



**MUNICIPAL BUDGET  
EXECUTIVE SUMMARY**

**JULY 1, 2014 – JUNE 30, 2015  
SOUTHFIELD, MICHIGAN**

## **2014-15 RECOMMENDED BUDGET IN A NUTSHELL**

### **• Key Details of 2014-15 Budget Plan**

- No use of Fund Balance for Operations: primary goal achieved.
- General Fund Expenditures: a 1.8% increase, or \$1,186,716; \$65,599,556 in 2013-14 vs. \$66,786,272 in 2014-15.
- Budget analysis for all funds: \$146,722,609 in 2013-14 vs. \$166,461,123 in 2014-15 (a difference of \$19,741,514 or a 13.5 % increase) reflecting capital projects funding totaling \$29,639,294 with a moderate increase of 6.43% in water and sewer rates.
- Infrastructure Investments: a total investment of \$29,639,294 for the following:
  - Facilities Maintenance includes 12 projects totaling \$1,359,700.
  - Major Streets includes 10 projects totaling \$3,790,000 (which will leverage approximately another \$10,000,000 in outside agency funds).
  - Water and Sewer includes 12 projects totaling \$24,489,594.
- Continued Emphasis on Development (Community Appearance and Code Enforcement): \$500,000 for Tax Base Programs, Housing Standards Initiatives, and Healthy Community Program. This will provide funding for community economic development and community promotion. Final expenditures to be determined. The Healthy Community Program will include at minimum three public health awareness programs (recommended programs may Heart in February, Prostate Cancer in September and Breast Cancer in October).

- **Revenue Snapshot**

- **Unprecedented Tax Base Erosion Continues:** The 2014-15 budget has been built on a taxable value (TV) of \$2,257,200,994. The 2008-09 budget was built on a taxable value (TV) of \$3,633,682,857. This represents a 37.9% decrease from fiscal 2008-09 to 2014-15.
- **\$457,449 Fund Balance Draw:** for appeals in General Fund; -\$0- needed for operations
- **State Shared Revenues Up Significantly:** Will require aggressive monitoring for possible changes in conditions.

### **SUMMARY STATEMENT**

Continued focus on tax base enhancement with a renewed emphasis on maintaining the City's facilities and infrastructure, while simultaneously reducing operating costs, is the key to the City's long-term sustainability as an independent and thriving municipality. The factors over which we have the most control continue to be our facilities and infrastructure and our cost of doing business.

**FUND BALANCE CONSTRAINTS COMMITTED TO EQUALIZATION RESERVE**

Based on 2013 Comprehensive Annual Financial Report

<u>FUND</u>	<u>AMOUNT</u>
General Fund	\$ 2,000,000
Library	\$ 350,000
Local Streets	\$ 154,200
Major Streets	\$ 16,000
Parks & Recreation	\$ 243,400

## 2014-2015 PROPOSED INFRASTRUCTURE CAPITAL PROJECTS

### FACILITIES MAINTENANCE

Replace roof at Beechwoods Pro Shop	\$	10,000
Replace roof at Code House	\$	10,000
Repair and replace spot concrete at Civic Center complex	\$	15,000
Repair of Burgh Site exterior	\$	25,000
Renovation completion of Fire Station 2 kitchen	\$	30,000
Upgrade Motor Pool heating system	\$	40,000
Repairs to Beechwoods exterior	\$	100,000
Replace roof on Public Services Building	\$	160,000
Install informational electronic signs at Civic Center & Beechwoods	\$	200,000
Replace boilers, air handler, and condenser in Sports Arena	\$	200,000
Replace roof on P & R building	\$	207,200
Replace partial roof at Sports Arena	\$	362,500
Sub-total	\$	<u>1,359,700</u>

### MAJOR STREETS

Bridge Street Bridge Monitoring	\$	15,000
Traffic signal upgrades to LED fixtures	\$	40,000
Traffic signal modernization	\$	85,000
Evergreen Road design from 12 to 13 Mile	\$	100,000
Replace decorative street lights along Civic Center Drive	\$	250,000
Resurface Eleven Mile Road from Inkster (2,800 feet east)	\$	500,000
Mill and undercut Nine Mile Road from Beech Daly to Telegraph	\$	500,000

**MAJOR STREETS, continued**

Downsize Northwestern Service Drive from 8 Mile to 9 Mile	\$ 500,000
Reconstruction of Evergreen with roundabouts from 10 Mile to 696	\$ 700,000
Total reconstruction of Greenfield Road from 8 Mile to north of 9 Mile	\$ 1,100,000
Sub-total	\$ 3,790,000

**WATER & SEWER**

Replacement of damaged residential meters	\$ 45,000
Assessment of sewer and water utilities	\$ 100,000
Assessment of storm water utilities	\$ 100,000
Upgrades of sanitary pumping station	\$ 250,000
Sewer cleaning and conditioning assessment	\$ 500,000
Replacement of commercial meters	\$ 650,000
Replacement of obsolete reading system	\$ 1,500,000
Replacement of water and sewer main lining (Evergreen 10 Mile to 696)	\$ 1,600,000
City wide water system rehab	\$ 2,282,624
Replacement of water and sewer main lining (Evergreen 8 to 9 Mile)	\$ 3,561,970
City wide water and sewer main lining replacement	\$ 5,000,000
Replacement of water main in sections 13,26, and 34	\$ 8,900,000
Sub-total	\$ 24,489,594

**CAPITAL PROGRAM GRAND TOTAL \$ 29,639,294**

## FACILITIES MAINTENANCE PROPOSED PROJECTS

2014-2015

### Beechwoods Pro Shop Roof Replacement

Repair and replace shingle roof - the existing shingle roof is 25 years old. The shingles are curling and have lost most of their gravel.

### Code House Roof Replacement

Repair & replace shingle roof - the existing shingle roof is 28 years old. The shingles are curling and have lost most of their gravel.

### Civic Center Complex Spot Concrete Repair

Spot concrete repair and replacement to prevent trip and falls. Annual sidewalk repair program replaces sidewalks where a trip and fall hazard is evident.

### Burgh Site Exterior Repair

The Burgh Site buildings need annual repair to keep them in shape. Annual upkeep on the property's appearance is necessary in order to accommodate private and city events.

### Fire 2 Kitchen Renovations

Complete renovation of kitchen. 24/7/365 operation takes a toll on cupboards and counters. The kitchen is original 1994 completion and is in need of uplift.

### Motor Pool Heating System Upgrade\*

Upgrade heating system in the service and hoist area. This area is 15 degrees cooler than the adjoining vehicle area that was upgraded in 2009. Existing 45 year old system has a nonfunctional motor and the smaller unit heater uses a large amount of gas but produces a small amount of heat. Short payback period with continued cost saving would justify this investment.

### Beechwoods Exterior Repairs\*

Exterior block is stained and is in need of some tuck pointing. The metal siding is sun bleached, faded, and rusted. The building needs to be refreshed.

### Public Works Building Roof Replacement\*

Replace roof on building - the roof is leaking and the warranty expired 15 years ago. Exposed felts are visible, stripping of the seams and base flashings are open to possible moisture.

## FACILITIES MAINTENANCE PROPOSED PROJECTS

2014-2015

### Informational Road Signs Installation\*

Parks & Recreation is proposing new monument site identification signs at the Beechwoods and Civic Center complexes. These additions would clearly identify the public properties and would incorporate electronic sign panels, providing the public with up-to-date information on city programs, activities and special events.

### Southfield Sports Arena HVAC Upgrades\*

Remove steam boiler, replace hot water boiler, repair and replace air handler, and add condenser and design. All of the equipment is original circa 1970. The a/c unit has not worked for quite some time. Repair costs are becoming unjustifiable. New equipment will be more energy efficient.

### Parks & Rec Building Roof Replacement\*

Replace roof on building - warranty expired in 1996. Exposed felts, open seams and flashings are all possible. Leaks and stained ceiling tiles show that water damage and moisture are evident.

### Southfield Sports Arena Roof Replacement\*

Replace upper roof over the ice - warranty expired in 2001. Exposed felts, open seams and flashings are evident. Interior roof decking is rusty in both directions from interior and exterior. On the east and west elevations of the building the soldier course brick coping is breaking away causing moisture penetration in the walls. The roof needs to be replaced along with a new design for the coping on the east and west ends of the building.

\*Southfield Building Authority projects

## STREETS & HIGHWAYS PROPOSED PROJECTS

2014-2015

### MAJOR STREETS

#### Bridge Street Bridge Monitoring

Continuation of monitoring the performance of the Bridge Street Bridge, a carbon fiber reinforced polymer (CFPR) bridge completed in 2001. The comparative monitoring of the CFPR Bridge, versus the adjacent traditional section, provides data of significance to the entire field of civil and structural engineering; thus, MDOT reimburses the City for this expenditure.

#### Traffic Signal Upgrades to LED Fixtures

This is a continuing Road Commission of Oakland County (RCOC) project that began in 2009, and reduces the cost of signal maintenance and energy usage.

#### Traffic Signal Modernization

Upgrading of traffic signals for safety reasons.

