



MUNICIPAL BUDGET EXECUTIVE SUMMARY

**JULY 1, 2017 – JUNE 30, 2018
SOUTHFIELD, MICHIGAN**

2017-18 RECOMMENDED BUDGET HIGHLIGHTS

The overall message of the proposed budget is sustainability through responsibility; balancing the needs of the City against available funding and "living within our means". The budget is driven almost exclusively by available revenues with a minor 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 4, 2015 Visioning Session as follows:

- Offer first rate public safety services
- Provide outstanding cultural services in both our Library and Parks and Recreation departments
- Continue improvements to rebuilding our infrastructure
- Continue efforts to enhance future revenues by strengthening both our commercial and residential tax base

Budget Assumptions

- Increases in taxable property values are limited to the consumer price index, which was calculated at 0.9%
- 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
- 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
- Staffing vacancies will be funded and filled as necessary

Revenue Snapshot

- Property taxes excluding administrative fees and penalties represent 61.5% of General Fund Revenues. Projected taxable value, excluding capture districts, is \$2,402,831,432 which represents a 2.2% increase over the 2016-17 projection
- The millage rate increased by 0.0331 mills comprised of an increase of 0.1531 for operations offset by a 0.1200 reduction attributable to debt service. The resultant levy is 26.4231 mills
- State shared revenues again decreased by slightly less than 1% compared to the prior budget year. Constitutional and statutory revenue payments from the State of Michigan are projected at \$5,632,345 and \$950,972, respectively and represent just over 9% of the General Fund revenues
- The proposed budget includes the use of fund balance of \$94,647 and \$266,011 from the General and Sanitation funds, respectively. These uses result in a projected General Fund balance of \$31,022,914 for fiscal year ending June 30, 2018 based on fiscal 2016 audited balances and a balanced 2016-17 budget

Expenditure Snapshot

- At \$41.8 million, Police and Fire services continue to be the largest General Fund expenditure, making up approximately 59% of all General Fund expenditures
- The proposed budget includes approximately \$12.1 million for general government expenditures. These costs comprise just over 17% 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 \$70.4 million, a 3.7% increase over 2016-17
- Total expenditures of all funds are proposed at approximately \$165.2 million, a 10% decrease from 2016-17
- Proposed infrastructure Investments total approximately \$24.8 million which represents a 50% decrease from 2016-17. The below table presents a comparison of proposed and current year projects

<u>Department</u>	<u>2017-18</u>		<u>2016-17</u>	
	<u># of Projects</u>	<u>Total Investment</u>	<u># of Projects</u>	<u>Total Investment</u>
Local Streets	1	\$2,600,000	8	\$15,960,000
Major Streets	5	12,506,400	9	7,755,000
Water & Sewer	8	9,643,913	15	25,903,000
	<u>14</u>	<u>\$24,750,313</u>	<u>32</u>	<u>\$49,618,000</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>
2015-16	549	n/a
2016-17	563	14
2017-18	560	(3)

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 2017-18. 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.

FUND BALANCE CONSTRAINTS TO EQUALIZATION RESERVE
Based on 2016 Comprehensive Annual Financial Report

<u>Fund</u>	<u>Amount</u>
General Fund	\$2,000,000
Library	\$ 350,000
Local Streets	\$ 154,200
Parks & Recreation	\$ 243,400

2017-2018 PROPOSED INFRASTRUCTURE CAPITAL PROJECTS

LOCAL STREETS

Asphalt Pavement Rehabilitation	\$	2,600,000
Sub-total	\$	<u>2,600,000</u>

MAJOR STREETS

Franklin (11 Mile to Telegraph)	\$	2,816,400
Northwestern Service Drive (Telegraph west to NW Hwy)	\$	3,300,000
Evergreen (9 Mile to NB Northwestern Service Drive)	\$	4,200,000
Evergreen (11 Mile to 13 Mile)	\$	1,870,000
Lahser Road (Civic Center to I-696)	\$	320,000
Sub-total	\$	<u>12,506,400</u>

WATER & SEWER

New and Replacement Meters	\$	1,200,000
Water & Sewer Main Lining & Replacement	\$	5,000,000
SCADA System	\$	1,200,000
Fleet Tracker	\$	75,000
Electronic Work Order System	\$	340,000
Sanitary Lift Stations Grease	\$	50,000
Meters & Automated Reading Devices - Commercial Change Out	\$	1,200,000
Hydrant Replace Program City Wide	\$	578,913
Sub-Total	\$	<u>9,643,913</u>

CAPITAL PROGRAM GRAND TOTAL **\$ 24,750,313**

2017-2018 STREETS & HIGHWAYS PROPOSED PROJECTS

The Public Works Department will carefully manage the capital projects planned for the 2017-18 fiscal year.

LOCAL STREETS

2017 Asphalt Pavement Rehabilitation - \$2,600,000

2017 rehabilitation projects on several local streets in the west half of the City. Work includes mill & overlay and pulverize & overlay sections.

Total Proposed Local Streets Projects: \$2,600,000

MAJOR STREETS

Franklin (11 Mile to Telegraph) - \$2,816,400

2017 rehabilitation project includes a roundabout at the 11 Mile intersection and a road diet to reduce lanes from 4 to 3. Includes sidewalk gap filling. This construction is partially paid with federal funds.

Northwestern Service Drive (Telegraph west to Northwestern Hwy.) - \$3,300,000

2017 reconstruction project includes a road diet to reduce lanes from 3 to 2. Concrete curbs and asphalt pavement. This construction is partially paid with multiple years of Oakland County Local Road Improvement Program funds.

Evergreen (9 Mile to NB Northwestern Service Drive) - \$4,200,000

2017 reconstruction of Evergreen in concrete as a three lane cross section. Includes sidewalk gap filling, signal upgrades and alignment improvements. This construction is partially paid with federal funds.

Evergreen (11 Mile to 13 Mile) - \$1,870,000

2017 resurfacing and reconstruction of Evergreen between 11 Mile and 13 Mile Roads. Project includes extending the center left turn lane to the Birney Middle School driveway. The local costs are to be shared with the Village of Beverly Hills and the City of Lathrup Village for the corresponding shared segments of road. New asphalt surface except for just north of 11 Mile where concrete patching is proposed. This construction is partially paid with federal funds.

Lasher Road (Civic Center to I-696) - \$320,000

2017 reconstruction of Lasher Road in concrete. The construction costs are to be split between RCOC and the City. This City's share of construction is partially paid with Tri-Party funds.

Total Proposed Major Streets Projects: \$12,506,400

Total Proposed Major and Local Streets Projects: \$15,106,400

2017-2018 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. The rate increases passed through to us from the controlling authorities was in excess of 9.19%. Our structured multi-year rating strategy, along with operating efficiencies, and careful capital project budgeting, results in a rate increase of 0% 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 Main Lining and Replacement - \$5,000,000

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.

SCADA System - \$1,200,000

Replace obsolete SCADA System.

Fleet Tracker - \$75,000

Purchase, installation, and maintenance of Fleet Tracker System. Improves employee efficiency and safety.

Electronic Work Order System - \$340,000

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

Sanitary Lift Stations Grease - \$50,000

Implementing aggressive program to remove grease from wet wells.

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

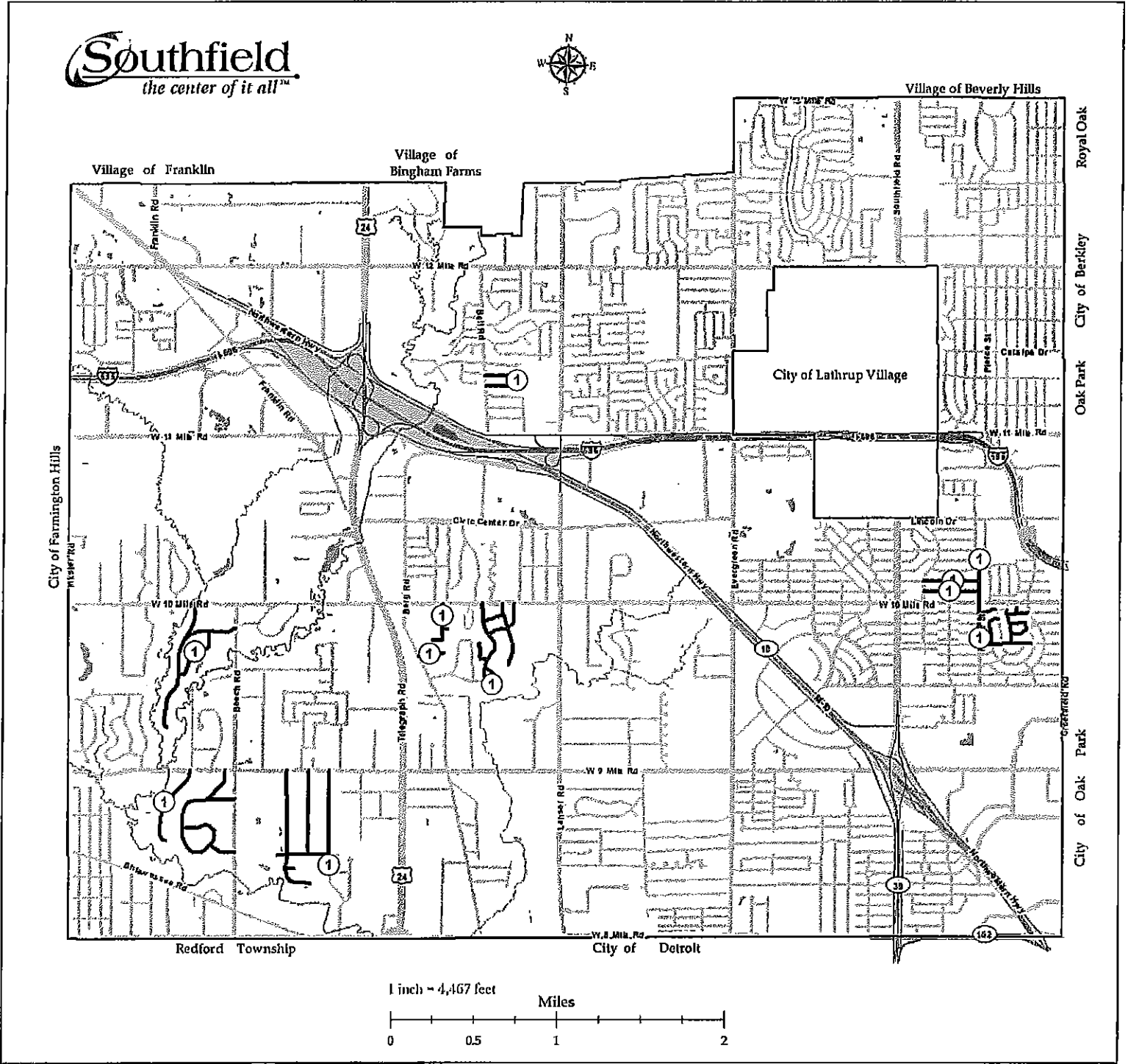
Updating water meter & reading devices for Commercial accounts.

