City of Southfield
Michigan

ADOPTED

Executive Summary

2026 • 2027

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Introductory Section

City of Southfield

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

May 5, 2026

Honorable City Council
City of Southfield
Municipal Building
26000 Evergreen Road
Southfield, Michigan

RE: Recommended Budget for 2026-27 Fiscal Year

Dear Sirs & Mesdames:

Presented herewith, pursuant to Chapter VIII, Subsection 8.2 of the Charter of the City of Southfield, is the City Administrator's recommended municipal budget as reviewed and approved by the Mayor for the fiscal year beginning July 1, 2026. The proposed budget provides continuity of high-level services to our residents and other stakeholders while maintaining structural balance and long-term sustainability.

General Fund Overview

The proposed budget is based on projected revenues complemented by a judicious draw on existing fund balance for one-time capital expenditures. Total General Fund revenue of $111,877,228 relies heavily on property taxes which comprise $69,453,613 or 62% of total revenue. The City's tax base is just under $3.3 billion, which remains below 2009 levels. Revenue sharing and Local Community Stabilization funds expected to be received from the State of Michigan comprise $11,646,095 or just over 10% of total revenue. Fees, licenses, permits and other charges for services are budgeted to bring in $10,480,798 or just over 9% of total revenue. The draw on fund balance totals $461,000 or 0.4% of total revenue and is comprised of a $400,000 use of Metro Act funds and $61,000 of sanitation reserves from restricted fund balance.

Total General Fund expenditures are budgeted at $111,877,228 driven by personnel costs of $78,357,788 or 70% of total expenditures. The remaining 30% is split almost evenly between operating and capital costs at $18,011,186 or 16% and $15,508,254 or 14 %, respectively. Police and Fire services continue to be a significant portion of General Fund expenditures at $64,019,375 or just over 57% of total expenditures. .

All Funds Overview

Total revenues and expenditures across funds, after eliminating interfund transactions, decreased by $15.4 million or 6.1% to $236,305,658. This change is primarily related to capital projects. The fiscal 2026-2027 budget includes the following significant capital projects:

- Local Street Fund road construction projects total $7.56 million for Magnolia and North Gardens neighborhoods

- Major Street Fund road construction projects total $7.5 million and include:

Lincoln – Southfield to Greenfield	$6.1 million
Inkster Bridge Improvements	$600 thousand
10 Mile Road – Lahser to Evergreen	$400 thousand
Southfield Road – Mt. Vernon to I-696	$400 thousand

- Parks & Recreation Fund significant capital projects include:

Simms Park – playground structure and roof repairs	$400 thousand
Burgh Historical Park – improvements & fencing	$400 thousand
Senior Center	$350 thousand
Beech Woods driving range – improvements	$150 thousand

- Library significant projects include:

Air handling units replacement	$1.6 million
Building envelope maintenance	$1.0 million
Roof replacement	$980 thousand
Auditorium renovation	$500 thousand
Schematic design phase for building renovations	$400 thousand

- Water & Sewer Fund significant capital projects include:

8 Mile Road – water main replacement	$8.0 million
Magnolia and North Gardens neighborhoods	$3.5 million
Lincoln – Southfield to Greenfield	$2.5 million
Section 11 – phase 2 lining	$2.0 million

Several City funds rely heavily, if not exclusively, on federal grants including Community Development Block Grant and Section 8 Housing. The proposed budgets for these funds, totaling over $2.66 million, are at risk due to potential federal executive action which would limit the ability of these programs to operate should funding be reduced or eliminated.

Property taxes are expected to generate just over $93 million for the City to fund operations. In addition to Proposal A, the City had a Headlee rollback for fiscal year 2023 which permanently reduced the maximum allowable millage levy. Despite these challenges and significant loss of revenue to the City, Southfield continues to provide outstanding services to our residents and stakeholders and remains committed to keeping the City a vibrant, thriving community as we move into the future. The proposed 2026-2027 budget for all City funds anticipates balanced revenues and expenditures of $236,305,658 to do so. .