#### Evergreen from 12 Mile to 13 Mile (design only)

The proposed improvements include crushing and shaping the existing roadway and overlaying with asphalt. Add 3' paved plus 3' gravel shoulders; re-grade ditches. Remove and reconstruct pavement and 13 Mile and all side streets.

#### Decorative Street Lighting Replacement

To replace aging street lights along Civic Center Drive. Structures and technical equipment are antiquated.

#### Eleven Mile (Inkster 2,800 feet east) Resurfacing

Mill the existing concrete and overlay with asphalt; curb removal and replacement as needed as well as joint and base repair; ADA upgrades at crosswalks.

#### Nine Mile Rd, Beech to Telegraph – Mill & Undercut

The proposed improvements include adding a center left turn lane and providing right turn lanes. The existing pavement will be milled and overlaid with asphalt.

#### Downsizing of North Bound Northwestern Service Drive from 8 to 9 Mile

The proposed improvements include removing a lane of traffic and repaving with asphalt and new curbs.

#### Evergreen from 10 Mile to I-696 (with round-a-bouts)

This project will include advanced engineering and preparatory work for re-construction of Evergreen Road.

**Total Reconstruction of Greenfield Rd from 8 Mile to 9 Mile**

The proposed improvements include removing and replacing existing concrete pavement including curbs at the southbound lanes. ADA upgrades at all intersections are also included.

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# Lawmaker: Time running out to fix Michigan's road funding crisis

2:15 PM May 22, 2014 | 0 Comments

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City of Southfield maintenance workers patch and smooth out large pothole areas on Northwestern Highway on March 29, 2014. Eric Seals/Detroit Free Press

By Paul Egan  
Detroit Free Press  
Lansing Bureau

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Rick Snyder:

**LANSING** — The question of whether a package of bills that would raise about \$450 million in added road-repair funding goes far enough will be discussed at a meeting today between Gov. Rick Snyder and House and Senate legislative leaders.

The bills moved out of the House last week and are under consideration in the Senate.

The Senate Infrastructure Modernization Committee is to hear testimony today and could vote as early as Wednesday on the House road funding package, with several possible changes in play. Any alterations would have to be reconciled with the House version. Those changes include:

- Squeezing more revenue out of the bills that passed the House on May 8, possibly by simplifying and reducing discounts in vehicle registration fees.

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Stephen Henderson: Two cents for roads? Good idea, but maybe not that simple

- Replacing the fuel taxes charged at the pump with a wholesale tax of 7.5%, up from

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the proposed 6% wholesale tax in the House bills.

■ Allowing non-road transportation modes, such as transit and rail, to get a share of the extra road revenue. Transit normally gets more than 8% of the money that goes into the Michigan Transportation Fund. But

lawmakers went around that formula for the latest proposed increase in order to target only roads. Advocates for transit have been pushing back hard.

Senate Majority Leader Randy Richardville, R-Monroe, also would like to more than double the amount raised from increased user fees through the roads package to around \$1 billion a year, spokesman Amber McCann said Monday. He has met with lawmakers from both parties and expects to discuss proposals at his regular Tuesday meeting with Snyder and House Speaker Jase Bolger, R-Marshall, McCann said.

Snyder has been pushing since 2012 for about \$1.2 billion more in annual road and bridge funding. Some experts say the annual amount needed to preserve and improve the state's road and bridge system is now closer to \$2 billion.

The debate over road funding is heating up just as the Michigan Chamber of Commerce released a poll Monday that said 82% of Michigan voters think the condition of the state's roads and bridges is bad, and 72% favor spending an additional \$1.8 billion a year for the next 10 years.

The poll, conducted by Marketing Resource Group of Lansing, found 68% said they are willing to pay at least an additional \$10 per month in taxes to maintain and improve roads and bridges.

"Increased funding to fix the roads and improve public transit is necessary to keep Michigan moving forward, and this poll shows solid voter support for a major investment in transportation," said Michigan Chamber President & CEO Rich Studley.

The poll of 600 likely voters has a margin of error of plus or minus 4.1 percentage points. Of those sampled, 25% used cell phones.

Richard Wallon, a retired General Motors salaried employee who lives in Macomb Township, said he's willing to pay higher taxes to get the roads fixed, though he also likes the idea of placing toll booths at the borders.

"I would be more than happy if they raised my taxes," Wallon said. "These roads are just terrible. We can't keep fooling around like this. Someone is going to get killed."

But not everyone is on board with paying more.

"Michigan has the fifth-highest tax on gasoline in the country," Scott Hagerstrom, Michigan state director of Americans for Prosperity, said in a posting on Facebook.

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"Why are legislators promoting and passing plans that will give us the highest tax on gasoline? Elected officials aren't being held accountable for the dollars they currently take from Michigan drivers."

Sen. Roger Kahn, R-Saginaw Township, whose Senate Infrastructure Modernization Committee is to take testimony today, said the window of opportunity for the Legislature to act may soon be closing.

Following a tough winter that produced one of Michigan's worst-ever pothole seasons, "there is an intensity and a momentum," Kahn said Monday.

"It's exhausting to try to maintain laser-like focus and attention on anything," Kahn said. "Failure to act on these would diminish the ability to get something done."

Sen. Morris Hood III, D-Detroit, the Democratic vice-chairman on the Infrastructure Modernization Committee, could not be reached for comment Monday.

■ **Related:** House bill called sneaky route to toll roads in Michigan

Kahn's committee is to hear testimony on House bills and substitutes that would replace the 19-cent-per-gallon tax on regular fuel and the 15-cent-per gallon tax on diesel fuel with a 6% wholesale tax, streamline and raise certain vehicle registration fees and require that a share of the sales tax raised from fuel sales be spent on roads.

They're among the key pieces of a package the House passed May 8, which is estimated to raise up to \$450 million more a year to fix roads and bridges. Other parts of the House package could be taken up later, Kahn said.

Lawmakers also are looking at ideas Richardville is proposing to increase the amount of new road money. One proposal would set a higher wholesale tax on fuel — perhaps 7.5% — rather than the 6% now proposed. That possible change will not be taken up today, Kahn said.

In a move he compared to "cocking the gun" for possible action soon, Kahn said he will refer to his Infrastructure Modernization Committee a joint resolution, sponsored by Richardville in January, that would amend the state constitution by hiking the 6% sales tax by 2 percentage points, with most of the extra money going to roads.

■ **Related:** Tire insurance popularity soars as potholes wreak havoc on roads, vehicles

Such a plan could raise about \$2 billion, but two-thirds of lawmakers in each chamber would have to approve putting the proposal on the election ballot for the voters to decide. Richardville is not currently pushing the proposal that would require amending the constitution, McCann said.



## Guest view of Dan Husted: Legislative inaction on roads is costing Michigan taxpayers

15112137-mmmain.jpg

(Jake May | MLive.com)

**MLive/Flint Journal opinion** By **MLive/Flint Journal opinion**

on June 10, 2014 at 1:30 PM

**By Dan Husted**

Ask most business owners what one of the biggest lures of locating a business to a community is and they will probably say well-maintained transportation infrastructure. Michigan's manufacturing, agribusiness, and tourism industries all rely on good roads to thrive, yet Michigan ranks the lowest in per capita spending on infrastructure out of all 50 states. For the last several years, the members of Laborers Local 1075 have been working hard to encourage the **legislature to find a permanent funding solution** to address this problem.

Transportation funding fell victim to repeated cuts over the years and, as a result, Michigan's roads, bridges and transit systems are crumbling. According to the nonpartisan Michigan Senate Fiscal Agency, our state is 50<sup>th</sup> out of 50 when it comes to per capita road funding. That's right — dead last. And a new report by the Michigan Infrastructure & Transportation Association ranks Genesee County second worst in the state for structurally deficient and obsolete bridges. For the state that helped create the modern day commuter, this is an embarrassment.

In Genesee County, this means more of your tax dollars get wasted on costlier repairs. For example, in the 51st House District, over **121 miles were given the lowest rating** to qualify for being in "fair" condition in 2011, and it would have cost just over \$5 million to do basic preventative maintenance. However, because of legislative inaction by Rep. Joseph Graves — who is a member of the Republican majority, which controls the legislative agenda — over 40 percent of these roads were allowed to fall into "poor" condition. These roads will now cost taxpayers over \$6.7 million to repair. That's more than double the original cost had Rep. Graves made fixing our roads a priority. Simply put, poor roads cost more to repair.

The Michigan House of Representatives recently passed an **additional \$450 million** in funding for our state's infrastructure. Unfortunately, this is a mere drop in the bucket and just pays lip service to this crisis that we face. In order to get our roads back to good condition we would need to spend \$2 billion per year. As time goes on and lasting repairs aren't made, roads become even more hazardous for drivers, resulting in

costlier expenses for taxpayers and business. Now, businesses and families are stuck footing the bill for costly vehicle repairs at a whopping average of up to \$536 per year for each vehicle owner.

Rebuilding our infrastructure is also about jobs. And right here in Genesee County, there are hundreds of highly skilled Laborers ready to work fixing potholes, repairing crumbling bridges and rebuilding our expressways. Putting people to work, that is how we rebuild Michigan.

With proper funding, we can both improve our roads, as well as create jobs. We don't want structurally deficit bridges and torn up roads for our kids, family, neighbors and visitors to travel on. It's time the legislature and our elected leaders took up the call to improve our roads and made Michigan a better place to live, work and visit.

