

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 20, 2016 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

CONSENT AGENDA ITEMS FOR DISCUSSION

PUBLIC HEARINGS

A. 2016-2017 City of Southfield Budget Adoption

SITE PLANS

COMMUNICATIONS

COUNCIL

MAYOR

ADMINISTRATION

ATTORNEY

CLERK, TREASURER, PLANNER, ASSESSOR, ENGINEER

SCHEDULE

ORDINANCES

June 20, 2016

Honorable Mayor and Council
Municipal Building
Southfield, Michigan

Re: 2016-17 City of Southfield Budget Adoption

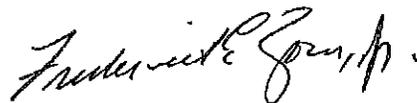
Dear Sirs and Mesdames:

Background: At a special meeting of City Council scheduled for June 20, 2016 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, a summary of the budget will be presented at the special meeting. The presentation 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 May 13, 2016 and May 16, 2016 Committee-of-the-Whole meetings.

Fiscal Impact: The final proposed total General Fund budget, at \$67,872,121 remains unchanged since May 16, 2016. This reflects an increase of \$473,370 or 0.70% 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 2016-17 is \$183,661,307 reflects an increase of \$183,661,307 or 3.92% primarily for the purpose of funding facility and infrastructure projects. The proposed budget includes 32 capital projects totaling \$49,618,000.

Recommendation: The City Council approves the 2016-17 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,



Frederick E. Zorn, Jr., CEcD
City Administrator

2016-2017 BUDGET ADOPTION RESOLUTION

WHEREAS: City Council has reviewed the recommended 2016-2017 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 2016-2017 budget be adopted, as provided in the budget resolution, totaling \$183,661,307.

2016 - 2017 Budget Resolution

Moved By: Councilperson Lloyd Crews
Supported By: Councilperson Daniel Brightwell

June 20, 2016

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, 2016 and ending June 30, 2017:

GENERAL FUND:

Administration.....	\$ 537,676
City Clerk	1,024,817
City Council.....	188,659
Community Relations.....	742,973
Court - State 46th District.....	3,636,550
Administrative Services Group	11,649,486
Law	828,470
Mayor's Office.....	200,507
Public Safety Group.....	40,197,679
Community Development Administration	1,615,153
Building	1,890,701
Planning	566,030
Streets & Highways.....	84,669
Transportation.....	455,271
Engineering	720,618
Sanitation	2,793,502
Treasurer's Office	739,360
TOTAL GENERAL FUND.....	67,872,121
FACILITIES MAINTENANCE FUND	4,753,326
MOTOR POOL FUND	4,218,533
CABLE TELEVISION FUND.....	1,098,881
PARKS AND RECREATION FUND	6,838,516
LIBRARY FUND	7,279,920
D.P.S. HIGHWAY FUNDS:	
Major Street Fund.....	12,891,205
Local Street Fund.....	20,385,168
WATER AND SEWER FUND.....	65,043,092
DRUG LAW ENFORCEMENT FUND	25,000
DONATIONS, MEMORIAL TRUSTS & SPONSORSHIPS	200,000
SECTION 8 HOUSING GRANTS FUND	2,201,546
COMMUNITY DEVELOPMENT BLOCK GRANT FUND	451,118
MICHIGAN WORKS GRANTS FUND	2,300,000
AUTO THEFT GRANT.....	301,770

AND BE IT FURTHER RESOLVED: That the revenues for the 2016-17 fiscal year are estimated as follows:

GENERAL FUND:

General Operating Tax Levy - 6.6094 mills.....	\$15,545,131
Police & Fire Levy – 6.8906 mills.....	16,206,505
Police & Fire Pension Levy – 4.3714 mills.....	10,281,415
Tax Administration Fees, Interest & Penalties.....	2,137,459
State Shared Revenues.....	6,688,756
Engineering and Building Department Revenues.....	2,362,248
Court Revenues.....	4,136,472
Reimbursements.....	2,077,489
Sanitation Fees.....	2,793,502
Other Fees, Permits, Licenses, and Charges.....	4,442,826
Investment Income.....	400,000
Interfund Reimbursements.....	800,318
TOTAL GENERAL FUND.....	67,872,121

FACILITIES MAINTENANCE FUND..... 4,753,326

MOTOR POOL FUND..... 4,218,533

CABLE TELEVISION FUND..... 1,098,881

PARKS AND RECREATION FUND:

Parks & Recreation Tax Levy - 1.7500 mills.....	4,115,953
Investment Income.....	25,313
Program & Other Revenues (arena, pool, & other sources).....	<u>2,697,250</u>
TOTAL PARKS AND RECREATION FUND.....	6,838,516

LIBRARY FUND:

Library Tax Levy -2.8000 mills.....	6,585,525
Investment Income.....	80,962
Fines, Fees, State Aid, Contributions and Other Sources.....	495,620
Contractual Income.....	<u>117,813</u>
TOTAL LIBRARY FUND.....	7,279,920

D.P.S. HIGHWAY FUNDS:

Gas & Weight Tax Returns.....	4,915,192
Residential Street Maintenance Levy – 1.0000 mills.....	2,351,973
Public Act 298 - .2207 mills.....	519,080
Interest Income.....	12,656
Dust Control, Department Sales, & Other Income.....	23,843,697
Interfund Transfer.....	<u>1,633,775</u>
TOTAL HIGHWAY FUNDS.....	33,276,373

D.P.S. WATER AND SEWER FUND:

Water Sales	12,860,756
Sewer Charges - Evergreen & SEOC	21,000,682
Interest Income	42,188
Service & Meter Installations	48,750
Penalties, Debt Service, Interest & Other Revenue	<u>31,090,716</u>
 TOTAL WATER & SEWER FUNDS	 65,043,092
 DRUG LAW ENFORCEMENT FUND	 25,000
 DONATIONS, MEM. TRUSTS & SPONSORSHIPS	 200,000
 SECTION 8 HOUSING GRANTS FUND	 2,201,546
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND	 451,118
 MICHIGAN WORKS GRANTS FUND	 2,300,000
 AUTO THEFT GRANT.....	 301,770

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, 2016 and ending June 30, 2017 shall be \$161.47 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 \$161.47 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, 2016, shall be computed on \$100.63 per Mcf of consumption; such combined rate being comprised of \$28.04 per Mcf for water service, \$46.14 per Mcf for sewer service; and \$26.45 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 2016-17 Southfield Downtown Development Authority budget, in the amount of \$350,764 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 City Administrator is hereby authorized to continue the nominal retirement recognition program for retiring City employees with individual recognition values not to exceed \$150 for up to 20 years of service and \$250 for 20 or more years of service.

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

2016-2017 BUDGET
PROPERTY TAX REVENUES AND RATES

<u>OPERATING</u>	<u>Revenue</u>	<u>Rate*</u>
General Operations	15,545,131	6.6094
Police & Fire	16,206,505	6.8906
Police & Fire Pension	10,281,415	4.3714
Residential Street Maintenance	2,351,973	1.0000
Parks & Recreation	4,115,953	1.7500
Library	6,585,525	2.8000
Public Act 298	519,080	0.2207
Public Act 59	<u>49,854</u>	<u>0.0212</u>
TOTAL OPERATING	55,655,436	23.6633
County Drains at Large	345,034	0.1467
UTGO Road Bond	6,068,090	2.5800
Local Development Finance Authority I	501,786	**
Local Development Finance Authority III	319,083	**
DDA/Tax Increment Finance Authority	-	**
Smart Zone	147,548	**
Brownfield Redevelopment Authority	291,408	**
Renaissance Zone (Tool and Die)	<u>16,538</u>	<u>**</u>
GRAND TOTAL	63,344,923	26.3900
Taxable Valuation (TV)	2,351,973,040	
TV Captured by LDFA I	19,014,250	
TV Captured by LDFA III	12,091,055	
TV Captured by DDA/TIF	-	
TV Captured by Smart Zone	5,591,050	
TV Captured by Brownfield Redevelopment Authority	11,042,350	
TV Captured by Renaissance Zone (Tool & Die)	<u>626,690</u>	
TOTAL TV	2,400,338,435	

*Mills per \$1,000 of TV

**Total millage of 26.3900 applied to taxable value of LDFA and other special authorities.

2016-2017
Schedule of Meter Charges
And
Industrial Waste Control Surcharges

1. Meter Charge (Per Month)

5/8".....\$ 2.12	3".....\$ 15.56
3/4"..... 2.12	4"..... 20.38
1"..... 2.46	6"..... 29.95
1 1/2"..... 3.78	8"..... 29.95
2"..... 5.23	10"..... 29.95

2. Industrial Waste Control Surcharge (Per Month)

5/8".....\$ 9.31	3".....\$ 135.02
3/4"..... 13.97	4"..... 186.23
1"..... 23.28	6"..... 279.34
1 1/2"..... 51.22	8"..... 455.78
2"..... 74.49	10"..... 638.09

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 2016-17 budget shall be automatically amended (a) on July 1 to reappropriate encumbrances outstanding and capital project reserves at June 30, 2016, and (b) to transfer any approved salary adjustments during the fiscal year for which sufficient funds are provided in the Support Services appropriation.