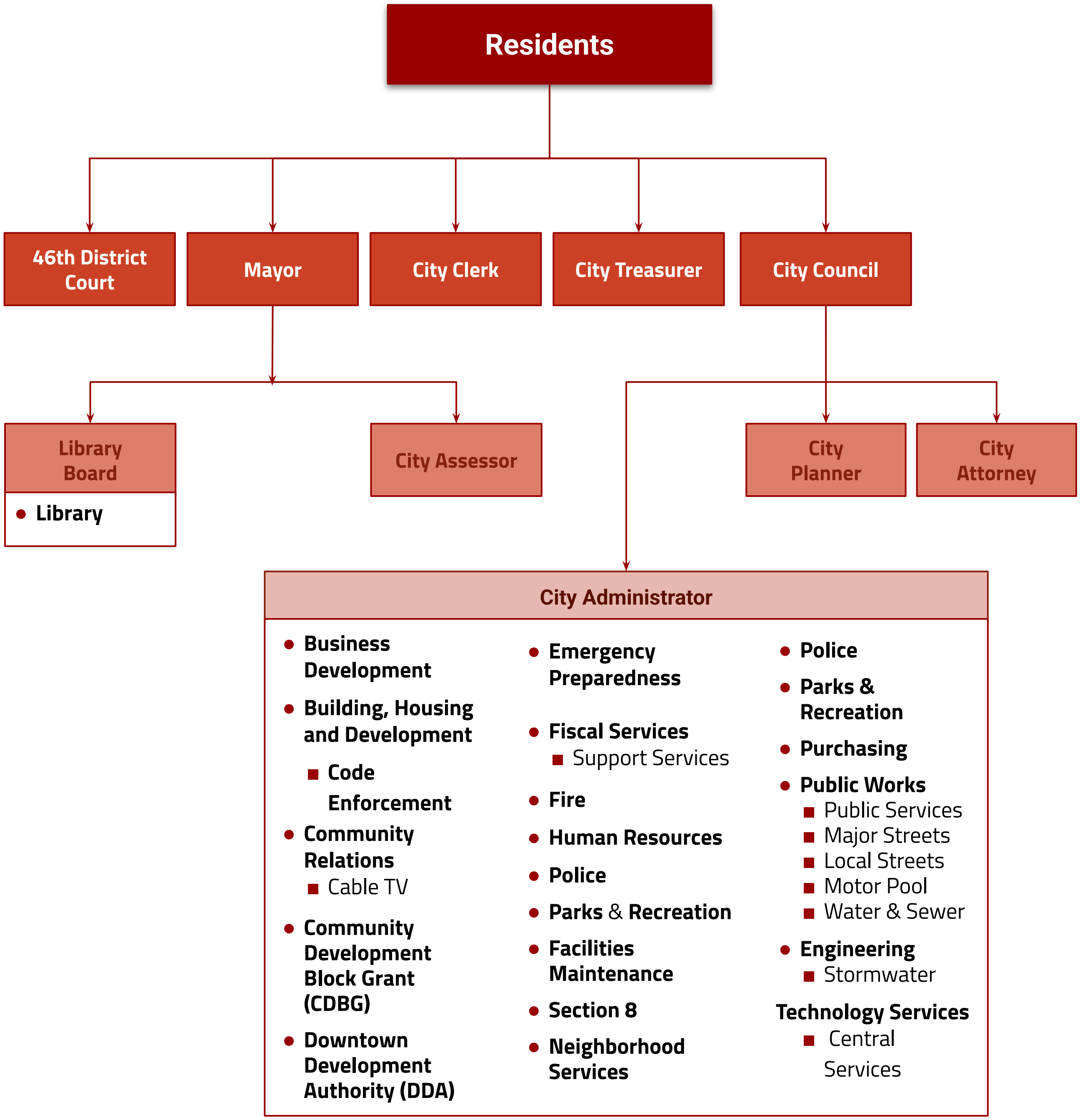
Respectfully submitted,

Kenson J. Siver, Ed. D.
Mayor

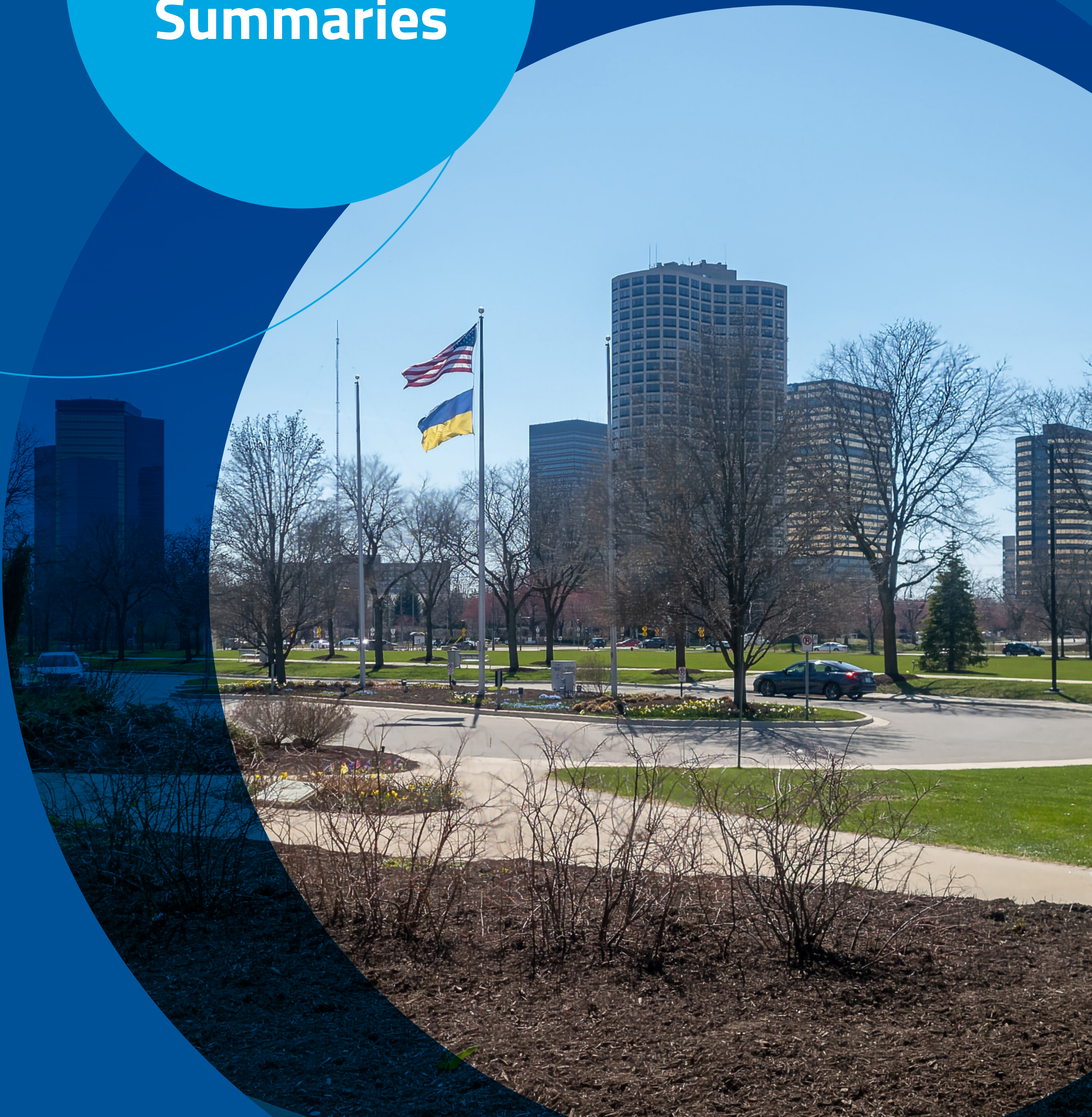
Frederick E. Zorn, Jr., CEcD
City Administrator