*Dan Husted is the Business Manager for Laborers Local 1075 in Genesee County, which represents construction workers.*

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## **WATER & SEWER PROPOSED PROJECTS**

**2014-2015**

The Water & Sewer Department has made every effort to keep rate increases to a minimum and still maintain the integrity and reliability of the system. The rate increases passed through to us from the controlling authorities are in excess of 8.9%. Our structured multi-year rating strategy, along with operating efficiencies, and careful capital project budgeting, results in a rate increase of 6.34% to our customers. The proposed rate will generate sufficient revenues to fund our operations, debt retirement and capital expenditures for the coming fiscal year.

### **New and Replacement Residential Water Meters**

These meters are for new construction and replacement of damaged or defective meters throughout the system.

### **Sewer and Water Utility Assessment**

Conducting a rate study will ensure sufficient funding for maintenance and repair of the water and sewer system throughout the city.

### **Storm Water Utility Study**

Utility study required due to new federal regulations

### **Sanitary Pumping Station Upgrades**

This is an on-going multi-year program to insure dependable operation of the sanitary pumping stations to prevent back-ups into basements.

### **Sewer Cleaning and Conditioning Assessment**

This work will be performed on an as-needed basis for specifically defined issues.

### **Water Meters and Automated Reading Devices for Commercial Meters**

This is a multi-year program to replace the large commercial meters throughout the City. As meters age they lose accuracy and measure less than the actual water consumption. Automated meter reading devices enable the Water & Sewer Department to efficiently read meters with less staff and increased productivity.

### **Replacement of Obsolete Reading System and Failing Meters**

The meter reading system is obsolete and aging meters are failing causing them to run slow.

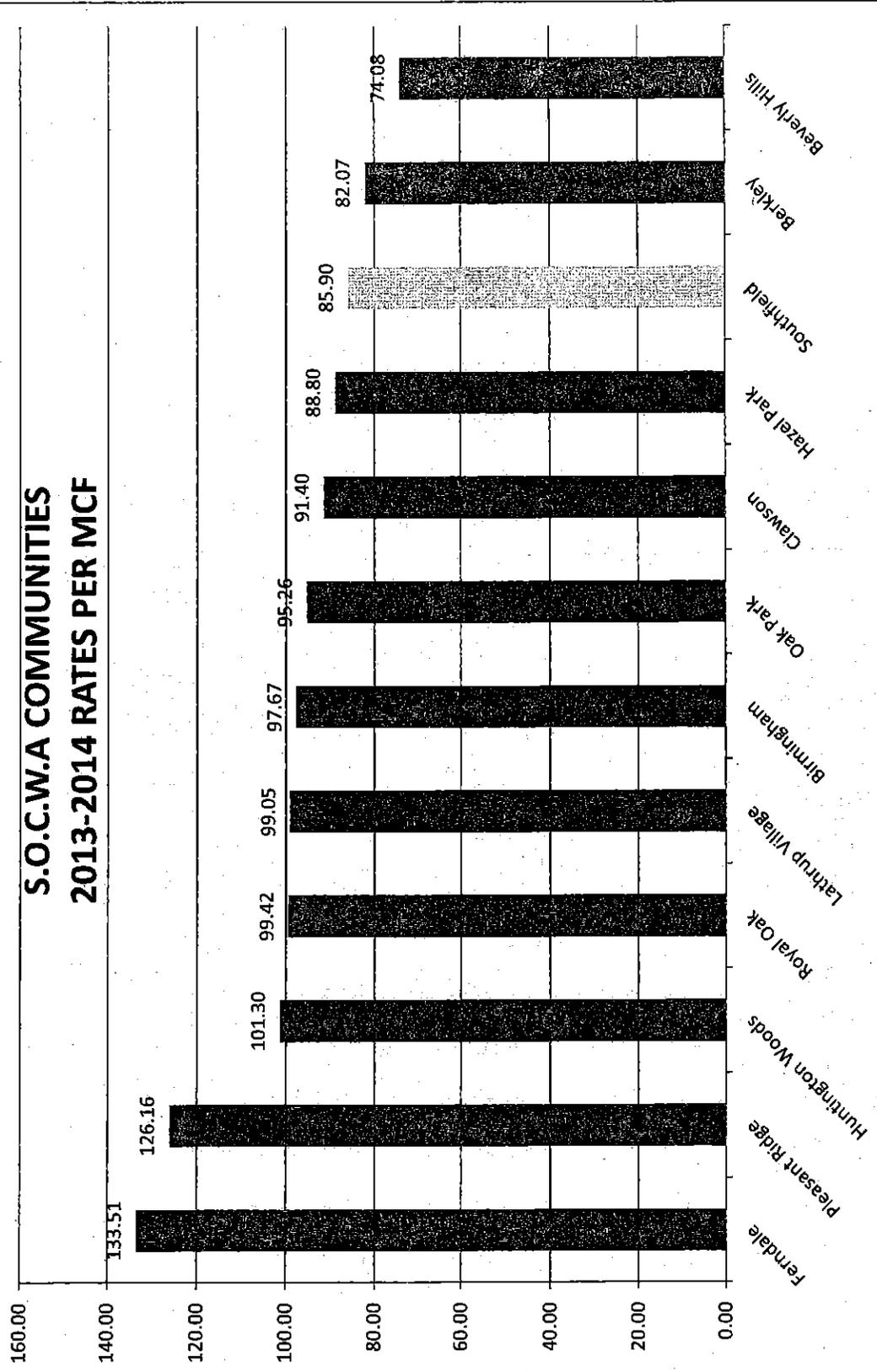
### **Water Main Lining and Replacement**

Re-lining of water mains is a cost effective maintenance method when total reconstruction is either not economically feasible or not appropriate to address the problem at hand. Places of concentration in addition to city-wide include Evergreen from 8 to 9 Mile and Evergreen from 10 Mile to 696. Replacement is needed in sections 13, 26, and 34.

### **Water System Rehabilitation**

The rehabilitation of water mains throughout the city is required as the system ages to alleviate main breaks and disruption of water service to residents and businesses.

**S.O.C.W.A COMMUNITIES  
2013-2014 RATES PER MCF**



**MAYOR'S BUDGET MESSAGE**

1993

MAYOR'S OFFICE

May 5, 2014

Honorable City Council  
Municipal Building  
Southfield, Michigan

**Re: Presentation of the Fiscal Year 2014-2015 Budget to Council**

Dear Sirs and Mesdames:

Transmitted herewith is the Acting City Administrator's recommended 2014-15 fiscal year budget, pursuant to Chapter VIII, Subsection 8.2 of the Charter of the City of Southfield.

I have reviewed the recommended budget plan and I am satisfied that the budget is sufficient to maintain our quality service levels for the fiscal year beginning July 1, 2014. In keeping with our strategic plan, the 2014-15 fiscal year General Fund budget has been balanced with no use of fund balance reserves for operations. This must remain a primary objective in our financial planning. We cannot afford to rely on our fund reserves for operating costs while we are faced with ever increasing needs for roads, facility, and other infrastructure improvements. It is also imperative that we continue to seek new ways to cut costs and increase revenues all while maintaining a constant focus on taxpayers' concerns.

Growing our tax base and repopulating Southfield must be a priority for us as policy makers while also maintain the City's high level of quality services. It is essential that we address our capital project needs in order to maintain our infrastructure – ensuring Southfield's future economic vitality and ability to attract new residents and business. We must continue to provide the community with exceptional public safety, quality roads and an increased focus on beautification and curb appeal. The budget transmittal will focus on a strategy to achieve these primary objectives.

## **Maintaining Southfield's Public Safety, Infrastructure and Curb Appeal**

It is essential that we continue to maintain Southfield's high public safety and appearance standards as well as the City's overall infrastructure, including our roads, bridges and facilities.

- **Public Safety: Keeping Southfield Safe & Secure:** This budget is in sync with my strong conviction that public safety remains our top priority at \$40,516,533 or 60.6% of the total General Fund in the FY 2014-15 recommended budget.
- **Code Enforcement and Community Appearance Efforts:** As part of my strong focus on maintain Southfield's curb appeal, this budget will continue our comprehensive approach to Code enforcement and community appearance with an even greater emphasis on citizen participation. We will continue to maintain our high community appearance standards by clearly communicating city codes, ordinances and expectations to residents and businesses alike. The City recently revised Resident Handbook is one example of this outreach, in addition to actively working with neighborhood associations to ensure that Southfield remains clean and attractive – key components to our desirability to new residents and businesses.
- **Roads, Water, and Facilities:** In reviewing each year's proposed budget, I am energized to see funding allocated for infrastructure investment. In this budget, over \$29.6 million is earmarked for thirty-four infrastructure improvements projects in the FY2014-15.
- **Tree Fund, Water and Sewer Hook Up Assistance Program, CHORE Program, SHIP, Habitat for Humanity and Rebuilding Together-Oakland County, Human Services, the Neighborhood Stabilization Program, and the Southfield Career Center:** These are all existing programs or working relationships that help maintain or improve the City's Housing stock, keep

residents in their homes, and foster a sense of community. Effective July 1, 2014, Southfield Income-Eligible Residents will be able to receive assistance from the Oakland County HOME Consortium. Despite the economic pressure of the day, the proposed budget provides either direct funding or indirect support to all of these neighborhood activities.

