

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 18, 2018 AT 5:30 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. 2018-2019 City of Southfield Budget Adoption

SITE PLANS

COMMUNICATIONS

- A. Request for Recognition – Pamela Gerald
- B. Request for Recognition – Gerard Mullin

COUNCIL

MAYOR

ADMINISTRATION

ATTORNEY

CLERK, TREASURER, PLANNER, ASSESSOR, ENGINEER

SCHEDULE

ORDINANCES

June 18, 2018

Honorable Mayor and Council
Municipal Building
Southfield, Michigan

Re: 2018-19 City of Southfield Budget Adoption

Dear Sirs and Mesdames:

Background: At a special meeting of City Council scheduled for June 18, 2018 at 5:30 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 presentation by Administration will present 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 a special meeting held on June 8, 2018 Committee-of-the-Whole meeting.

Fiscal Impact: The final proposed total General Fund budget is \$74,105,235. This reflects an increase of \$3,712,055 or 5.27% 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 2018-19 is \$174,911,792 reflects an increase of \$9,669,205 or 5.9% primarily for the purpose of funding infrastructure projects. The proposed budget includes 20 capital projects totaling \$30,066,611.

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 2018-19 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 black ink, appearing to read "Frederick E. Zorn, Jr.", with a stylized flourish at the end.

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

2018-2019 BUDGET ADOPTION RESOLUTION

WHEREAS: City Council has reviewed the recommended 2018-2019 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 2018-2019 budget be adopted, as provided in the budget resolution, totaling \$174,911,792.

2018-19
Budget Resolution

June 18, 2018

Moved By: Councilperson Myron Frasier
Supported By: Councilperson Donald Fracassi

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, 2018 and ending June 30, 2019:

GENERAL FUND	
Administration	\$ 607,436
Building	2,826,375
Business Development	374,176
Central Services	747,780
Clerk	1,038,619
Code Enforcement	1,102,885
Community Relations	669,550
Council	191,887
Court - 46th District	3,830,032
Emergency Management	36,341
Engineering	880,875
Fire	18,326,526
Fiscal Services	
Accounting	719,441
Assessing	1,110,342
OMB	1,357,096
Purchasing	389,404
Support Services	3,449,703
Human Resources	1,031,369
Law	909,507
Mayor's Office	217,901
Planning	738,378
Police	26,579,616
Sanitation	2,979,453
Streets & Highways	118,596
Technology Services	2,594,588
Transportation	479,871
Treasurer	797,488
TOTAL GENERAL FUND	\$ 74,105,235
CABLE TELEVISION FUND	\$ 1,020,655
DONATIONS, MEMORIAL TRUSTS & SPONSORSHIPS	200,000
DRUG LAW ENFORCEMENT FUND	260,200
FACILITIES MAINTENANCE FUND	4,497,701
LIBRARY FUND	7,808,567
LOCAL STREETS FUND	8,593,977
MAJOR STREETS FUND	20,979,322
MOTOR POOL FUND	4,064,308
PARKS AND RECREATION FUND	7,177,296
WATER AND SEWER FUND	53,221,625

AUTO THEFT GRANT FUND	\$ 175,865
COMMUNITY DEVELOPMENT BLOCK GRANT FUND	511,979
MICHIGAN WORKS GRANT FUND	1,891,285
SECTION 8 GRANT FUND	2,201,546

AND BE IT FURTHER RESOLVED: That the revenues for the 2018-19 fiscal year are estimated as follows:

GENERAL FUND:

General Operating Tax Levy - 6.6094 mills	\$ 16,242,894
Police & Fire Levy -6.8906 mills	16,933,956
Police & Fire Operating Levy - 5.0552 mills	12,423,379
Tax Administration Fees, Interest, & Penalties	2,206,863
State Revenues	6,820,276
Cable Franchise Fees	1,500,000
Engineering and Building Department Revenues	3,862,834
Court Revenues	3,629,472
Reimbursements	2,354,824
Sanitation Fees	3,055,563
Fees, Licenses, and Permits	3,373,315
Investment Income	500,000
Interfund Reimbursements	1,201,859
Transfer from Committed Fund Balance	-
TOTAL GENERAL FUND	\$ 74,105,235

CABLE TELEVISION FUND	1,020,655
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DRUG LAW ENFORCEMENT FUND	260,200
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FACILITIES MAINTENANCE FUND	4,497,701
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MOTOR POOL FUND	4,064,308
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LIBRARY FUND

Library Tax Levy - 2.8000 mills	\$ 6,881,124
Fine, Fees, State Aid, Contributions, & Other Sources	809,631
Contractual Income	117,812
TOTAL LIBRARY FUND	\$ 7,808,567