Austen T. Michaels, CPA
Director of Fiscal Services

City of Southfield Organization Chart



Budget Summaries



2026-2027 Adopted Budget

		Adopted Revenues
General Fund:		
General Operating Levy	$	21,759,572
Police & Fire Levy		22,684,486
Police & Fire Pension Levy		21,893,089
Publicity Levy		49,860
Tax Administration Fees & Penalties		3,177,498
Sales Tax Returns - Constitutional		7,970,326
Sales Tax Returns - Statutory		1,375,769
Local Community Stabilization		2,300,000
Cable Franchise Fees		730,000
Sanitation Charges		4,583,618
Building Revenues		3,253,500
Engineering Revenues		1,624,292
District Court Revenues		2,316,372
Reimbursements and other		3,407,053
Fees, Licenses & Permits		4,912,471
Investment Income		3,000,000
Interfund Reimbursements		6,490,759
Use of Restricted Fund Balance:		
Right-of-way/Metro Authority		400,000
Sanitation reserve		61,000
Use of Unrestricted Fund Balance		-
Total General Fund	**$**	**111,989,665**
Cable TV Fund	$	478,800
Donations, Mem. Trusts & Sponsorships		100,000
Drug Law Enforcement Fund		282,500
Facilities Maintenance Fund		5,234,182
Library Fund		17,088,825
Local Streets Fund		13,162,259
Major Streets Fund		16,519,266
Motor Pool Fund		5,251,467
Parks & Recreation Fund		9,877,553
Water & Sewer Fund		63,638,126
Total Outside Funds	**$**	**131,632,978**
Auto Theft Prevention	$	247,173
Comm. Development Block Grant		460,961
Michigan Indigent Defense Grant		1,426,309 *
Section 8 Housing Grants		2,200,000 *
Total Grant Funds	**$**	**4,334,443**
Total All Funds	**$**	**247,957,086**
(Duplicating Transfers)	**$**	**(11,543,676)**
Total Revenues	**$**	**236,413,410**

* Preliminary Estimates Pending Awards

		Adopted Expenditures
General Fund:		
Administration	$	1,010,791
Assessing		1,315,996
Building		3,417,221
Business Development		697,405
Central Services		820,729
City Attorney		1,301,759
Clerk		1,748,880
Code Enforcement		1,517,300
Community Relations		1,081,729
Council		241,511
Court - 46th District		4,574,882
Emergency Preparedness		321,364
Engineering		2,012,243
Fire		27,955,916
Fiscal Services		3,253,712
Human Resources		2,257,713
Mayor's Office		135,618
Planning		3,510,806
Police		36,070,488
Purchasing		398,955
Sanitation		4,644,618
Road Maintenance & Administration		5,024,022
Support Services		4,308,303
Technology Services		2,589,832
Traffic Services		611,751
Treasurer		1,166,121
Total General Fund	**$**	**111,989,665**
Cable TV Fund	$	478,800
Donations, Mem. Trusts & Sponsorships		100,000
Drug Law Enforcement Fund		282,500
Facilities Maintenance Fund		5,234,182
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Total Expenditures	**$**	**236,413,410**

2025-2026 Recommended Budget

		Recommended Revenues	
General Fund:			
General Operating Levy	$	20,989,551	
Police & Fire Levy		21,882,108	
Police & Fire Pension Levy		17,614,169	
Publicity Levy		49,837	
Tax Administration Fees & Penalties		2,907,442	
Sales Tax Returns - Constitutional		8,379,696	
Sales Tax Returns - Statutory		1,416,347	
Local Community Stabilization		1,725,000	
Cable Franchise Fees		950,000	
Sanitation Charges		4,482,712	
Building Revenues		2,929,593	
Engineering Revenues		1,645,116	
District Court Revenues		2,442,472	
Reimbursements and other		2,663,871	
Fees, Licenses & Permits		4,373,443	
Investment Income		2,000,000	
Interfund Reimbursements		3,295,735	
Use of Restricted Fund Balance:			
Right-of-way/Metro Authority		750,000	
Committed		22,507,900	
Use of Unrestricted Fund Balance		5,372,056	
Total General Fund	**$**	**128,377,048**	
Cable TV Fund	$	532,139	
Donations, Mem. Trusts & Sponsorships		100,000	
Drug Law Enforcement Fund		194,750	
Facilities Maintenance Fund		27,451,958	
Library Fund		16,666,928	
Local Streets Fund		10,533,383	
Major Streets Fund		16,598,911	
Motor Pool Fund		4,669,328	
Parks & Recreation Fund		9,782,347	
Water & Sewer Fund		65,654,917	
Total Outside Funds	**$**	**152,184,661**	
Auto Theft Prevention	$	225,140	
Comm. Development Block Grant		447,949	
Michigan Indigent Defense Grant		1,261,628	*
Michigan Works Grants		2,289,418	*
Total Grant Funds	**$**	**4,224,135**	
Total All Funds	**$**	**284,785,844**	
(Duplicating Transfers)	**$**	**(33,118,602)**	
Total Revenues	**$**	**251,667,242**	

* Preliminary Estimates Pending Awards

		Recommended Expenditures
General Fund:		
Administration	$	925,798
Assessing		1,443,127
Building		3,347,391
Business Development		783,911
Central Services		1,038,366
City Attorney		1,339,014
Clerk		1,537,785
Code Enforcement		1,709,998
Community Relations		946,294
Council		237,360
Court - 46th District		4,549,072
Emergency Preparedness		199,147
Engineering		2,088,913
Fire		27,620,338
Fiscal Services		3,087,661
Human Resources		2,422,947
Mayor's Office		133,741
Planning		2,982,976
Police		35,107,450
Purchasing		379,796
Sanitation		4,482,712
Road Maintenance & Administration		1,058,782
Support Services		26,359,805
Technology Services		2,714,214
Traffic Services		769,183
Treasurer		1,111,267
Total General Fund	**$**	**128,377,048**
Cable TV Fund	$	532,139
Donations, Mem. Trusts & Sponsorships		100,000
Drug Law Enforcement Fund		194,750
Facilities Maintenance Fund		27,451,958
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Total All Funds	**$**	**284,785,844**
(Duplicating Transfers)	**$**	**(33,118,602)**
Total Expenditures	**$**	**251,667,242**

Recommended Budget Highlights

The fundamental message of this budget continues to be sustainability and responsible budgeting to maintain structural balance and live within our means. The proposed budget is based on projected revenues complemented by a draw on existing fund balance for capital projects including restricted (Metro Act), committed and unrestricted amounts.

