

ACCOUNTING
DEPARTMENT

MUNICIPAL BUDGET EXECUTIVE SUMMARY

**JULY 1, 2018 - JUNE 30, 2019
SOUTHFIELD, MICHIGAN**

2018-19 RECOMMENDED BUDGET HIGHLIGHTS

The overall message of the proposed budget continues to be sustainability through responsibility; balancing the needs of the City against available funding and “living within our means”. The budget is driven exclusively by available revenues with no draw on the General Fund balance. The slow recovery of property tax revenues, due to the Headlee Amendment and Proposal A, has not kept pace with the general economic recovery in southeast Michigan and the City continues to struggle with depressed revenues. The proposed budget supports the continuing goals of the Mayor and City Council as identified in the December 15, 2017 Visioning Session in the following 9 categories:

- Infrastructure
- Redevelopment
- Housing/Neighborhood Support
- Staff
- Miscellaneous
- Police and Fire
- City Facilities
- Public Relations/Communications
- Energy

Budget Assumptions

- The budget is balanced with no draw of fund balance for operations in the General Fund
- Modest growth in taxable property values are limited to the consumer price index, which was calculated at 2.1%
- State shared revenues are based on State of Michigan projections
- Building revenue projections are based on Council approved fee schedule
- District Court revenues and expenses continue to decline with reduced caseload and are being propped up by increased fees
- Contributions to the City’s pension plans are budgeted at the actuarially determined amounts
- Contributions for retiree healthcare continue to be limited to the “pay as you go” basis of funding
- Budgeted staffing vacancies will be filled as necessary

Revenue Snapshot

- Property taxes represent 65% of General Fund Revenues. Projected taxable value, excluding capture districts, is \$2,457,544,426 which represents a 2.3% increase over the 2017-18 projection
- The millage rate increased by 0.6498 mills comprised of an increase of 0.5298 for operations and a 0.1200 increase for debt service. The resultant levy is 27.0729 mills
- State shared revenues increased slightly by approximately 1% compared to the prior budget year. Constitutional and statutory revenue payments from the State of Michigan are projected at \$5,811,053 and \$1,009,223, respectively and represent just over 9% of the General Fund revenues

Expenditure Snapshot

- At \$44.9 million, Police and Fire services continue to be the largest General Fund expenditure, making up approximately 61% of all General Fund expenditures, an increase of \$3 million over prior year
- The proposed budget includes approximately \$11.7 million for general government expenditures. These costs comprise approximately 16% of the General Fund expenditures and include administration, elected officials, fiscal services, legal, human resources, and community relations
- Combined General Fund expenditures are proposed at approximately \$74.1 million, a 5.3% increase over 2017-18
- Total expenditures of all funds are proposed at approximately \$186.7 million, a 13% increase from 2017-18
- Proposed infrastructure Investments total approximately \$30.1 million which represents a 21% increase over 2017-18. The below table presents a comparison of proposed and current year projects

<u>Department</u>	<u>2018-2019</u>		<u>2017-2018</u>	
	<u># of Projects</u>	<u>Total Investment</u>	<u># of Projects</u>	<u>Total Investment</u>
Local Streets	3	\$4,361,000	1	\$2,600,000
Major Streets	4	15,011,611	5	12,506,400
Water & Sewer	13	10,694,000	8	9,643,913
	<u>20</u>	<u>\$30,066,611</u>	<u>14</u>	<u>\$24,750,313</u>

- A comparison of budgeted full-time employees for the City is as follows:

<u>Budget Year</u>	<u>Employee Count (Career Only)</u>	<u>Change Over Prior Year</u>
2016-17	563	14
2017-18	560	(3)
2018-19	572	12

Summary Statement

The City's tax base has reached a stabilization point and is anticipated to continue its slow ascent in subsequent years. However, due to the limits imposed by proposal A, the growth in taxable value is projected at approximately 2% for 2018-19. As such, the City continues a conservative approach with regards to spending with strong emphasis on providing high-quality services, maintaining community appearance, and encouraging economic development vital to the City's long term goals.

GENERAL FUND - FUND BALANCE CONSTRAINTS

Based on 2017 Comprehensive Annual Financial Report

Fund balance classifications comprise a hierarchy based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported. The various classifications reported in the General Fund are defined and detailed below.

Definitions:

Non-spendable fund balance includes inventory, prepaid expenditures, and land held for resale.

Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (City Council).

Assigned fund balance is intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

General Fund

Fund Balance Classification	Amount
Non-spendable	\$8,622,061
Restricted for right-of-way (Metro Act)	690,567
Committed to specific programs:	
Dispatch improvements	\$940,745
Emergency cleanup	713,550
Equalization reserve	2,000,000
Building infrastructure reserve	3,000,000
Tax base initiatives reserve	3,771,276
Wage adjustments	900,000
Total Committed	<u>\$11,325,571</u>
Assigned:	
Encumbrances	\$348,733
Subsequent year's expenditures	12,500,000
Total Assigned	<u>\$12,848,733</u>
Unassigned	\$12,455,795
Total Fund Balance - June 30, 2017	<u><u>\$45,942,727</u></u>

2018-2019 PROPOSED INFRASTRUCTURE CAPITAL PROJECTS

LOCAL STREETS

Evergreen Trail Sub (Sec. 15)	2,520,000
Pavement Rehab (Sec. 12)	\$ 1,560,000
Safe Routes to School (Sec. 24)	281,000
Sub-total	<u>\$ 4,361,000</u>

MAJOR STREETS

NB Northwestern SD -Southfield Road to Lahser	6,240,108
9 Mile Road & Bridge	3,756,133
11 Mile - Bell to Arlington	2,545,370
Lockdale	\$ 2,470,000
Sub-total	<u>\$ 15,011,611</u>

WATER & SEWER

New & replacement meters	1,200,000
Water & Sewer Lining, Inspections & Rehab	4,000,000
Tech Upgrades: Scada, Mobile, Work Orders, Fixed Based & Fleet Tracker	150,000
Electronic work order system tablets	340,000
Meters & automated reading devices for commercial meter change-out program	1,200,000
Septic Program	500,000
Section 15 - Evergreen Trail Subdivision	2,900,000
9 Mile Road & Bridge	90,000
Water Meter Van	35,000
Water Backhoe	100,000
Purchase Excavator	70,000
Water Pick-Up (418)	34,000
CCTV for Camera Truck	75,000
Sub-Total	\$ 10,694,000

CAPITAL PROGRAM GRAND TOTAL

\$ 30,066,611

2018-2019 STREETS & HIGHWAYS PROPOSED PROJECTS

The Public Works Department will carefully manage the capital projects planned for the 2018-19 fiscal year.

LOCAL STREETS

Evergreen Trail Sub 9 Sec. 15 - \$2,520,000

Reconstruct Crumbling Streets & install traffic calming features.

Pavement Rehab (Sec. 12) - \$1,560,000

Reconstruct crumbling streets.

Safe Routes to School (Sec. 24) - \$281,000

Repair/replace sidewalks

Total Proposed Local Streets Projects: \$4,361,000

MAJOR STREETS

NB Northwestern Service Drive (Southfield Road to Lahser) - \$6,240,108

Replace and repair the crumbling road surface on Northwestern Service Drive.

9 Mile Road & Bridge - \$3,756,133

Replace and repair the crumbling road surface on 9 Mile Road.

11 Mile – Bell to Arlington - \$2,545,370

Replace and repair crumbling road surface on 11 Mile.

Lockdale - \$2,470,000

Replace and repair crumbling road surface on Lockdale.

