

# 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 15, 2015 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. 2015-2016 City of Southfield Budget Adoption

## SITE PLANS

## COMMUNICATIONS

## COUNCIL

## MAYOR

## ADMINISTRATION

## ATTORNEY

## CLERK, TREASURER, PLANNER, ASSESSOR, ENGINEER

## SCHEDULE

## ORDINANCES

June 15, 2015

Honorable Mayor and Council  
Municipal Building  
Southfield, Michigan

Re: 2015-16 City of Southfield Budget Adoption

Dear Sirs and Mesdames:

**Background:** At a special meeting of City Council scheduled for June 15, 2015 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 May 22, 2015 Committee-of-the-Whole meeting.

**Fiscal Impact:** The final proposed total General Fund budget, at \$67,398,751 remains unchanged since May 22, 2015. This reflects a increase of \$612,479 or 0.9% 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 2015-16 is \$176,733,423 reflects an increase of \$10,272,300 or 6.2% primarily for the purpose of funding facility and infrastructure projects. The proposed budget includes 32 capital projects totaling \$38,045,200.

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



Alive 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

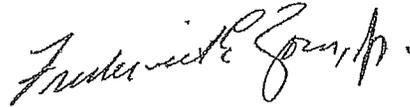


Top Quality City Services



**Recommendation:** The City Council approves the 2015-16 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 cursive script, reading "Frederick E. Zorn, Jr.", written in black ink.

Frederick E. Zorn, Jr., CBcD  
City Administrator

**2015-16 BUDGET ADOPTION RESOLUTION**

**WHEREAS:** City Council has reviewed the recommended 2015-16 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 2015-16 budget be adopted, as provided in the budget resolution, totaling \$176,733,423.

# 2015 - 2016 Budget Resolution

Moved By: Councilperson Joan Seymour  
Supported By: Councilperson Ari Mandelbaum

June 15, 2015

**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, 2015 and ending June 30, 2016:

**GENERAL FUND:**

Administration .....	\$ 611,399
City Clerk .....	1,049,629
City Council.....	173,454
Community Relations .....	470,312
Court - State 46th District.....	3,449,581
Administrative Services Group .....	11,847,268
Human Services.....	299,464
Law .....	924,734
Mayor's Office.....	201,934
Public Safety Group.....	39,285,348
Community Development Administration .....	1,502,616
Building .....	1,761,638
Planning .....	534,053
Streets & Highways.....	84,669
Transportation.....	455,271
Engineering .....	710,618
Sanitation .....	3,329,137
Treasurer's Office .....	707,626
TOTAL GENERAL FUND.....	67,398,751
FACILITIES MAINTENANCE FUND .....	5,882,950
MOTOR POOL FUND .....	3,943,533
CABLE TELEVISION FUND.....	1,311,883
PARKS AND RECREATION FUND .....	6,931,196
LIBRARY FUND .....	7,210,166
D.P.S. HIGHWAY FUNDS:	
Major Street Fund.....	14,707,082
Local Street Fund.....	12,746,094
WATER AND SEWER FUND.....	62,455,878
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 .....	424,081
MICHIGAN WORKS GRANTS FUND .....	2,500,000
AUTO THEFT GRANT.....	310,422

**AND BE IT FURTHER RESOLVED:** That the revenues for the 2015-16 fiscal year are estimated as follows:

GENERAL FUND:

General Operating Tax Levy - 6.6094 mills.....	\$15,589,479
Police & Fire Levy – 6.8906 mills.....	16,252,740
Police & Fire Pension Levy – 4.3971 mills.....	10,268,182
Tax Administration Fees, Interest & Penalties.....	2,097,770
State Shared Revenues.....	6,739,692
Engineering and Building Department Revenues.....	1,910,618
Court Revenues.....	4,286,072
Reimbursements.....	1,440,996
Sanitation Fees.....	3,329,137
Other Fees, Permits, Licenses, and Charges.....	4,476,426
Investment Income.....	200,000
Interfund Reimbursements.....	<u>807,639</u>
TOTAL GENERAL FUND.....	67,398,751