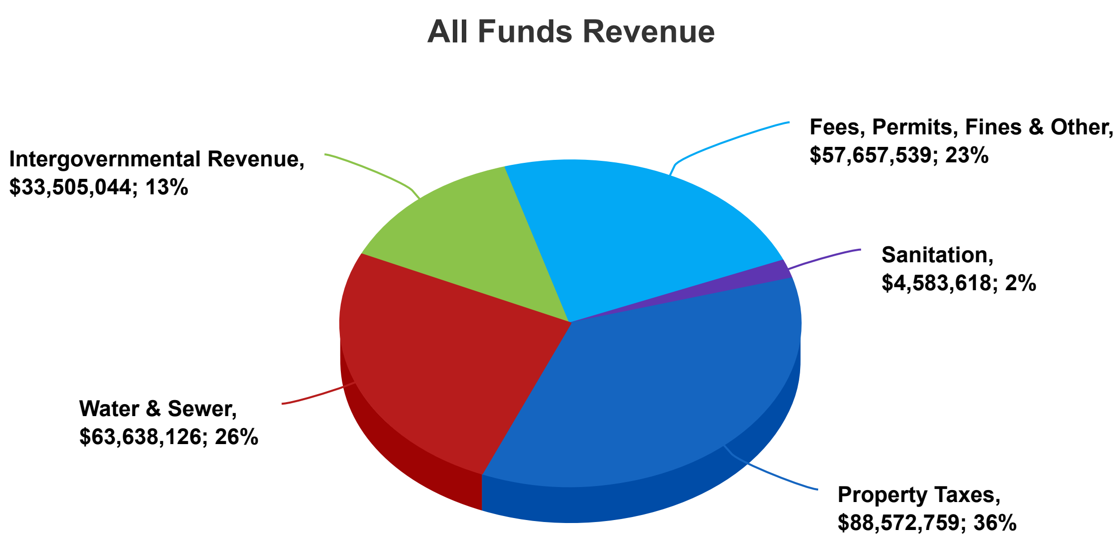
Despite the slow recovery from the Great Recession and the unique pressures brought on by the pandemic, the City continues to be resilient in the face of challenges and the Southfield community continues to thrive and grow. The proposed budget provides continuity of high-level services to our residents and other stakeholders while maintaining structural balance and long-term sustainability.

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
- 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

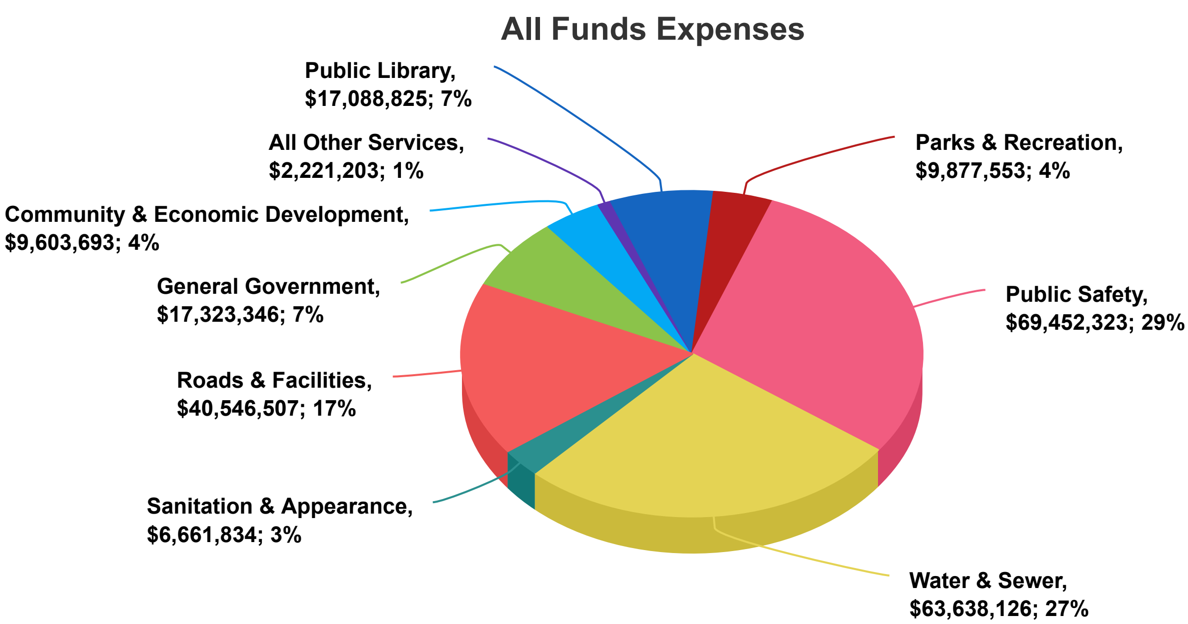
- Property taxes represent 62% of General Fund revenues and 37.5% of all funds revenue. Projected taxable value is $3,346,287,989 which represents an increase of approximately $131 million or 4.1% over the 2025-26 projection
- The millage rate increased by 0.9879 mills comprised of 1.0642 increase in the Police & Fire Pension rate offset by a decrease of 0.0763 across other mills due to a Headlee rollback. The resultant levy is 27.7994 mills.
- State shared revenues decreased by approximately 2% compared to the prior budget year. Constitutional and statutory revenue payments from the State of Michigan are projected at $7,970,326 and $1,375,769, respectively and represent 8.35% of the General Fund revenues
- Combined General fund revenues are proposed at approximately $112.0 million, a 12.8% decrease over 2025-26 primarily attributed to the large use of fund balance to fund a new pool facility
- Total revenues of all funds are proposed at approximately $248.0 million, a 12.9% decrease from 2025-2026



Recommended Budget Highlights (cont.)