#### **Growing the Tax Base**

As we all know, Proposal A severely limits the growth potential from existing properties by limiting the annual taxable value appreciation on existing real property to the lesser of 5% or the rate of inflation. However, there is no limitation when it comes to new construction. Simply stated, that is why we must emphasize new development in the City of Southfield. In that regard, I would like to encourage a full public dialogue focusing on what type of new development we should seek and how to most effectively attract the desired new development. Secondly, I would like to urge a more aggressive and comprehensive approach to repopulating the City.

#### **Maintaining a High Level of Quality City Services in Tough Times**

Since fiscal year 2004-05, we have reduced staffing levels by over 200 FTE's or approximately 25% of the total City complement. This has been accomplished by a combination of attrition, wage and benefit concessions, job training, and technological improvements allowing staff to work more efficiently. We must also recognize City staff for their extraordinary dedication that has helped make these adjustments possible without reducing essential on-the-street services to the public.

However, there are limits to the organization's ability to sustain even more staff cuts and concessions using this same methodology indefinitely. Therefore, I continue to urge, as I have in the past, the development of a more strategic organizational approach for the long haul. If outside assistance were to be required in this regard, I would support such an engagement. We must develop a more sustainable long-term organizational structure for the future of Southfield that is in line with our current revenues. With the stabilization of the City's tax base it is time for Southfield to

begin a comprehensive review: of all tasks and functions performed by all departments of the City; review the manpower required to complete said tasks and functions and the development of department organization charts. Therefore as we complete the budget process the Administration will begin the task of developing multi-year budget forecast for the following areas: general fund; parks and recreation; library; major streets; local streets; water and sewer; cable motor pool, and facilities maintenance fund.

I look forward to working with City Council in reviewing the proposed 2014-15 budget and in participating in a dialogue focusing on longer-range planning for the continued progress of this great City.

Respectfully submitted,



Brenda L. Lawrence, Mayor  
City of Southfield

**CITY ADMINISTRATOR'S BUDGET MESSAGE**

ADMINISTRATION

April 1, 2014

Honorable Mayor Brenda L. Lawrence  
Municipal Building  
Southfield, Michigan

**Re: Recommended Budget for 2014 -15 Fiscal Year**

Dear Mayor Lawrence:

Presented herewith, pursuant to Section 8.2 of the Southfield City Charter, is the City Administrator's recommended municipal budget for the fiscal year beginning July 1, 2014.

This proposed budget for 2014-15 is built on a tax base of \$2,257,200,994. The total anticipated General Fund Revenue will be \$66,786,272. The anticipated tax base will generate a total of \$40,516,553 (60.6%) for the City's General Fund [for the General Fund \$14,918,744 (from the General operating levy 6.6094 mills at \$2,257,200,994; \$15,553,469 from the Police & Fire levy (6.8906 mills at \$257,200,994) and \$10,044,340 (from the Police and Fire Pension Levy 4.45 mills at \$257,200,994)]. Revenue Sharing from the State of Michigan will generate \$6,520,577(9.76%) for the City's General Fund (of which \$5,569,607 is Constitutional Revenue Sharing and \$950,970 is Statutory Revenue Sharing). Other Revenues totaling \$19,749,142 provide the remaining 29.57% of the City's General Fund Budget.

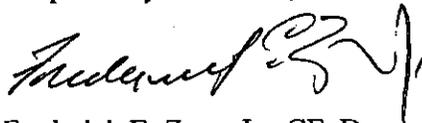
General Fund Expenditures are budgeted at \$66,786,272 with Public Safety (Police, Fire, and Building) totaling \$38,807,892 or 58.11% of the City's General Fund Budget.

The proposed 2014-15 budget for all funds anticipates revenues of \$166,461,123 and expenditures for all funds of \$166,461,123.

It appears that the City tax base is nearing a stabilization point. With the stabilization of the City's tax base it is time for Southfield to begin a comprehensive review: of all tasks and functions performed by all departments of the City; review the manpower required to complete said task and functions and the development of department organization charts. Therefore as we complete the budget process the Administration will begin the task of developing multi-year budget forecast for the following areas: general fund; parks and recreation; library; major streets; local streets; water and sewer; cable motor pool, and facilities maintenance fund.

The governing body of this city has consistently stood on principle, rather than choosing the lesser path of expediency in the conduct of Southfield's fiscal affairs. Throughout these unprecedented tough times, the Mayor and City Council have confronted the realities, resisted the tendency to go along and get along, and insisted on funding capital projects even though it often required sacrifice at the operating level for departments. This long-range, multi-year approach will enable the City to develop a more sustainable budgeting process which address the staffing, facility and equipment, and long term capital needs of the City..

Respectfully submitted,



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

**BUDGET AND MILLAGE SUMMARY**

# 2014-2015 Recommended Budget

## City of Southfield

	<u>Recommended Revenues</u>		<u>Recommended 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 (minus SAFER grant)	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
			<u>66,786,272</u>
TOTAL GENERAL FUND	<u>66,786,272</u>	TOTAL GENERAL FUND	<u>66,786,272</u>
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	<u>158,981,699</u>	MUNICIPAL SUBTOTAL	<u>158,981,699</u>
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	<u>7,479,424</u>	TOTAL GRANT FUNDS	<u>7,479,424</u>
TOTAL ALL OPERATING FUNDS	166,461,123	TOTAL ALL OPERATING FUNDS	166,461,123
DEBT SERVICE	-	DEBT SERVICE	-
TOTAL REVENUES	<u>166,461,123</u>	TOTAL EXPENDITURES	<u>166,461,123</u>

\*Neighborhood Stabilization Program

(Current Year Budget Figures for Reference)

## 2013-2014 Budget City of Southfield

	<u>Approved Revenues</u>		<u>Approved Expenditures</u>
GENERAL FUND:		GENERAL FUND:	
General Operating Levy	14,105,722	Administration	499,922
Police & Fire Levy	14,705,857	Fiscal Services/OMB	188,492
Police & Fire Pension Levy	10,072,741	Accounting	447,416
Tax Administration Fees & Penalties	1,979,927	Purchasing	108,711
Sales Tax Returns - Constitutional	5,406,708	Technology Services	1,692,217
Sales Tax Returns - Statutory	880,383	Assessing	692,524
Liquor Licenses	47,500	Central Services	1,480,629
Sanitation Charges	3,170,523	Support Services	6,041,307
Building Revenues	1,200,000	Human Resources	728,419
Engineering Revenues	671,832	Clerk	887,439
District Court Revenues	4,675,000	Council	166,454
Reimbursements	2,493,831	Community Relations	522,399
Fees, Licenses & Permits	4,195,478	Court - 46th District	3,465,260
Investment Income	200,000	Human Services	231,138
Interfund Reimbursements	808,342	Law	968,988
Transfer from Committed Fund Balance:		Mayor's Office	198,750
Equalization Reserve	985,712	Public Safety	39,113,411
		Community Dev. Administration	1,196,917
		Building	1,587,354
		Planning	513,597
		Streets & Highways	95,311
		Transportation	454,771
		Engineering	586,504
		Sanitation	3,170,523
		Treasurer	561,103
TOTAL GENERAL FUND	<u>65,599,556</u>	TOTAL GENERAL FUND	<u>65,599,556</u>
FACILITIES MAINTENANCE FUND	4,875,987	FACILITIES MAINTENANCE FUND	4,875,987
MOTOR POOL FUND	3,935,755	MOTOR POOL FUND	3,935,755
CABLE TV FUND	1,108,949	CABLE TV FUND	1,108,949
PARKS & REC FUND	6,735,640	PARKS & REC FUND	6,735,640
LIBRARY FUND	7,354,461	LIBRARY FUND	7,354,461
MAJOR STREET FUND	8,306,016	MAJOR STREET FUND	8,306,016
LOCAL STREET FUND	5,212,249	LOCAL STREET FUND	5,212,249
WATER & SEWER FUND	48,016,644	WATER & SEWER FUND	48,016,644
DRUG LAW ENFORCEMENT FUND	415,487	DRUG LAW ENFORCEMENT FUND	415,487
DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000	DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000
(DUPLICATING TRANSFERS)	<u>(12,568,013)</u>	(DUPLICATING TRANSFERS)	<u>(12,568,013)</u>
MUNICIPAL SUBTOTAL	139,192,731	MUNICIPAL SUBTOTAL	139,192,731
COMM. DEVELOPMENT BLOCK GRANT	422,900	COMM. DEVELOPMENT BLOCK GRANT	422,900
N.S.P.*	1,389,500	N.S.P.*	1,389,500
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	304,220	AUTO THEFT GRANT	304,220
TOTAL GRANT FUNDS	<u>7,620,609</u>	TOTAL GRANT FUNDS	<u>7,620,609</u>
TOTAL ALL OPERATING FUNDS	146,813,340	TOTAL ALL OPERATING FUNDS	146,813,340
DEBT SERVICE	-	DEBT SERVICE	-
TOTAL REVENUES	146,813,340	TOTAL EXPENDITURES	146,813,340

\*Neighborhood Stabilization Program

**2014-2015 RECOMMENDED BUDGET**  
**PROPERTY TAX REVENUES AND RATES**

	<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	520,956	0.2441
Total Operating	53,565,179	23.7441
County Drains at Large	1,099,934	0.4873
Local Development Finance Authority (LDFA) I	454,670	**
Local Development Finance Authority III	297,797	**
DDA/Tax Increment Finance	-	**
Smart Zone	127,134	**
Brownfield Redevelopment Authority	236,212	**
Renaissance Zone (Tool and Die)	11,238	**
Grand Total	55,792,164	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)	463,776	
Total TV	2,303,712,970	

\*Mills per \$1,000 of TV

\*\*Total millage of 24.5011 applied to taxable value of LDFA and other special authorities.

