



**MUNICIPAL BUDGET
EXECUTIVE SUMMARY**

**JULY 1, 2015 – JUNE 30, 2016
SOUTHFIELD, MICHIGAN**

2015-16 RECOMMENDED BUDGET IN A NUTSHELL

• Key Details of Budget Plan

- No use of General Fund Balance: primary goal achieved.
- General Fund Expenditures: a 0.9% increase, or \$612,479. \$66,786,272 in 2014-2015 v. \$67,398,751 in 2015-2016.
- Budget analysis for all funds: a 6.2% increase, or \$10,272,300. \$166,461,123 in 2014-2015 v. \$176,733,423 in 2015-2016.
- Infrastructure Investments: a total investment of \$38,045,200 for the following:
 - Facilities Maintenance includes 7 projects totaling \$1,927,200.
 - Local Streets includes 7 projects totaling \$8,340,000.
 - Major Streets includes 8 projects totaling \$8,418,000.
 - Water and Sewer includes 10 projects totaling \$19,360,000.
- Continued Emphasis on Development (Community Appearance and Code Enforcement): \$150,000 budgeted in Code Enforcement for demolitions, and \$50,000 for securing sites. \$100,000 budgeted in Community Relations for housing and neighborhood support initiatives.
- Training Remains Funded: to provide necessary skills to do more with less and to provide organizational flexibility.

• Revenue Snapshot

- Tax Base Growth: The 2015-2016 budget has been built on a taxable value (TV) of \$2,358,682,866. This represents a 4.5% increase from 2014-2015 of \$2,257,200,994.

- Zero Fund Balance Draw Needed for Appeals or Operations
- State Shared Revenues Up Slightly: 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 2014 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

2015-2016 PROPOSED INFRASTRUCTURE CAPITAL PROJECTS

FACILITIES MAINTENANCE

Repair and replace spot concrete at Civic Center complex	\$ 25,000
Repair of Burgh Site exterior	\$ 25,000
Repairs to Beechwoods exterior	\$ 100,000
Replace roof on Parks Services Building	\$ 110,000
Replace roof on Public Services Building	\$ 160,000
Replace roof on P & R building	\$ 207,200
Replace roof at Sports Arena	\$ 1,300,000
Sub-total	<u>\$ 1,927,200</u>

LOCAL STREETS

Greenfield Alley (San Rosa to north)	\$ 60,000
Section 35 West Magnolia Subdivision Water Main & Paving	\$ 400,000
Section 34 Tappers Baseline Evergreen Sbudivision Water Main & Paving	\$ 500,000
Southfield Estates Safe Routets to School	\$ 500,000
Section 12 Meadowvale Subdivision Water Main & Paving	\$ 1,490,000
Section 13 Cambridge Village Water Main & Paving	\$ 2,390,000
Section 11 Concrete Patching	\$ 3,000,000
Sub-total	<u>\$ 8,340,000</u>

MAJOR STREETS

Bridge Street Bridge Monitoring	\$ 5,000
Evergreen Road design from 12 to 13 Mile	\$ 200,000
11 Mile Road (Franklin to cul de sac)	\$ 250,000

MAJOR STREETS, continued

9 Mile (Beech to Telegraph)	\$	621,000
Bridge Street & Hilltop Reconstruction (S.A.D.)	\$	1,232,000
Providence Drive (JL Hudson to Greenfield)	\$	1,400,000
North Bound Northwestern Service Drive (8 Mile to 9 Mile)	\$	1,692,000
South Bound Northwestern Service Drive (Berg to Evergreen)	\$	<u>3,018,000</u>
Sub-total	\$	8,418,000

WATER & SEWER

New and Replacement Meters	\$	45,000
Section 11 Water Main Replacements	\$	100,000
Water Meters and Automated Reading Devices for Commercial Meters	\$	200,000
Sewer Cleaning and Conditioning Assessment	\$	500,000
Section 35 Water Main Replacements	\$	1,345,000
Replacement of Obsolete Reading System and Failing Meters	\$	1,500,000
Section 12 Water Main Replacements	\$	1,770,000
Section 13 Water Main Replacements	\$	2,970,000
City Wide Water and Sewer Main Lining and Replacement	\$	5,000,000
Installation and Replacement of Water Mains in Sections 26 & 34	\$	<u>5,930,000</u>
Sub-total	\$	19,360,000

CAPITAL PROGRAM GRAND TOTAL **\$ 38,045,200**

FACILITIES MAINTENANCE PROPOSED PROJECTS

2015-2016

Civic Center Complex Spot Concrete Repair - \$25,000

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 - \$25,000

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.

