097
Transportation.....	454,771
Engineering .....	711,118
Sanitation.....	3,859,139
Treasurer's Office.....	745,620
<b>TOTAL GENERAL FUND.....</b>	<b>66,786,272</b>

FACILITIES MAINTENANCE FUND.....	5,882,950
MOTOR POOL FUND .....	3,934,875
CABLE TELEVISION FUND .....	1,394,528
PARKS AND RECREATION FUND .....	7,335,395
LIBRARY FUND.....	7,673,931
<b>D.P.S. HIGHWAY FUNDS:</b>	
Major Street Fund .....	10,342,300
Local Street Fund.....	4,284,540
WATER AND SEWER FUND.....	63,414,059
DRUG LAW ENFORCEMENT FUND .....	420,685
DONATIONS, MEMORIAL TRUSTS & SPONSORSHIPS .....	200,000
SECTION 8 HOUSING GRANTS FUND .....	2,203,989
COMMUNITY DEVELOPMENT BLOCK GRANT FUND .....	415,485
NEIGHBORHOOD STABILIZATION PROGRAM FUND.....	1,250,000
MICHIGAN WORKS GRANTS FUND .....	3,300,000
AUTO THEFT GRANT.....	309,950

**AND BE IT FURTHER RESOLVED:** That the revenues for the 2014-15 fiscal year are estimated as follows:

**GENERAL FUND:**

General Operating Tax Levy - 6.6094 mills .....	\$14,918,744
Police & Fire Levy – 6.8906 mills .....	15,553,469
Police & Fire Pension Levy – 4.4500 mills .....	10,044,340
Tax Administration Fees, Interest & Penalties .....	1,987,372
State Shared Revenues.....	6,568,077
Engineering and Building Department Revenues.....	1,911,118
Court Revenues.....	4,616,672
Reimbursements .....	1,592,197
Sanitation Fees.....	3,859,139
Other Fees, Permits, Licenses, and Charges.....	4,272,126
Investment Income.....	200,000
Interfund Reimbursements.....	805,569
Fund Balance Appropriated.....	<u>457,449</u>

**TOTAL GENERAL FUND .....** 66,786,272

**FACILITIES MAINTENANCE FUND.....** 5,882,950

**MOTOR POOL FUND .....** 3,934,875

**CABLE TELEVISION FUND.....** 1,394,528

**PARKS AND RECREATION FUND:**

Parks & Recreation Tax Levy - 1.7500 mills .....	3,950,102
Investment Income.....	25,313
Program & Other Revenues (arena, pool, & other sources) .....	<u>3,359,980</u>

**TOTAL PARKS AND RECREATION FUND.....** 7,335,395

**LIBRARY FUND:**

Library Tax Levy -2.8000 mills.....	6,320,163
Investment Income.....	98,438
Fines, Fees, State Aid, Contributions and Other Sources .....	1,135,017
Contractual Income.....	<u>120,313</u>

**TOTAL LIBRARY FUND .....** 7,673,931

**D.P.S HIGHWAY FUNDS:**

Gas & Weight Tax Returns.....	4,746,650
Residential Street Maintenance Levy – 1.0000 mills .....	2,257,201
Public Act 298 - .2207 mills .....	471,015
Interest Income .....	12,656
Dust Control, Department Sales, & Other Income .....	1,120,024
Interfund Transfer .....	<u>6,019,294</u>

**TOTAL HIGHWAY FUNDS .....** 14,626,840

D.P.S. WATER AND SEWER FUND:

Water Sales .....	12,217,569
Sewer Charges - Evergreen & SEOC .....	20,365,648
Interest Income .....	42,188
Service & Meter Installations .....	63,750
Penalties, Debt Service, Interest & Other Revenue .....	<u>30,724,904</u>
 TOTAL WATER & SEWER FUNDS.....	 63,414,059
 DRUG LAW ENFORCEMENT FUND .....	 420,685
 DONATIONS, MEM. TRUSTS & SPONSORSHIPS .....	 200,000
 SECTION 8 HOUSING GRANTS FUND .....	 2,203,989
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND .....	 415,485
 NEIGHBORHOOD STABILIZATION PROGRAM FUND.....	 1,250,000
 MICHIGAN WORKS GRANTS FUND .....	 3,300,000
 AUTO THEFT GRANT.....	 309,950

**AND BE IT FURTHER RESOLVED:** That under Section 2.7 of Chapter 17 of Title II of the Ordinance Code of the City of Southfield, the Council does hereby determine that the annual service charge for the fiscal year commencing on July 1, 2014 and ending June 30, 2015 shall be \$180.59 per annum per residential unit for the collection and disposal of garbage and rubbish. Further, that the City Clerk certify to the City Assessor the service charge of \$180.59 per annum per residential unit, which charge shall be collected and returned in the same manner as other municipal taxes are certified, assessed, collected and returned; and

**BE IT FURTHER RESOLVED:** That under Sections 2.153 and 2.154 of Chapter 20 and Section 2.171 of Chapter 21 of Title II of the Ordinance Code of the City of Southfield, the Council does hereby determine that the combined water and sewer rate is herewith established at, and all bills rendered on or after July 1, 2014, shall be computed on \$90.05 per Mcf of consumption; such combined rate being comprised of \$24.42 per Mcf for water service, \$41.17 per Mcf for sewer service; and \$24.45 for water and sewer system capital improvements; in addition to revised meter and industrial waste control charges as outlined in the attached schedule; and that a 15% administrative fee shall be added to delinquent water and sewer charges that are entered upon the tax roll pursuant to Sections 2.155 and 2.177 of the City Code; and

**BE IT FURTHER RESOLVED:** That funding for capital projects placed under the superintending control of the Southfield Building Authority by City Council shall be approved in the aggregate, allowing for transfer of funding between projects by the Building Authority within the total allocation approved by Council; and that the 2014-15 Southfield Downtown Development Authority budget, in the amount of \$424,886 is hereby approved by the City Council, pursuant to Section 28 of PA 1975, No. 197, subject to the express requirement and condition that any sale, conveyance, or other disposition of real property owned by or titled in the name of the Southfield DDA shall require review and approval by the Southfield City Council prior to any such sale, conveyance, or other disposition thereof.

**BE IT FURTHER RESOLVED:** That the following property tax revenue and tax rates be authorized and that the City Treasurer is ordered to levy such funds and rates and collect and deposit to the various specific uses and funds as required by ordinance or resolution; and that the City Treasurer is hereby authorized to impose a 1% property tax administration fee for all property taxes due, and a late penalty charge when applicable, in conformance with Section 44 of Public Act 503 of 1982; and

**2014-15 BUDGET  
PROPERTY TAX REVENUES AND RATES**

<u>OPERATING</u>	<u>Revenue</u>	<u>Rate*</u>
General Operations	14,918,744	6.6094
Police & Fire	15,553,469	6.8906
Police & Fire Pension	10,044,544	4.4500
Residential Street Maintenance	2,257,201	1.0000
Parks & Recreation	3,950,102	1.7500
Library	6,320,163	2.8000
Public Acts 298/59	<u>520,956</u>	<u>0.2441</u>
TOTAL OPERATING	53,565,179	23.7441
County Drains at Large	1,099,934	0.4873
Local Development Finance Authority I	454,670	**
Local Development Finance Authority III	297,797	**
DDA/Tax Increment Finance Authority	-	**
Smart Zone	127,134	**
Brownfield Redevelopment Authority	236,212	**
Renaissance Zone (Tool and Die)	<u>11,238</u>	<u>**</u>
GRAND TOTAL	53,874,553	24.2314
Taxable Valuation (TV)	2,257,200,994	
TV Captured by LDFA I	18,763,661	
TV Captured by LDFA III	12,289,714	
TV Captured by DDA/TIF	-	
TV Captured by Smart Zone	5,246,659	
TV Captured by Brownfield Redevelopment Authority	9,748,166	
TV Captured by Renaissance Zone (Tool & Die)	<u>463,776</u>	
TOTAL TV	2,303,712,970	

\*Mills per \$1,000 of TV

\*\*Total millage of 24.2314 applied to taxable value of LDFA and other special authorities.