## 2013-14 Tax Rate Compared To 2014-15

	<u>2013-14</u>	<u>2014-15</u>	<u>Increase / (Decrease) Compared To 2013-14</u>
<b>Operating:</b>			
General Operations	6.6094	- 6.6094 ✓	-
Public Safety	6.8906	- 6.8906 ✓	-
Police & Fire Pension	4.7197	4.4500	(0.2697)
Residential Street Maintenance	1.0000	- 1.0000 ✓	-
Parks & Recreation	1.7500	- 1.7500 ✓	-
Library	2.8000	- 2.8000 ✓	-
Public Acts 298/59	0.2441	- 0.2441 ✓	-
Total Operating	24.0138	23.7441	(0.2697)
<b>Debt Service:</b>			
County Drains At Large	0.4873	- 0.4873 ✓	-
Total Levy	24.5011	24.2314	(0.2697)

4.3471

# MILLAGE HISTORY

OPERATING	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04
General Operations	6.9566	6.9566	6.9566	6.9566	6.9566	6.9006	6.8284	6.6453	6.6094	6.6094	6.6094
Public Safety	2.9814	2.9814	2.9814	2.9814	2.9814	2.9574	2.9264	2.8479	2.8325	2.8325	2.8325
Police / Fire Pension	1.5900	1.7001	1.6991	1.8109	1.8223	1.7256	1.3820	1.3495	1.2910	1.3063	1.4583
Res. Street Maint.	.9938	.9938	.9938	.9938	.9938	.9858	.9754	.9492	.9440	.9440	.9440
R-O-W Appearance	.4663	.4604	.4644	.4761	.4761	.4548	.4551	.5083	.5348	.4401	.4913
Parks & Recreation	1.6870	1.7392	1.7392	1.7392	1.7392	1.7252	1.7072	1.6614	1.6524	1.6524	1.6524
Library	<u>.9453</u>	<u>.9498</u>	<u>.9498</u>	<u>.9938</u>	<u>.9938</u>	<u>.9858</u>	<u>1.3054</u>	<u>2.1048</u>	<u>2.0934</u>	<u>2.0934</u>	<u>2.0934</u>
Total Operating	15.6204	15.7813	15.7843	15.9518	15.9632	15.7352	15.5799	16.0664	15.9575	15.8781	16.0813
Debt Service	.6969	.6368	.6338	.5103	.4989	.4921	.4679	.3804	.3065	.2748	.2615
Drains-at-Large	-	-	-	-	-	-	-	-	-	-	-
TOTAL	16.3173	16.4181	16.4181	16.4621	16.4621	16.2273	16.0478	16.4468	16.2640	16.1529	16.3428
OPERATING	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12*	12-13	13-14	14-15
General Operations	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094
Public Safety	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325
Police / Fire Pension	1.6017	1.7096	1.6772	1.7672	1.6889	1.7000	1.8788	3.0004	3.9424	4.7197	4.4500
Res. Street Maint.	.9440	.9440	.9440	.9440	.9440	.9440	.9440	1.0000	1.0000	1.0000	1.0000
R-O-W Appearance	.4227	.4227	.3361	.2539	.3322	.3370	.1582	.2207	.2421	.2441	.2441
Parks & Recreation	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524	1.7500	1.7500	1.7500	1.7500
Library	<u>2.0934</u>	<u>2.8000</u>	<u>2.8000</u>	<u>2.8000</u>	<u>2.8000</u>						
Total Operating	16.1561	16.2640	16.1450	16.1528	16.1528	16.1687	16.1687	22.2711	23.2345	24.0138	23.7441
Debt Service	.0277	-	-	-	-	-	-	-	-	-	-
Drains-at-Large	<u>.1590</u>	<u>.0788</u>	<u>.1978</u>	<u>.1900</u>	<u>.1900</u>	<u>.1741</u>	<u>.1741</u>	<u>.3591</u>	<u>.4873</u>	<u>.4873</u>	<u>.4873</u>
TOTAL	16.3428	16.3428	16.3428	16.3428	16.3428	16.3428	16.3428	22.6302	23.7218	24.5011	24.2314

\*Millage Election 5/3/11 approving 4.9183 additional mills

**A. PROPERTY TAX REVENUES - SERVICES PROVIDED**

**TAX REVENUE FACTORS**

14-15 TAX BASE FOR CITY OPERATIONS	\$2,257,200,994
13-14 TAX BASE FOR CITY OPERATIONS	\$2,134,191,023
A difference of:	123,009,971 or 5.8%

**CHANGE IN TAX REVENUES FOR  
CITY OPERATIONS**

	13-14	14-15	\$ / % Difference
<b>GENERAL FUND:</b>			
General Operating Millage	\$14,105,722	\$14,918,744	813,022 / 5.8%
Police & Fire Millage	14,705,857	15,553,469	847,612 / 5.8%
Police & Fire Pension Millage	10,072,741	10,044,340	(28,401) / (0.3%)
ROADSIDE APPEARANCE PROGRAM (PA298) + PA59*	520,956	520,956	- / -
RESIDENTIAL STREETS	2,134,191	2,257,201	123,010 / 5.8%
PARKS & RECREATION	3,734,834	3,950,102	215,268 / 5.8%
LIBRARY	5,975,735	6,320,163	344,428 / 5.8%

\*PA 59 was first levied in 2012-13. It allows for up to \$50,000 annually for business attraction programs.

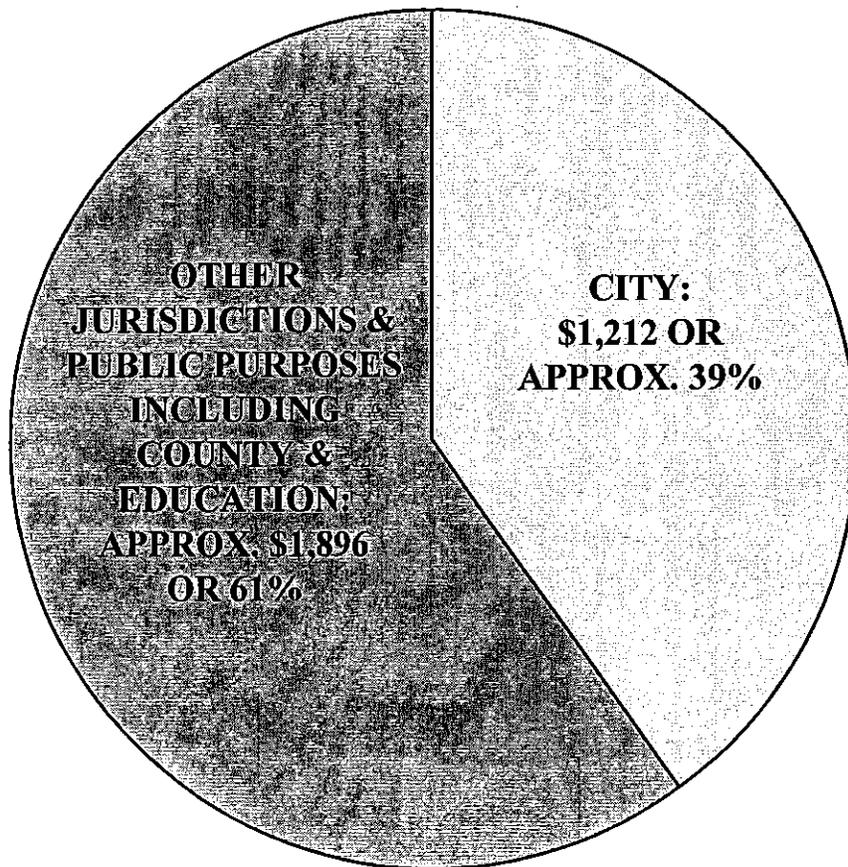
\*\*The millage revenues for the Roadside Appearance program decreased due to the decline in the tax base. However, the function is being aided by part-time summer employees in the Code Enforcement and Public Works activities, and there will no detriment to the appearance of our roadsides.

**2014-2015  
SERVICES PROVIDED  
FOR CITY PROPERTY TAX DOLLARS**

<u>MAJOR SERVICES</u>	<u>CITY TAXES/YEAR*</u>
POLICE, FIRE, & EMS	860
PARKS & RECREATION	88
ROADS, APPEARANCE, DRAINS & OTHER	124
LIBRARY	<u>140</u>
<b>TOTAL CITY PROPERTY TAX</b>	<b>\$ 1,212</b>

\* For ease of calculation, figures are based on a Southfield home with a market value of \$100,000 and a taxable value of \$50,000.

