



# **MUNICIPAL BUDGET EXECUTIVE SUMMARY**

**JULY 1, 2019 - JUNE 30, 2020  
SOUTHFIELD, MICHIGAN**



# City of Southfield

26000 Evergreen Rd. • P.O. Box 2055 • Southfield, MI 48037-2055 • [www.cityofsouthfield.com](http://www.cityofsouthfield.com)

## MAYOR'S OFFICE

May 13, 2019

Honorable City Council  
Southfield Municipal Building  
Southfield, Michigan

RE: Presentation of Fiscal Year 2019-2020 Budget

Dear Sirs & Mesdames:

Transmitted herewith is the City Administrator's recommended budget for the 2019-2020 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.

On March 1, 2019, Southfield elected officials identified six goals for the city for the coming year and beyond. There is funding and staffing in this budget to make progress on these goals, which are:

1. Redevelop EverCentre as a vibrant, mixed-use, pedestrian-friendly development within five or six years.
2. Create a successful, revitalized Beechwoods facility and park strategy within one year.
3. Develop a marketing and communications plan for the City of Southfield within 12 months.
4. Revitalize the former Northland Center site with the first phases of a mixed-use development within five years.
5. Provide a variety of housing options and choices in the city for all age ranges.
6. Complete the water and sewer bond within three years.

I would also note that during the fiscal year the city will enter its sixth year of the ten-year infrastructure rebuilding program. Further, enhancements will be made to our place making, walkability and public art initiatives. 2020 will also bring the Decennial Census. Through our Complete Count Committee, we will work to make sure that every person residing in Southfield will be counted on April 1, 2020.

On a final note, I would urge the City Council to address street lighting replacements, sale or rental of surplus properties, further improvements for compliance with the Americans With Disabilities Act and continued work on the development of a tracking system for city contracts, materials goods and financial settlements.

Sincerely yours,

Kenson J. Siver, Ed. D.  
Mayor, City of Southfield  
26000 Evergreen Road  
Southfield, MI 48076  
248 796-5100

**Mayor**  
Kenson J. Siver

**Council President**  
Dr. Lloyd Crews

**City Clerk**  
Sherikia L. Hawkins

**City Treasurer**  
Irv M. Lowenberg

### City Council

Daniel Brightwell   Donald F. Fracassi   Myron A. Frasier   Michael A. Mandelbaum   Tawnya Morris   Linnie Taylor



# City of Southfield

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April 1, 2019

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

## **RE: Recommended Budget for 2019-20 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, 2019.

This proposed budget for 2019-20 is built on a tax base of \$2,562,758,500 which is an increase of 4.2813% 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 will not require a reliance on a fund balance General Fund draw. The economic recovery in Southeastern Michigan has not directly benefited municipal governments as municipal governments rely primarily on property tax revenues to fund operations and programs due to limitations of the both the Headlee Amendment and Proposal A.

The total anticipated General Fund Revenue will be \$78,249,447<sup>1</sup>. The anticipated tax base will generate a total of \$49,274,414 (62.97%) for the City's General Fund as follows:

- General Operations - \$16,934,296 from the General operating levy of 6.6094 mills at \$2,562,758,500 or 21.65% of the General Fund Budget;
- Police and Fire - \$17,658,944 from the Police and Fire levy of 6.8906 mills at \$2,562,758,500 or 22.57% of the General Fund Budget;

<sup>1</sup> Subsequent to April 1, 2019, the budget was adjusted. The numbers included here were accurate at the time of submission. Please see following pages, starting on page 1, for final recommended budget.

**Mayor**  
Kenson J. Siver

**Council President**  
Dr. Lloyd Crews

**City Clerk**  
Sherikia L. Hawkins

**City Treasurer**  
Irv M. Lowenberg

**City Council**

Daniel Brightwell

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Linnie Taylor

Honorable Mayor Kenson Siver

RE: Recommended Budget for 2019-20 Fiscal Year

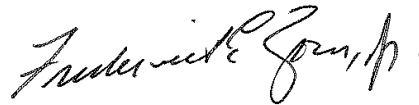
Page 2

- Police and Fire Pension - \$14,677,174 from the Police and Fire Pension Levy of 5.9722 mills \$2,562,758,500 or 18.76% of the General Fund Budget;
- Tax Administration Fees and Penalties amount to \$2,349,604 or 3.00% of the General Fund Budget;
- Revenue Sharing from the State of Michigan will generate \$7,264,019 of the General Fund budget or 9.28% (of which \$6,255,057 is constitutional and \$1,008,932 is Statutory Revenue Sharing);
- Other revenues totaling \$19,361,410 provide the remaining 24.74% of the City's General Fund Budget.

General Fund Expenditures are budgeted at \$78,249,449 with Public Safety (Police, Fire and Emergency Management) totaling \$45,855,051 or 58.60% of the proposed expenditures.

The Proposed 2019-20 budget for all funds anticipates revenues of \$166,095,368 and expenditures for all funds of \$166,095,368.