PARKS & RECREATION FUND

Parks & Recreation Tax Levy - 1.7500 mills	\$ 4,300,703
Program & Other Revenues (arena, pool, & other sources)	2,876,593
TOTAL PARKS & RECREATION FUND	\$ 7,177,296

STREETS & HIGHWAYS FUND

Gas & Weight Tax Returns	\$ 7,267,180
Residential Street Maintenance Levy - 1.0000 mills	2,457,544
Public Act 298 .2207 mills	542,380
Other Income	1,426,928
Interfund Transfer	17,879,267
TOTAL HIGHWAYS FUND	\$ 29,573,299

WATER & SEWER FUND

Water Sales	\$ 14,081,123
Sewer Charges - Evergreen & SEOC	23,089,662
Penalties, Debt Service, & Other Revenue	16,050,840
TOTAL WATER & SEWER FUND	\$ 53,221,625

AUTO THEFT GRANT FUND	\$ 175,865
COMMUNITY DEVELOPMENT BLOCK GRANT FUND	511,979
DONATIONS, MEMORIAL TRUSTS, & SPONSORSHIPS	200,000
MICHIGAN WORKS GRANTS FUND	1,891,285
SECTION 8 HOUSING GRANTS FUND	2,201,546

AND BE IT FURTHER RESOLVED: That the fund balances for the 2018-19 fiscal year are estimated as follows:

GENERAL FUND	\$ 45,942,727
CABLE TELEVISION FUND	914,858
FACILITIES MAINTENANCE FUND	(7,367)
LIBRARY FUND	6,461,076
MOTOR POOL FUND	6,318,931
PARKS & RECREATION FUND	3,894,887
STREETS & HIGHWAYS FUNDS:	
Local Streets Fund	7,934,388
Major Streets Fund	479,741
TOTAL STREETS & HIGHWAYS FUND	\$ 8,414,129
WATER & SEWER FUND	96,510,000
AUTO THEFT GRANT FUND	31,928
COMMUNITY DEVELOPMENT BLOCK GRANT FUND	292,789
DRUG LAW ENFORCEMENT FUND	320,732
DONATIONS, MEMORIAL TRUSTS, & SPONSORSHIPS	961,355
SECTION 8 HOUSING GRANTS FUND	295,660
MICHIGAN WORKS GRANTS FUND	84,129

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, 2018 and ending June 30, 2019 shall be \$177.50 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 \$177.50 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, 2018, shall be computed on \$116.86 per Mcf of consumption; such combined rate being comprised of \$32.25 per Mcf for water service, \$53.06 per Mcf for sewer service; and \$31.56 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 2018-19 Southfield Downtown Development Authority budget, in the amount of \$348,584 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, plus \$75 employee recognition costs, and nominal, reasonable expenditures for the provision of coffee and tea in the various city departments such that coffee and tea will be readily available for meetings involving guests from outside the municipal complex or involving interdepartmental City staff.

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

(CONTINUED ON NEXT PAGE)

2018-2019 BUDGET
PROPERTY TAX REVENUES AND RATES

	<u>Revenue</u>	<u>Rate*</u>
General Operations	\$ 16,242,894	6.6094
Police & Fire	16,933,956	6.8906
Police & Fire Pension	12,423,379	5.0552
Residential Street Maintenance	2,457,544	1.0000
Parks & Recreation	4,300,703	1.7500
Library	6,881,124	2.8000
Public Act 298	542,380	0.2207
Public Act 59	49,888	0.0203
Total Operating	\$ 59,831,868	24.3462
County Drains at Large	\$ 360,522	0.1467
UTGO Road Bond	6,340,465	2.5800
Local Development Finance Authority III	13,023	**
Smart Zone	132,602	**
Brownfield Redevelopment Authority	567,991	**
Renaissance Zone (Tool and Die)	16,068	**
Grand Total	\$ 67,262,539	27.0729
Taxable Valuation (TV)	2,457,544,426	
TV Captured by Local Development Finance Authority III	531,715	
TV Captured by Smart Zone	5,413,890	
TV Captured by Brownfield Redevelopment Authority	23,190,024	
TV Captured by Renaissance Zone (Tool & Die)	656,030	
Total TV	2,487,336,085	

*Mills per \$1,000 of TV

**Total millage of 24.4929 (27.0729 reduced by 2.5800 for UTGO Road Bond) applied to taxable value of LDFA and other special authorities.