Hydrant Replaced Program City Wide - \$578,913

Replacing/repairing any hydrants throughout the City to ensure they are in working condition.

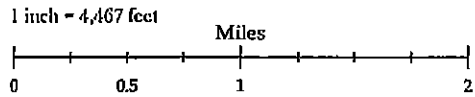
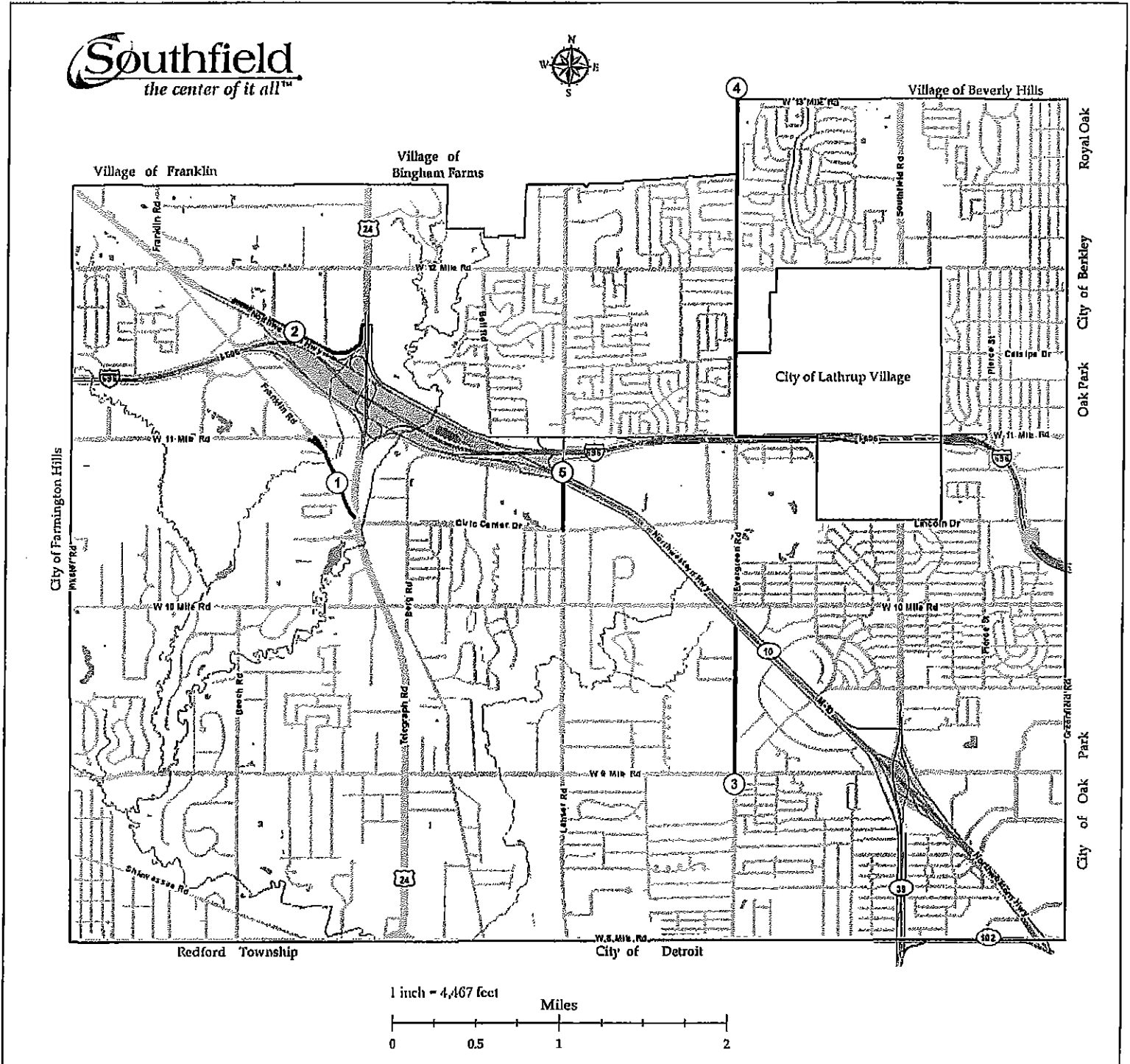
TOTAL: \$9,643,913

Local Streets



1 -2017 Asphalt Pavement Rehabilitation

Major Streets



- 1 - Franklin (11 Mile to Telegraph)
- 2 - Northwestern Service Drive (Telegraph west to Northwestern Hwy.)
- 3 - Evergreen (9 Mile to NB Northwestern Service Drive)
- 4 - Evergreen (11 Mile to 13 Mile)
- 5 - Lahser Road (Civic Center to I-696)

MAYOR'S BUDGET MESSAGE

MAYOR'S OFFICE

May 8, 2017

Honorable Southfield City Council
Southfield City Hall
Southfield, Michigan

RE: Presentation of the Fiscal Year 2017-2018 Budget to City Council

Dear Sirs & Mesdames:

Transmitted herewith is the City Administrator's recommended budget for the 2017-2018 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 it is sufficient to maintain quality services for the coming year. For the first time in years we are projected to see some substantial increase in General Fund tax revenues. This budget is based on projected General Fund revenues of \$70,393,180—an increase of \$2,994,429 over fiscal 2016-2017. This increase in revenue is timely in light of compensation increases granted to city staff in late fall of 2016. It should be noted that the revenue increases are based on a 2.2 percent improvement in taxable values. This improvement impacts the operating levy, police & fire levy, police & fire pension levy. Unfortunately, state shared revenues for the coming year are projected to remain almost the same as the state continues its previous shift from support of local municipalities and school districts to its priorities. On another note, revenues from new construction/building permits & fees are expected to increase by approximately half a million dollars while 46th District Court revenues have fallen by an almost equal amount.

Public Safety remains a number one priority in the proposed 2017-2018 General Fund budget. Expenditures for police and fire have been increased from \$40,197,697 to \$41,820,002, which reflects compensation increases and additional staffing. It should also be noted that this proposed budget zeros out Human Services as that department has been folded into Community Relations.

In other funds, both the Parks & Recreation and Library are realizing increased revenues of about \$400,000 each. Revenues generated from cable TV franchises, Section 8 Housing Michigan Works, Auto Theft, Drug Law Enforcement and Community Development Block Grants remain the same. We are hopeful that Congress will not eliminate Community Development Block Grants as the President has proposed. The largest shift in revenue is in the Water & Sewer Fund which has declined by \$16.6 million as funds have been applied this past year to many, major infrastructure projects as the city improves and rebuilds the systems.

I look forward to continuing our team efforts as we work to maintain the "Southfield Standard" and fulfill the agreed upon goals for the 2015-2017 term.

Respectfully submitted,



Kenson J. Siver
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 3, 2017

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

RE: Recommended Budget for 2017-18 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, 2017.

This proposed budget for 2017-18 is built on a tax base of \$2,402,831,432, which is an increase of 2.2% 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 \$94,647. 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.