Total Proposed Major Streets Projects: \$15,011,611

Total Proposed Major and Local Streets Projects: \$19,372,611

2018-2019 WATER & SEWER PROPOSED PROJECTS

The Water & Sewer Department has made every effort to keep rate increases to a minimum and still maintain the integrity and reliability of the system. Rate increases are passed through to us from the controlling authorities. There were no rate increases to our customers in the 2017-2018 year. Our structured multi-year rating strategy, along with operating efficiencies, and careful capital project budgeting, results in a rate increase of 15% to our customers. The proposed rate will generate sufficient revenues to fund our operations, debt retirement and capital expenditures for the coming fiscal year.

New and Replacement Meters - \$1,200,000

These meters are for new construction and replacement of damaged or defective meters throughout the system.

Water and Sewer Lining, Inspections, & Rehab - \$4,000,000

Re-Lining of water and sewer mains is a cost effective maintenance method when total reconstruction is either not economically feasible or not appropriate to address the problem at hand.

Tech Upgrades: SCADA, Mobile Work Orders, Fixed Based & Fleet Tracker - \$150,000

Utilizing Technology to better maintain the system.

Electronic Work Order System - \$340,000

Paperless work order system (tablets). Improves work reporting.

Meters & Automated Reading Devices for Commercial Meter - \$1,200,000

Updating water meter & reading devices for Commercial accounts.

Septic Program - \$500,000

Offering loans to residents & businesses, provides a loan at low rate to interest to connect to sanitary sewer.

Section 15 – Evergreen Trail - \$2,900,000

Existing main in the project area has high number of breaks. The water main replacement Project will protect the new road from damage due to breaks.

9 Mile Road & Bridge - \$90,000

Utility Upgrades in the area of Bridge replacement.

Water Meter Van (430) - \$35,000

Replace old water meter van due to age and hours.

Water Backhoe - \$100,000

Replace old backhoe due to age and hours

Purchase Excavator - \$70,000

Purchase Excavator to use for dress-ups.

Water Pick-up (418) - \$34,000

Replace old pickup due to age and hours.

CCTV for Camera Truck - \$75,000

Better maintain the sanitary system.

TOTAL: \$10,694,000

MAYOR'S BUDGET MESSAGE



City of Southfield

26000 Evergreen Rd. • P.O. Box 2055 • Southfield, MI 48037-2055 • www.cityofsouthfield.com

MAYOR'S OFFICE

May 21, 2018

Honorable City Council
Municipal Building
Southfield, Michigan

RE: Presentation of Fiscal Year 2018-2019 Budget to City Council

Dear Sirs & Mesdames:

Transmitted herewith is the City Administrator's recommended budget for the 2018-2019 fiscal year, pursuant to Chapter VIII, Subsection 8.2 of the Charter of the City of Southfield. I have reviewed the budget and am satisfied that is sufficient to maintain quality services for the coming year.

On December 15, 2017, Southfield elected officials identified 91 goals in nine categories at the Visioning Session and then subsequently prioritized the same in January 2018. As we enter a new fiscal year and continue to work on the goals that we set for the 2017-2019 term, I would suggest that in this new fiscal year we concentrate our collective efforts around the following prioritized goals:

Cost Savings: Reduction in Police and Fire overtime
Greater use of civilian employees rather than sworn officers for some administrative functions in the police and fire departments
Reduction in energy consumption
Continued conversion of street lights to LED lighting
The institution of a system for position analysis to weigh current needs and obsolescence

Revenue Generation:

Continued aggressive application for grants for road construction and other public enhancements
Formulating a water and sewer bond to further infrastructure repairs/replacements
Development of City Centre/Evercentre property
Sale of parcels in the former Northland Center for re-development

Mayor
Kenson J. Siver

Council President
Daniel Brightwell

City Clerk
Sherikia L. Hawkins

City Treasurer
Irv M. Lowenberg

City Council

Myron A. Frasier

Lloyd Crews

Donald F. Fracassi

Michael Ari Mandelbaum

Tawnya Morris

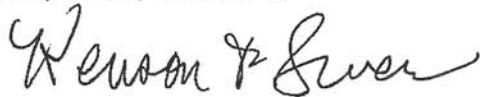
Linnie Taylor

Expenditures: Replacement of the city website for improved ease of access and communication
Continued focus on addressing ADA compliance issues
Reinvestment in park and other public facilities to keep them in good condition
Additional investment in security systems for parks, the 46th District Court and city facilities

Other: Implementation of Neighborhood Enterprise Zones as another tool for neighborhood reinvestment and housing renewal

Not identified as a goal in the Visioning Session, but very worthy of action is the disposal of the John Grace School property. With the relocation of the Southfield Career Center & Michigan Works! offices to the Lawrence Tech Campus and the extensive renovation of Beech Woods Recreation Center, the John Grace building has become surplus property. I urge the City Council to sell this property to generate income and reduce the cost of maintaining a facility that has been under-utilized for years. The Southfield Board of Education recently withdrew deed restrictions on this former school property making it considerably easier to market and redevelop.

Respectfully submitted,



Kenson J. Siver, Ed. D.
Mayor, City of Southfield

CITY ADMINISTRATOR'S BUDGET MESSAGE



City of Southfield

26000 Evergreen Rd. • P.O. Box 2055 • Southfield, MI 48037-2055 • www.cityofsouthfield.com

April 2, 2018

Honorable Mayor Kenson Siver
City of Southfield
Municipal Building
26000 Evergreen Road
Southfield, Michigan

RE: Recommended Budget for 2018-19 Fiscal Year

Dear Mayor Siver:

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, 2018.

This proposed budget for 2018-19 is built on a tax base of \$2,457,544,426 which is an increase of 2.27% based on the preliminary tax base projections provided by the City's Assessor. The fundamental message of the proposed budget is to budget cautiously and responsibly to maintain structural balance and live within our means. This budget is driven exclusively by the revenues that are available and minor reliance on a fund balance draw in the General Fund of \$793,070.00. The economic recovery in Southeastern Michigan has not directly impacted municipal governments that rely primarily on property tax revenues to fund operations and programs due to limitations of the Headlee Amendment and Proposal A.

The total anticipated General Fund Revenue will be \$74,512,267. The anticipated tax base will generate a total of \$45,451,641 (64.57%) for the City's General Fund as follows:

- General Operations – \$16,242,894 from the General operating levy of 6.6094 mills at \$2,457,544,426;
- Police and Fire – \$16,933,956 from the Police and Fire levy of 6.8906 mills at \$2,457,544,426;
- Police and Fire Pension – \$12,501,317 from the Police and Fire Pension Levy of 5.0700 mills at \$2,457,544,426
- Tax Administration Fees and Penalties amount to \$2,206,863;
- Revenue Sharing from the State of Michigan will generate \$6,820,276 (up from \$6,583,317 in fy 2017-18) or 9.15% of the general fund budget (in fy2017-18 revenue sharing was 9.35% of the budget for the City's General Fund (of which \$5,811,053 is constitutional and \$1,009,2223 is Statutory Revenue Sharing);

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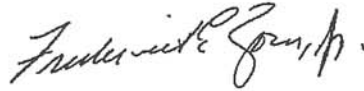
Linnie Taylor

- Other revenues totaling \$21,220,754 provide the remaining 28.48% of the City's General Fund Budget.

General Fund Expenditures are budgeted at \$74,512,267 with Public Safety (Police, Fire and Emergency Management) totaling \$45,328,918 or 60.83% of the proposed expenditures.

The Proposed 2018-19 budget for all funds anticipates revenues of \$199,531,849 and expenditures for all funds of \$199,531,849.