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

MOTOR POOL FUND ..... 3,934,533

CABLE TELEVISION FUND..... 1,311,883

PARKS AND RECREATION FUND:

Parks & Recreation Tax Levy - 1.7500 mills .....	4,127,695
Investment Income .....	25,313
Program & Other Revenues (arena, pool, & other sources) .....	<u>2,778,188</u>
TOTAL PARKS AND RECREATION FUND.....	6,931,196

LIBRARY FUND:

Library Tax Levy -2.8000 mills.....	6,604,312
Investment Income .....	98,438
Fines, Fees, State Aid, Contributions and Other Sources.....	389,603
Contractual Income.....	<u>117,813</u>
TOTAL LIBRARY FUND.....	7,210,166

D.P.S HIGHWAY FUNDS:

Gas & Weight Tax Returns .....	4,812,822
Residential Street Maintenance Levy – 1.0000 mills .....	2,879,245
Public Act 298 - .2207 mills.....	471,015
Interest Income .....	12,656
Dust Control, Department Sales, & Other Income.....	18,053,725
Interfund Transfer.....	<u>1,323,713</u>
TOTAL HIGHWAY FUNDS.....	27,453,176

D.P.S. WATER AND SEWER FUND:

Water Sales .....	12,983,747
Sewer Charges - Evergreen & SEOC .....	21,222,971
Interest Income .....	42,188
Service & Meter Installations .....	48,750
Penalties, Debt Service, Interest & Other Revenue .....	<u>28,158,222</u>
 TOTAL WATER & SEWER FUNDS .....	 62,455,878
 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 .....	 424,081
 MICHIGAN WORKS GRANTS FUND .....	 2,500,000
 AUTO THEFT GRANT.....	 310,422

**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, 2015 and ending June 30, 2016 shall be \$193.82 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 \$193.82 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, 2015, shall be computed on \$94.04 per Mcf of consumption; such combined rate being comprised of \$26.77 per Mcf for water service, \$44.05 per Mcf for sewer service; and \$23.20 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 2015-16 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

**2015-16 BUDGET**  
**PROPERTY TAX REVENUES AND RATES**

<u>OPERATING</u>	<u>Revenue</u>	<u>Rate*</u>
General Operations	15,589,479	6.6094
Police & Fire	16,252,740	6.8906
Police & Fire Pension	10,268,182	4.3971
Residential Street Maintenance	2,358,683	1.0000
Parks & Recreation	4,127,695	1.7500
Library	6,604,312	2.8000
Public Acts 298/59	<u>520,956</u>	<u>0.2441</u>
TOTAL OPERATING	55,722,047	23.6912
County Drains at Large	1,149,386	0.4873
UTGO Road Bond	667,402	2.5800
Local Development Finance Authority I	459,736	**
Local Development Finance Authority III	293,144	**
DDA/Tax Increment Finance Authority	50,663	**
Smart Zone	126,646	**
Brownfield Redevelopment Authority	229,316	**
Renaissance Zone (Tool and Die)	<u>12,337</u>	<u>**</u>
GRAND TOTAL	58,710,677	26.7585
Taxable Valuation (TV)	2,358,682,866	
TV Captured by LDFA I	19,014,250	
TV Captured by LDFA III	12,124,145	
TV Captured by DDA/TIF	2,095,390	
TV Captured by Smart Zone	5,237,960	
TV Captured by Brownfield Redevelopment Authority	9,484,300	
TV Captured by Renaissance Zone (Tool & Die)	<u>510,260</u>	
TOTAL TV	2,407,149,171	

\*Mills per \$1,000 of TV

\*\*Total millage of 26.7585 applied to taxable value of LDFA and other special authorities.

**2015-2016**  
**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".....	\$ 9.04	3".....	\$ 131.08
3/4".....	13.56	4".....	180.80
1".....	22.60	6".....	271.20
1 1/2".....	49.72	8".....	442.50
2".....	72.32	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 2015-16 budget shall be automatically amended (a) on July 1 to reappropriate encumbrances outstanding and capital project reserves at June 30, 2015, and (b) to transfer any approved salary adjustments during the fiscal year for which sufficient funds are provided in the Support Services appropriation.