**PROPERTY TAX DOLLAR DISTRIBUTION  
(\$100,000 HOME, TAXABLE VALUE OF \$50,000)**



**B. OVERVIEW - REVENUES AND EXPENDITURES**

## **KEY ASSUMPTIONS**

- STATE SHARED REVENUES PER STATE PROJECTIONS
- TREASURER'S PROJECTION FOR INVESTMENT INCOME
- NO USE OF FUND BALANCE FOR OPERATIONS IN GENERAL FUND
- 0% ACROSS-THE-BOARD WAGE ADJUSTMENT
- CRITICAL VACANCIES FUNDED AND TO BE FILLED
- CONTINUOUS MONITORING OF ECONOMIC CONDITIONS
- MULTI-YEAR FINANCIAL PLANNING FOCUS

PERSONNEL SUMMARY  
2003-04 THROUGH 2014-15

*Does this  
number  
include  
non-careers?*

Beginning Personnel Count (FTE's*)	851.78
2013-14 Personnel Count	<u>596.76</u>
<b>Total Personnel Count Reduction</b>	<b>255.02 FTE'S</b> <b>or 30% reduction</b>

\*Full-time equivalent

BUDGET COMPARISONS  
GENERAL FUND REVENUES

	13-14 ADOPTED <u>BUDGET</u>	14-15 RECOMM. <u>BUDGET</u>	% <u>CHANGE</u>
General Operating Levy	14,105,722	14,918,744	5.8 <sup>1</sup>
Police & Fire Levy	14,705,857	15,553,469	5.8 <sup>2</sup>
Police & Fire Pension Levy	10,072,741	10,044,340	(0.3)
Tax Administration Fees & Penalties	1,979,927	1,987,372	3.8
Sales Tax Returns - Constitutional	5,406,708	5,569,607	3.0
Sales Tax Returns - Statutory	880,383	950,970	8.0 <sup>3</sup>
Liquor Licenses	47,500	47,500	-
Sanitation Charges	3,170,523	3,859,139	21.7 <sup>4</sup>
Building Department Revenues	1,200,000	1,200,000	-
Engineering Revenues	671,832	711,118	5.8 <sup>5</sup>
District Court Revenues	4,675,000	4,616,672	(1.2)
Reimbursements	2,493,831	1,592,197	(36.2) <sup>6</sup>
Fees, Licenses, and Permits	4,195,478	4,272,126	1.8
Investment Income	200,000	200,000	-
Interfund Reimbursements	<u>808,342</u>	<u>805,569</u>	<u>(0.3)</u>
Total Revenues Exclusive of Fund Balance	64,613,844	66,328,823	2.7
Transfer From Committed Fund Balance:			
Equalization Reserve	<u>985,712</u>	<u>457,449</u>	<u>(53.6) <sup>7</sup></u>
<b>Total From General Fund</b>	<b><u>65,599,556</u></b>	<b><u>66,786,272</u></b>	<b><u>1.8</u></b>

## GENERAL FUND REVENUES FOOTNOTES

- 1 & 2) Reflects increase of 5.8% in taxable values. Note: 2013-14 taxable values were too conservative. 2014-15 budgeted taxable value is 96% of estimated taxable value as provided from City Assessor.
- 3) Projections per the state
- 4) Primarily reflects an increase in rates.
- 5) This represents an increase in combined sales of bid documents, utility permits, and map sales.
- 6) Reflects a decrease in grant reimbursement, e.g. SAFER grant.
- 7) The increase in operating revenues is offsetting our draw for equalization reserve.

BUDGET COMPARISONS  
GENERAL FUND EXPENDITURES

	<u>13-14</u> <u>ADOPTED</u> <u>BUDGET</u>	<u>14-15</u> <u>RECOMM.</u> <u>BUDGET</u>	<u>%</u>
Administration	499,922	513,838	2.8
Fiscal Services / OMB	188,492	249,204	3.2
Accounting	447,416	521,361	16.5 <sup>1</sup>
Purchasing	108,711	113,551	4.5
Technology Services	1,692,217	1,852,616	8.9 <sup>2</sup>
Assessing	692,524	721,373	4.2
Central Services	1,480,629	1,491,442	0.7
Support Services	6,041,307	6,165,719	2.1
Human Resources	728,419	801,429	10.0 <sup>3</sup>
Clerk	887,439	896,214	9.9 <sup>4</sup>
Council	166,454	166,454	-
Community Relations	522,399	357,894	(31.5) <sup>5</sup>
46th District Court	3,465,260	3,473,819	0.2
Human Services	231,138	299,466	29.6 <sup>6</sup>
Law	968,988	895,055	(7.6) <sup>7</sup>
Mayor	198,750	201,934	1.6
Emergency Management	28,464	26,286	(7.7) <sup>8</sup>
Police	24,125,680	23,757,809	(1.5)
Fire	14,959,267	15,023,797	0.4
Community Development Administration	1,196,917	1,123,914	(6.1) <sup>9</sup>
Building	1,587,354	1,743,613	9.8 <sup>10</sup>
Planning	513,597	530,739	3.3
Streets and Highways	95,311	88,097	(7.6) <sup>11</sup>
Transportation	454,771	454,771	-
Engineering	586,504	711,118	21.2 <sup>12</sup>
Sanitation	3,170,523	3,859,139	21.7 <sup>13</sup>
Treasurer	561,103	745,620	32.9 <sup>14</sup>
<b>Total General Fund</b>	<u><u>65,599,556</u></u>	<u><u>66,786,272</u></u>	<u><u>1.8</u></u>

## GENERAL FUND EXPENDITURES FOOTNOTES

- 1, 2, 4, 10, 14) Increases are due to the funding of critical vacancies.
- 3) Human Resources Director position filled and non-career positions reflected.
- 5, 7, 8, 9, 11) Reductions are due to attrition within the given departments.
- 6) Technical adjustment – moved Counseling Coordinator position from Support Services to reflect actual cost of department.
- 12) Increase in contractual/professional services.
- 13) Adjustment to fee structure.

**BUDGET COMPARISONS**  
**ALL FUNDS**

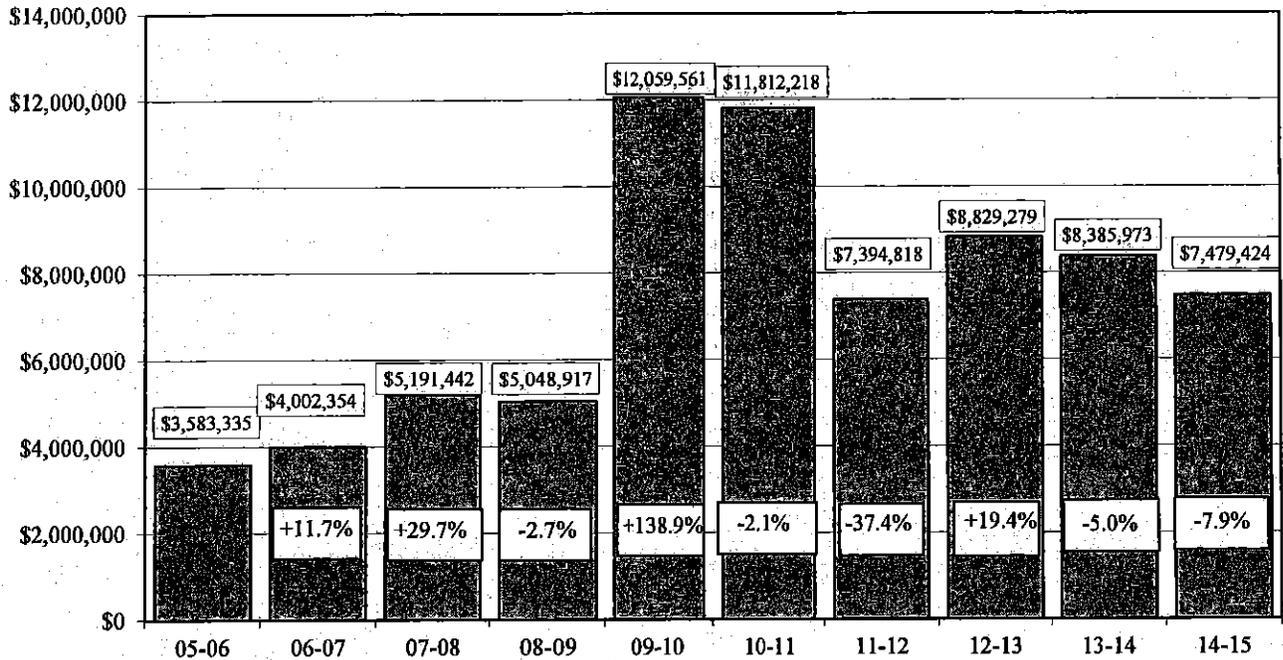
<b><u>FUND</u></b>	<b>13-14 ADOPTED <u>BUDGET</u></b>	<b>14-15 RECOMM. <u>BUDGET</u></b>	<b>% <u>CHANGE</u></b>
General Fund	\$65,599,556	\$66,786,272	1.8
Facilities Maintenance Fund	4,875,987	5,882,950	20.7 <sup>1</sup>
Motor Pool Fund	3,935,755	3,934,875	-
Cable TV Fund	1,108,949	1,394,528	25.8 <sup>2</sup>
Parks and Recreation Fund	6,735,640	7,335,395	8.9 <sup>3</sup>
Library Fund	7,354,461	7,673,931	4.3
Major Street Fund	8,306,016	10,342,300	24.5 <sup>4</sup>
Local Street Fund	5,212,249	4,284,540	(17.8) <sup>5</sup>
Water and Sewer Fund	48,016,644	63,414,059	32.1 <sup>6</sup>
Drug Law Enforcement Fund	415,487	420,685	1.3
Donations, Mem. Trusts and Sponsorships	200,000	200,000	-
(Less Duplicating Transfers)	<u>(12,568,013)</u>	<u>(12,687,836)</u>	1.0
Municipal Subtotal	139,192,731	158,981,699	
Community Development Block Grant	332,169	415,485	25.1 <sup>7</sup>
Neighborhood Stabilization Program	1,389,500	1,250,000	(10.0) <sup>8</sup>
Section 8 Housing Grants	2,203,989	2,203,989	-
Michigan Works Grants	3,300,000	3,300,000	-
Auto Theft Grant	304,220	309,950	1.9
<b>Total Budget</b>	<b><u><u>\$146,722,609</u></u></b>	<b><u><u>\$166,461,123</u></u></b>	<b><u><u>13.5</u></u></b>