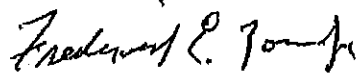
The total anticipated General Fund Revenue will be \$70,393,180. The anticipated tax base will generate a total of \$45,451,641 (64.57%) for the City's General Fund as follows:

- General Operations – \$15,881,274 from the General operating levy of 6.6094 mills at \$2,402,831,432;
- Police and Fire – \$16,556,950 from the Police and Fire levy of 6.8906 mills at \$2,402,831,432;
- Police and Fire Pension – \$10,885,494 from the Police and Fire Pension Levy of 4.3714 mills at \$2,402,831,432;
- Tax Administration Fees and Penalties amount to \$2,162,923;
- Revenue Sharing from the State of Michigan will generate \$6,583,317 (9.35%) for the City's General Fund (of which \$5,632,345 is constitutional and \$950,972 is Statutory Revenue Sharing);
- Other revenues totaling \$16,358,222 provide the remaining 23.2% of the City's General Fund Budget.

General Fund Expenditures are budgeted at \$70,393,180 with Public Safety (Police, Fire and Emergency Management) totaling \$41,820,002 or 59.4% of the proposed expenditures. The City maintains a strong commitment to Public Safety, providing a 4.03% increase in budgeted expenditures from fiscal year 2016-17.

The Proposed 2017-18 budget for all funds anticipates revenues of \$165,242,587 and expenditures for all funds of \$165,242,587. Most of the City's funds have structurally balanced budgets. The 2017-18 Parks and Recreation budget has no fund balance draw and the Library has minor fund balance draw however the proposed budget does restore some operational hours.

Respectfully submitted,



Frederick E. Zorn, Jr., CEcD
City Administrator

BUDGET AND MILLAGE SUMMARY

2017-2018 Recommended Budget

City of Southfield

	<u>Recommended Revenues</u>		<u>Recommended 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

(Current Year Budget Figures for Reference)

2016-2017 Budget City of Southfield

	<u>Approved Revenues</u>		<u>Approved Expenditures</u>
GENERAL FUND:		GENERAL FUND:	
General Operating Levy	15,545,131	Administration	537,676
Police & Fire Levy	16,206,505	Fiscal Services/OMB	1,077,042
Police & Fire Pension Levy	10,281,415	Accounting	695,894
Tax Administration Fees & Penalties	2,137,459	Purchasing	299,707
Sales Tax Returns - Constitutional	5,690,284	Technology Services	2,107,329
Sales Tax Returns - Statutory	950,972	Assessing	816,178
Liquor Licenses	47,500	Central Services	753,678
Sanitation Charges	2,793,502	Support Services	4,924,031
Building Revenues	1,641,630	Human Resources	975,627
Engineering Revenues	720,618	Clerk	1,024,817
District Court Revenues	4,136,472	Council	188,659
Reimbursements	2,077,489	Community Relations	742,973
Fees, Licenses & Permits	4,442,826	Court - 46th District	3,636,550
Investment Income	400,000	Human Services	0
Interfund Reimbursements	800,318	Law	828,470
		Mayor's Office	200,507
		Public Safety*	40,197,679
Transfer from Committed Fund Balance:		Community Dev. Administration**	1,615,153
Equalization Reserve		Building	1,890,701
		Planning	566,030
		Streets & Highways	84,669
		Transportation	455,271
		Engineering	720,618
		Sanitation	2,793,502
		Treasurer	739,360
TOTAL GENERAL FUND	67,872,121	TOTAL GENERAL FUND	67,872,121
FACILITIES MAINTENANCE FUND	4,753,326	FACILITIES MAINTENANCE FUND	4,753,326
MOTOR POOL FUND	4,218,533	MOTOR POOL FUND	4,218,533
CABLE TV FUND	1,098,881	CABLE TV FUND	1,098,881
PARKS & REC FUND	6,838,516	PARKS & REC FUND	6,838,516
LIBRARY FUND	7,279,920	LIBRARY FUND	7,279,920
MAJOR STREET FUND	12,891,205	MAJOR STREET FUND	12,891,205
LOCAL STREET FUND	20,385,168	LOCAL STREET FUND	20,385,168
WATER & SEWER FUND	65,043,092	WATER & SEWER FUND	65,043,092
DRUG LAW ENFORCEMENT FUND	25,000	DRUG LAW ENFORCEMENT FUND	25,000
DONATIONS, MEM. TRUSTS & SPONSORSHIPS (DUPLICATING TRANSFERS)	(12,198,889)	DONATIONS, MEM. TRUSTS & SPONSORSHIPS (DUPLICATING TRANSFERS)	(12,198,889)
MUNICIPAL SUBTOTAL	178,406,873	MUNICIPAL SUBTOTAL	178,406,873
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	301,770	AUTO THEFT GRANT	301,770
TOTAL GRANT FUNDS	5,254,434	TOTAL GRANT FUNDS	5,254,434
TOTAL ALL OPERATING FUNDS	183,661,307	TOTAL ALL OPERATING FUNDS	183,661,307
DEBT SERVICE	-	DEBT SERVICE	-
TOTAL REVENUES	183,661,307	TOTAL EXPENDITURES	183,661,307

2017-2018 RECOMMENDED BUDGET
PROPERTY TAX REVENUES AND RATES

	<u>Revenue</u>	<u>Rate*</u>
General Operations	15,881,274	6.6094
Police & Fire	16,556,950	6.8906
Police & Fire Pension	10,850,494	4.5249
Residential Street Maintenance	2,402,831	1.0000
Parks & Recreation	4,204,955	1.7500
Library	6,727,928	2.8000
Public Act 298	530,305	0.2207
Public Act 59	49,979	0.0208
Total Operating	<u>57,204,717</u>	<u>23.8164</u>
County Drains at Large	64,156	0.0267
UTGO Road Bond	6,199,305	2.5800
Local Development Finance Authority (LDFA) I	456,682	**
Local Development Finance Authority III	23,810	**
DDA/Tax Increment Finance	-	**
Smart Zone	144,223	**
Brownfield Redevelopment Authority	388,000	**
Renaissance Zone (Tool and Die)	16,053	**
Grand Total	<u>64,496,945</u>	<u>26.4231</u>
Taxable Valuation (TV)	2,402,831,432	
TV Captured by LDFA I	17,283,440	
TV Captured by LDFA III	901,115	
TV Captured by DDA/TIF	-	
TV Captured by Smart Zone	5,458,227	
TV Captured by Brownfield Redevelopment Authority	14,684,120	
TV Captured by Renaissance Zone (Tool & Die)	607,530	
Total TV	<u>2,441,765,864</u>	

*Mills per \$1,000 of TV

**Total millage of 26.4231 applied to taxable value of LDFA and other special authorities.

2016-17 Tax Rate Compared To 2017-18

	<u>2016-17</u>	<u>2017-18</u>	Increase / (Decrease) Compared to 2016-17
Operating:			
General Operations	6.6094	6.6094	-
Public Safety	6.8906	6.8906	-
Police & Fire Pension	4.3714	4.5249	0.1535
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	0.0212	0.0208	(0.0004)
Total Operating	23.6633	23.8164	0.1531
Debt Service:			
County Drains At Large	0.1467	0.0267	(0.1200)
UTGO Road Bond	2.5800	2.5800	-
Total Levy	26.3900	26.4231	0.0331

MILLAGE HISTORY

OPERATING	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07
General Operations	6.9566	6.9566	6.9006	6.8384	6.6453	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094
Public Safety	2.9814	2.9814	2.9574	2.9264	2.8479	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325
Police / Fire Pension	1.8109	1.8223	1.7256	1.3820	1.3495	1.2910	1.3063	1.4583	1.6017	1.7096	1.6772
Res. Street Maint.	.9938	.9938	.9858	.9754	.9492	.9440	.9440	.9440	.9440	.9440	.9440
R-O-W Appearance	.4761	.4761	.4548	.4551	.5083	.5348	.4401	.4913	.4227	.4227	.3361
Parks & Recreation	1.7392	1.7392	1.7252	1.7072	1.6614	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524
Library	.9938	.9938	.9858	1.3054	2.1048	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934
Public Act 59	-	-	-	-	-	-	-	-	-	-	-
Total Operating	15.9518	15.9632	15.7352	15.5799	16.0664	15.9575	15.8781	16.8813	16.1561	16.2640	16.1450
Debt Service	.5103	.4989	.4921	.4679	.3804	.3065	.2748	.2615	.0277	-	-
UTGO Road Bond	-	-	-	-	-	-	-	-	-	-	-
Drains-at-Large	-	-	-	-	-	-	-	-	.1590	.0788	.1978
TOTAL	16.4621	16.4621	16.2273	16.0478	16.4468	16.2640	16.1529	16.3428	16.3428	16.3428	16.3428
OPERATING	07-08	08-09	09-10	10-11	11-12*	12-13	13-14	14-15	15-16	16-17	17-18
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	1.7672	1.6889	1.7000	1.8788	3.0004	3.9424	4.7197	4.4500	4.3971	4.3714	4.5249
Res. Street Maint.	.9440	.9440	.9440	.9440	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
R-O-W Appearance	.2539	.3322	.3370	.1582	.2207	.2207	.2207	.2207	.2207	.2207	.2207
Parks & Recreation	1.6524	1.6524	1.6524	1.6524	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500
Library	2.0934	2.0934	2.0934	2.0934	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
Total Operating	16.1528	16.1528	16.1687	16.1687	22.2711	23.2345	24.0138	23.7441	23.6912	23.6633	23.8164
Debt Service	-	-	-	-	-	-	-	-	-	-	-
UTGO Road Bond	-	-	-	-	-	-	-	-	2.5800	2.5800	2.5800
Drains-at-Large	.1900	.1900	.1741	.1741	.3591	.4873	.4873	.4873	.4873	.1467	.0267
TOTAL	16.3428	16.3428	16.3428	16.3428	22.6302	23.7218	24.5011	24.2314	26.7585	26.3900	26.4231