Beechwoods Exterior Repairs* - \$100,000

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.

Parks Services Building Roof Replacement* - \$110,000

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.

Public Services Building Roof Replacement* - \$160,000

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.

Parks & Rec Building Roof Replacement* - \$207,200

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* - \$1,300,000

Replace upper roof over the ice - warranty expired in 2001. Exposed felts, open seams and flashing 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

MAJOR STREETS

Bridge Street Bridge Monitoring - \$5,000

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 DFPR 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.

Evergreen (12 Mile to 13 Mile) - \$200,000

This allows for the design of the proposed 2016 resurfacing of Evergreen between 12 Mile and 13 Mile Road. The local costs of the north half to be shared with the Village of Beverly Hills.

11 Mile Road (Franklin to cul de sac) - \$250,000

The proposed improvements are to pulverize the existing pavement and repave in asphalt with new curb and gutter and necessary storm drains.

9 Mile (Beech to Telegraph) - \$621,000

The proposed project will widen the two lane road to a three lane road with a continuous center left turn lane and paved shoulders. Improvements include milling off the existing asphalt overlay, 3" cover of stone and then overlaying with 5.5" of asphalt.

Bridge Street & Hilltop Reconstruction (S.A.D.) - \$1,232,000

Concrete reconstruction to be partially paid back by a ten-year special assessment for the business park.

Providence Drive (JL Hudson to Greenfield) - \$1,400,000

The proposed improvements will resurface the road by milling 3-4" of the existing pavement and overlaying with asphalt.

North Bound Northwestern Service Drive (8 Mile to 9 Mile) - \$1,692,000

The proposed improvements include reducing the service drive from three lanes to two lanes, milling off the existing asphalt overlay and overlaying with 4" of asphalt. Pedestrian upgrades include accessible crossings over two bridges with some new sidewalk along the south bound service drive for connectivity.

South Bound Northwestern Service Drive (Berg to Evergreen) - \$3,018,000

The proposed improvements will reconstruct the service drive from Berg to the off ramp west of Lahser Road and rehabilitate the remainder of the corridor by milling and overlaying with 4" of asphalt. May apply for \$1,554,300 reimbursement in October 2016.

Total Proposed Major Streets Projects:	\$8,418,000
Total Proposed Major and Local Streets Projects:	\$16,758,000

MAYOR'S BUDGET MESSAGE



CITY ADMINISTRATOR'S BUDGET MESSAGE

ADMINISTRATION

April 1, 2015

Honorable Acting Mayor Donald F. Fracassi
City of Southfield
Municipal Building
26000 Evergreen Road
Southfield, Michigan

Re: Recommended Budget for 2015-16 Fiscal Year

Dear Mayor Fracassi:

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, 2015.

This proposed budget for 2015-16 is built on a tax base of \$2,358,682,866 (which is \$23,825,079 less than the \$2,382,507,945 provided by the City's Assessor, Mike Racklyeft).

The total anticipated General Fund Revenue will be \$67,398,751. The anticipated tax base will generate a total of \$44,208,171 (65.7%) for the City's General Fund [of the General Fund \$15,589,479 (from the General operating levy of 6.6094 mills at \$2,358,682,866; \$16,252,740 from the Police & Fire Live (6.8906 mills at \$2,358,682,866) and \$10,268,182 (from the Police and Fire Pension Levy of 4.3971 mills at \$2,358,682,866); \$2,097,770 is the estimated revenues for Tax Administration Fess & Penalties)]. Revenue Sharing from the State of Michigan will generate \$6,692,192 (9.9%) for the City's General Fund (of which \$5,741,220) and \$950,972 is Statutory Revenue Sharing). Other Revenues totaling \$16,498,388 provide the remaining 24.4% of the city's General Fund Budget.