Respectfully submitted,



Frederick E. Zorn, Jr., CECD
City Administrator

BUDGET AND MILLAGE SUMMARY

2018-2019 Recommended Budget

City of Southfield

	18-19 <u>Recommended Revenues</u>		18-19 <u>Recommended Expenditures</u>
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
Transfer from Committed Fund Balance:	0	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	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

(Current Year Budget Figures for Reference)

2017-2018 Budget City of Southfield

	<u>Approved Revenues</u>		<u>Approved Expenditures</u>
GENERAL FUND:		GENERAL FUND:	
General Operating Levy	15,881,274	Administration	610,902
Police & Fire Levy	16,556,950	Fiscal Services/OMB	1,209,393
Police & Fire Pension Levy	10,850,494	Accounting	874,516
Tax Administration Fees & Penalties	2,162,923	Purchasing	370,514
Sales Tax Returns - Constitutional	5,632,345	Technology Services	2,576,043
Sales Tax Returns - Statutory	950,972	Assessing	843,583
Liquor Licenses	47,500	Central Services	753,588
Sanitation Charges	2,733,617	Support Services	4,043,619
Building Revenues	2,200,000	Human Resources	993,994
Engineering Revenues	731,834	Clerk	1,180,677
District Court Revenues	3,694,914	Council	181,854
Reimbursements	2,169,231	Community Relations	631,329
Fees, Licenses & Permits	4,855,026	Court - 46th District	3,556,210
Investment Income	700,000	Law	857,221
Interfund Reimbursements	865,442	Mayor's Office	216,198
		Public Safety	41,820,002
Transfer from Committed Fund Balance	94,647	Community Dev. Administration	1,642,578
Sanitation Fund Balance	266,011	Building	2,161,974
		Planning	685,693
		Streets & Highways	116,151
		Transportation	516,871
		Engineering	765,464
		Sanitation	2,999,628
		Treasurer	785,178
TOTAL GENERAL FUND	70,393,180	TOTAL GENERAL FUND	70,393,180
FACILITIES MAINTENANCE FUND	4,493,326	FACILITIES MAINTENANCE FUND	4,493,326
MOTOR POOL FUND	3,941,883	MOTOR POOL FUND	3,941,883
CABLE TV FUND	1,098,881	CABLE TV FUND	1,098,881
PARKS & REC FUND	7,243,682	PARKS & REC FUND	7,243,682
LIBRARY FUND	7,613,326	LIBRARY FUND	7,613,326
MAJOR STREET FUND	18,476,592	MAJOR STREET FUND	18,476,592
LOCAL STREET FUND	9,764,479	LOCAL STREET FUND	9,764,479
WATER & SEWER FUND	48,424,828	WATER & SEWER FUND	48,424,828
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)	(11,695,394)	(DUPLICATING TRANSFERS)	(11,695,394)
MUNICIPAL SUBTOTAL	159,979,783	MUNICIPAL SUBTOTAL	159,979,783
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	310,140	AUTO THEFT GRANT	310,140
TOTAL GRANT FUNDS	5,262,804	TOTAL GRANT FUNDS	5,262,804
TOTAL ALL OPERATING FUNDS	165,242,587	TOTAL ALL OPERATING FUNDS	165,242,587
DEBT SERVICE	-	DEBT SERVICE	-
TOTAL REVENUES	165,242,587	TOTAL EXPENDITURES	165,242,587

2018-2019 RECOMMENDED 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 LDFA 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.

2017-18 Tax Rate Compared To 2018-19

	<u>2017-18</u>	<u>2018-19</u>	Increase / (Decrease) Compared to 2017-18
Operating:			
General Operations	6.6094	6.6094	-
Public Safety	6.8906	6.8906	-
Police & Fire Pension	4.5249	5.0552	0.5303
Residential Street Maintenance	1.0000	1.0000	-
Parks & Recreation	1.7500	1.7500	-
Library	2.8000	2.8000	-
Public Act 298	0.2207	0.2207	-
Public Act 59	0.0208	0.0203	(0.0005)
Total Operating	23.8164	24.3462	0.5298
Debt Service:			
County Drains At Large	0.0267	0.1467	0.1200
UTGO Road Bond	2.5800	2.5800	-
Total Levy	26.4231	27.0729	0.6498

MILLAGE HISTORY

OPERATING	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08
General Operations	6.9566	6.9006	6.8284	6.6453	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094
Public Safety	2.9814	2.9574	2.9264	2.8479	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325
Police / Fire Pension	1.8223	1.7256	1.3820	1.3495	1.2910	1.3063	1.4583	1.6017	1.7096	1.6772	1.7672
Res. Street Maint.	.9938	.9858	.9754	.9492	.9440	.9440	.9440	.9440	.9440	.9440	.9440
R-O-W Appearance	.4761	.4548	.4551	.5083	.5348	.4401	.4913	.4227	.4227	.3361	.2539
Parks & Recreation	1.7392	1.7252	1.7072	1.6614	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524
Library	.9938	.9858	1.3054	2.1048	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934
Public Act 59	-	-	-	-	-	-	-	-	-	-	-
Total Operating	15.9632	15.7352	15.5799	16.0664	15.9575	15.8781	16.0813	16.1561	16.2640	16.1450	16.1528
Debt Service	.4989	.4921	.4679	.3804	.3065	.2748	.2615	.0277	-	-	-
UTGO Road Bond	-	-	-	-	-	-	-	-	-	-	-
Drains-at-Large	-	-	-	-	-	-	-	.1590	.0788	.1978	.1900
TOTAL	16.4621	16.2273	16.0478	16.4468	16.2640	16.1529	16.3428	16.3428	16.3428	16.3428	16.3428
OPERATING	08-09	09-10	10-11	11-12*	12-13	13-14	14-15	15-16	16-17	17-18	18-19
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	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906
Police / Fire Pension	1.6889	1.7000	1.8788	3.0004	3.9424	4.7197	4.4500	4.3971	4.3714	4.5249	5.0552
Res. Street Maint.	.9440	.9440	.9440	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
R-O-W Appearance	.3322	.3370	.1582	.2207	.2207	.2207	.2207	.2207	.2207	.2207	.2207
Parks & Recreation	1.6524	1.6524	1.6524	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500
Library	2.0934	2.0934	2.0934	2.8000	2.8000	2.8000	2.8000	2.8000	2.8000	2.8000	2.8000
Public Act 59	-	-	-	-	0.0214	0.0234	0.0234	0.0234	0.0212	0.0208	0.0203
Total Operating	16.1528	16.1687	16.1687	22.2711	23.2345	24.0138	23.7441	23.6912	23.6633	23.8164	24.3462
Debt Service	-	-	-	-	-	-	-	-	-	-	-
UTGO Road Bond	-	-	-	-	-	-	-	2.5800	2.5800	2.5800	2.5800
Drains-at-Large	.1900	.1741	.1741	.3591	.4873	.4873	.4873	.4873	.1467	.0267	.1467
TOTAL	16.3428	16.3428	16.3428	22.6302	23.7218	24.5011	24.2314	26.7585	26.3900	26.4231	27.0729