## ALL FUNDS FOOTNOTES

- 1) Facilities Maintenance is increasing the amount capital projects.
- 2) CATV is contributing to the cost of the electronic informational signs in front of Beech Woods and Civic Center Arena. Also, there are critical vacancies funded that need to be filled.
- 3) Parks & Recreation's increase in operating levy and is contributing money to Facilities Maintenance for P & R projects.
- 4) Major Street fund is increasing the number of capital projects.
- 5) Local Street fund decrease is due to attrition.
- 6) Water & Sewer fund is increasing the number of capital projects.
- 7) CDBG budget in 2013-14 was adopted with a conservative estimate. The 2014-15 budget is the actual entitlement grant from HUD.
- 8) Neighborhood Stabilization Program 1 and 3 are nearing completion and will recognize program income and incur program expenses on the remaining homes to be sold.

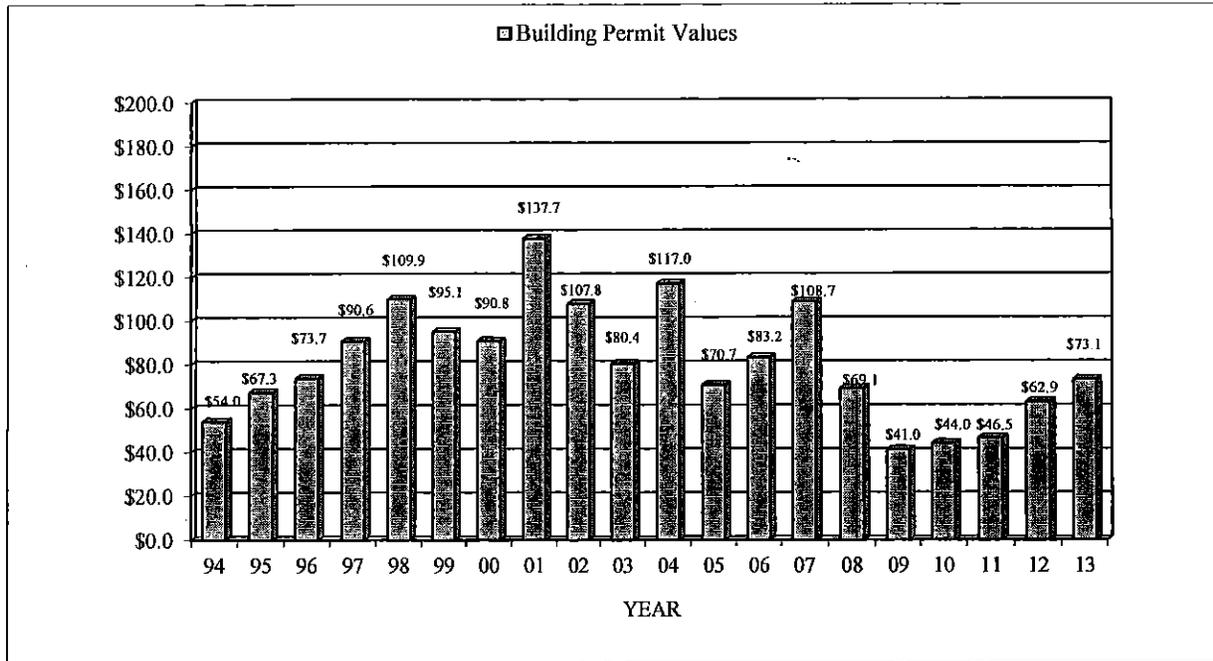
# 10 YEAR COMPARISON

## MAJOR GRANT REVENUES



New Neighborhood Stabilization Program (NSP) dollars and substantial increase in employment grants reflected in 2009-10 and 2010-11. 2012-13 and 2013-14 figures include the Staffing for Adequate Fire and Emergency Response (SAFER) grant.

## GROWTH AND PROPERTY VALUATION TRENDS\*



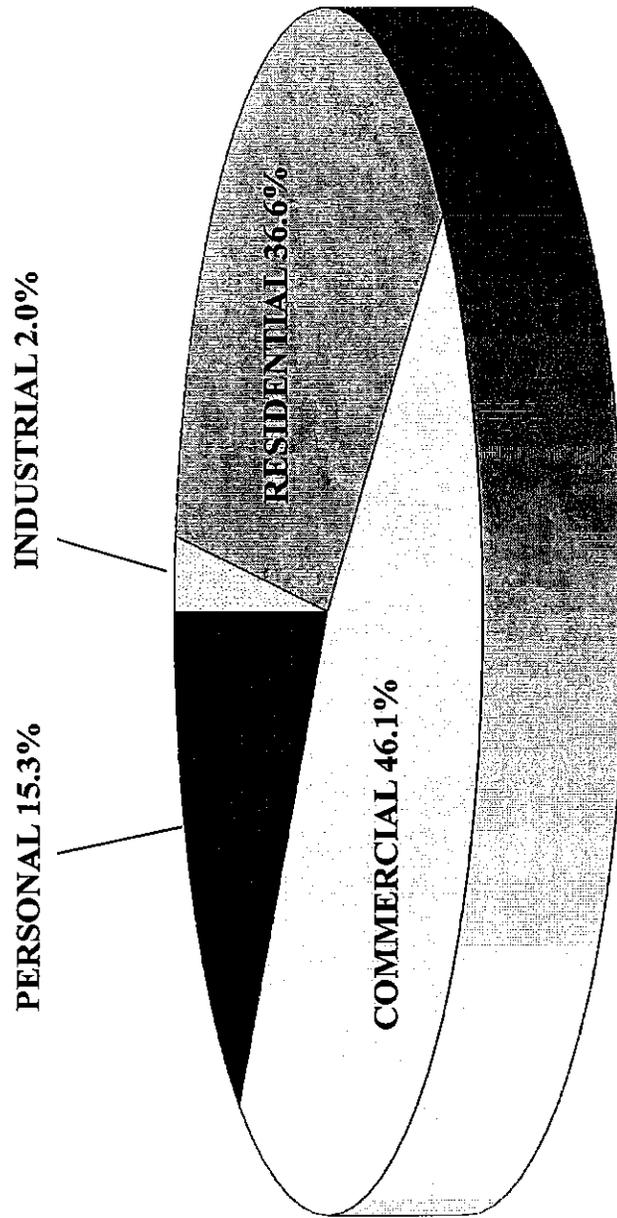
## TAXABLE VALUE (TV)

<u>YEAR</u>	<u>RESIDENTIAL</u>	<u>ALL OTHER</u>	<u>TOTAL TV MILLIONS</u>	<u>% GROWTH</u>
1994-95	37.3	62.7	2,295	(0.6)
1995-96	37.5	62.5	2,339	1.9 Proposal A takes effect
1996-97	37.7	62.3	2,425	3.7
1997-98	37.9	62.1	2,514	3.7
1998-99	36.7	63.3	2,708	7.7
1999-00	37.2	62.8	2,826	4.4
2000-01	37.7	62.3	2,930	3.7
2001-02	38.5	61.5	3,079	5.1
2002-03	39.3	60.7	3,231	4.9
2003-04	41.0	59.0	3,268	1.1
2004-05	41.9	58.1	3,387	3.6
2005-06	43.0	57.0	3,482	2.8
2006-07	43.8	56.2	3,605	3.5
2007-08	44.6	55.4	3,726	3.4
2008-09	44.6	55.4	3,753	0.7
2009-10	42.6	57.4	3,656	(2.6)
2010-11	37.6	62.4	3,105	(15.1)
2011-12	35.3	64.7	2,695	(13.2)
2012-13	35.1	64.9	2,399	(11.0)
2013-14	35.7	64.3	2,195	(8.5)
2014-15	36.6	63.4	2,303	4.9** estimate