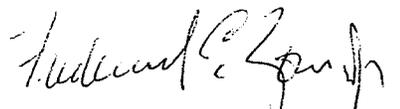
General Fund Expenditures are budgeted at \$66,227,802 with Public Safety (Police, Fire, and Emergency Management) totaling \$39,285,348 or 59.3% of the proposed expenditures. An additional \$1,170,949 will be budgeted in Support Services contribution to fund balance to balance the general fund.

The Proposed 2015-16 budget for all funds anticipates revenues of \$176,733,423 and expenditures for all funds of \$176,733,423.

It appears that the City tax base is nearing a stabilization point. With the stabilization of the City's tax base the City should continue its review 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.

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 and has enabled the City to develop a more sustainable budgeting process which address our staffing, facility and equipment, and long term capital needs of the City.

Respectfully submitted,



Frederick E. Zorn, Jr., CEcD
City Administrator

BUDGET AND MILLAGE SUMMARY

2024

2015-2016 Recommended Budget

City of Southfield

	<u>Recommended Revenues</u>		<u>Recommended 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
		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
TOTAL GENERAL FUND	67,398,751	TOTAL GENERAL FUND	67,398,751
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	171,294,931	MUNICIPAL SUBTOTAL	171,294,931
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	5,438,492	TOTAL GRANT FUNDS	5,438,492
TOTAL ALL OPERATING FUNDS	176,733,423	TOTAL ALL OPERATING FUNDS	176,733,423
DEBT SERVICE	-	DEBT SERVICE	-
TOTAL REVENUES	176,733,423	TOTAL EXPENDITURES	176,733,423

(Current Year Budget Figures for Reference)

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
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	166,461,123	TOTAL EXPENDITURES	166,461,123

*Neighborhood Stabilization Program

2015-2016 RECOMMENDED BUDGET
PROPERTY TAX REVENUES AND RATES

	<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	520,956	0.2441
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 (LDFA) I	459,736	**
Local Development Finance Authority III	293,144	**
DDA/Tax Increment Finance	50,663	**
Smart Zone	126,646	**
Brownfield Redevelopment Authority	229,316	**
Renaissance Zone (Tool and Die)	12,337	**
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)	510,260	
Total TV	2,407,149,171	

*Mills per \$1,000 of TV

**Total millage of 24.1785 applied to taxable value of LDFA and other special authorities.

2014-15 Tax Rate Compared To 2015-16

	<u>2014-15</u>	<u>2015-16</u>	<u>Increase / (Decrease) Compared To 2013-14</u>
Operating:			
General Operations	6.6094	6.6094	-
Public Safety	6.8906	6.8906	-
Police & Fire Pension	4.4500	4.3971	(0.0529)
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	23.7441	23.6912	(0.0529)
Debt Service:			
County Drains At Large	0.4873	0.4873	-
UTGO Road Bond	-	2.5800	2.5800
Total Levy	24.2314	26.7585	2.5271

MILLAGE HISTORY

OPERATING	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05
General Operations	6.9566	6.9566	6.9566	6.9566	6.9006	6.8284	6.6453	6.6094	6.6094	6.6094	6.6094
Public Safety	2.9814	2.9814	2.9814	2.9814	2.9574	2.9264	2.8479	2.8325	2.8325	2.8325	2.8325
Police / Fire Pension	1.7001	1.6991	1.8109	1.8223	1.7256	1.3820	1.3495	1.2910	1.3063	1.4583	1.6017
Res. Street Maint.	.9938	.9938	.9938	.9938	.9858	.9754	.9492	.9440	.9440	.9440	.9440
R-O-W Appearance	.4604	.4644	.4761	.4761	.4548	.4551	.5083	.5348	.4401	.4913	.4227
Parks & Recreation	1.7392	1.7392	1.7392	1.7392	1.7252	1.7072	1.6614	1.6524	1.6524	1.6524	1.6524
Library	.9498	.9498	.9938	.9938	.9858	1.3054	2.1048	2.0934	2.0934	2.0934	2.0934
Total Operating	15.7813	15.7843	15.9518	15.9632	15.7352	15.5799	16.0664	15.9575	15.8781	16.0813	16.1561
Debt Service	.6368	.6338	.5103	.4989	.4921	.4679	.3804	.3065	.2748	.2615	.0277
Drains-at-Large	-	-	-	-	-	-	-	-	-	-	.1590
TOTAL	16.4181	16.4181	16.4621	16.4621	16.2273	16.0478	16.4468	16.2640	16.1529	16.3428	16.3428
OPERATING	05-06	06-07	07-08	08-09	09-10	10-11	11-12*	12-13	13-14	14-15	15-16
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	1.7096	1.6772	1.7672	1.6889	1.7000	1.8788	3.0004	3.9424	4.7197	4.4500	4.3971
Res. Street Maint.	.9440	.9440	.9440	.9440	.9440	.9440	1.0000	1.0000	1.0000	1.0000	1.0000
R-O-W Appearance	.4227	.3361	.2539	.3322	.3370	.1582	.2207	.2421	.2441	.2441	.2441
Parks & Recreation	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524	1.7500	1.7500	1.7500	1.7500	1.7500
Library	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934	2.8000	2.8000	2.8000	2.8000	2.8000
Total Operating	16.2640	16.1450	16.1528	16.1528	16.1687	16.1687	22.2711	23.2345	24.0138	23.7441	23.6912
Debt Service	-	-	-	-	-	-	-	-	-	-	-
Drains-at-Large	.0788	.1978	.1900	.1900	.1741	.1741	.3591	.4873	.4873	.4873	.4873
TOTAL	16.3428	16.3428	16.3428	16.3428	16.3428	16.3428	22.6302	23.7218	24.5011	24.2314	24.1785