Respectfully submitted,



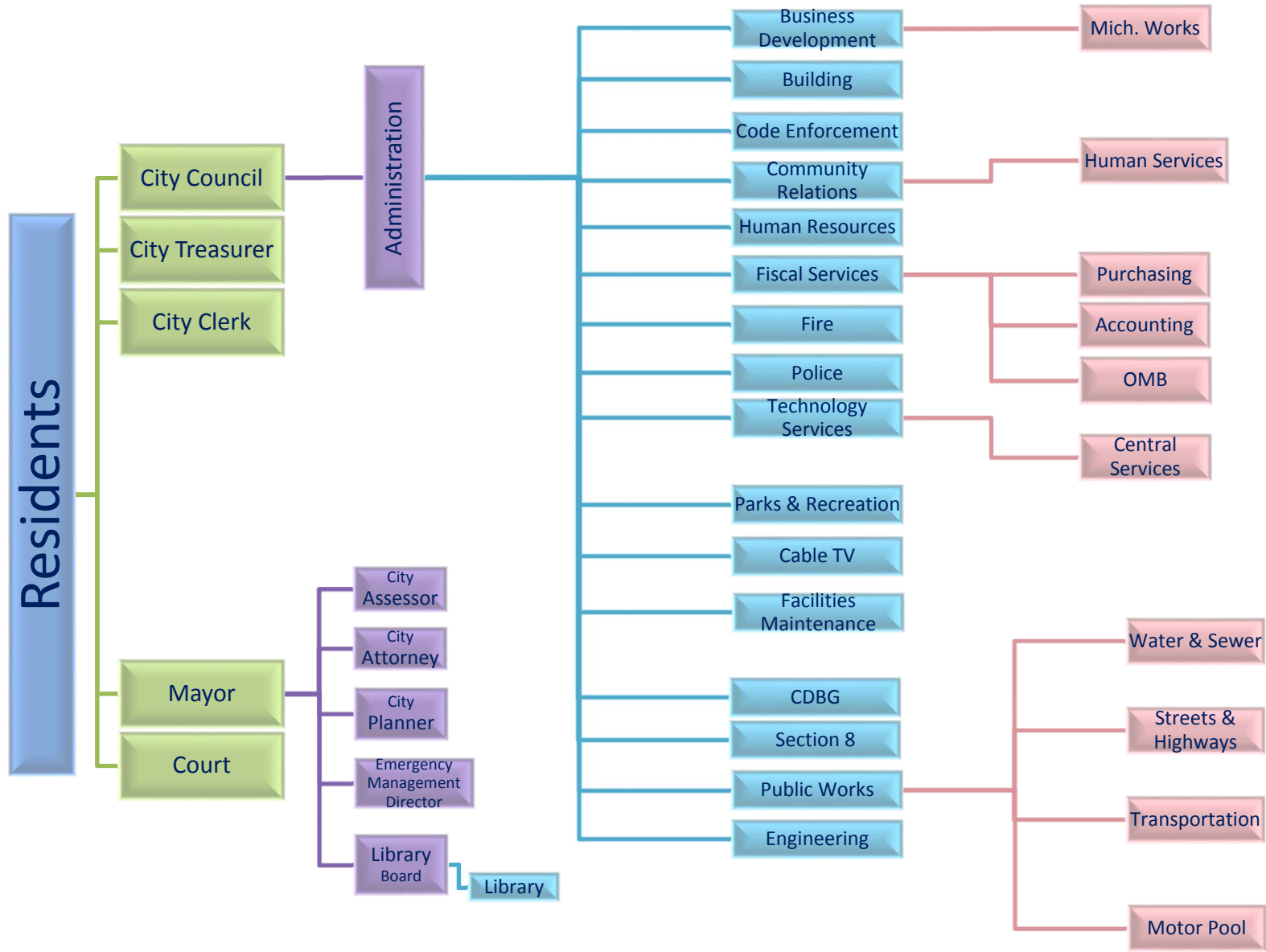
Frederick E. Zorn, Jr., CEcD

City Administrator

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# City of Southfield Organization Chart



**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**RECOMMENDED BUDGET**

	<u>Revenues</u>		<u>Expenditures</u>
<b>GENERAL FUND:</b>		<b>GENERAL FUND:</b>	
General Operating Levy	\$16,938,296	Administration	\$622,831
Police & Fire Levy	17,658,944	Assessing	1,235,189
Police & Fire Pension Levy	14,677,174	Building	2,916,704
Tax Administration Fees & Penalties	2,349,604	Business Development	368,988
Sales Tax Returns - Constitutional	6,255,087	Central Services	762,887
Sales Tax Returns - Statutory	1,008,932	City Attorney	892,632
Cable Franchise Fees	1,400,000	Clerk	1,005,079
Sanitation Charges	2,672,857	Code Enforcement	1,443,658
Building Revenues	3,124,800	Community Relations	758,467
Engineering Revenues	1,185,000	Council	195,120
District Court Revenues	3,573,672	Court - 46th District	3,949,414
Reimbursements and other	2,400,986	Emergency Management	130,572
Fees, Licenses & Permits	3,568,715	Engineering	1,615,520
Investment Income	500,000	Fire	18,989,461
Interfund Reimbursements	721,062	Fiscal Services	3,080,628
		Support Services	4,586,639
		Human Resources	1,257,286
		Mayor's Office	133,832
		Planning	1,185,241
		Police	26,774,810
		Sanitation	2,819,433
		Streets & Highways	210,827
		Technology Services	2,230,984
		Transportation	550,554
		Treasurer	859,998
Transfer from Committed Fund Balance:			
Sanitation	141,625		
Right-of-way/Metro Authority	400,000		
<b>TOTAL GENERAL FUND</b>	<b>\$78,576,754</b>	<b>TOTAL GENERAL FUND</b>	<b>\$78,576,754</b>
CABLE TV FUND	\$1,126,230	CABLE TV FUND	\$1,126,230
DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000	DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000
DRUG LAW ENFORCEMENT FUND	304,040	DRUG LAW ENFORCEMENT FUND	304,040
FACILITIES MAINTENANCE FUND	4,282,491	FACILITIES MAINTENANCE FUND	4,282,491
LIBRARY FUND	7,656,586	LIBRARY FUND	7,656,586
LOCAL STREETS FUND	7,959,939	LOCAL STREETS FUND	7,959,939
MAJOR STREETS FUND	9,674,863	MAJOR STREETS FUND	9,674,863
MOTOR POOL FUND	4,144,240	MOTOR POOL FUND	4,144,240
PARKS & RECREATION FUND	6,676,858	PARKS & RECREATION FUND	6,676,858
WATER & SEWER FUND	51,185,010	WATER & SEWER FUND	51,185,010
<b>TOTAL OUTSIDE FUNDS</b>	<b>\$93,210,257</b>	<b>TOTAL OUTSIDE FUNDS</b>	<b>\$93,210,257</b>
AUTO THEFT GRANT	\$168,145	AUTO THEFT GRANT	168,145
COMM. DEVELOPMENT BLOCK GRANT	497,644	COMM. DEVELOPMENT BLOCK GRANT	497,644
MICHIGAN WORKS GRANTS	1,900,000	MICHIGAN WORKS GRANTS	1,900,000 *
SECTION 8 HOUSING GRANTS	2,201,546	SECTION 8 HOUSING GRANTS	2,201,546
<b>TOTAL GRANT FUNDS</b>	<b>\$4,767,335</b>	<b>TOTAL GRANT FUNDS</b>	<b>\$4,767,335</b>
TOTAL ALL OPERATING FUNDS	\$176,554,346	TOTAL ALL OPERATING FUNDS	\$176,554,346
(DUPLICATING TRANSFERS)	(\$10,447,097)	(DUPLICATING TRANSFERS)	(\$10,447,097)
<b>TOTAL REVENUES</b>	<b>\$166,107,249</b>	<b>TOTAL EXPENDITURES</b>	<b>\$166,107,249</b>

\* Estimated

**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**18-19 APPROVED BUDGET**

	<u>Revenues</u>		<u>Expenditures</u>
<b>GENERAL FUND:</b>		<b>GENERAL FUND:</b>	
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:	-	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
<b>TOTAL GENERAL FUND</b>	<u>\$ 74,105,235</u>	<b>TOTAL GENERAL FUND</b>	<u>\$ 74,105,235</u>
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
<b>TOTAL OUTSIDE FUNDS</b>	<u>\$ 107,823,651</u>	<b>TOTAL OUTSIDE FUNDS</b>	<u>\$ 107,823,651</u>
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
<b>TOTAL GRANT FUNDS</b>	<u>\$ 4,780,675</u>	<b>TOTAL GRANT FUNDS</b>	<u>\$ 4,780,675</u>
TOTAL ALL OPERATING FUNDS	\$ 186,709,561	TOTAL ALL OPERATING FUNDS	\$ 186,709,561
(DUPLICATING TRANSFERS)	<u>(\$11,797,769)</u>	(DUPLICATING TRANSFERS)	<u>(\$11,797,769)</u>
<b>TOTAL REVENUES</b>	<u><u>\$ 174,911,792</u></u>	<b>TOTAL EXPENDITURES</b>	<u><u>\$ 174,911,792</u></u>



**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**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 a draw on the General Fund balance on those reserves restricted for that specific use. The continued 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 goals of the City Council as identified on March 1, 2019 as follows:

- Redevelopment of Evercentre property with a public/private partnership as a vibrant, mixed-use, pedestrian friendly center within five to ten years
- Develop a marketing plan to attract and retain young families in the City within twelve months
- Provide a variety of housing options and choices for all ages
- Revitalization of Beechwood Facility & Parks Strategy by City administration within one year
- Revitalize former Northland Mall site with the first phase of mixed development within five years
- Complete Water & Sewer bond within three years

**Budget Assumptions**

- Continued but modest growth in taxable property values are limited by State statute
- 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