Expenditure Snapshot

- At $64.0 million, Police and Fire services continue to be the largest General Fund expenditure, making up approximately 57% of all General Fund expenditures, an increase of $1.3 million over the prior year
- The proposed budget includes approximately $17.3 million for general government expenditures. These costs comprise approximately 13% of the General Fund expenditures and include Administration, elected officials, City Clerk, City Attorney, City Treasurer, Assessing, Fiscal Services, Technology Services, Human Resources, and Community Relations
- Combined General Fund expenditures are proposed at approximately $112.0 million, a 12.8% decrease from 2025-26
- Total expenditures of all funds are proposed at approximately $248.0 million, a 12.9% decrease from 2025-26



Total Expenditures = $ 247,957,086 (excludes duplicating transfers of $11,543,676)

- Proposed infrastructure Investments total approximately $31.1 million based on available funding. The below table presents a comparison of proposed and current year projects.

Comparison of Proposed and current year projects

	2025-2026		2026-2027	
Department	# of Projects	Total Investment	# of Projects	Total Investment
Local Streets	2	$ 5,750,000	2	$ 7,560,000
Major Streets	11	11,088,800	4	7,500,000
Water & Sewer	5	22,305,650	4	16,000,000
	18	**$ 39,144,450**	**10**	**$ 31,060,000**

Recommended Budget Highlights (cont.)

Comparison of budgeted career employees

Budget Year	Employee Count (Career only)	Change Over Prior Year
2024-2025	627	+21
2025-2026	652	+25
2026-2027	651	-1

Summary Statement

Property taxes are expected to generate just over $93 million for the City to fund operations. In addition to Proposal A, the City had a Headlee rollback for fiscal year 2023 which permanently reduced the maximum allowable millage levy. Despite these challenges and significant loss of revenue to the City, Southfield continues to provide outstanding services to our residents and stakeholders and remains committed to keeping the City a vibrant, thriving community as we move into the future. The proposed 2026-2027 budget for all City funds anticipates balanced revenues and expenditures of $236,413,410 to do so.

Budget Comparison - All Funds

Fund	25-26 Approved Budget	26-27 Recomm. Budget	% Change
General Fund	$ 128,377,048	$ 111,989,665	(12.77%)
Cable TV Fund	532,139	478,800	(10.02%)
Donations, Mem.Trusts and Sponsorships	100,000	100,000	-%
Drug Law Enforcement Fund	194,750	282,500	45.06%
Facilities Maintenance Fund	27,451,958	5,234,182	(80.93%)
Library Fund	16,666,928	17,088,825	2.53%
Local Street Fund	10,533,383	13,162,259	24.96%
Major Street Fund	16,598,911	16,519,266	(0.48%)
Motor Pool Fund	4,669,328	5,251,467	12.47%
Parks and Recreation Fund	9,782,347	9,877,553	0.97%
Water and Sewer Fund	65,654,917	63,638,126	(3.07%)
Auto Theft Grant	225,140	247,173	9.79%
Community Development Block Grant	447,949	460,961	2.90%
Michigan Indigent Defense Grant	1,261,628	1,426,309	13.05%
Michigan Works Grants	2,289,418	-	(100.00%)
Section 8 Housing Grants	-	2,200,000	#DIV/0!
Total Operating funds	**284,785,844**	**247,957,086**	**(12.9%)**
(Less Duplicating Transfers)	(33,118,602)	(11,543,676)	(65.1%)
Total Budget	**$ 251,667,242**	**$ 236,413,410**	**(6.1%)**

Infrastructure Capital Projects

Local Streets

Magnolia and North Gardens Neighborhoods	$ 7,560,000
	$ 7,560,000

Major Street Fund

Lincoln - Southfield to Greenfield	$ 6,100,000
Inkster Bridge Improvements	600,000
10 Mile Road - Lahser to Evergreen	400,000
Southfield Road - Mt. Vernon to I-696	400,000
	$ 7,500,000

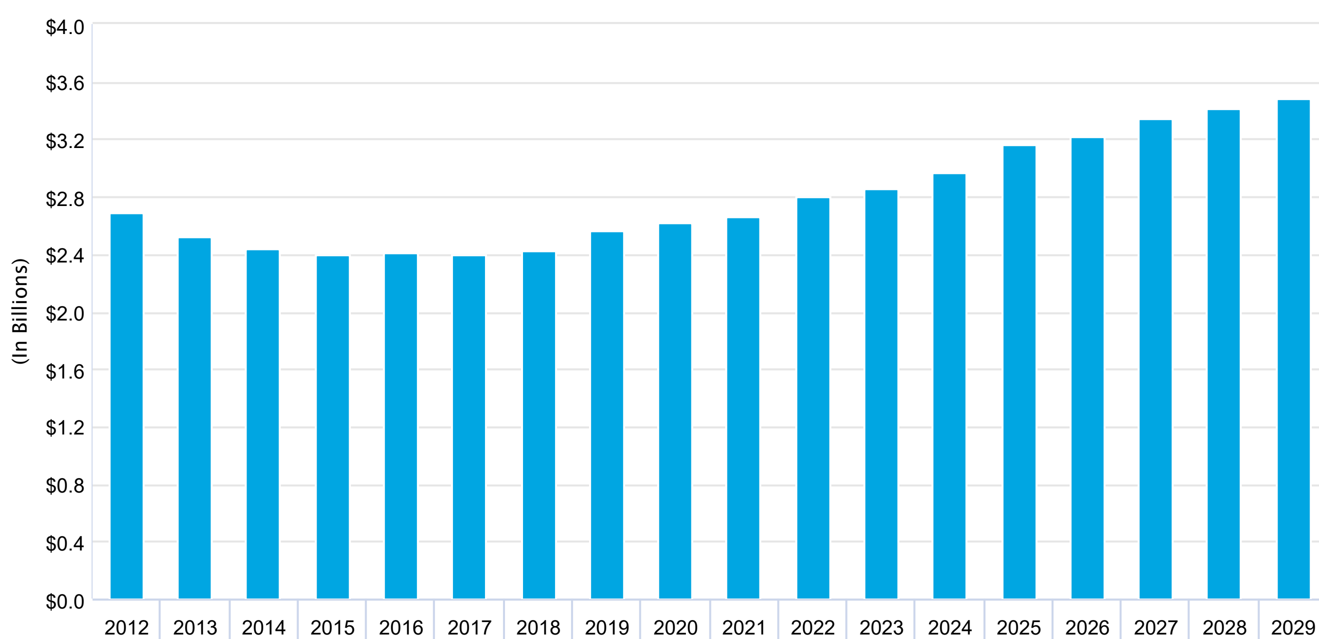
Water & Sewer

8 Mile Road - water main replacement	$ 8,000,000
Magnolia and North Gardens Neighborhoods	3,500,000
Lincoln - Southfield to Greenfield	2,500,000
Section 11 - Phase 2 lining	2,000,000
	$ 16,000,000