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

A. PROPERTY TAX REVENUES - SERVICES PROVIDED

TAX REVENUE FACTORS

18-19 TAX BASE FOR CITY OPERATIONS \$2,457,544,426

17-18 TAX BASE FOR CITY OPERATIONS \$2,402,831,432

A difference of: \$54,712,994 or
2.3%

CHANGE IN TAX REVENUES FOR
CITY OPERATIONS

	<u>17-18</u>	<u>18-19</u>	<u>\$ / % Difference</u>		
GENERAL FUND:					
General Operating Millage	\$15,881,274	\$16,242,894	361,620	/	2.3%
Police & Fire Millage	16,556,950	16,933,956	377,006	/	2.3%
Police & Fire Pension Millage	10,850,494	12,423,379	1,572,885	/	14.5%
 ROADSIDE APPEARANCE PROGRAM (PA298) + PA59*	 580,284	 592,268	 11,984	 /	 2.1%
RESIDENTIAL STREETS	2,402,831	2,457,544	54,713	/	2.3%
PARKS & RECREATION	4,204,955	4,300,703	95,748	/	2.3%
LIBRARY	6,727,928	6,881,124	153,196	/	2.3%

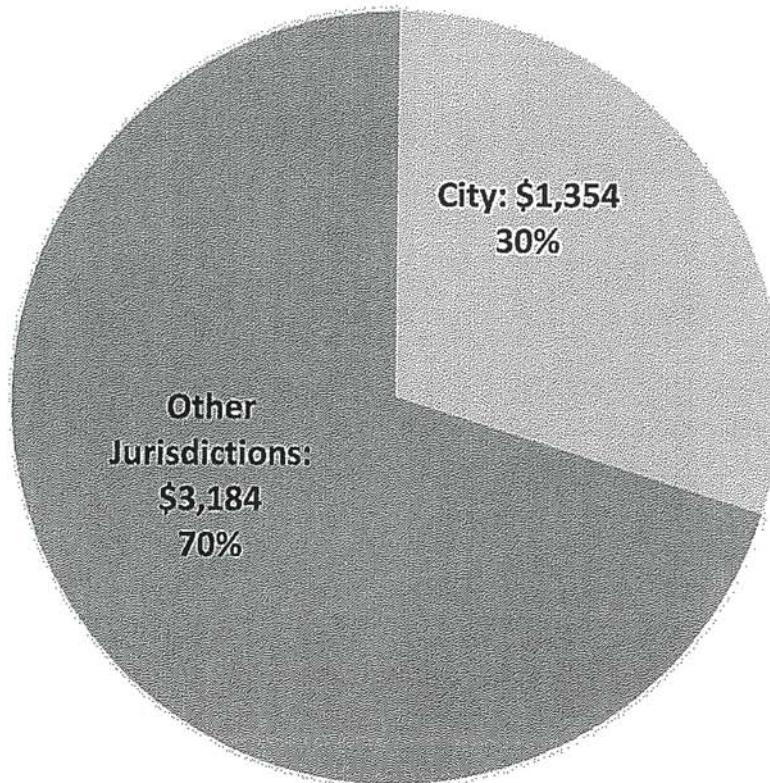
*PA 59 was first levied in 2012-13. It allows for up to \$50,000 annually for business attraction programs.

2018-2019
Services Provided for Property Tax Dollars

Figures are based on a Southfield home with a market value of \$100,000 and a taxable value of \$50,000.

City Services Provided:	<u>Millage Rate</u>	<u>Annual Property Taxes</u>
Police/Fire	11.9458	\$ 597
General operations	6.6094	330
Parks & Recreation	1.75	88
Library	2.8	140
Roads, appearance, drains, and others	3.9677	198
Total City services	<u>27.0729</u>	<u>\$ 1,354</u>
 Other jurisdictions & public purposes including County & Education	 63.6744	 \$ 3,184
 Total Property Taxes		 <u><u>\$ 4,537</u></u>

Property Tax Dollars Distribution



B. OVERVIEW - REVENUES AND EXPENDITURES

BUDGET COMPARISONS
GENERAL FUND REVENUES

	17-18 <u>APPROVED</u> <u>BUDGET</u>	18-19 <u>RECOMM.</u> <u>BUDGET</u>	<u>%</u> <u>CHANGE</u>
General Operating Levy	15,881,274	16,242,894	2.3%
Police & Fire Levy	16,556,950	16,933,956	2.3%
Police & Fire Pension Levy	10,850,494	12,423,379	14.5%
Tax Administration Fees & Penalties	2,162,923	2,206,863	2.0%
Sales Tax Returns - Constitutional	5,632,345	5,811,053	3.2%
Sales Tax Returns - Statutory	950,972	1,009,223	6.1%
Cable Franchise Fees	-	1,500,000	100.0%
Sanitation Charges	2,733,617	3,055,563	11.8%
Building Department Revenues	2,200,000	3,110,000	41.4%
Engineering Revenues	731,834	752,834	2.9%
District Court Revenues	3,694,914	3,629,472	-1.8%
Reimbursements	2,169,231	2,354,824	8.6%
Fees, Licenses, and Permits	4,855,026	3,373,315	-30.5%
Investment Income	700,000	500,000	-28.6%
Interfund Reimbursements	865,442	1,201,859	38.9%
Total Revenues Exclusive of Fund Balance	69,985,022	74,105,235	
Transfer From Committed Fund Balance:	94,647	-	
Sanitation Fund Balance:	266,011	-	
Total From General Fund	<u><u>70,345,680</u></u>	<u><u>74,105,235</u></u>	<u><u>5.3%</u></u>