\*Recorded per fiscal year

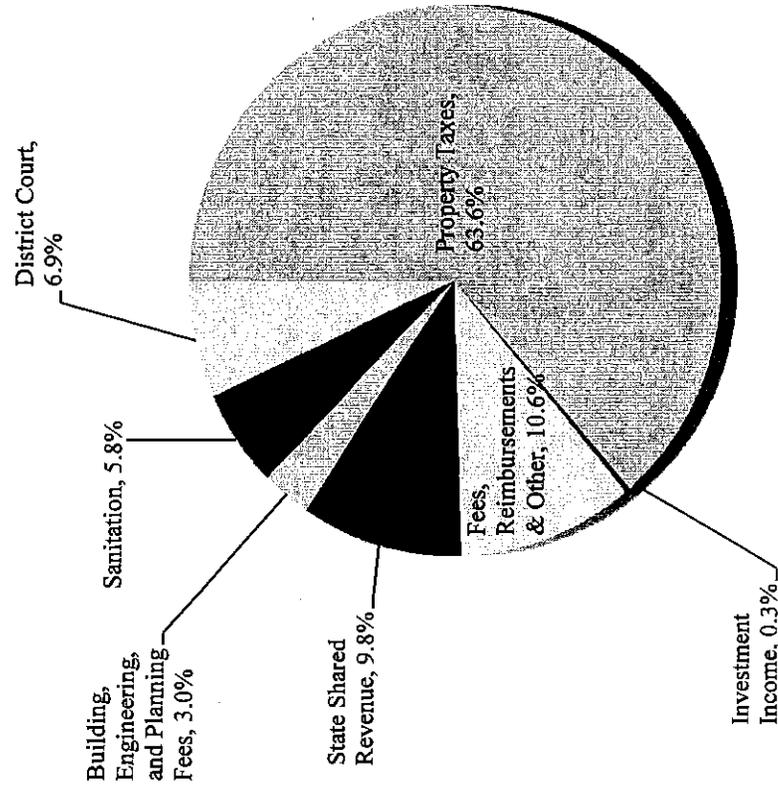
\*\*Projections, including an allowance for appeals

# **COMPOSITION OF TAXABLE VALUE**

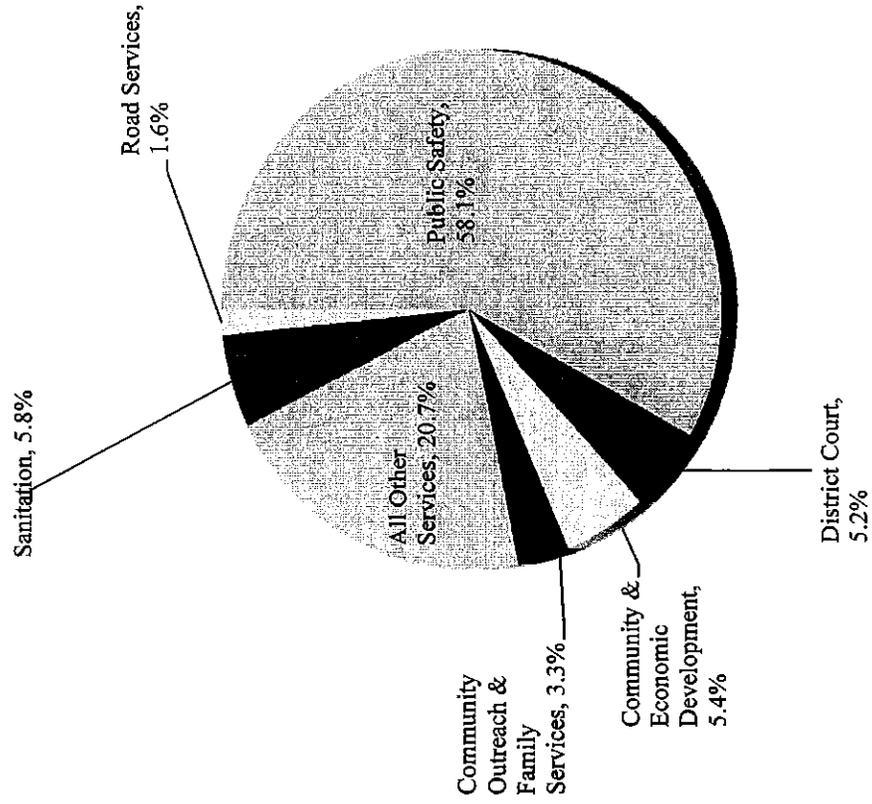


# GENERAL FUND

## REVENUES

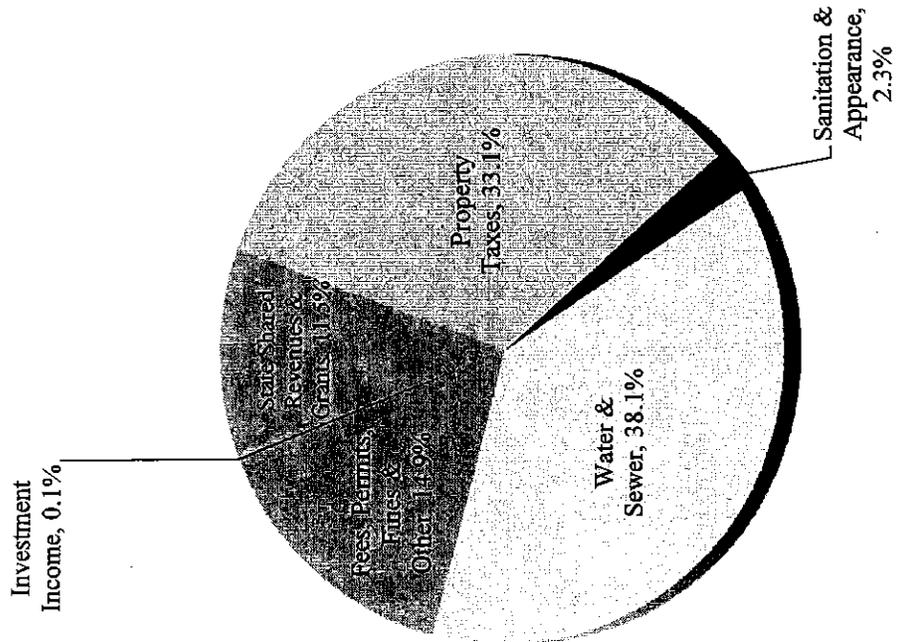


## EXPENDITURES

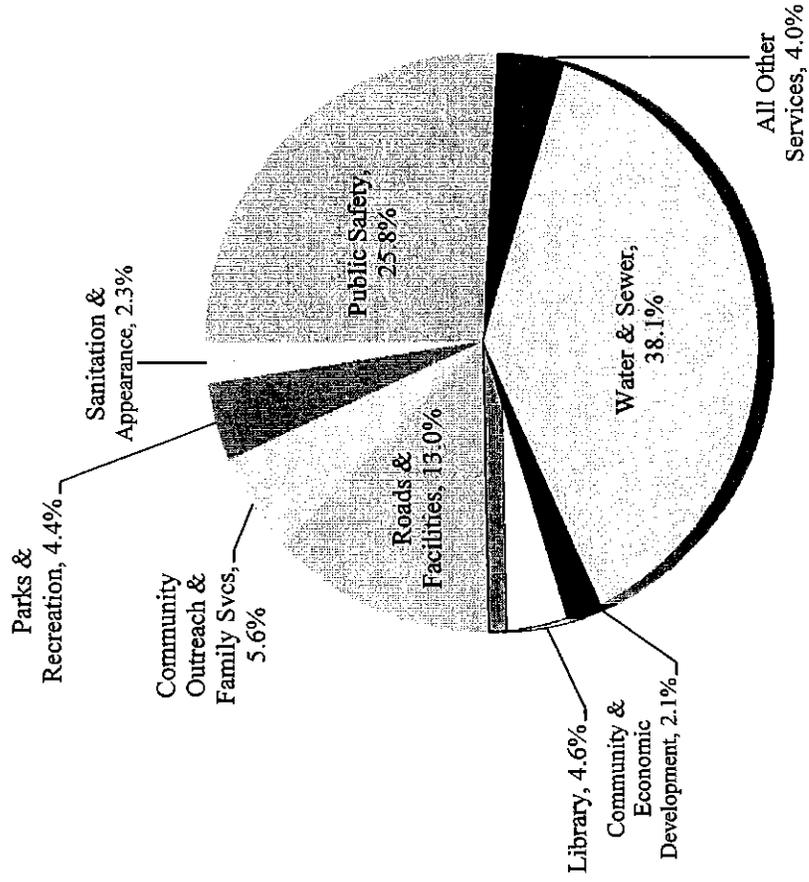


# ALL FUNDS

## REVENUES



## EXPENDITURES



**C. BUDGET SCHEDULE**

**PROCESS**

**6/5 COUNCIL BUDGET STUDY SESSION**

**6/6-6/15 RE-REVIEW OF ALL BUDGET DETAIL AND  
DEVELOPMENT OF BUDGET VIDEO**

**6/16 BUDGET ADOPTION (SPECIAL MEETING)**

**7/01 NEW FISCAL YEAR BEGINS**