Infrastructure Capital Projects Grand Total	**$ 31,060,000**

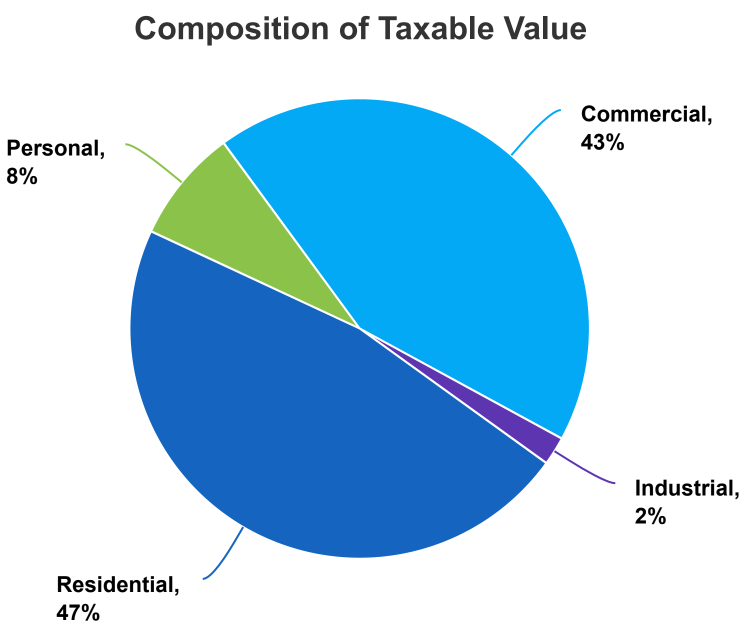
Taxable Property Values 2012-2029

***2% growth projected beginning in 2028**



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
TV	$2.695	$2.523	$2.437	$2.392	$2.417	$2.400	$2.428	$2.562	$2.621	$2.658	$2.806	$2.862	$2.974	$3.158	$3.221	$3.346	$3.413	$3.481

Tax Rate Comparative



	2025-26	2026-27	Increase / (Decrease)
Operating:			
General Operations	6.5281	6.5026	(0.0255)
Public Safety	6.8057	6.7790	(0.0267)
Police & Fire Pension	5.4783	6.5425	1.0642
Residential Street Maintenance	0.9876	0.9836	(0.0040)
Parks & Recreation	1.7283	1.7215	(0.0068)
Library	2.7655	2.7546	(0.0109)
Public Act 298	0.2207	0.2207	-
Public Act 59	0.0155	0.0149	(0.0006)
Total Operating	**24.5297**	**25.5194**	**0.9897**
Debt Service:			
County Drains At Large	0.0318	0.0300	(0.0018)
UTGO Road Bond	2.2500	2.2500	-
Total Levy	**26.8115**	**27.7994**	**0.9879**

Tax Levy	Total Mills		Revenue
Operations	25.5194	$	85,395,262
Non-operating	2.2800	$	7,629,537
Totals	**27.7994**	**$**	**93,024,798**

Tax Rate Comparative

2026-2027 Recommended Budget
Tax Revenues and Rates

	Revenue	Rate*
General Operations	21,759,572	6.5026
Police & Fire	22,684,486	6.7790
Police & Fire Pension	21,893,089	6.5425
Residential Street Maintenance	3,291,409	0.9836
Parks & Recreation	5,760,635	1.7215
Library	9,217,685	2.7546
Public Act 298	738,526	0.2207
Public Act 59	49,860	0.0149
Total Operating	**85,395,262**	**25.5194**
County Drains at Large	100,389	0.0300
UTGO Road Bond	7,529,148	2.2500
Smart Zone	426,746	**
Brownfield Redevelopment Authority	2,119,969	**
	95,571,514	**27.7994**

Taxable Valuation (TV)	3,346,287,989
Less:	
Captured by DDA/TIF	23,375,243
Captured by Smart Zone	15,350,920
Captured by Brownfield Redevelopment Authority	76,259,524
Captured by Renaissance Zone (Tool & Die)	
Total Taxable Value excluding Capture Districts	**3,231,302,302**

*Mills per $1,000 of TV

**Total millage of 25.5494 (total reduced by UTGO road bond millage) applied to taxable value of LDFA and other special authorities.

Tax Revenue Factors

26-27 Tax Base for City Operations		$ 3,346,287,989
25-26 Tax Base for City Operations		$ 3,215,261,900
	A difference of:	$ 131,026,089 or 4.1%