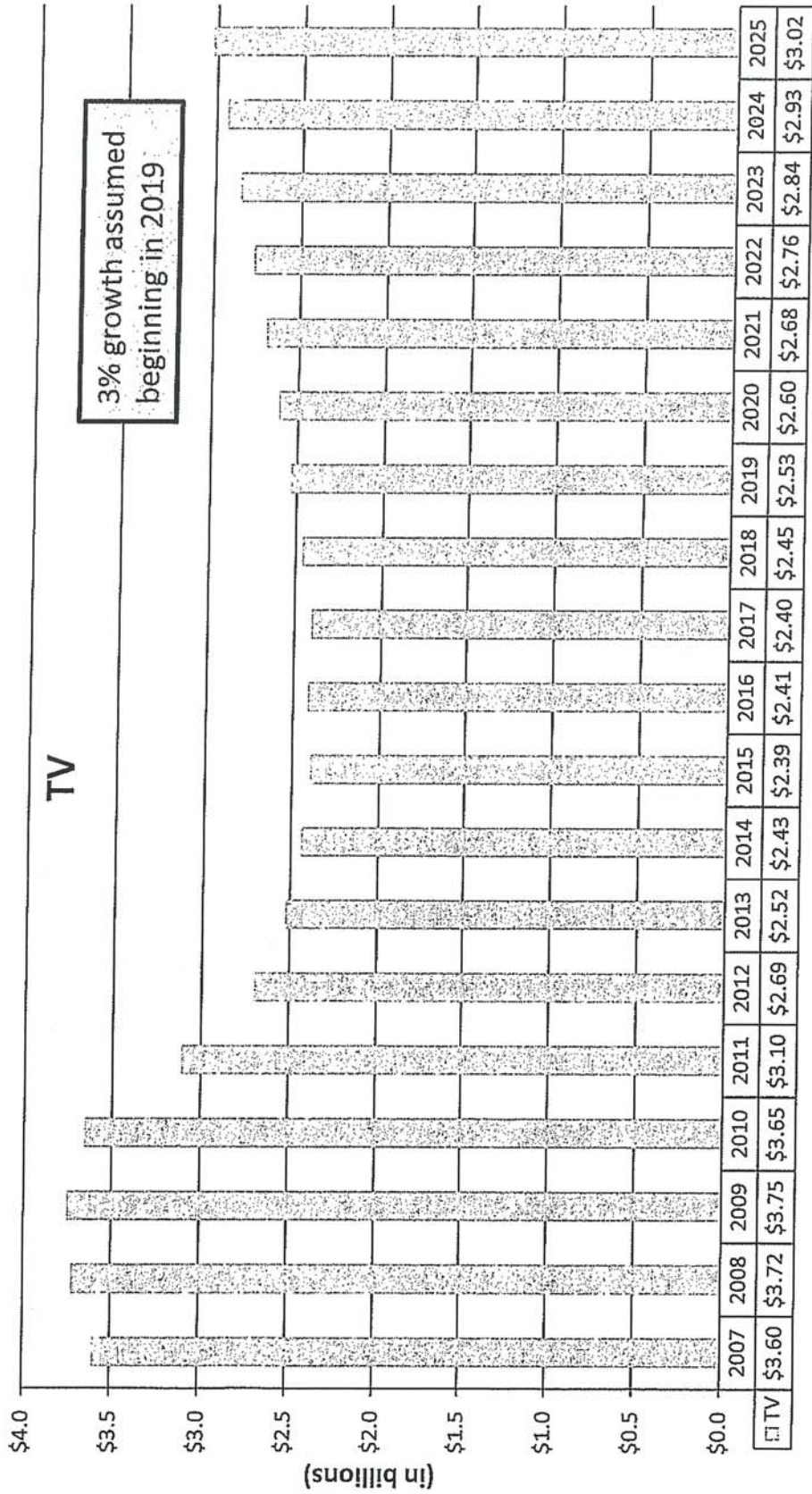
BUDGET COMPARISONS
GENERAL FUND EXPENDITURES

	<u>17-18</u> <u>ADOPTED</u> <u>BUDGET</u>	<u>18-19</u> <u>RECOMM.</u> <u>BUDGET</u>	<u>%</u> <u>CHANGE</u>
Administration	610,902	607,436	-0.6%
Building	2,161,974	2,826,375	30.7%
Business Development	381,303	374,176	-1.9%
Central Services	753,588	747,780	-0.8%
Clerk	1,180,677	1,038,619	-12.0%
Code Enforcement	1,261,275	1,102,885	-12.6%
Community Relations	631,329	669,550	6.1%
Council	181,854	191,887	5.5%
Court - 46th District	3,556,210	3,830,032	
Emergency Management	36,217	36,341	0.3%
Engineering	765,464	880,875	15.1%
Fire	15,927,793	18,326,526	15.1%
Fiscal Services			
Accounting	874,516	719,441	-17.7%
Assessing	843,583	1,110,342	31.6%
OMB	1,209,393	1,357,096	12.2%
Purchasing	370,514	389,404	
Support Services	4,043,619	3,449,703	-14.7%
Human Resources	993,994	1,031,369	3.8%
Law	857,221	909,507	6.1%
Mayor	216,198	217,901	0.8%
Planning	685,693	738,378	7.7%
Police	25,855,992	26,579,616	2.8%
Sanitation	2,999,628	2,979,453	-0.7%
Streets and Highways	116,151	118,596	2.1%
Technology Services	2,576,043	2,594,588	0.7%
Transportation	516,871	479,871	-7.2%
Treasurer	785,178	797,488	1.6%
Total General Fund	<u><u>70,393,180</u></u>	<u><u>74,105,235</u></u>	<u><u>5.3%</u></u>

BUDGET COMPARISONS
ALL FUNDS

<u>FUND</u>	<u>17-18</u> <u>APPROVED</u> <u>BUDGET</u>	<u>18-19</u> <u>RECOMM.</u> <u>BUDGET</u>	<u>%</u> <u>CHANGE</u>
General Fund	\$70,393,180	\$74,105,235	5.3%
Facilities Maintenance Fund	4,493,326	4,497,701	0.1%
Motor Pool Fund	3,941,883	4,064,308	3.1%
Cable TV Fund	1,098,881	1,020,655	-7.1%
Parks and Recreation Fund	7,243,682	7,177,296	-0.9%
Library Fund	7,613,326	7,808,567	2.6%
Major Street Fund	18,476,592	20,979,322	13.5%
Local Street Fund	9,764,479	8,593,977	-12.0%
Water and Sewer Fund	48,424,828	53,221,625	9.9%
Drug Law Enforcement Fund	25,000	260,200	940.8%
Donations, Mem.Trusts and Sponsorships	200,000	200,000	-
(Less Duplicating Transfers)	<u>(11,695,394)</u>	<u>(11,797,769)</u>	0.9%
Municipal Subtotal	159,979,783	170,131,117	6.3%
Community Development Block Grant	451,118	511,979	13.5%
Section 8 Housing Grants	2,201,546	2,201,546	-
Michigan Works Grants	2,300,000	1,891,285	-17.8%
Auto Theft Grant	310,140	175,865	-43.3%
Total Budget	<u><u>\$165,242,587</u></u>	<u><u>\$174,911,792</u></u>	<u><u>5.9%</u></u>

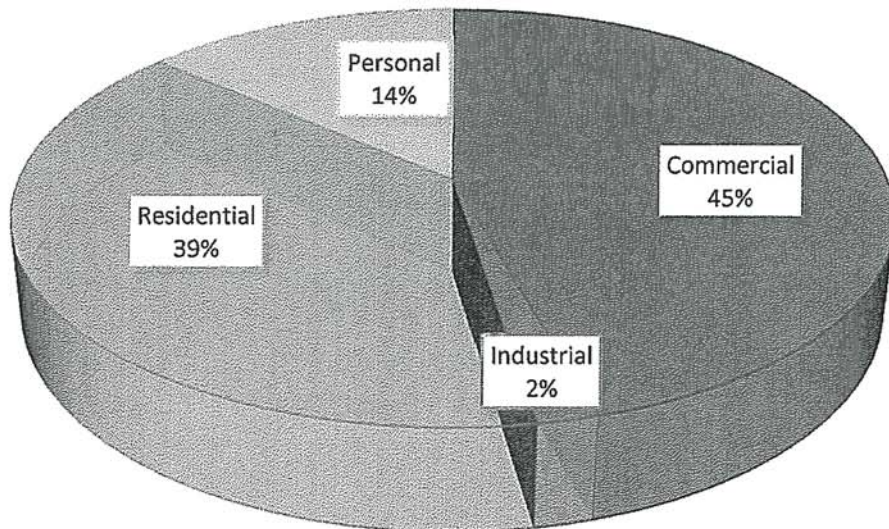
Taxable Value (TV)