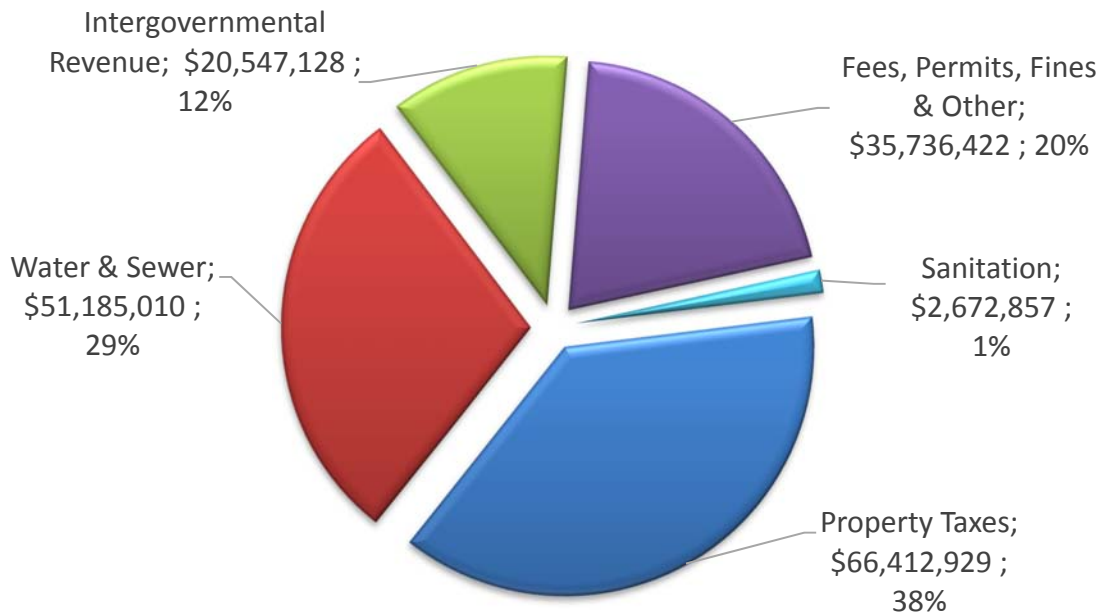
**CITY OF SOUTHFIELD  
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EXECUTIVE SUMMARY  
2019-2020**

**RECOMMENDED BUDGET HIGHLIGHTS (cont.)**

**Revenue Snapshot**

- Property taxes represent 66% of General Fund Revenues. Projected taxable value, excluding capture districts, is \$2,562,758,500 which represents a 4.3% increase over the 2018-19 projection
- The millage rate increased by 0.7546 mills comprised of an increase of 0.6863 for operations and a 0.0683 increase for debt service. The resultant levy is 27.8275 mills
- State shared revenues increased by approximately 6.5% compared to the prior budget year. Constitutional and statutory revenue payments from the State of Michigan are projected at \$6,255,087 and \$1,008,932, respectively and represent just over 9% of the General Fund revenues consistent with the prior year
- Combined General fund revenues are proposed at approximately \$78.6 million, a 6.0% increase over 2018-19
- Total revenues of all funds are proposed at approximately \$176.6 million, a 5.4% decrease from 2018-2019

**ALL FUNDS REVENUE**



Total Revenues = \$176,554,346

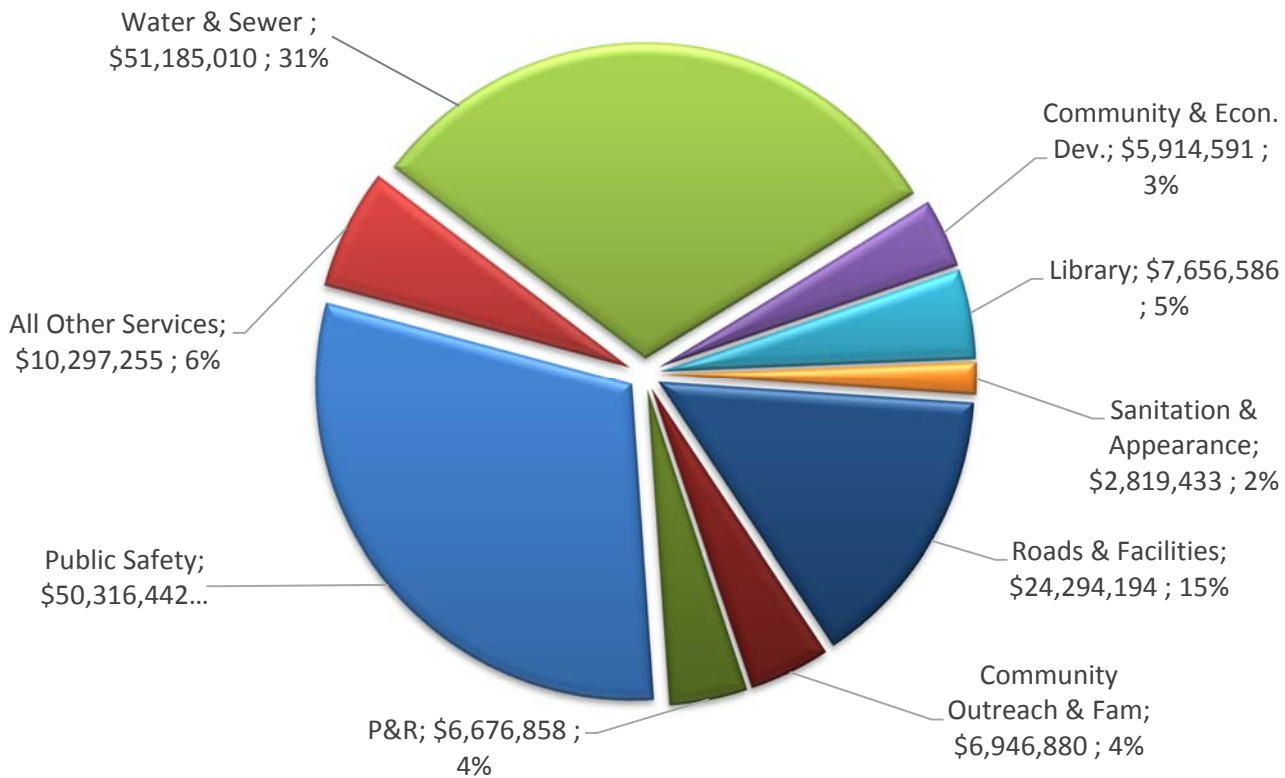
**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
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**RECOMMENDED BUDGET HIGHLIGHTS (cont.)**

**Expenditure Snapshot**

- At \$45.8 million, Police and Fire services continue to be the largest General Fund expenditure, making up approximately 58% of all General Fund expenditures, a modest increase of \$858 thousand over the prior year
- The proposed budget includes approximately \$12.3 million for general government expenditures. These costs comprise approximately 16% of the General Fund expenditures and include administration, elected officials, fiscal services, technology services, legal, human resources, and community relations
- Combined General Fund expenditures are proposed at approximately \$78.6 million, a 6% increase over 2018-19
- Total expenditures of all funds are proposed at approximately \$176.6 million, a 5.4% decrease from 2018-19

**ALL FUNDS EXPENSES**



Total Expenditures = \$176,554,346

**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**RECOMMENDED BUDGET HIGHLIGHTS (cont.)**

- Proposed infrastructure investments total approximately \$19.7 million and will leverage approximately \$2 million of outside funding. The below table presents a comparison of proposed and current year projects

