

**Approved
July 21, 2008**

SPECIAL BUDGET MEETING

OF THE COUNCIL

CITY OF SOUTHFIELD

June 16, 2008

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MINUTES

June 16, 2008

The meeting of the Council convened at 6:30 p.m. in the Council Chambers of the Municipal Building, 26000 Evergreen Road, Southfield, Michigan, with Council President Joan Seymour in the Chair. PRESENT: Council Members: Donald Fracassi, Myron Frasier, Sylvia Jordan, Sidney Lantz, Bill Lattimore, Joan Seymour and Kenson Siver. ALSO PRESENT: City Clerk Nancy Banks, City Administrator James Scharret and City Attorney Jack Beras. There being a quorum, Council was in session. The meeting began with the Pledge of Allegiance.

The only item on the agenda was a public hearing on the proposed 2008-2009 budget.

Mr. Scharret stated that the budget reflects a sensitivity and concern for the taxpayers of the community. In an increasingly tough economy in which many families are facing unprecedented threats to their economic security and well-being, the Southfield City government has demonstrated its commitment to delivering value and keeping a close watch on the public monies entrusted to it.

Both the General Fund and the Total Budget are below the 2007-08 levels. The City Tax Rate is flat to 2007-08 levels and 5% below the levels of 20 years ago. The charge for rubbish removal has been reduced and services have been improved. The Combined Water & Sewer Rates that are included in the budget are favorable. The rates increased 4.5% which is lowest increase in the past eight years. A brief video summarizing the budget was then shown.

The public hearing was declared open. There being no one wishing to speak, the hearing was closed.

Mayor Lawrence stated that the budget process was not an easy one. She complimented the staff on their hard work. This is the fifth and final year of the Fund Balance Stabilization Plan. She questioned what the City would use as a measuring stick in the future.

Mr. Scharret replied that one of the benefits of the five year plan was that it gave the City a destination. In the next few months, after the audit is complete, the City will evaluate

the Fund Balance. If the City out performed its Fund Balance Stabilization Plan there may be additional funds available for capital improvements. A new plan needs to be developed for the future.

Mayor Lawrence stated that the City needs to look at staffing in the future. Some of the current vacancies may need to be filled. The City needs to start focusing on succession planning. Senior staff members are beginning to retire.

Councilwoman Jordan commended staff on their hard work on putting the budget together. It is a challenge to find ways to increase revenues in the future. It is time to think outside the box. She would like to revisit the issue of parking fees and the use of the library by non-residents. Mr. Scharret replied that the point was well taken. New potential revenue sources need to be examined.

Councilman Lattimore thanked Mr. Scharret and staff for their efforts. He expressed his pride in the work that has been done under the five year plan. His biggest concern is the staffing situation. The City needs to move forward and begin filling some key positions. A tremendous burden has been put on the staff and they have come through. However, a strong effort is needed to fill some of the openings.

Councilman Siver asked how much the taxable assessed value increased. Mr. Scharret replied that the taxable assessed value was essentially flat. However, because of fiscal discipline the City is still able to do capital projects. The only way to balance the budget when revenues are flat is thru staff reductions.

Mr. Scharret noted that David Hersh is retiring. He thanked Mr. Hersh for his many years of service in the budget and finance area. Mr. Hersh is an outstanding public servant and a logistical genius at keeping the budget organized. He has extreme patience and a great sense of humor.

Council President Seymour stated that Mr. Hersh will be missed. The City has some extraordinary people behind the scenes and he is one of the finest. She thanked all of staff for their work on the budget. Every aspect of the budget was put under the microscope.

Councilman Frasier stated that Mr. Hersh helped introduce him to the boards and commissions and many other things going on in the City.

Councilman Frasier noted that he attended a Planning Commission meeting in another community during the past week. Southfield has one of the best staffs. He hoped that residents understood how staff puts their heart and soul into delivering top notch service.

Councilman Lantz stated that he has had some concerns about the budget for the past six months but he had confidence that Mr. Scharret would work it out. The staff did a great job.

Councilwoman Jordan echoed the sentiments of her colleagues. Mr. Hersh's expertise will be missed. He helped her to understand the budget process.

Mayor Lawrence stated that Mr. Hersh is one of a kind. He has the patience of Job. He always found a way to make her understand the process. She wished him and his family all the best.

2008.140 Motion by Jordan; seconded by Frasier.

WHEREAS, the City Council has reviewed the recommended 2008-09 budget and determined that the appropriation of funds and service levels provided properly meet the needs of the community and are aligned with City Council's goals, objectives and stated priorities;

Motion passed unanimously.

There being no further business, the Special Budget Meeting of June 16, 2008, adjourned at 7:15 p.m., until the next Regular Meeting (conducted as a Committee-of-the-Whole) on June 16, 2008, in the Council Conference Room of the Municipal Building, 26000 Evergreen Road, Southfield, Michigan.

Joan Seymour, Council President

Nancy L. M. Banks, City Clerk