TAXABLE VALUE (TV) COMPOSITION HISTORY

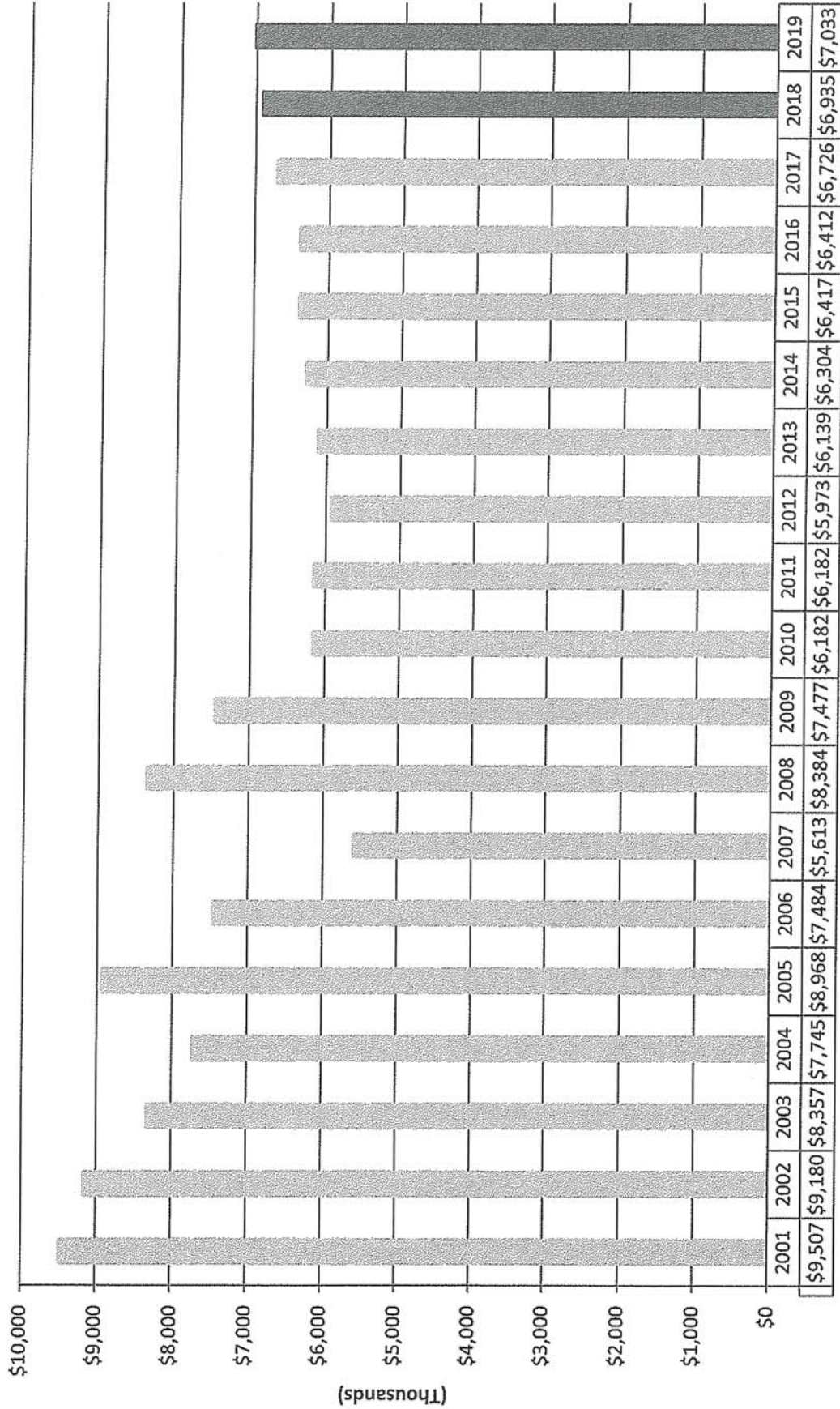
<u>Year</u>	<u>% Residential</u>	<u>% All Other</u>	<u>TV in Millions</u>	<u>% Change</u>
1997-98	37.90	62.10	\$ 2,514	3.7
1998-99	36.70	63.30	2,708	7.7
1999-00	37.20	62.80	2,826	4.4
2000-01	37.70	62.30	2,930	3.7
2001-02	38.50	61.50	3,079	5.1
2002-03	39.30	60.70	3,231	4.9
2003-04	41.00	59.00	3,268	1.1
2004-05	41.90	58.10	3,387	3.6
2005-06	43.00	57.00	3,482	2.8
2006-07	43.80	56.20	3,605	3.5
2007-08	44.60	55.40	3,726	3.4
2008-09	44.60	55.40	3,753	0.7
2009-10	42.60	57.40	3,656	(2.6)
2010-11	37.60	62.40	3,105	(15.1)
2011-12	35.30	64.70	2,695	(13.2)
2012-13	35.10	64.90	2,399	(11.0)
2013-14	35.70	64.30	2,195	(8.5)
2014-15	36.60	63.40	2,257	2.8
2015-16	36.70	63.30	2,358	4.5
2016-17	37.70	62.30	2,352	(0.3)
2017-18	39.00	61.00	2,402	2.1
2018-19	38.90	61.10	2,458	2.3