2018-2019
Schedule of Meter Charges
And
Industrial Waste Control Surcharges

1. Meter Charge (Per Month)

5/8"	\$	2.42
3/4"		2.42
1"		2.46
1 1/2"		3.78
2"		5.23
3"		15.56
4"		20.38
6"		29.95
8"		29.95
10"		29.95

2. Industrial Waste Control Surcharge (Per Month)

5/8"	\$	9.50
3/4"		14.25
1"		23.75
1 1/2"		52.24
2"		75.98
3"		137.72
4"		189.95
6"		284.93
8"		464.90
10"		650.85

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 2018-19 budget shall be automatically amended (a) on July 1 to reappropriate encumbrances outstanding and capital project reserves at June 30, 2018, and (b) to transfer any approved salary adjustments during the fiscal year for which sufficient funds are provided in the Support Services appropriation.

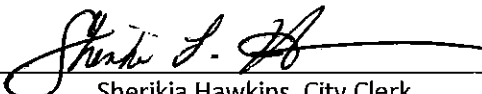
AYES: Daniel Brightwell, Lloyd Crews, Donald Fracassi, Myron Frasier, Michael Mandelbaum, Tawnya Morris, and Linnie Taylor

NAYS: None

ABSENT: None

I, Sherikia Hawkins, 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 18, 2018, at 5:30 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: 6-25-18


Sherikia Hawkins, City Clerk

2018-2019 Budget

City of Southfield

	18-19		18-19
	Approved		Approved
	Revenues		Expenditures
GENERAL FUND:		GENERAL FUND:	
General Operating Levy	16,242,894	Administration	607,436
Police & Fire Levy	16,933,956	Building	2,826,375
Police & Fire Pension Levy	12,423,379	Business Development	374,176
Tax Administration Fees & Penalties	2,206,863	Central Services	747,780
Sales Tax Returns - Constitutional	5,811,053	Clerk	1,038,619
Sales Tax Returns - Statutory	1,009,223	Code Enforcement	1,102,885
Cable Franchise Fees	1,500,000	Community Relations	669,550
Sanitation Charges	3,055,563	Council	191,887
Building Revenues	3,110,000	Court - 46th District	3,830,032
Engineering Revenues	752,834	Emergency Management	36,341
District Court Revenues	3,629,472	Engineering	880,875
Reimbursements	2,354,824	Fire	18,326,526
Fees, Licenses & Permits	3,373,315	Fiscal Services	
Investment Income	500,000	Accounting	719,441
Interfund Reimbursements	1,201,859	Assessing	1,110,342
		OMB	1,357,096
		Purchasing	389,404
		Support Services	3,449,703
Transfer from Committed Fund Balance:	0	Human Resources	1,031,369
		Law	909,507
		Mayor's Office	217,901
		Planning	738,378
		Police	26,579,616
		Sanitation	2,979,453
		Streets & Highways	118,596
		Technology Services	2,594,588
		Transportation	479,871
		Treasurer	797,488
TOTAL GENERAL FUND	74,105,235	TOTAL GENERAL FUND	74,105,235
CABLE TV FUND	1,020,655	CABLE TV FUND	1,020,655
DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000	DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000
DRUG LAW ENFORCEMENT FUND	260,200	DRUG LAW ENFORCEMENT FUND	260,200
FACILITIES MAINTENANCE FUND	4,497,701	FACILITIES MAINTENANCE FUND	4,497,701
LIBRARY FUND	7,808,567	LIBRARY FUND	7,808,567
LOCAL STREETS FUND	8,593,977	LOCAL STREETS FUND	8,593,977
MAJOR STREETS FUND	20,979,322	MAJOR STREETS FUND	20,979,322
MOTOR POOL FUND	4,064,308	MOTOR POOL FUND	4,064,308
PARKS & RECREATION FUND	7,177,296	PARKS & RECREATION FUND	7,177,296
WATER & SEWER FUND	53,221,625	WATER & SEWER FUND	53,221,625
TOTAL OUTSIDE FUNDS	107,823,651	TOTAL OUTSIDE FUNDS	107,823,651
AUTO THEFT GRANT	175,865	AUTO THEFT GRANT	175,865
COMM. DEVELOPMENT BLOCK GRANT	511,979	COMM. DEVELOPMENT BLOCK GRANT	511,979
MICHIGAN WORKS GRANTS	1,891,285	MICHIGAN WORKS GRANTS	1,891,285
SECTION 8 HOUSING GRANTS	2,201,546	SECTION 8 HOUSING GRANTS	2,201,546
TOTAL GRANT FUNDS	4,780,675	TOTAL GRANT FUNDS	4,780,675
TOTAL ALL OPERATING FUNDS	186,709,561	TOTAL ALL OPERATING FUNDS	186,709,561
(DUPLICATING TRANSFERS)	(11,797,769)	(DUPLICATING TRANSFERS)	(11,797,769)
TOTAL REVENUES	174,911,792	TOTAL EXPENDITURES	174,911,792