**AYES:** Lloyd Crews, Myron Frasier, Sylvia Jordan, Ari Mandelbaum, Joan Seymour

**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 15, 2015 pursuant to Section 8.4 of the City Charter.

Date: 07-02-2015

  
Nancy L. M. Banks, City Clerk

# 2015-2016 Budget

## City of Southfield

	<u>Approved Revenues</u>		<u>Approved Expenditures</u>
GENERAL FUND:		GENERAL FUND:	
General Operating Levy	15,589,479	Administration	611,399
Police & Fire Levy	16,252,740	Fiscal Services/OMB	302,757
Police & Fire Pension Levy	10,268,182	Accounting	622,245
Tax Administration Fees & Penalties	2,097,770	Purchasing	300,364
Sales Tax Returns - Constitutional	5,741,220	Technology Services	2,019,321
Sales Tax Returns - Statutory	950,972	Assessing	749,335
Liquor Licenses	47,500	Central Services	1,451,380
Sanitation Charges	3,329,137	Support Services	5,586,722
Building Revenues	1,200,000	Human Resources	815,144
Engineering Revenues	710,618	Clerk	1,049,629
District Court Revenues	4,286,072	Council	173,454
Reimbursements	1,440,996	Community Relations	470,312
Fees, Licenses & Permits	4,476,426	Court - 46th District	3,449,581
Investment Income	200,000	Human Services	299,464
Interfund Reimbursements	807,639	Law	924,734
Transfer from Committed Fund Balance		Mayor's Office	201,934
		Public Safety	39,285,348
		Community Dev. Administration	1,502,616
		Building	1,761,638
		Planning	534,053
		Streets & Highways	84,669
		Transportation	455,271
		Engineering	710,618
		Sanitation	3,329,137
		Treasurer	707,626
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TOTAL GENERAL FUND	67,398,751	TOTAL GENERAL FUND	67,398,751
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FACILITIES MAINTENANCE FUND	5,882,950	FACILITIES MAINTENANCE FUND	5,882,950
MOTOR POOL FUND	3,943,533	MOTOR POOL FUND	3,943,533
CABLE TV FUND	1,311,883	CABLE TV FUND	1,311,883
PARKS & REC FUND	6,931,196	PARKS & REC FUND	6,931,196
LIBRARY FUND	7,210,166	LIBRARY FUND	7,210,166
MAJOR STREET FUND	14,707,082	MAJOR STREET FUND	14,707,082
LOCAL STREET FUND	12,746,094	LOCAL STREET FUND	12,746,094
WATER & SEWER FUND	62,455,878	WATER & SEWER FUND	62,455,878
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)	(11,913,287)	(DUPLICATING TRANSFERS)	(11,913,287)
MUNICIPAL SUBTOTAL	<hr/> 171,294,931	MUNICIPAL SUBTOTAL	<hr/> 171,294,931
			<hr/>
COMM. DEVELOPMENT BLOCK GRANT	424,081	COMM. DEVELOPMENT BLOCK GRANT	424,081
SECTION 8 HOUSING GRANTS	2,203,989	SECTION 8 HOUSING GRANTS	2,203,989
MICHIGAN WORKS GRANTS	2,500,000	MICHIGAN WORKS GRANTS	2,500,000
AUTO THEFT GRANT	310,422	AUTO THEFT GRANT	310,422
TOTAL GRANT FUNDS	<hr/> 5,438,492	TOTAL GRANT FUNDS	<hr/> 5,438,492
			<hr/>
TOTAL ALL OPERATING FUNDS	176,733,423	TOTAL ALL OPERATING FUNDS	176,733,423
			<hr/>
DEBT SERVICE	-	DEBT SERVICE	-
	<hr/>		<hr/>
TOTAL REVENUES	176,733,423	TOTAL EXPENDITURES	176,733,423