2018 COMPOSITION OF TAXABLE VALUE*



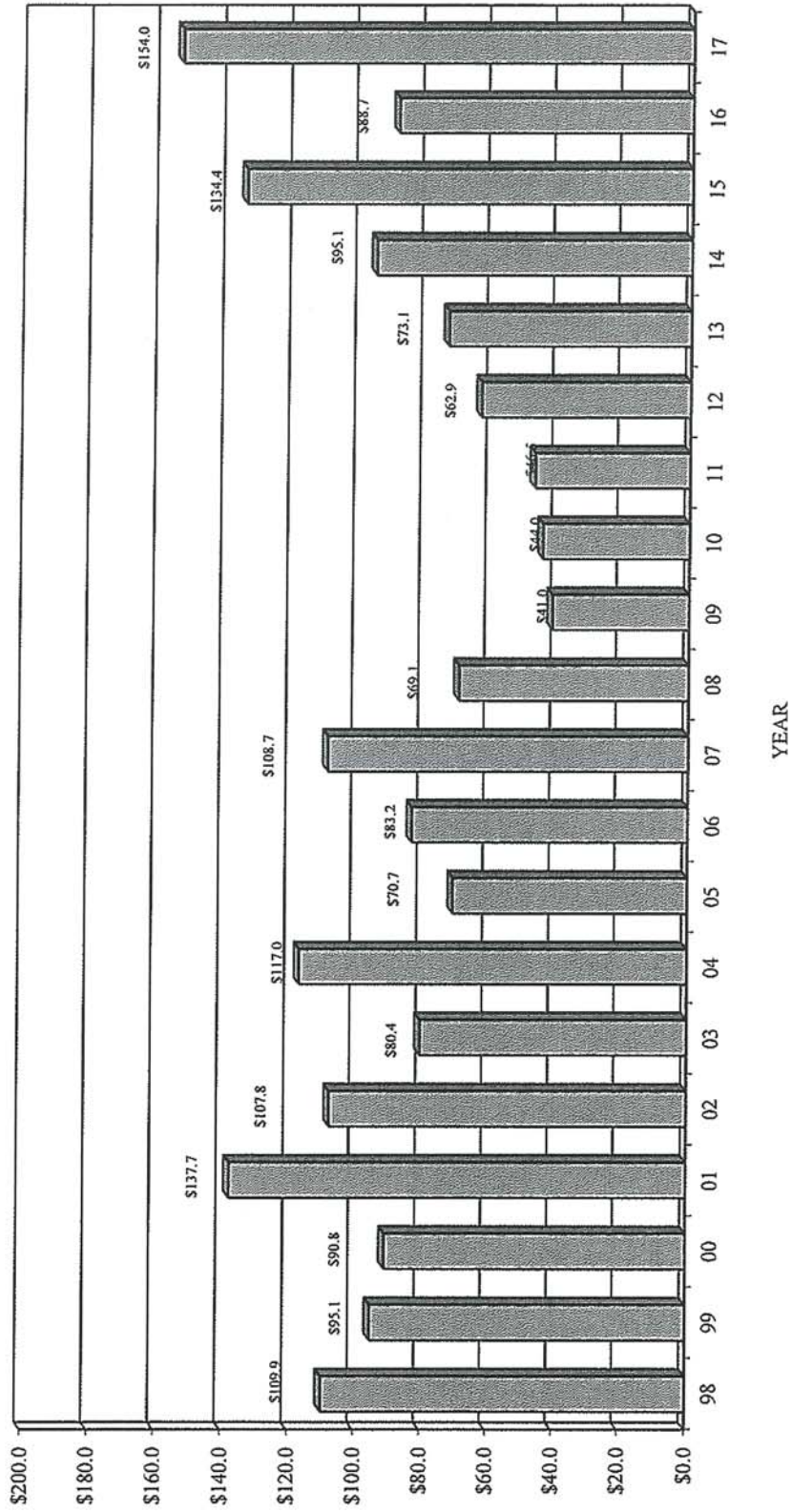
*Per Oakland County Equalization

State Shared Revenue

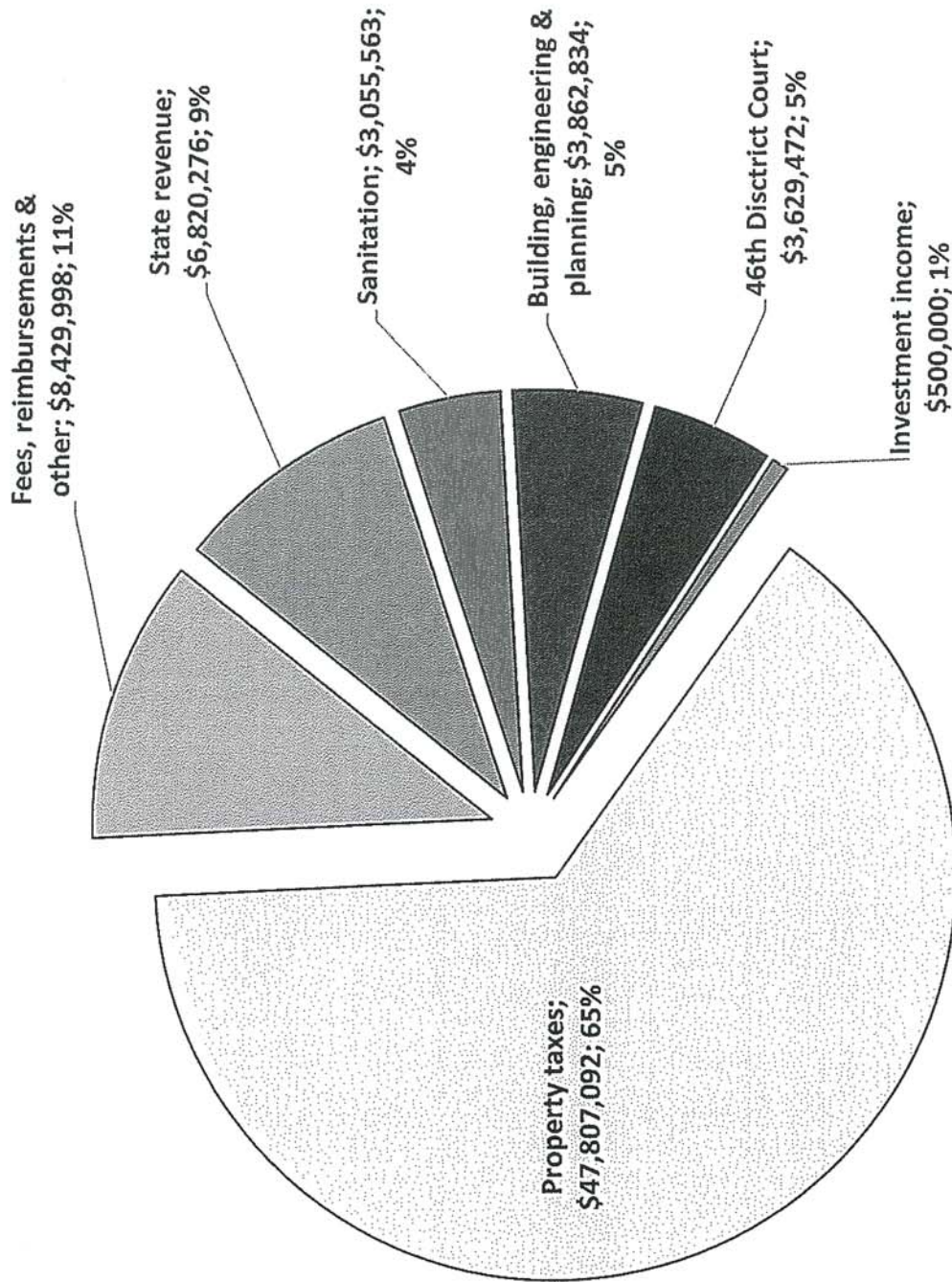


2018 & 2019 amounts projected by the State of Michigan

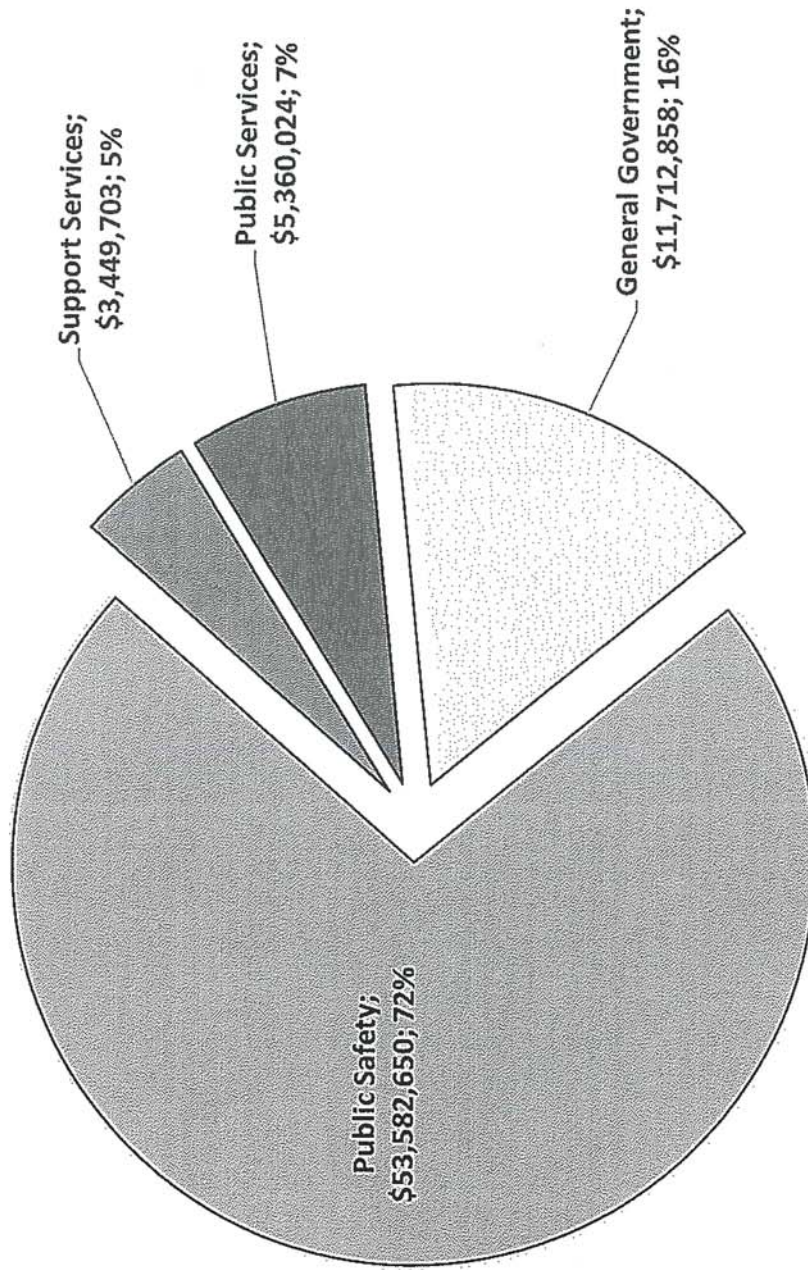
Building Permit Values