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

A. PROPERTY TAX REVENUES - SERVICES PROVIDED

TAX REVENUE FACTORS

15-16 TAX BASE FOR CITY OPERATIONS \$2,358,682,866

14-15 TAX BASE FOR CITY OPERATIONS \$2,257,200,994

A difference of: 101,481,872 or
4.5%

**CHANGE IN TAX REVENUES FOR
CITY OPERATIONS**

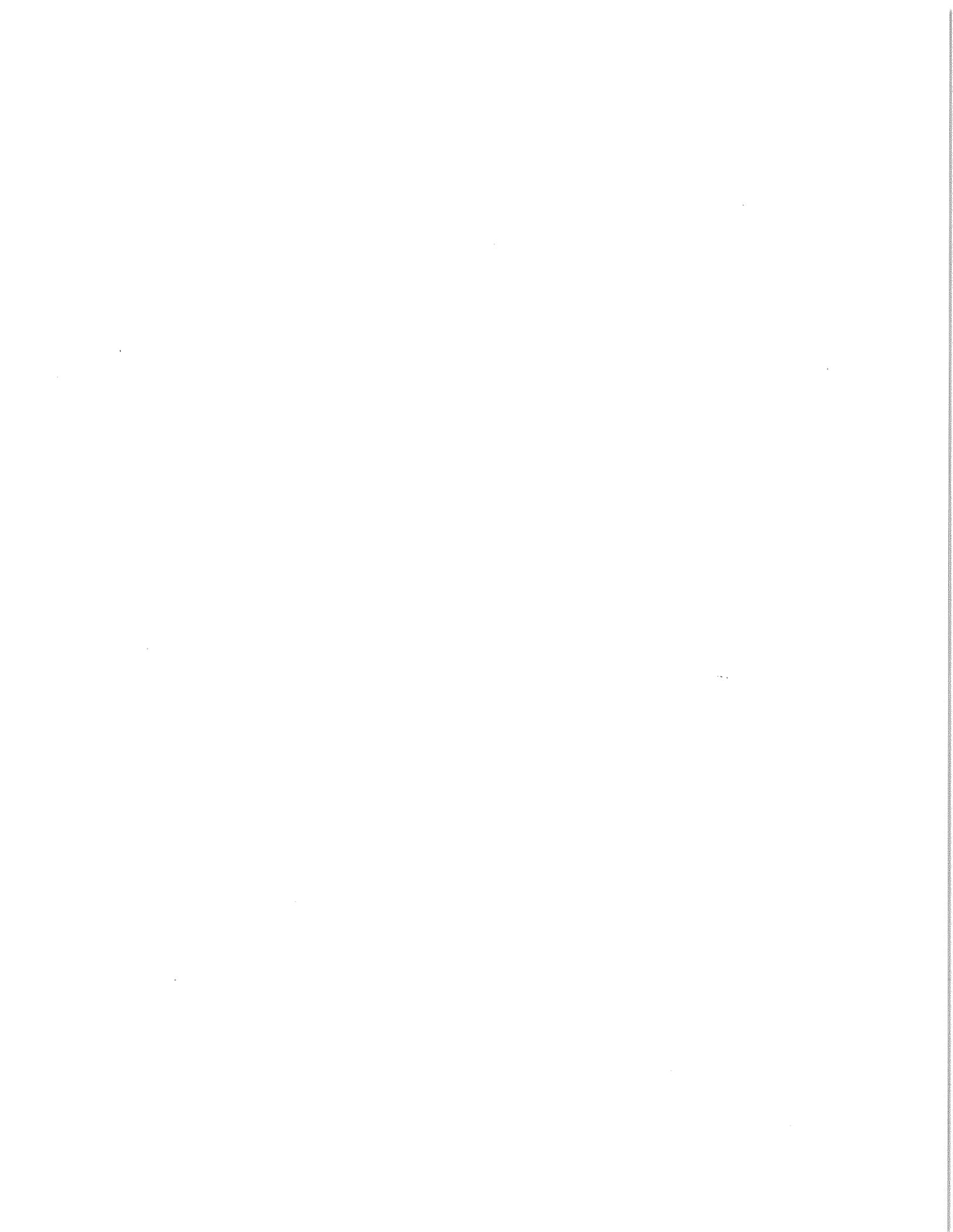
	<u>14-15</u>	<u>15-16</u>	<u>\$ / %</u> <u>Difference</u>
GENERAL FUND:			
General Operating Millage	\$14,918,744	\$15,589,479	670,735 / 4.5%
Police & Fire Millage	15,553,469	16,252,740	699,271 / 4.5%
Police & Fire Pension Millage	10,044,340	10,268,182	223,842 / 2.2%
ROADSIDE APPEARANCE PROGRAM (PA298) + PA59*	520,956	520,956	- / -
RESIDENTIAL STREETS	2,257,201	2,358,683	101,482 / 4.5%
PARKS & RECREATION	3,950,102	4,127,695	177,593 / 4.5%
LIBRARY	6,320,163	6,604,312	284,149 / 4.5%