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

A. PROPERTY TAX REVENUES - SERVICES PROVIDED

TAX REVENUE FACTORS

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

16-17 TAX BASE FOR CITY OPERATIONS \$2,351,973,040

A difference of: \$50,858,392 or
2.2%

**CHANGE IN TAX REVENUES FOR
CITY OPERATIONS**

	16-17	17-18	\$ / % Difference
GENERAL FUND:			
General Operating Millage	\$15,545,131	\$15,881,274	336,143 / 2.2%
Police & Fire Millage	16,206,505	16,556,950	350,445 / 2.2%
Police & Fire Pension Millage	10,281,415	10,850,494	569,079 / 5.5%
ROADSIDE APPEARANCE PROGRAM (PA298) + PA59*	568,934	580,284	11,350 / 2.0%
RESIDENTIAL STREETS	2,351,973	2,402,831	50,858 / 2.2%
PARKS & RECREATION	4,115,953	4,204,955	89,002 / 2.2%
LIBRARY	6,585,525	6,727,928	142,403 / 2.2%

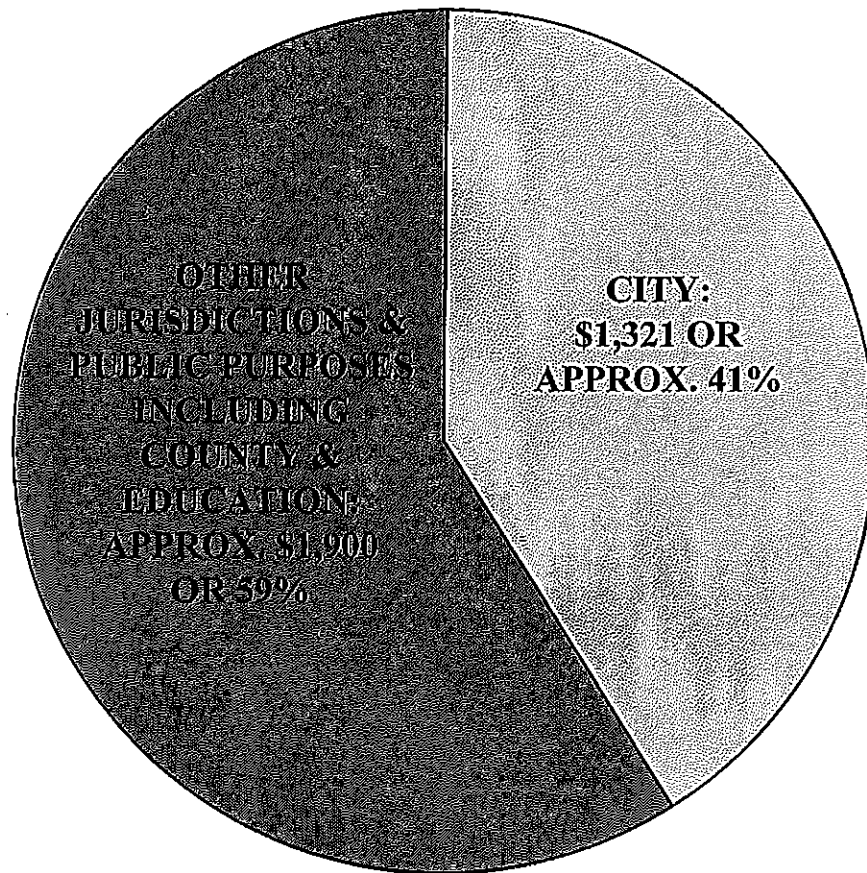
*PA 59 was first levied in 2012-13. It allows for up to \$50,000 annually for business attraction programs.

2017-2018
SERVICES PROVIDED
FOR CITY PROPERTY TAX DOLLARS

<u>MAJOR SERVICES</u>	<u>CITY TAXES/YEAR*</u>
POLICE, FIRE, & EMS	871
PARKS & RECREATION	88
ROADS, APPEARANCE, DRAINS & OTHER	222
LIBRARY	<u>140</u>
TOTAL CITY PROPERTY TAX	\$ 1,321

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.

PROPERTY TAX DOLLAR DISTRIBUTION
(\$100,000 HOME, TAXABLE VALUE OF \$50,000)



B. OVERVIEW - REVENUES AND EXPENDITURES

BUDGET COMPARISONS
GENERAL FUND REVENUES

	16-17 APPROVED BUDGET	17-18 RECOMM. BUDGET	% CHANGE
General Operating Levy	15,545,131	15,881,274	2.2%
Police & Fire Levy	16,206,505	16,556,950	2.2%
Police & Fire Pension Levy	10,281,415	10,850,494	5.5%
Tax Administration Fees & Penalties	2,137,459	2,162,923	1.2%
Sales Tax Returns - Constitutional	5,690,284	5,632,345	-1.0%
Sales Tax Returns - Statutory	950,972	950,972	-
Liquor Licenses	47,500	47,500	-
Sanitation Charges	2,793,502	2,733,617	-2.1%
Building Department Revenues	1,641,630	2,200,000	34.0%
Engineering Revenues	720,618	731,834	1.6%
District Court Revenues	4,136,472	3,694,914	-10.7%
Reimbursements	2,077,489	2,169,231	4.4%
Fees, Licenses, and Permits	4,442,826	4,855,026	9.3%
Investment Income	400,000	700,000	75.0%
Interfund Reimbursements	800,318	865,442	8.1%
Total Revenues Exclusive of Fund Balance	67,872,121	70,032,522	
Transfer From Committed Fund Balance:	-	94,647	
Sanitation Fund Balance:	-	266,011	
Total From General Fund	67,872,121	70,393,180	3.7%