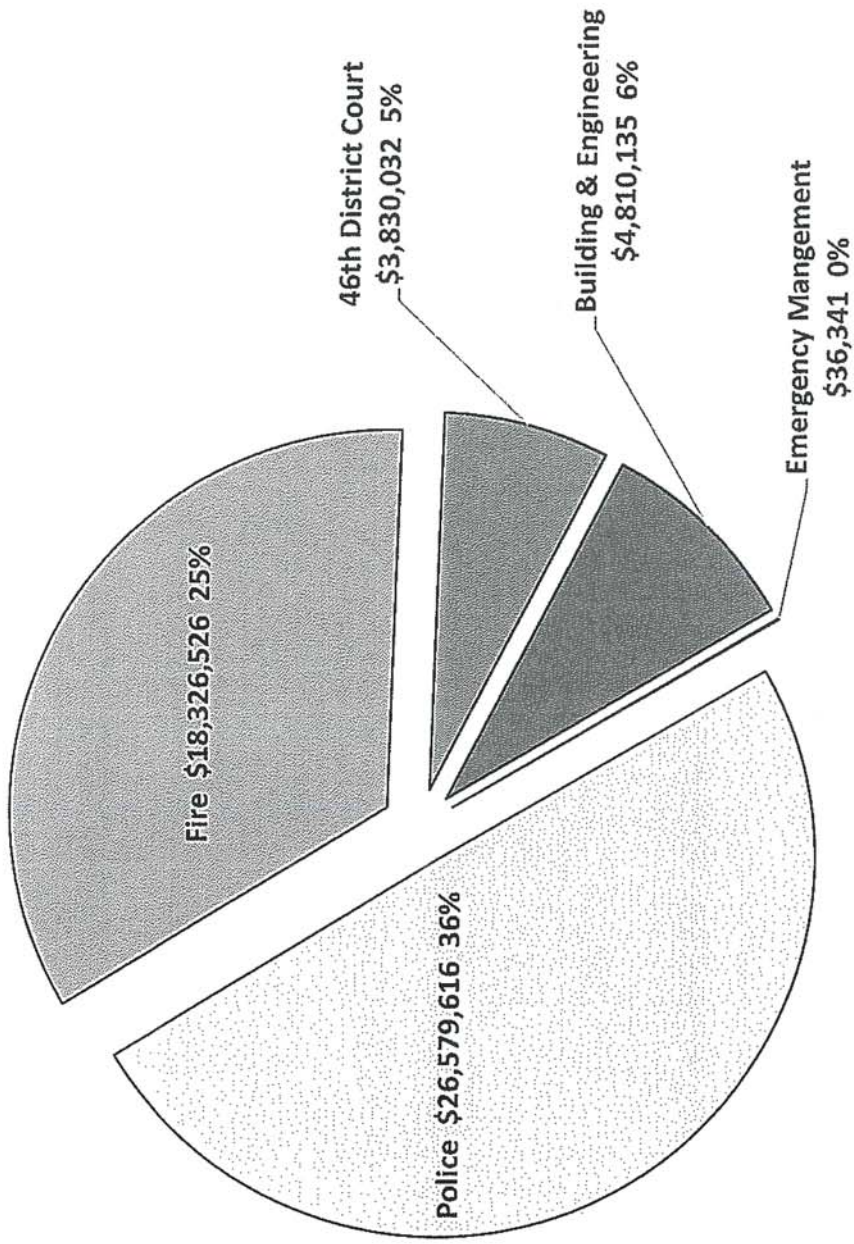
General Fund Revenue 2018-2019



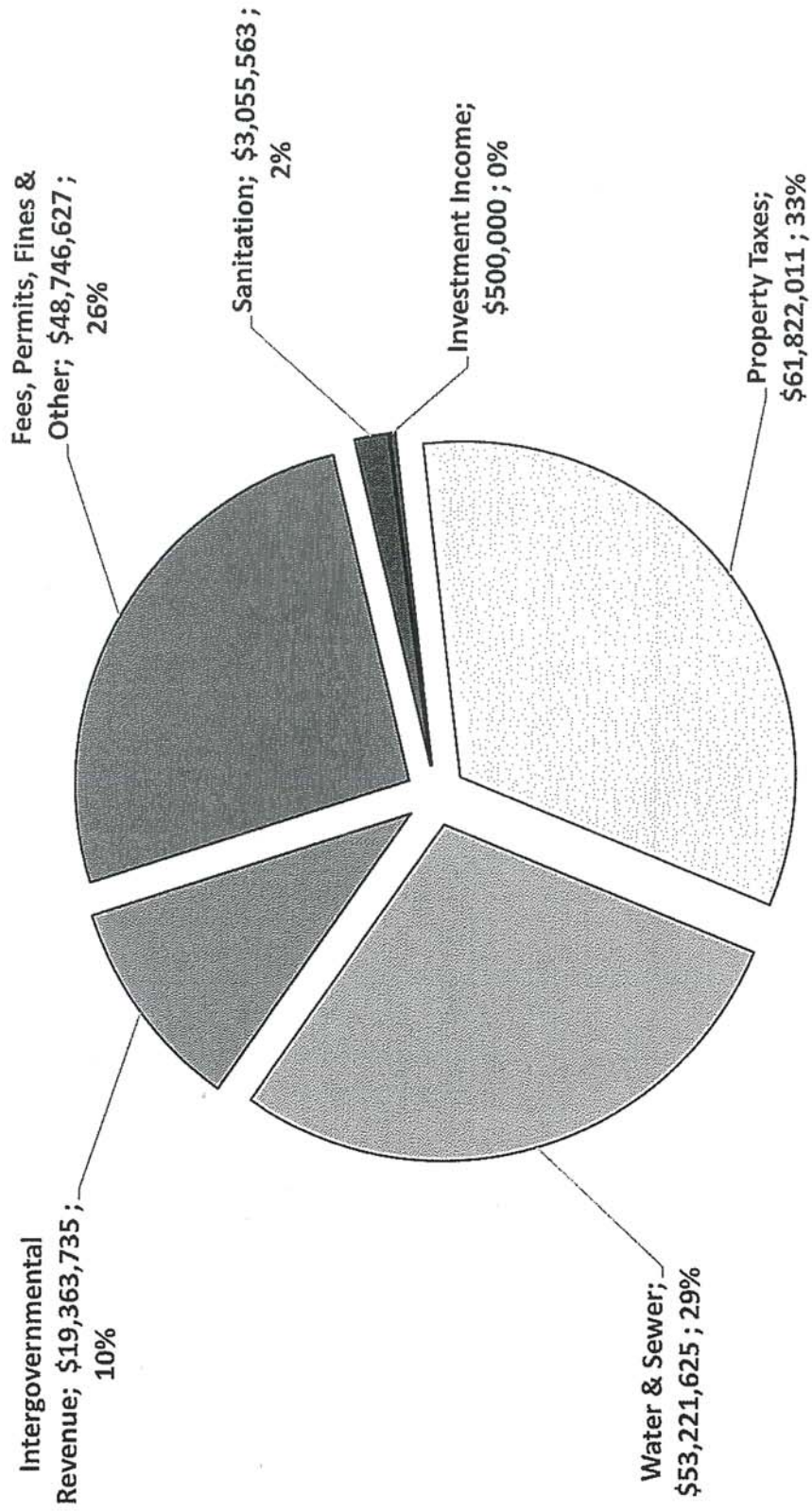
General Fund Expenditures 2018-2019



Public Safety Percent of General Fund Expenditures 2018-2019



ALL FUNDS REVENUE 2018-2019



ALL FUNDS EXPENSES 2018-2019