**Comparison of Proposed and current year projects**

<b>Department</b>	<b>2019-2020</b>		<b>2018-2019</b>	
	<b># of Projects</b>	<b>Total Investment</b>	<b># of Projects</b>	<b>Total Investment</b>
Local Streets	2	\$3,250,000	3	\$4,361,000
Major Streets	5	3,013,699	4	15,011,611
Water & Sewer	3	13,476,055	13	10,694,000
	20	<b><u>\$19,739,754</u></b>	20	<b><u>\$30,066,611</u></b>

- Proposed 2019-20 budgeted career employees include 587 full time, 4 three-quarter time, and 5 half-time

**Comparison of budgeted career employees**

<b>Budget Year</b>	<b>Employee Count (Career Only)</b>	<b>Change Over Prior Year</b>
2017-18	560	(3)
2018-19	572	12
2019-20	596	24

**Summary Statement**

The City's tax base has reached a stabilization point and is finally showing an increase. Fiscal 2018 was the start of the recovery but still represents a loss of approximately 1.3 Billion in taxable value as compared to 2009. The cumulative loss since 2012 is conservatively estimated at upwards of 120 million with an estimated loss of 31.5 million in operating dollars for 2018 alone. However, due to the limits imposed by proposal A, the growth in taxable value will not attain 2009 levels for several years into the future. 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.

**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**BUDGET COMPARISON - ALL FUNDS**

<b><u>FUND</u></b>	<b><u>18-19 APPROVED BUDGET</u></b>	<b><u>19-20 RECOMM. BUDGET</u></b>	<b><u>% CHANGE</u></b>
General Fund	\$74,105,235	\$78,576,754	6.0%
Cable TV Fund	1,020,655	1,126,230	10.3%
Donations, Mem.Trusts and Sponsorships	200,000	200,000	-
Drug Law Enforcement Fund	260,200	304,040	16.8%
Facilities Maintenance Fund	4,497,701	4,282,491	-4.8%
Library Fund	7,808,567	7,656,586	-1.9%
Local Street Fund	8,593,977	7,959,939	-7.4%
Major Street Fund	20,979,322	9,674,863	-53.9%
Motor Pool Fund	4,064,308	4,144,240	2.0%
Parks and Recreation Fund	7,177,296	6,676,858	-7.0%
Water and Sewer Fund	53,221,625	51,185,010	-3.8%
Auto Theft Grant	175,865	168,145	-4.4%
Community Development Block Grant	511,979	497,644	-2.8%
Michigan Works Grants	1,891,285	1,900,000	0.5%
Section 8 Housing Grants	2,201,546	2,201,546	-
Total Operating funds	<u>182,104,751</u>	<u>171,955,156</u>	<u>-5.6%</u>
(Less Duplicating Transfers)	<u>(11,797,769)</u>	<u>(10,447,097)</u>	<u>-11.4%</u>
<b>TOTAL BUDGET</b>	<b><u><u>\$4,604,810</u></u></b>	<b><u><u>\$4,599,190</u></u></b>	<b><u><u>-0.1%</u></u></b>

**CITY OF SOUTHFIELD  
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**INFRASTRUCTURE CAPITAL PROJECTS**

**LOCAL STREETS**

Section 35 - Phase II	Water main and roads	\$	1,160,000
Lake Ravines	Pulverize and overlay; HMA		2,090,000
		Sub-total	<u>\$ 3,250,000</u>

**MAJOR STREETS**

13 Mile Road - Evergreen to Southfield	Milling and replacement of pavement		220,747
Franklin Road - NW Hwy to North City Limit	Reconstruct road - widen & add paved shoulder		226,580
9 Mile Road - Inkster to Beech	Crush and shape - 5" overlay, pave shoulders		1,393,337
Civic Center - NW Hwy to Lahser	Concrete reconstruction		473,035
12 Mile Road - Telegraph to Lahser	Mill and overlay		700,000
		Sub-total	<u>\$ 3,013,699</u>

**WATER & SEWER**

Lake Ravines	Rehabilitation and reconditioning		3,090,000
Section 25 Area 10			7,496,055
Section 35 Phase II			2,890,000
		Sub-Total	<u>\$ 13,476,055</u>