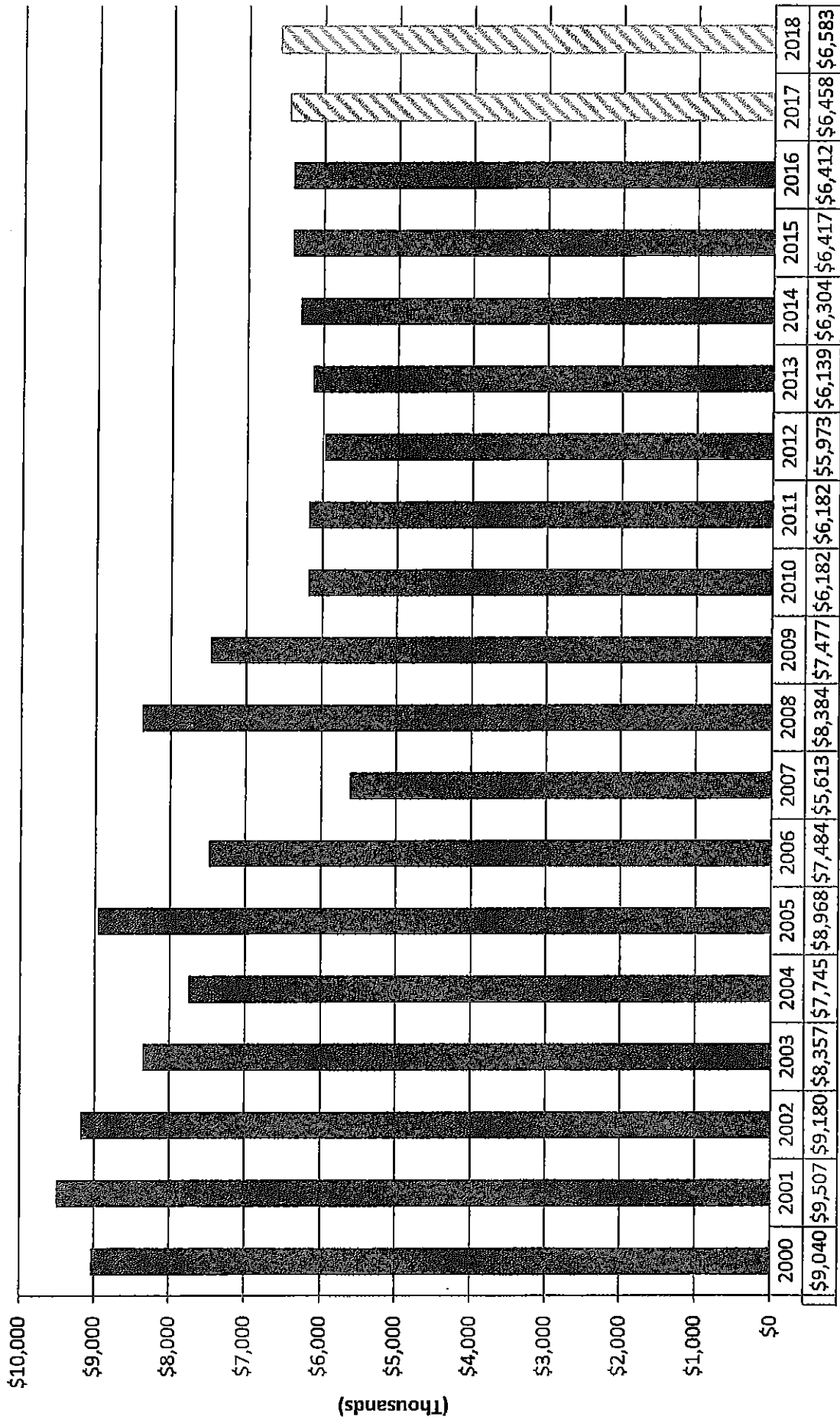
BUDGET COMPARISONS
GENERAL FUND EXPENDITURES

	<u>16-17</u> <u>ADOPTED</u> <u>BUDGET</u>	<u>17-18</u> <u>RECOMM.</u> <u>BUDGET</u>	<u>%</u> <u>CHANGE</u>
Administration	537,676	610,902	13.6%
Fiscal Services / OMB	1,077,042	1,209,393	12.3%
Accounting	695,894	874,516	25.7%
Purchasing	299,707	370,514	23.6%
Technology Services	2,107,329	2,576,043	22.2%
Assessing	816,178	843,583	3.4%
Central Services	753,678	753,588	-
Support Services	4,924,031	4,043,619	-17.9%
Human Resources	975,627	993,994	1.9%
Clerk	1,024,817	1,180,677	15.2%
Council	188,659	181,854	-3.6%
Community Relations	742,973	631,329	-15.0%
46th District Court	3,636,550	3,556,210	-2.2%
Law	828,470	857,221	3.5%
Mayor	200,507	216,198	7.8%
Emergency Management	38,809	36,217	-6.7%
Police	24,881,846	25,855,992	3.9%
Fire	15,277,024	15,927,793	4.3%
Community Development Administration	1,615,153	1,642,578	1.7%
Building	1,890,701	2,161,974	14.3%
Planning	566,030	685,693	21.1%
Streets and Highways	84,669	116,151	37.2%
Transportation	455,271	516,871	13.5%
Engineering	720,618	765,464	6.2%
Sanitation	2,793,502	2,999,628	7.4%
Treasurer	739,360	785,178	6.2%
Total General Fund	<u><u>67,872,121</u></u>	<u><u>70,393,180</u></u>	<u><u>3.7%</u></u>

BUDGET COMPARISONS
ALL FUNDS

<u>FUND</u>	<u>16-17 ADOPTED BUDGET</u>	<u>17-18 RECOMM. BUDGET</u>	<u>% CHANGE</u>
General Fund	\$67,872,121	\$70,393,180	3.7%
Facilities Maintenance Fund	4,753,326	4,493,326	-5.5%
Motor Pool Fund	4,218,533	3,941,883	-6.6%
Cable TV Fund	1,098,881	1,098,881	-
Parks and Recreation Fund	6,838,516	7,243,682	5.9%
Library Fund	7,279,920	7,613,326	4.6%
Major Street Fund	12,891,205	18,476,592	43.3%
Local Street Fund	20,385,168	9,764,479	-52.1%
Water and Sewer Fund	65,043,092	48,424,828	-25.5%
Drug Law Enforcement Fund	25,000	25,000	-
Donations, Mem.Trusts and Sponsorships	200,000	200,000	-
(Less Duplicating Transfers)	(12,198,889)	(11,695,394)	-4.1%
Municipal Subtotal	<u>178,406,873</u>	<u>159,979,783</u>	-10.3%
Community Development Block Grant	451,118	451,118	-
Section 8 Housing Grants	2,201,546	2,201,546	-
Michigan Works Grants	2,300,000	2,300,000	-
Auto Theft Grant	301,770	310,140	2.8%
Total Budget	<u><u>\$183,661,307</u></u>	<u><u>\$165,242,587</u></u>	<u><u>-10.0%</u></u>

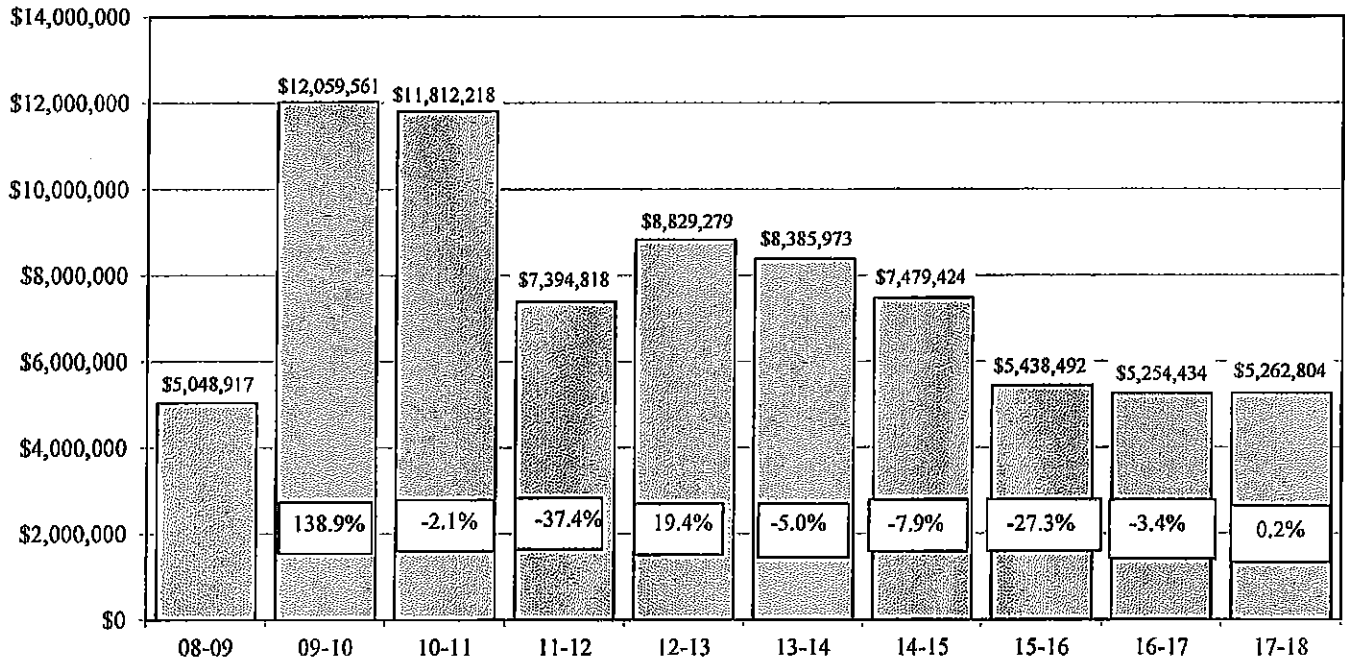
State Shared Revenue



2017 & 2018 amounts projected by the State of Michigan

10 YEAR COMPARISON

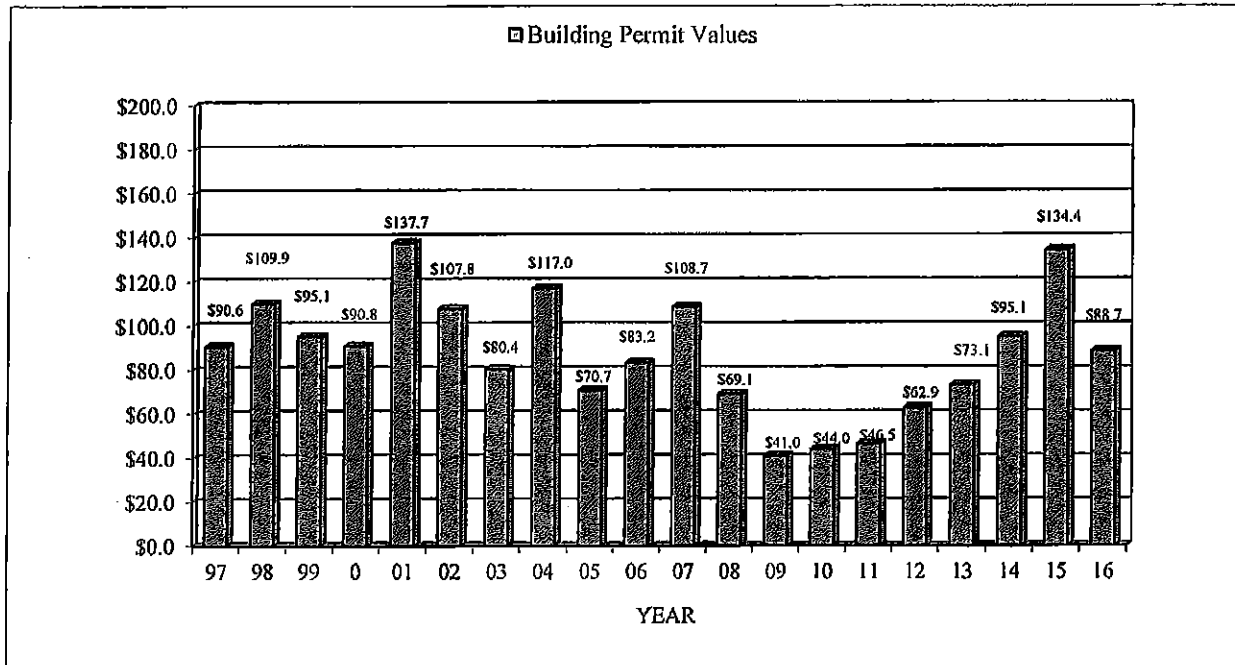
MAJOR GRANT REVENUES



Program (NSP) dollars and substantial increase in employment grants reflected in 2009-10 and 2010-11. 2012-13 and 2013-14 data include the Staffing for Adequate Fire and Emergency Response (SAFER) grant.