**2014-2015**  
**Schedule of Meter Charges**  
**And**  
**Industrial Waste Control Surcharges**

**1. Meter Charge (Per Month)**

5/8".....\$ 1.31	3".....\$ 13.37
3/4"..... 1.48	4"..... 18.96
1"..... 1.82	6"..... 24.07
1 1/2"..... 3.09	8"..... 24.07
2"..... 3.91	10"..... 25.12

**2. Industrial Waste Control Surcharge (Per Month)**

5/8".....\$ 8.85	3".....\$ 128.33
3/4"..... 13.28	4"..... 177.00
1"..... 22.13	6"..... 265.50
1 1/2"..... 48.68	8"..... 442.50
2"..... 70.80	10"..... 619.50

**BE IT FURTHER RESOLVED:** That the City Administrator is hereby authorized to make budgetary transfers within the appropriations centers established through this budget, to take any and all steps necessary to allow for completion of the annual audit by December 31, to provide for continuity of the current risk management and insurance program, and to administratively adjust contracts for road and other capital projects up to a maximum of 20% when such adjustments result from circumstances unforeseen at the time of bidding, as long as such adjustments would not exceed the approved total for that particular capital account, and subject to the requirement that all such adjustments be reported to Council on a periodic basis. Further, that the City Administrator is hereby authorized to release bidding documents for those capital items, projects, and recurring commodities expressly authorized in this budget, for public review by the Council following receipt of bids; that authorization is hereby given for acquisition of Library books and subscription services of a continuing and sole vendor nature within the Library appropriation adopted in this budget; that approval and authorization are hereby given for the Mayor and City Clerk to execute contracts for the entertainment events within the appropriations adopted in this budget; that approval is hereby given for the continued use of Dell brand computers, servers, storage area network, and other related equipment as the City's standard computing platform as previously authorized by Council Resolution #2001.351 of November 26, 2001; and that approval is hereby given for the routine maintenance and software licensing necessary for the continuing functionality of the City's existing computerized business systems and for the use of various professional repair and maintenance services involving electrical, electromechanical and control equipment located in City facilities, in conjunction with Chapter 8, Section 1.279 (2) and (4) of the Southfield Code of Ordinances; and

**BE IT FURTHER RESOLVED:** That the 2014-15 budget shall be automatically amended (a) on July 1 to reappropriate encumbrances outstanding and capital project reserves at June 30, 2014, and (b) to transfer any approved salary adjustments during the fiscal year for which sufficient funds are provided in the Support Services appropriation.

**AYES:** Donald F. Fracassi, Myron A. Frasier, Sylvia Jordan, Jeremy Moss, Joan Seymour, Kenson J. Siver

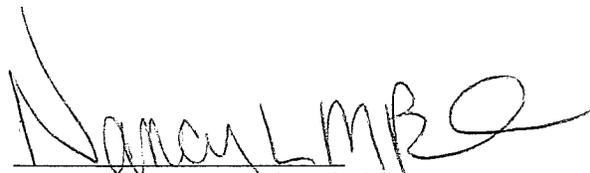
**NAYS:** none

**ABSENT:** Sidney Lantz

I, Nancy L. M. Banks, the duly elected and qualified Clerk of the City of Southfield, Oakland County, Michigan, do hereby certify that the foregoing resolution was adopted by Council at a Special Meeting held June 16, 2014 pursuant to Section 8.4 of the City Charter.