Change in Tax Revenues for City Operations

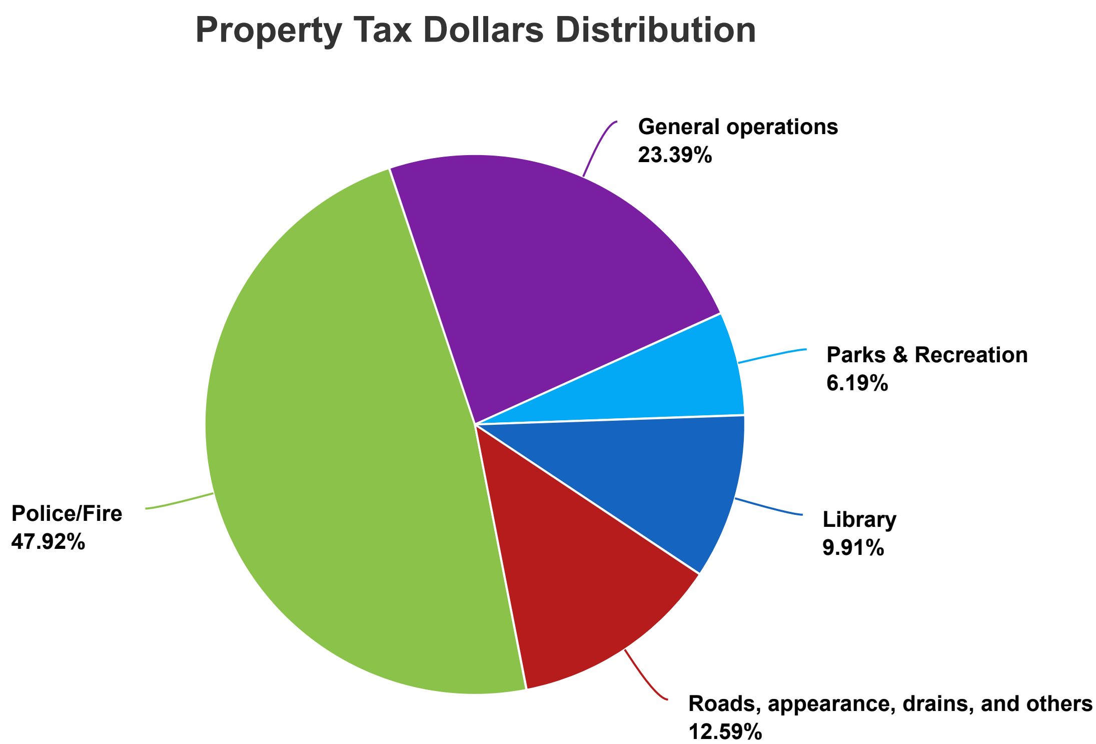
	25-26	26-27	$ / % Difference		
General Fund:					
General Operating	$ 20,989,551	$ 21,759,572	770,021	/	3.7%
Police & Fire	21,882,108	22,684,486	802,378	/	3.7%
Police & Fire Pension	17,614,169	21,893,089	4,278,920	/	24.3%
Publicity (PA59)*	49,837	49,860	23	/	0.0%
Total General Fund Operating	**60,535,665**	**66,387,007**	**5,851,342**	**/**	**9.7%**
Roadside Appearance (PA298)	709,608	738,526	28,918	/	4.1%
Residential Streets	3,175,393	3,291,408	116,015	/	3.7%
Parks & Recreation	5,556,937	5,760,635	203,698	/	3.7%
Library	8,891,807	9,217,685	325,878	/	3.7%
Total Operating	**78,869,410**	**85,395,261**	**6,525,851**	**/**	**8.3%**

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

Services Provided for Property Tax Dollars

Figures are based on a Southfield home with a market value of $300,000 and a taxable value of $150,000

City Services Provided:	Millage Rate		Annual Property Taxes
Police/Fire	13.3215	$	1,998
General operations	6.5026		975
Parks & Recreation	1.7215		258
Library	2.7546		413
Roads, appearance, drains, and others	3.4992		525
Total City services	**27.7994**	**$**	**4,170**