Grants have declined from 2014-15 due to the pending close out of the Neighborhood Stabilization Program (NSP) and non-renewal of the SAFER grant.

GROWTH AND PROPERTY VALUATION TRENDS*

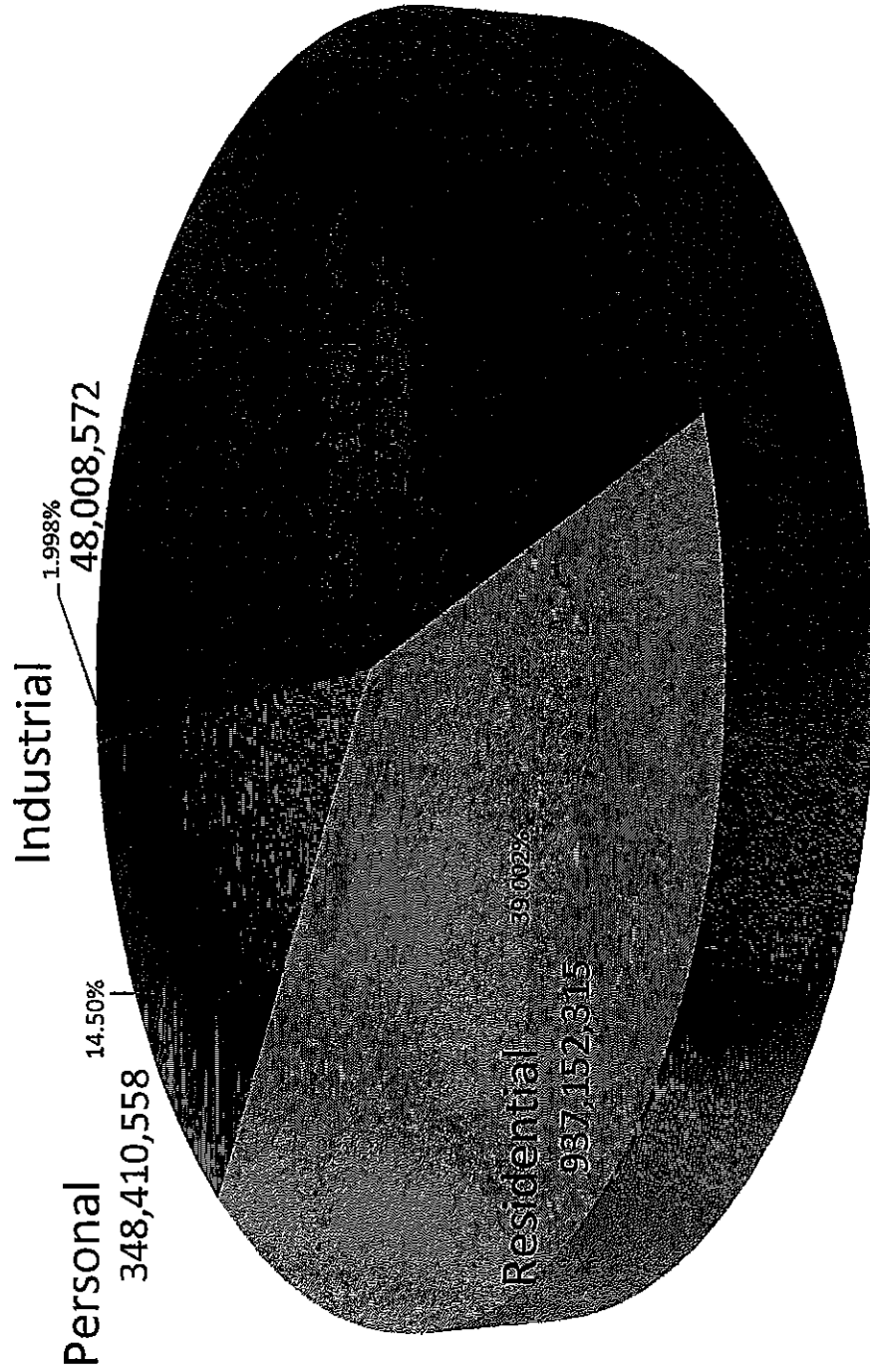


TAXABLE VALUE (TV)

<u>YEAR</u>	<u>RESIDENTIAL</u>	<u>ALL OTHER</u>	<u>TOTAL TV MILLIONS</u>	<u>% CHANGE</u>
1997-98	37.9	62.1	2,514	3.7
1998-99	36.7	63.3	2,708	7.7
1999-00	37.2	62.8	2,826	4.4
2000-01	37.7	62.3	2,930	3.7
2001-02	38.5	61.5	3,079	5.1
2002-03	39.3	60.7	3,231	4.9
2003-04	41.0	59.0	3,268	1.1
2004-05	41.9	58.1	3,387	3.6
2005-06	43.0	57.0	3,482	2.8
2006-07	43.8	56.2	3,605	3.5
2007-08	44.6	55.4	3,726	3.4
2008-09	44.6	55.4	3,753	0.7
2009-10	42.6	57.4	3,656	(2.6)
2010-11	37.6	62.4	3,105	(15.1)
2011-12	35.3	64.7	2,695	(13.2)
2012-13	35.1	64.9	2,399	(11.0)
2013-14	35.7	64.3	2,195	(8.5)
2014-15	36.6	63.4	2,257	2.8
2015-16	36.7	63.3	2,358	4.5
2016-17	37.7	62.3	2,351	(0.3) estimate
2017-18	39.0	61.0	2,402	2.2

*Projections, including an allowance for appeals

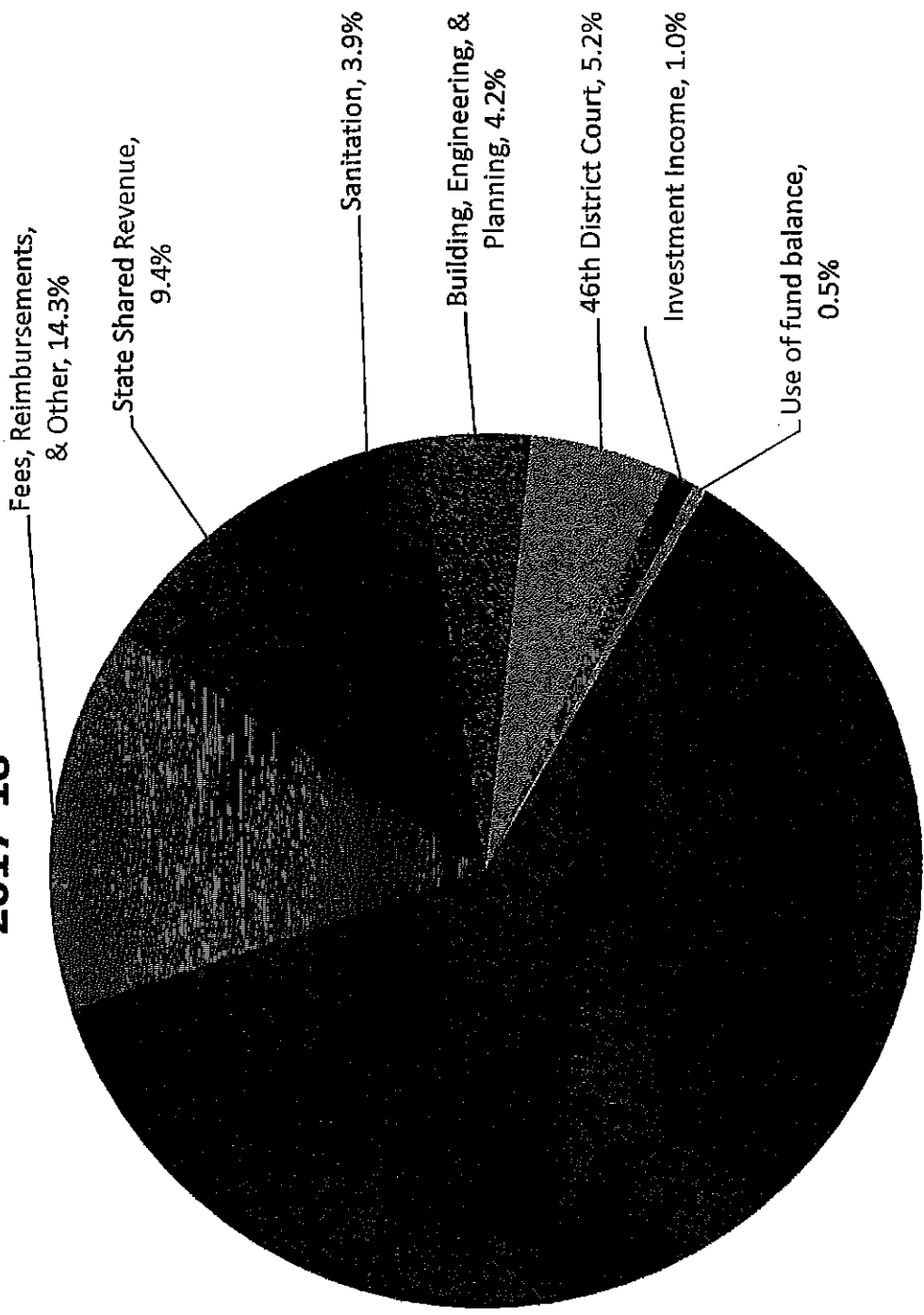
COMPOSITION OF TAXABLE VALUE



Total Taxable Value 2,402,831,432 (As Reported to STC)