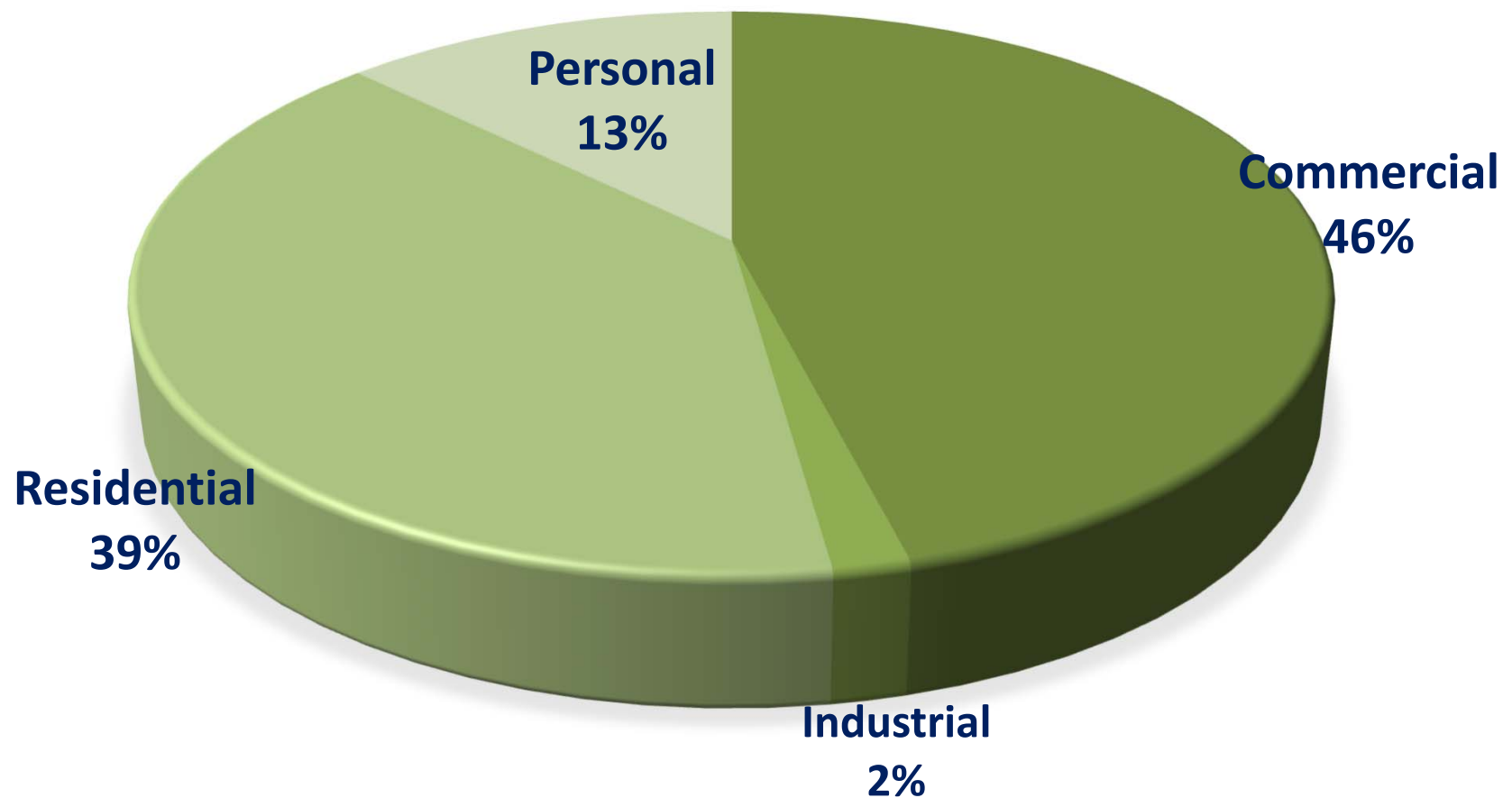
**INFRASTRUCTURE CAPITAL PROJECTS GRAND TOTAL**

**\$ 19,739,754**

# Taxable Property Values 2008-2025\*



# Composition of Taxable Value





**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**TAX RATE COMPARATIVE**

	<b><u>2018-19</u></b>	<b><u>2019-20</u></b>	<b>Increase / (Decrease) Compared to <u>2018-19</u></b>
<b>Operating:</b>			
General Operations	6.6094	6.6094	-
Public Safety	6.8906	6.8906	-
Police & Fire Pension	5.0552	5.7423	0.6871
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	0.0203	0.0195	(0.0008)
Total Operating	<u>24.3462</u>	<u>25.0325</u>	<u>0.6863</u>
<b>Debt Service:</b>			
County Drains At Large	0.1467	0.2150	0.0683
UTGO Road Bond	2.5800	2.5800	-
Total Levy	<u>27.0729</u>	<u>27.8275</u>	<u>0.7546</u>
<b><u>Tax Levy</u></b>	<b><u>Mills</u></b>	<b><u>Revenue</u></b>	
Operations	25.0325	\$64,152,252	
Non-operating	2.7950	7,162,910	
Totals	<u>27.8275</u>	<u>\$71,315,162</u>	

**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**PROPERTY TAX REVENUES AND RATES**

	<b><u>Revenue</u></b>	<b><u>Rate*</u></b>
General Operations	16,938,296	6.6094
Police & Fire	17,658,944	6.8906
Police & Fire Pension	14,677,174	5.7423
Residential Street Maintenance	2,562,759	1.0000
Parks & Recreation	4,484,827	1.7500
Library	7,175,724	2.8000
Public Act 298	565,601	0.2207
Public Act 59	49,974	0.0195
Total Operating	64,113,299	25.0325
County Drains at Large	550,993	0.2150
UTGO Road Bond	6,611,917	2.5800
Local Development Finance Authority III	-	**
Smart Zone	187,719	**
Brownfield Redevelopment Authority	475,906	**
Renaissance Zone (Tool and Die)	15,723	**
Grand Total	71,955,558	27.8275
Taxable Valuation (TV)	2,562,758,500	
TV Captured by LDFA III	-	
TV Captured by Smart Zone	7,439,650	
TV Captured by Brownfield Redevelopment Authority	18,860,980	
TV Captured by Renaissance Zone (Tool & Die)	623,140	
Total TV	2,589,682,270	

\*Mills per \$1,000 of TV

\*\*Total millage of 27.8275 applied to taxable value of LDFA and other special authorities.

**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**TAX REVENUE FACTORS**

19-20 TAX BASE FOR CITY OPERATIONS	\$2,562,758,500
18-19 TAX BASE FOR CITY OPERATIONS	\$2,457,544,426
A difference of:	\$105,214,074 or 4.3%

**CHANGE IN TAX REVENUES FOR CITY OPERATIONS**

	<u>18-19</u>	<u>19-20</u>	<u>\$ / % Difference</u>		
GENERAL FUND:					
General Operating Millage	\$16,242,894	\$16,938,296	695,402	/	4.3%
Police & Fire Millage	16,933,956	17,658,944	724,988	/	4.3%
Police & Fire Pension Millage	12,423,379	14,677,174	2,253,795	/	18.1%
ROADSIDE APPEARANCE PROGRAM (PA298) + PA59*	592,268	615,575	23,307	/	3.9%
RESIDENTIAL STREETS	2,457,544	2,562,759	105,215	/	4.3%
PARKS & RECREATION	4,300,703	4,484,827	184,124	/	4.3%
LIBRARY	6,881,124	7,175,724	294,600	/	4.3%

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

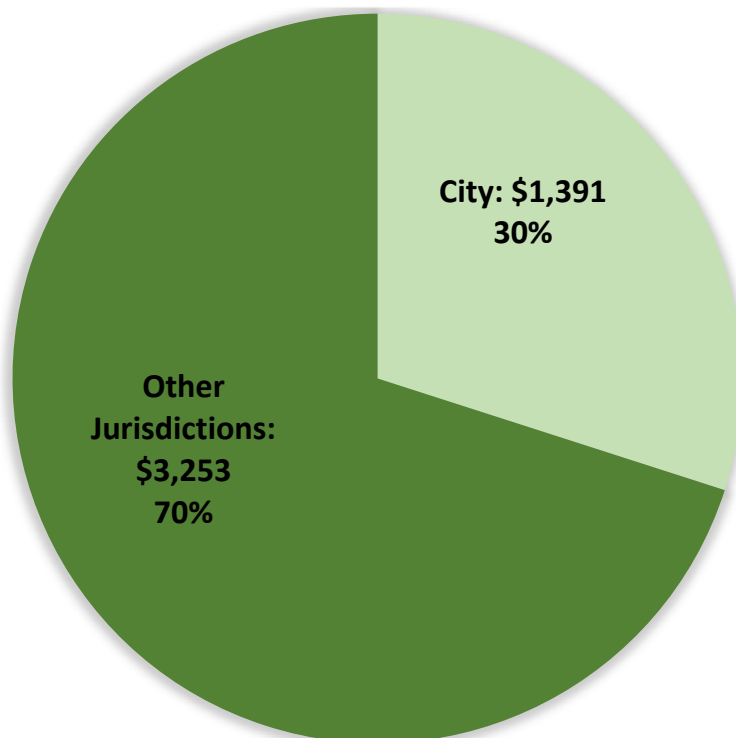
**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**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.

<b>City Services Provided:</b>	<b><u>Millage Rate</u></b>	<b><u>Annual Property Taxes</u></b>
Police/Fire	12.6329	\$ 632
General operations	6.6094	330
Parks & Recreation	1.7500	88
Library	2.8000	140
Roads, appearance, drains, and others	4.0352	202
<b>Total City services</b>	<b><u>27.8275</u></b>	<b><u>\$ 1,391</u></b>
 <b>Other jurisdictions &amp; public purposes including County &amp; Education</b>	 <b><u>65.0669</u></b>	 <b><u>\$ 3,253</u></b>
 <b>Total Property Taxes</b>		 <b><u>\$ 4,645</u></b>