AYES: Daniel Brightwell, Lloyd Crews, Donald Fracassi, Myron Frasier, Ari Mandelbaum, Tawnya Morris, Joan Seymour

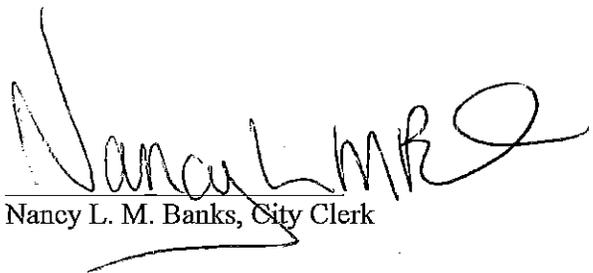
NAYS: None

ABSENT: None

I, Nancy L. M. Banks, the duly elected and qualified City Clerk of the City of Southfield, Oakland County, Michigan, do hereby certify that the foregoing resolution was adopted by The Southfield City Council at a Special Meeting held on Monday, June 20, 2016, at 6:30 p.m. in the Council Chambers of the Municipal Building, 26000 Evergreen Road, Southfield, Michigan, pursuant to Section 8.4 of the City Charter.

Date:

June 27, 2016


Nancy L. M. Banks, City Clerk

2016-2017 Budget

City of Southfield

	<u>Approved Revenues</u>		<u>Approved Expenditures</u>
GENERAL FUND:		GENERAL FUND:	
General Operating Levy	15,545,131	Administration	537,676
Police & Fire Levy	16,206,505	Fiscal Services/OMB	1,077,042
Police & Fire Pension Levy	10,281,415	Accounting	695,894
Tax Administration Fees & Penalties	2,137,459	Purchasing	299,707
Sales Tax Returns - Constitutional	5,690,284	Technology Services	2,107,329
Sales Tax Returns - Statutory	950,972	Assessing	816,178
Liquor Licenses	47,500	Central Services	753,678
Sanitation Charges	2,793,502	Support Services	4,924,031
Building Revenues	1,641,630	Human Resources	975,627
Engineering Revenues	720,618	Clerk	1,024,817
District Court Revenues	4,136,472	Council	188,659
Reimbursements	2,077,489	Community Relations	742,973
Fees, Licenses & Permits	4,442,826	Court - 46th District	3,636,550
Investment Income	400,000	Human Services	0
Interfund Reimbursements	800,318	Law	828,470
		Mayor's Office	200,507
		Public Safety*	40,197,679
Transfer from Committed Fund Balance:		Community Dev. Administration**	1,615,153
Equalization Reserve		Building	1,890,701
		Planning	566,030
		Streets & Highways	84,669
		Transportation	455,271
		Engineering	720,618
		Sanitation	2,793,502
		Treasurer	739,360
TOTAL GENERAL FUND	67,872,121	TOTAL GENERAL FUND	67,872,121
FACILITIES MAINTENANCE FUND	4,753,326	FACILITIES MAINTENANCE FUND	4,753,326
MOTOR POOL FUND	4,218,533	MOTOR POOL FUND	4,218,533
CABLE TV FUND	1,098,881	CABLE TV FUND	1,098,881
PARKS & REC FUND	6,838,516	PARKS & REC FUND	6,838,516
LIBRARY FUND	7,279,920	LIBRARY FUND	7,279,920
MAJOR STREET FUND	12,891,205	MAJOR STREET FUND	12,891,205
LOCAL STREET FUND	20,385,168	LOCAL STREET FUND	20,385,168
WATER & SEWER FUND	65,043,092	WATER & SEWER FUND	65,043,092
DRUG LAW ENFORCEMENT FUND	25,000	DRUG LAW ENFORCEMENT FUND	25,000
DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000	DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000
(DUPLICATING TRANSFERS)	(12,198,889)	(DUPLICATING TRANSFERS)	(12,198,889)
MUNICIPAL SUBTOTAL	178,406,873	MUNICIPAL SUBTOTAL	178,406,873
COMM. DEVELOPMENT BLOCK GRANT	451,118	COMM. DEVELOPMENT BLOCK GRANT	451,118
SECTION 8 HOUSING GRANTS	2,201,546	SECTION 8 HOUSING GRANTS	2,201,546
MICHIGAN WORKS GRANTS	2,300,000	MICHIGAN WORKS GRANTS	2,300,000
AUTO THEFT GRANT	301,770	AUTO THEFT GRANT	301,770
TOTAL GRANT FUNDS	5,254,434	TOTAL GRANT FUNDS	5,254,434
TOTAL ALL OPERATING FUNDS	183,661,307	TOTAL ALL OPERATING FUNDS	183,661,307
DEBT SERVICE	-	DEBT SERVICE	-
TOTAL REVENUES	183,661,307	TOTAL EXPENDITURES	183,661,307