General Fund Revenues

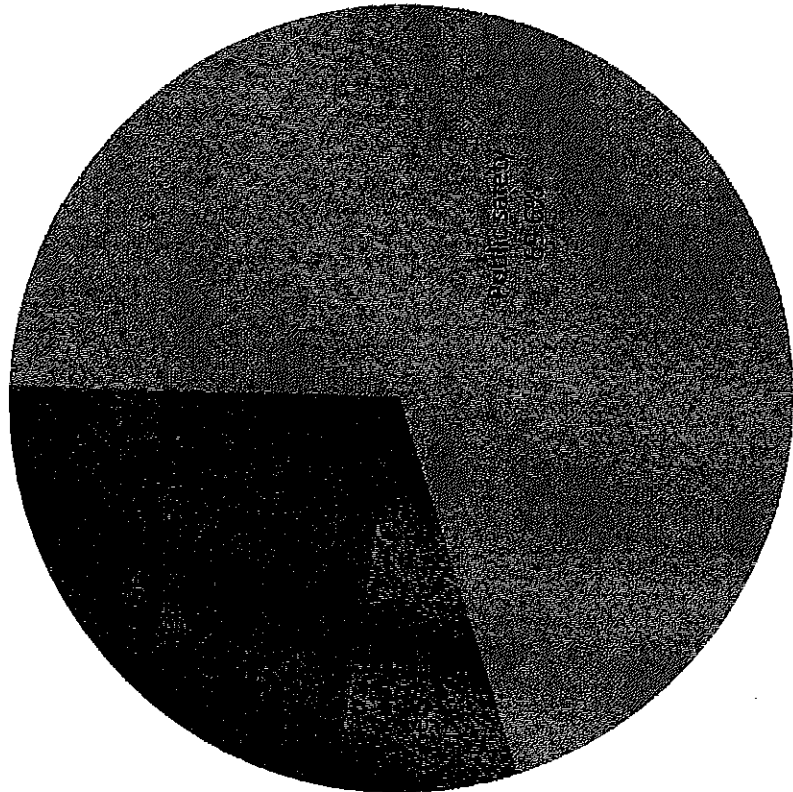
2017-18



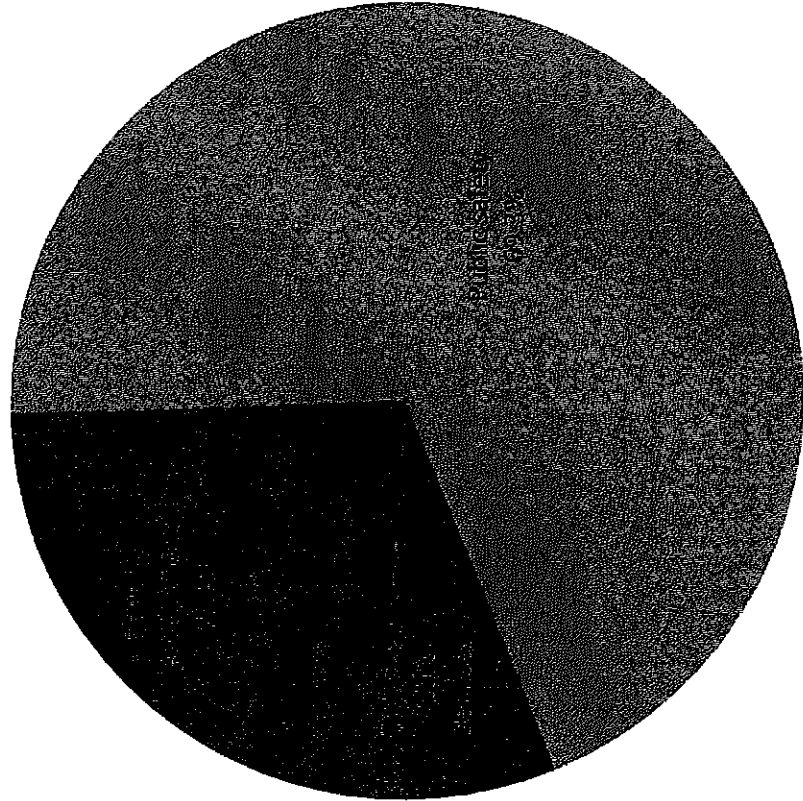
General Fund Expenditures

- | | | | |
|---|---|--|---|
| <p><u>Public Safety:</u></p> <ul style="list-style-type: none"> - Police - Fire - Building, Planning, & Engineering - 46th District Court - Emergency management | <p><u>General Government:</u></p> <ul style="list-style-type: none"> - Elected officials - Human Resources - Finance & accounting - Administration - Other support | <p><u>Support Services:</u></p> <ul style="list-style-type: none"> - Outside consultants - Facilities charges - Refunds and rebates | <p><u>Public Service:</u></p> <ul style="list-style-type: none"> - Community Development - Sanitation - Road service admin |
|---|---|--|---|

2017-18



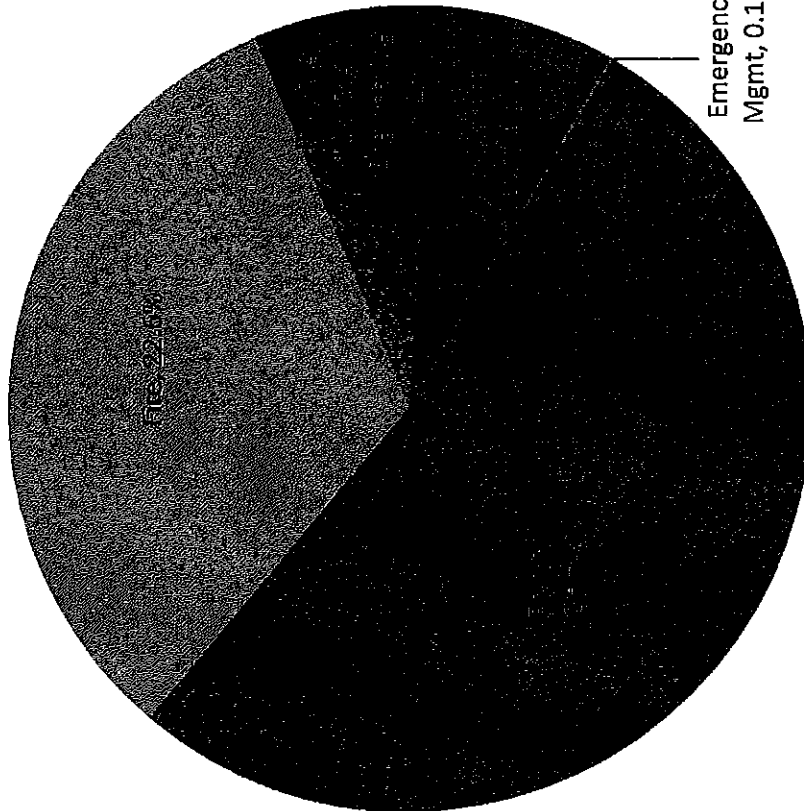
2016-17*



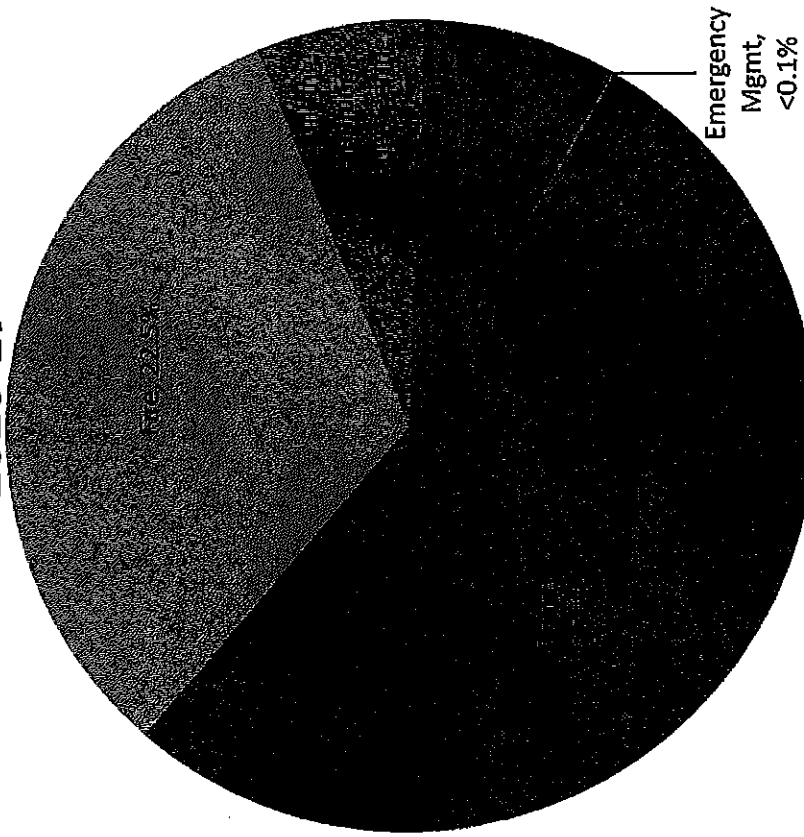
*Prior year shown for comparative purposes due to change in grouping/presentation