**PROPERTY TAX DOLLARS DISTRIBUTION**



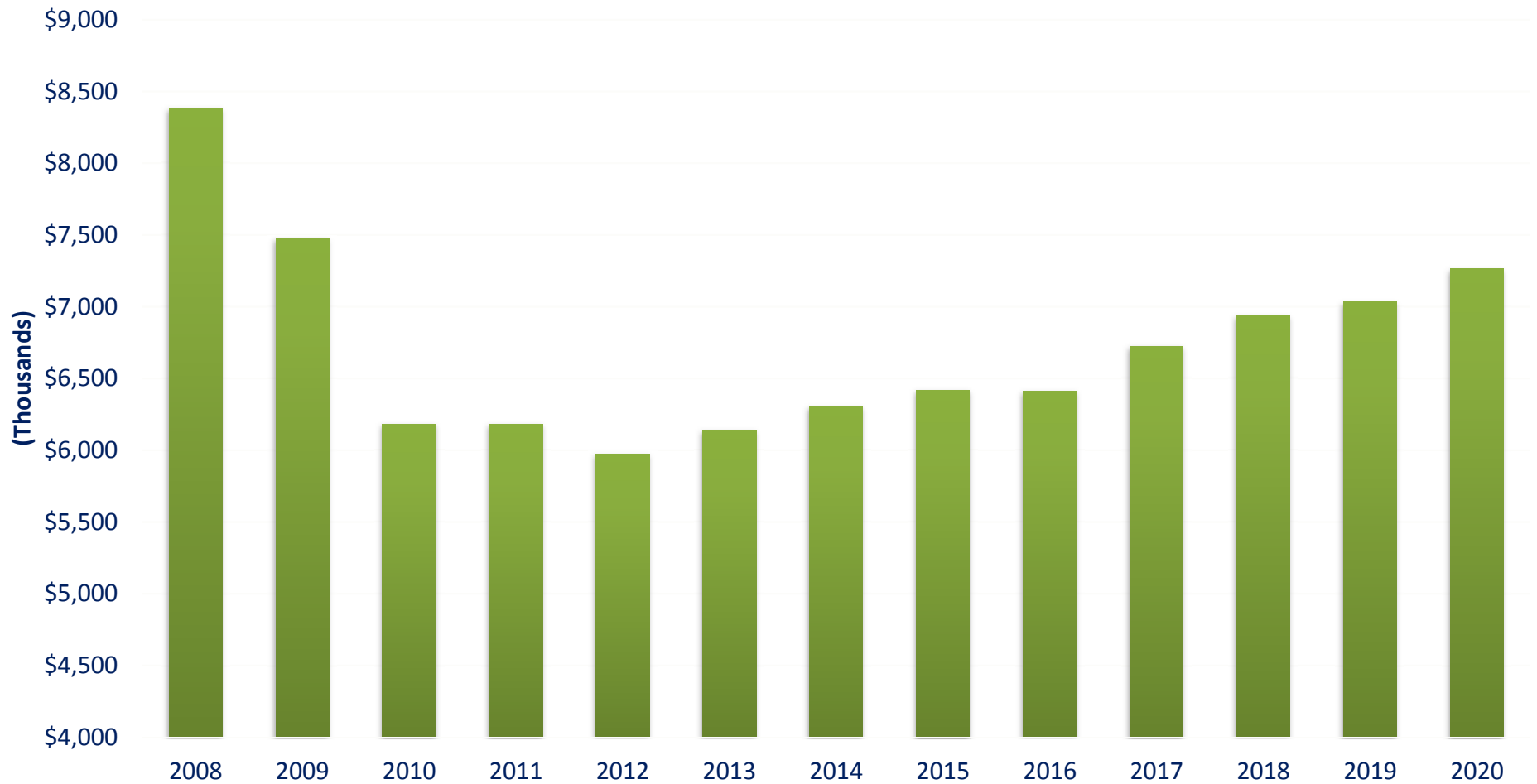
**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**MILLAGE HISTORY**

<b>OPERATING</b>	<b>98-99</b>	<b>99-00</b>	<b>00-01</b>	<b>01-02</b>	<b>02-03</b>	<b>03-04</b>	<b>04-05</b>	<b>05-06</b>	<b>06-07</b>	<b>07-08</b>	<b>08-09</b>
General Operations	6.9006	6.8284	6.6453	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094
Public Safety	2.9574	2.9264	2.8479	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325	2.8325
Police / Fire Pension	1.7256	1.3820	1.3495	1.2910	1.3063	1.4583	1.6017	1.7096	1.6772	1.7672	1.6889
Res. Street Maint.	.9858	.9754	.9492	.9440	.9440	.9440	.9440	.9440	.9440	.9440	.9440
R-O-W Appearance	.4548	.4551	.5083	.5348	.4401	.4913	.4227	.4227	.3361	.2539	.3322
Parks & Recreation	1.7252	1.7072	1.6614	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524
Library	.9858	1.3054	2.1048	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934
Public Act 59	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating</b>	<b>15.7352</b>	<b>15.5799</b>	<b>16.0664</b>	<b>15.9575</b>	<b>15.8781</b>	<b>16.0813</b>	<b>16.1561</b>	<b>16.2640</b>	<b>16.1450</b>	<b>16.1528</b>	<b>16.1528</b>
Debt Service	.4921	.4679	.3804	.3065	.2748	.2615	.0277	-	-	-	-
UTGO Road Bond	-	-	-	-	-	-	-	-	-	-	-
Drains-at-Large	-	-	-	-	-	-	.1590	.0788	.1978	.1900	.1900
<b>TOTAL</b>	<b>16.2273</b>	<b>16.0478</b>	<b>16.4468</b>	<b>16.2640</b>	<b>16.1529</b>	<b>16.3428</b>	<b>16.3428</b>	<b>16.3428</b>	<b>16.3428</b>	<b>16.3428</b>	<b>16.3428</b>
<b>OPERATING</b>	<b>09-10</b>	<b>10-11</b>	<b>11-12*</b>	<b>12-13</b>	<b>13-14</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>	<b>19-20</b>
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	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906
Police / Fire Pension	1.7000	1.8788	3.0004	3.9424	4.7197	4.4500	4.3971	4.3714	4.5249	5.0552	5.7423
Res. Street Maint.	.9440	.9440	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
R-O-W Appearance	.3370	.1582	.2207	.2207	.2207	.2207	.2207	.2207	.2207	.2207	.2207
Parks & Recreation	1.6524	1.6524	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500
Library	2.0934	2.0934	2.8000	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	0.0195
<b>Total Operating</b>	<b>16.1687</b>	<b>16.1687</b>	<b>22.2711</b>	<b>23.2345</b>	<b>24.0138</b>	<b>23.7441</b>	<b>23.6912</b>	<b>23.6633</b>	<b>23.8164</b>	<b>24.3462</b>	<b>25.0325</b>
Debt Service	-	-	-	-	-	-	-	-	-	-	-
UTGO Road Bond	-	-	-	-	-	-	2.5800	2.5800	2.5800	2.5800	2.5800
Drains-at-Large	.1741	.1741	.3591	.4873	.4873	.4873	.4873	.1467	.0267	.1467	.2150
<b>TOTAL</b>	<b>16.3428</b>	<b>16.3428</b>	<b>22.6302</b>	<b>23.7218</b>	<b>24.5011</b>	<b>24.2314</b>	<b>26.7585</b>	<b>26.3900</b>	<b>26.4231</b>	<b>27.0729</b>	<b>27.8275</b>