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

**2015-2016
SERVICES PROVIDED
FOR CITY PROPERTY TAX DOLLARS**

<u>MAJOR SERVICES</u>	<u>CITY TAXES/YEAR*</u>
POLICE, FIRE, & EMS	835
PARKS & RECREATION	88
ROADS, APPEARANCE, DRAINS & OTHER	146
LIBRARY	<u>140</u>
TOTAL CITY PROPERTY TAX	\$ 1,209

* 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.



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 2015-16

Beginning Personnel Count (FTE's*)	851.78
2015-2016 Personnel Count	<u>623.26</u>
Total Personnel Count Reduction	228.52 FTE'S or 26.8% reduction

*Full-time equivalent

BUDGET COMPARISONS
GENERAL FUND REVENUES

	14-15 ADOPTED BUDGET	15-16 RECOMM. BUDGET	% CHANGE
General Operating Levy	14,918,744	15,589,479	4.5
Police & Fire Levy	15,553,469	16,252,740	4.5
Police & Fire Pension Levy	10,044,340	10,268,182	2.2
Tax Administration Fees & Penalties	1,987,372	2,097,770	5.6 ¹
Sales Tax Returns - Constitutional	5,569,607	5,741,220	3.1
Sales Tax Returns - Statutory	950,970	950,972	-
Liquor Licenses	47,500	47,500	-
Sanitation Charges	3,859,139	3,329,137	(13.7) ²
Building Department Revenues	1,200,000	1,200,000	-
Engineering Revenues	711,118	710,618	-
District Court Revenues	4,616,672	4,286,072	(7.2) ³
Reimbursements	1,592,197	1,440,996	(9.5) ⁴
Fees, Licenses, and Permits	4,272,126	4,476,426	4.8
Investment Income	200,000	200,000	-
Interfund Reimbursements	805,569	807,639	0.3
Total Revenues Exclusive of Fund Balance	66,328,823	67,398,751	
Transfer From Committed Fund Balance:			
Equalization Reserve	457,449	-	(100.0) ⁵
Total From General Fund	66,786,272	67,398,751	1.6

GENERAL FUND REVENUES FOOTNOTES

- 1) Reflects increase in taxable values.
- 2) Reduction in brush collection.
- 3) Reduced collection of fines and forfeitures.
- 4) No longer receiving reimbursement for Social Worker.
- 5) Zero fund balance needed for equalization reserve.