Date:

June 17, 2014

  
Nancy L. M. Banks, City Clerk

# 2014-2015 Budget

## City of Southfield

	<u>Approved Revenues</u>		<u>Approved Expenditures</u>
GENERAL FUND:		GENERAL FUND:	
General Operating Levy	14,918,744	Administration	513,838
Police & Fire Levy	15,553,469	Fiscal Services/OMB	249,204
Police & Fire Pension Levy	10,044,340	Accounting	521,361
Tax Administration Fees & Penalties	1,987,372	Purchasing	113,551
Sales Tax Returns - Constitutional	5,569,607	Technology Services	1,852,616
Sales Tax Returns - Statutory	950,970	Assessing	721,373
Liquor Licenses	47,500	Central Services	1,491,442
Sanitation Charges	3,859,139	Support Services	6,165,719
Building Revenues	1,200,000	Human Resources	801,429
Engineering Revenues	711,118	Clerk	896,214
District Court Revenues	4,616,672	Council	166,454
Reimbursements	1,592,197	Community Relations	357,894
Fees, Licenses & Permits	4,272,126	Court - 46th District	3,473,819
Investment Income	200,000	Human Services	299,466
Interfund Reimbursements	805,569	Law	895,055
Transfer from Committed Fund Balance:		Mayor's Office	201,934
Equalization Reserve	457,449	Public Safety	38,807,892
		Community Dev. Administration	1,123,914
		Building	1,743,613
		Planning	530,739
		Streets & Highways	88,097
		Transportation	454,771
		Engineering	711,118
		Sanitation	3,859,139
		Treasurer	745,620
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TOTAL GENERAL FUND	<hr/> 66,786,272	TOTAL GENERAL FUND	<hr/> 66,786,272
FACILITIES MAINTENANCE FUND	5,882,950	FACILITIES MAINTENANCE FUND	5,882,950
MOTOR POOL FUND	3,934,875	MOTOR POOL FUND	3,934,875
CABLE TV FUND	1,394,528	CABLE TV FUND	1,394,528
PARKS & REC FUND	7,335,395	PARKS & REC FUND	7,335,395
LIBRARY FUND	7,673,931	LIBRARY FUND	7,673,931
MAJOR STREET FUND	10,342,300	MAJOR STREET FUND	10,342,300
LOCAL STREET FUND	4,284,540	LOCAL STREET FUND	4,284,540
WATER & SEWER FUND	63,414,059	WATER & SEWER FUND	63,414,059
DRUG LAW ENFORCEMENT FUND	420,685	DRUG LAW ENFORCEMENT FUND	420,685
DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000	DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000
(DUPLICATING TRANSFERS)	(12,687,836)	(DUPLICATING TRANSFERS)	(12,687,836)
MUNICIPAL SUBTOTAL	<hr/> 158,981,699	MUNICIPAL SUBTOTAL	<hr/> 158,981,699
COMM. DEVELOPMENT BLOCK GRANT	415,485	COMM. DEVELOPMENT BLOCK GRANT	415,485
N.S.P.*	1,250,000	N.S.P.*	1,250,000
SECTION 8 HOUSING GRANTS	2,203,989	SECTION 8 HOUSING GRANTS	2,203,989
MICHIGAN WORKS GRANTS	3,300,000	MICHIGAN WORKS GRANTS	3,300,000
AUTO THEFT GRANT	309,950	AUTO THEFT GRANT	309,950
TOTAL GRANT FUNDS	<hr/> 7,479,424	TOTAL GRANT FUNDS	<hr/> 7,479,424
TOTAL ALL OPERATING FUNDS	166,461,123	TOTAL ALL OPERATING FUNDS	166,461,123
DEBT SERVICE	<hr/> -	DEBT SERVICE	<hr/> -
TOTAL REVENUES	166,461,123	TOTAL EXPENDITURES	166,461,123

\*Neighborhood Stabilization Program