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

# State Shared Revenue

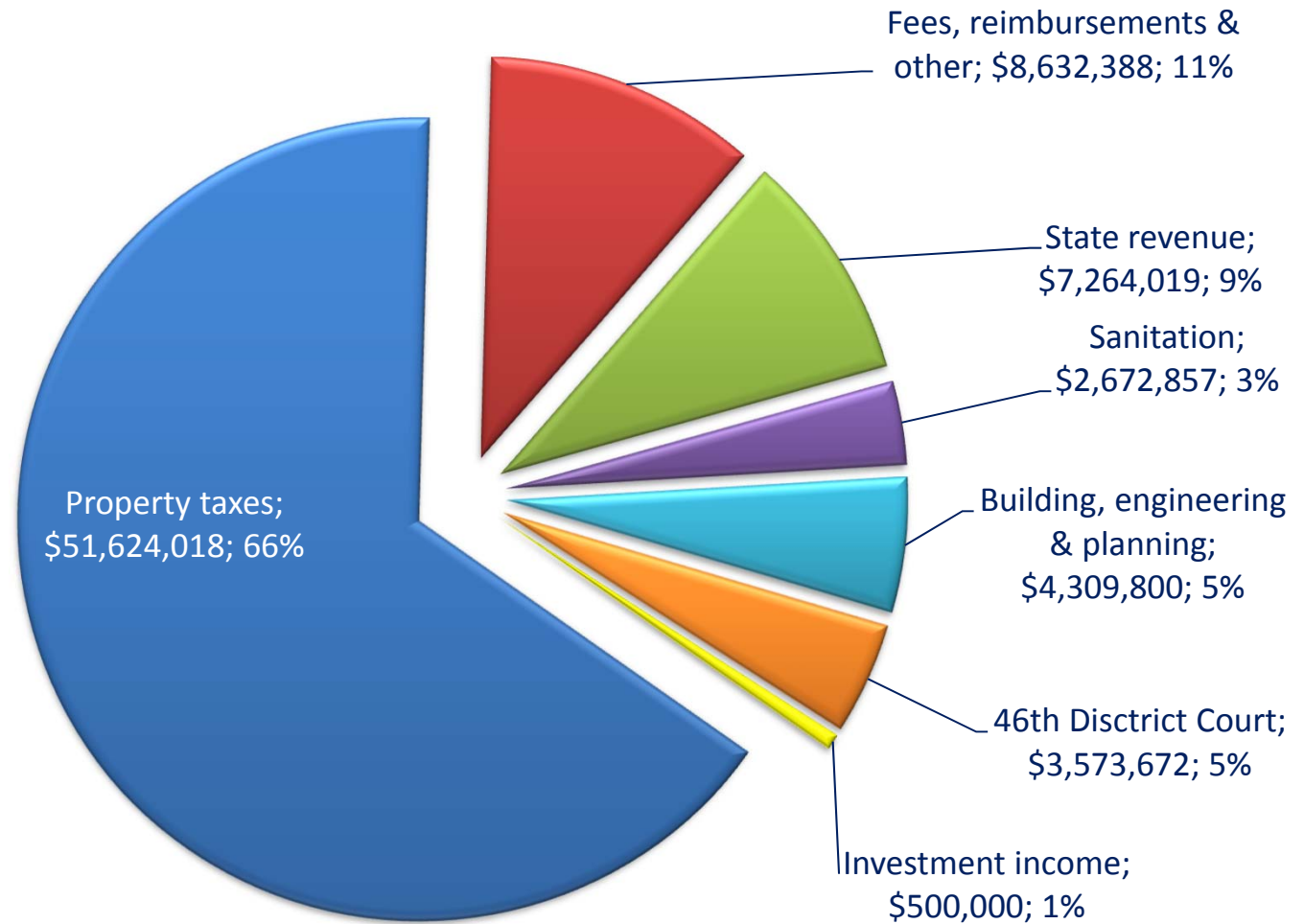


**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**BUDGET COMPARISON - GENERAL FUND REVENUES**

	<b>18-19 APPROVED BUDGET</b>	<b>19-20 RECOMM. BUDGET</b>	<b>% CHANGE</b>
General Operating Levy	\$ 16,242,894	\$ 16,938,296	4.3%
Police & Fire Levy	16,933,956	17,658,944	4.3%
Police & Fire Pension Levy	12,423,379	14,677,174	18.1%
Tax Administration Fees & Penalties	2,206,863	2,349,604	6.5%
Sales Tax Returns - Constitutional	5,811,053	6,255,087	7.6%
Sales Tax Returns - Statutory	1,009,223	1,008,932	0.0%
Cable Franchise Fees	1,500,000	1,400,000	-6.7%
Sanitation Charges	3,055,563	2,672,857	-12.5%
Building Department Revenues	3,110,000	3,124,800	0.5%
Engineering Revenues	752,834	1,185,000	57.4%
District Court Revenues	3,629,472	3,573,672	-1.5%
Reimbursements	2,354,824	2,400,986	2.0%
Fees, Licenses, and Permits	3,373,315	3,568,715	5.8%
Investment Income	500,000	500,000	0.0%
Interfund Reimbursements	<u>1,201,859</u>	<u>721,062</u>	-40.0%
Total Revenues Exclusive of Fund Balance	74,105,235	78,035,129	
Transfer From Committed Fund Balance:			
Sanitation:	-	141,625	
Right-of-way/Metro Authority:	-	400,000	
<b>Total From General Fund</b>	<b><u><u>\$ 74,105,235</u></u></b>	<b><u><u>\$ 78,576,754</u></u></b>	<b><u><u>6.0%</u></u></b>