BUDGET COMPARISONS
GENERAL FUND EXPENDITURES

	14-15 ADOPTED BUDGET	15-16 RECOMM. BUDGET	%	
Administration	513,838	611,399	1.9	
Fiscal Services / OMB	249,204	302,757	21.5	1
Accounting	521,361	622,245	19.4	2
Purchasing	113,551	300,364	265.5	3
Technology Services	1,852,616	2,019,321	9.0	4
Assessing	721,373	749,335	3.9	
Central Services	1,491,442	1,451,380	(2.7)	
Support Services	6,165,719	5,586,722	(9.4)	5
Human Resources	801,429	815,144	1.7	
Clerk	896,214	1,049,629	17.1	6
Council	166,454	173,454	4.2	
Community Relations	357,894	470,312	31.4	7
46th District Court	3,473,819	3,449,581	(0.7)	
Human Services	299,466	299,464	-	
Law	895,055	924,734	3.3	
Mayor	201,934	201,934	-	
Emergency Management	26,286	34,808	32.4	8
Police	23,757,809	24,181,846	1.8	
Fire	15,023,797	15,068,694	0.3	
Community Development Administration	1,123,914	1,502,616	33.7	9
Building	1,743,613	1,761,638	1.0	
Planning	530,739	534,053	0.6	
Streets and Highways	88,097	84,669	(3.9)	
Transportation	454,771	455,271	0.1	
Engineering	711,118	710,618	-	
Sanitation	3,859,139	3,329,137	(13.7)	10
Treasurer	745,620	707,626	(5.1)	11
Total General Fund	<u>66,786,272</u>	<u>67,398,751</u>	<u>0.9</u>	

GENERAL FUND EXPENDITURES FOOTNOTES

- 1, 2, 3, 4, 6, 9) Increases are due to the funding of critical vacancies.
- 5) Decline in tax appeals.
- 7) Transfer of housing initiative money from Support Services.
- 8) Additional expenses associated with department vehicle.
- 10) Decrease in disposal costs.
- 11) Personnel reallocation.

BUDGET COMPARISONS
ALL FUNDS

<u>FUND</u>	14-15 ADOPTED BUDGET	15-16 RECOMM. BUDGET	% CHANGE
General Fund	\$66,786,272	\$67,398,751	0.9
Facilities Maintenance Fund	5,882,950	5,882,950	-
Motor Pool Fund	3,934,875	3,943,533	0.2
Cable TV Fund	1,394,528	1,311,883	(0.3)
Parks and Recreation Fund	7,335,395	6,931,196	(5.5) ¹
Library Fund	7,673,931	7,210,166	(6.0) ²
Major Street Fund	10,342,300	14,707,082	42.2 ³
Local Street Fund	4,284,540	12,746,094	297.5 ⁴
Water and Sewer Fund	63,414,059	62,455,878	(1.5)
Drug Law Enforcement Fund	420,685	420,685	-
Donations, Mem.Trusts and Sponsorships	200,000	200,000	-
(Less Duplicating Transfers)	<u>(12,687,836)</u>	<u>(11,913,287)</u>	
Municipal Subtotal	158,981,699	171,294,931	7.7
Community Development Block Grant	415,485	424,081	2.1
Neighborhood Stabilization Program	1,250,000	-	(100.0) ⁵
Section 8 Housing Grants	2,203,989	2,203,989	-
Michigan Works Grants	3,300,000	2,500,000	-24.2 ⁶
Auto Theft Grant	309,950	310,422	0.1
Total Budget	<u>\$166,461,123</u>	<u>\$176,733,423</u>	<u>6.2</u>

ALL FUNDS FOOTNOTES

- 1) Reduction of reimbursements to Facilities Maintenance, and a reduction of refunds and rebates.
- 2) Reduction of refunds and rebates.
- 3, 4) Increase in capital projects.
- 5) NSP completed.
- 6) Reduction in federal and state assistance.

PAGES 29-33

PIE CHARTS

PROCESS

05/22 COUNCIL BUDGET STUDY SESSION

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

6/15 BUDGET ADOPTION (SPECIAL MEETING)

7/01 NEW FISCAL YEAR BEGINS