Public Safety Percent of General Fund Expenditures

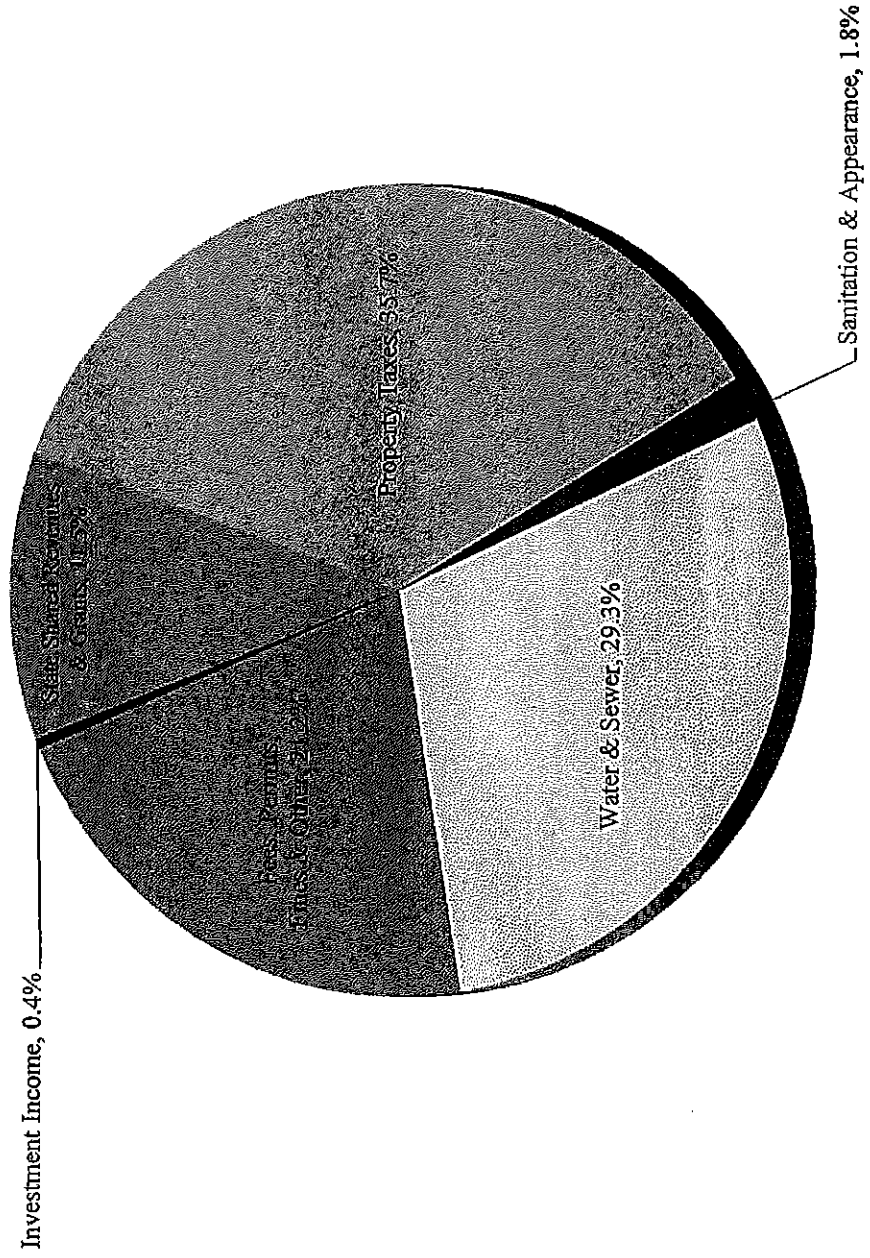
2017-18



2016-17

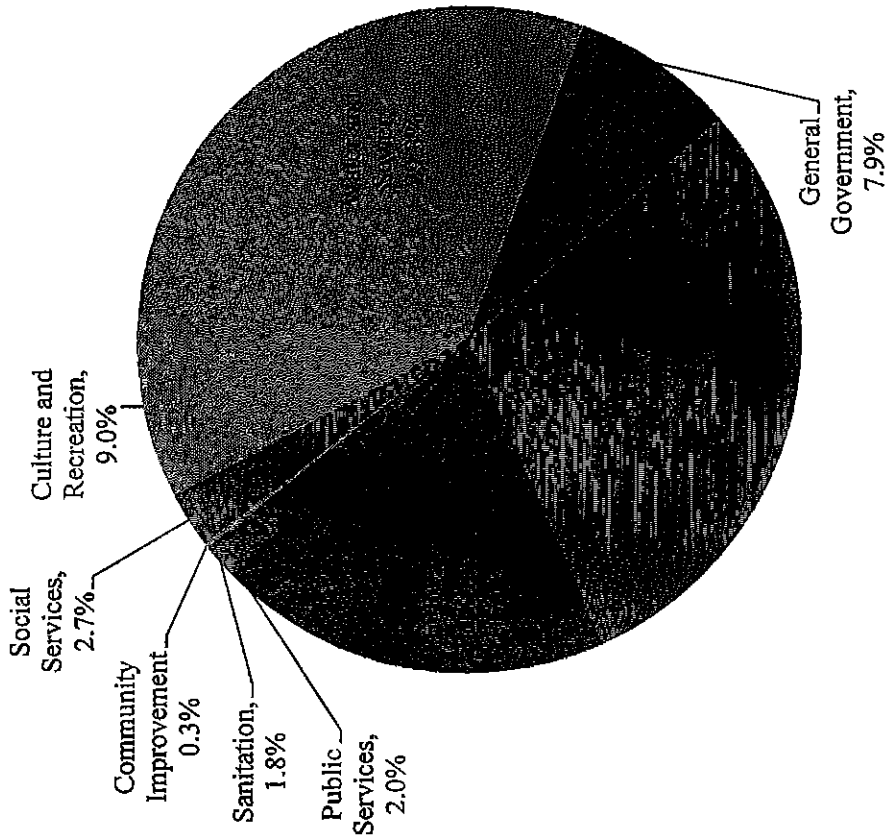


ALL FUNDS REVENUES

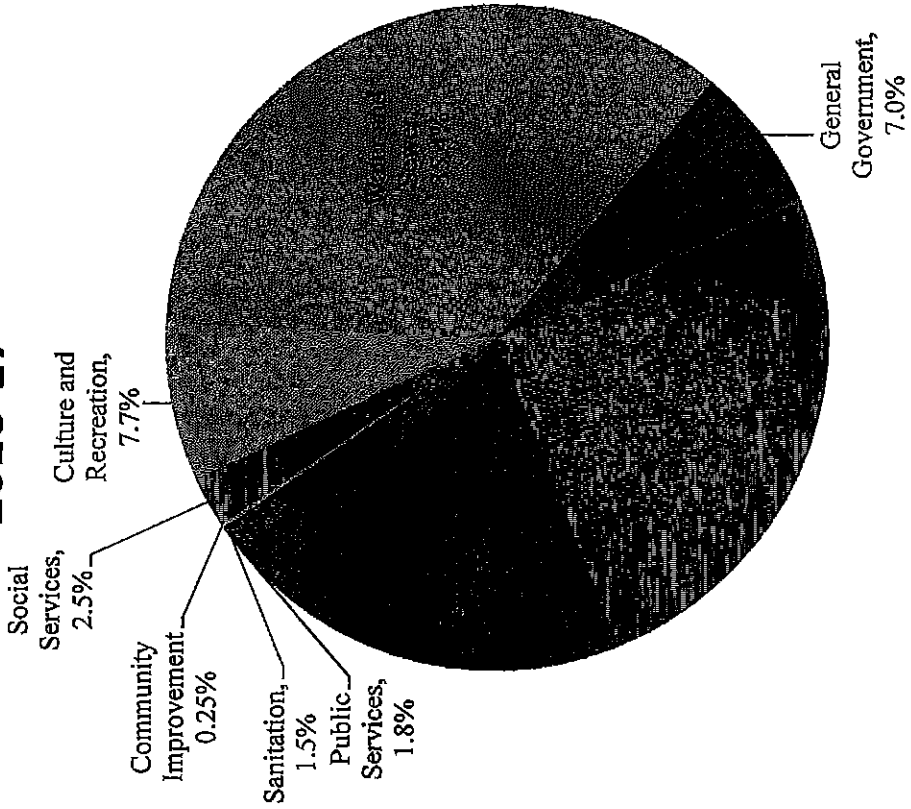


All Funds Expenditures

2017-18



2016-17*



*Prior year shown for comparative purposes due to change in grouping/presentation