# General Fund Revenues 2019-2020



Total Revenues = \$78,576,754

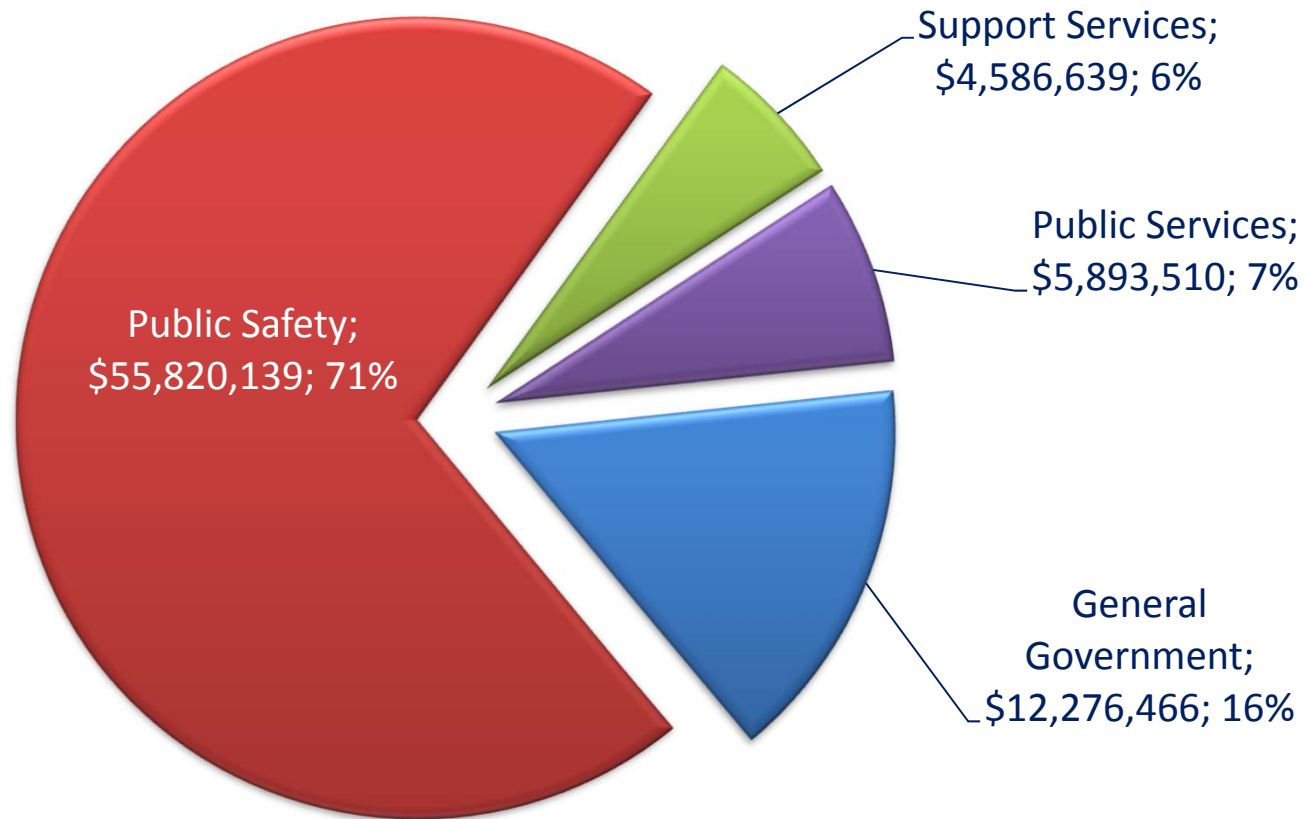


**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**BUDGET COMPARISON - GENERAL FUND EXPENDITURES**

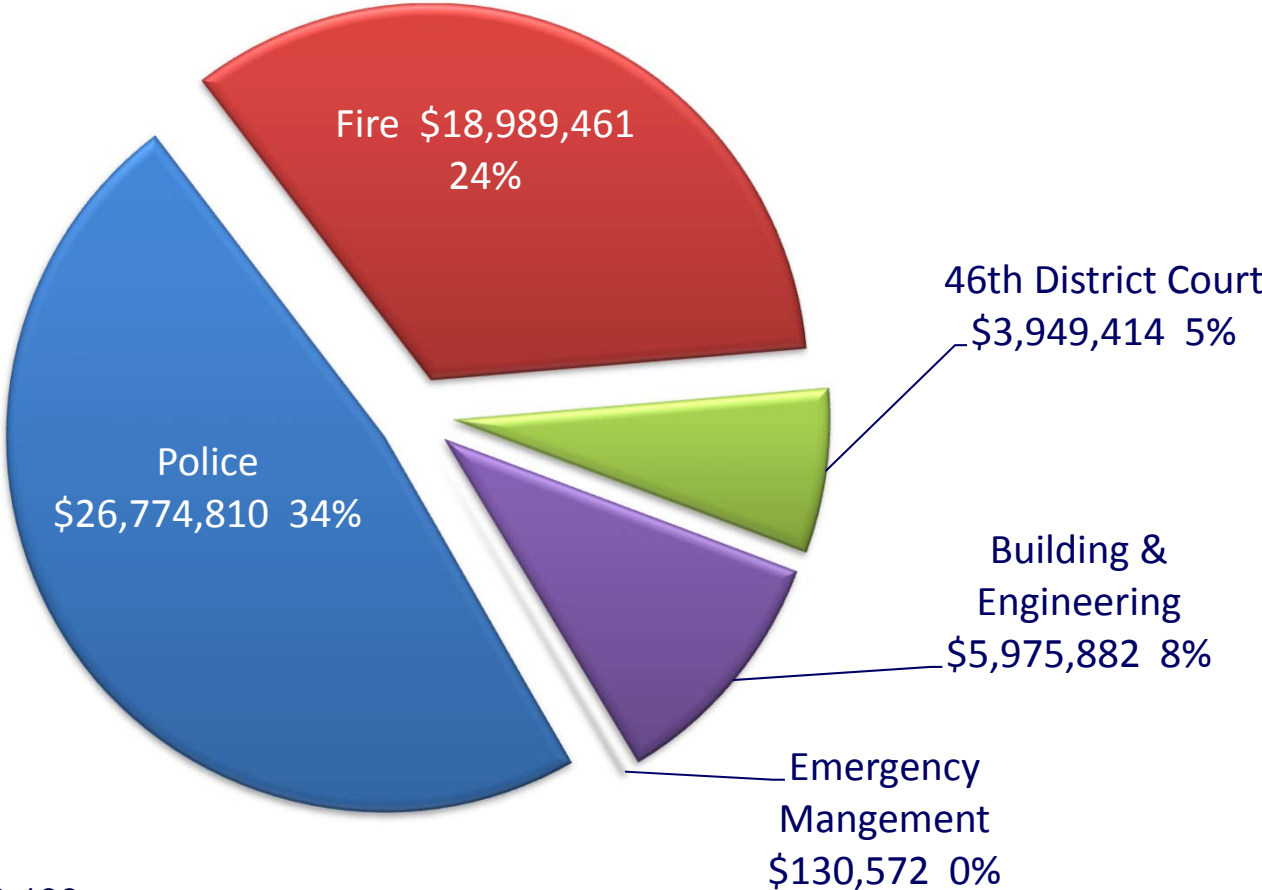
	<b>18-19 APPROVED BUDGET</b>	<b>19-20 RECOMM. BUDGET</b>	<b>% CHANGE</b>
Administration	\$ 607,436	\$ 622,831	2.5%
Assessing	1,110,342	1,235,189	11.2%
Building	2,826,375	2,916,704	3.2%
Business Development	374,176	368,988	-1.4%
Central Services	747,780	762,887	2.0%
City Attorney	909,507	892,632	-1.9%
Clerk	1,038,619	1,005,079	-3.2%
Code Enforcement	1,102,885	1,443,658	30.9%
Community Relations	669,550	758,467	13.3%
Council	191,887	195,120	1.7%
Court - 46th District	3,830,032	3,949,414	3.1%
Emergency Management	36,341	130,572	259.3%
Engineering	880,875	1,615,520	83.4%
Fire	18,326,526	18,989,461	3.6%
Fiscal Services	2,465,941	3,080,628	24.9%
Human Resources	1,031,369	1,257,286	21.9%
Mayor's Office	217,901	133,832	-38.6%
Planning	738,378	1,185,241	60.5%
Police	26,579,616	26,774,810	0.7%
Sanitation	2,979,453	2,819,433	-5.4%
Streets and Highways	118,596	210,827	77.8%
Support Services	3,449,703	4,586,639	33.0%
Technology Services	2,594,588	2,230,984	-14.0%
Transportation	479,871	550,554	14.7%
Treasurer	797,488	859,998	7.8%
<b>Total General Fund</b>	<b><u><u>\$74,105,235</u></u></b>	<b><u><u>\$78,576,754</u></u></b>	<b><u><u>6.0%</u></u></b>

# General Fund Expenditures 2019-2020



Total Expenditures = \$78,576,754

# Public Safety Percent of General Fund Expenditures 2019-2020



Total Expenditures = \$55,820,139

**CITY OF SOUTHFIELD  
MUNICIPAL BUDGET  
EXECUTIVE SUMMARY  
2019-2020**

**GENERAL FUND - FUND BALANCE CONSTRAINTS**

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.

**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.

<b>Fund Balance Classification</b>	<b>Amount</b>
Non-spendable	\$13,302,124
Restricted for right-of-way (Metro Act)	858,814
Sanitation reserve	141,625
Committed to specific programs:	
Dispatch improvements	\$994,254
Emergency cleanup	730,594
Equalization reserve	1,000,000
Local improvement revolving - Northland	10,146,539
Building infrastructure reserve	2,000,000
Tax base initiatives reserve	3,000,000
Wage adjustments	1,671,276
Total Committed	<u>\$19,542,663</u>
Assigned:	
Encumbrances	\$348,733
Unassigned	\$14,890,551
<b>Total Fund Balance - June 30, 2018 *</b>	<b><u><u>\$49,084,510</u></u></b>

\* Based on 2018 Comprehensive Annual Financial Report