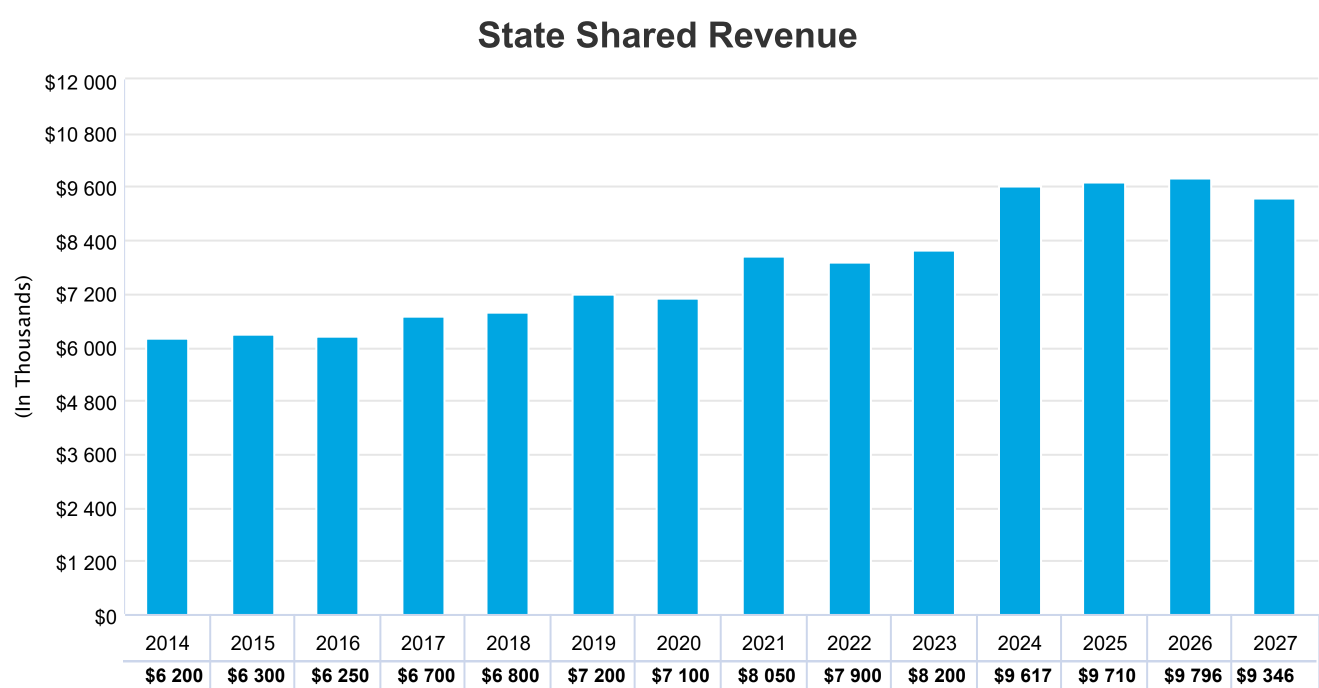


Millage History

Operating	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12*	12-11	13-14	14-15
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	6.8906	6.8906	6.8906	6.8906
Police / Fire Pension	1.6017	1.7096	1.6772	1.7672	1.6889	1.7000	1.8788	3.0004	3.9424	4.7197	4.4500
Res. Street Maint.	0.9440	0.9440	0.9440	0.9440	0.9440	0.9440	0.9440	1.0000	1.0000	1.0000	1.0000
R-O-W Appearance	0.4227	0.4227	0.3361	0.2539	0.3322	0.3370	0.1582	0.2207	0.2207	0.2207	0.2207
Parks & Recreation	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524	1.6524	1.7500	1.7500	1.7500	1.7500
Library	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934	2.0934	2.8000	2.8000	2.8000	2.8000
Public Act 59	-	-	-	-	-	-	-	-	0.0214	0.0234	0.0234
Total Operating	**16.1561**	**16.2640**	**16.1450**	**16.1528**	**16.1528**	**16.1687**	**16.1687**	**22.2711**	**23.2345**	**24.0138**	**23.7441**
Debt Service	0.0277	-	-	-	-	-	-	-	-	-	-
Drains-at-Large	0.1590	0.0788	0.1978	0.1900	0.1900	0.1741	0.1741	0.3591	0.4873	0.4873	0.4873
Total	**16.3428**	**16.3428**	**16.3428**	**16.3428**	**16.3428**	**16.3428**	**16.3428**	**22.6302**	**23.7218**	**24.5011**	**24.2314**

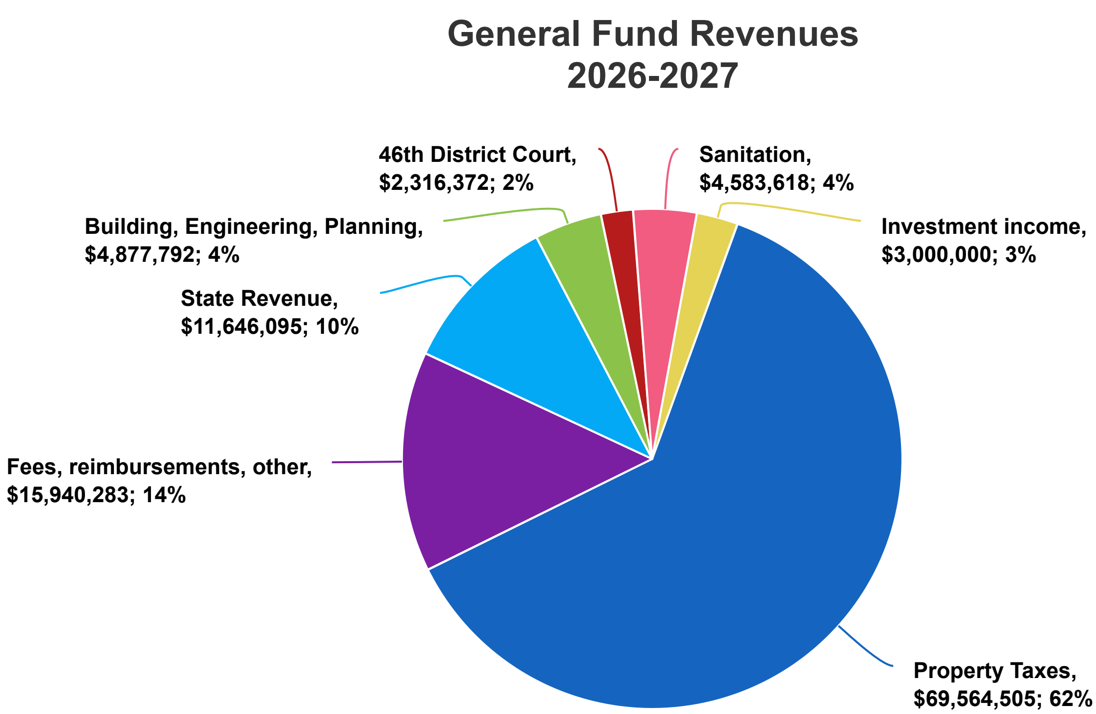
Operating	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	26-27
General Operations	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.6094	6.5281	6.5281	6.5281	6.5026
Public Safety	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906	6.8906	6.8057	6.8057	6.8057	6.7790
Police / Fire Pension	4.3971	4.3714	4.5249	5.0552	5.7423	5.7075	6.0227	5.5054	5.7102	5.2833	6.5425
Res. Street Maint.	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.9876	0.9876	0.9876	0.9836
R-O-W Appearance	0.2207	0.2207	0.2207	0.2207	0.2207	0.2207	0.2207	0.2207	0.2207	0.2207	0.2207
Parks & Recreation	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500	1.7500	1.7283	1.7283	1.7283	1.7215
Library	2.8000	2.8000	2.8000	2.8000	2.8000	2.8000	2.8000	2.7655	2.7655	2.7655	2.7546
Public Act 59	0.0234	0.0212	0.0208	0.0203	0.0195	0.0191	0.0188	0.0178	0.0168	0.0158	0.0149
Total Operating	**23.6912**	**23.6633**	**23.8164**	**24.3462**	**25.0325**	**24.9973**	**25.3122**	**24.5591**	**24.7629**	**24.3350**	**25.5194**
UTGO Road Bond	2.5800	2.5800	2.5800	2.5800	2.5800	2.5800	2.6000	2.6000	2.5800	2.3500	2.2500
Drains-at-Large	0.4873	0.1467	0.0267	0.1467	0.2150	0.2150	0.2150	0.2150	0.2150	0.0324	0.0300
Total	**26.7585**	**26.3900**	**26.4231**	**27.0729**	**27.8275**	**27.7923**	**28.1272**	**27.3741**	**27.5579**	**26.7174**	**27.7994**

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



Budget Comparison - General Fund Revenues

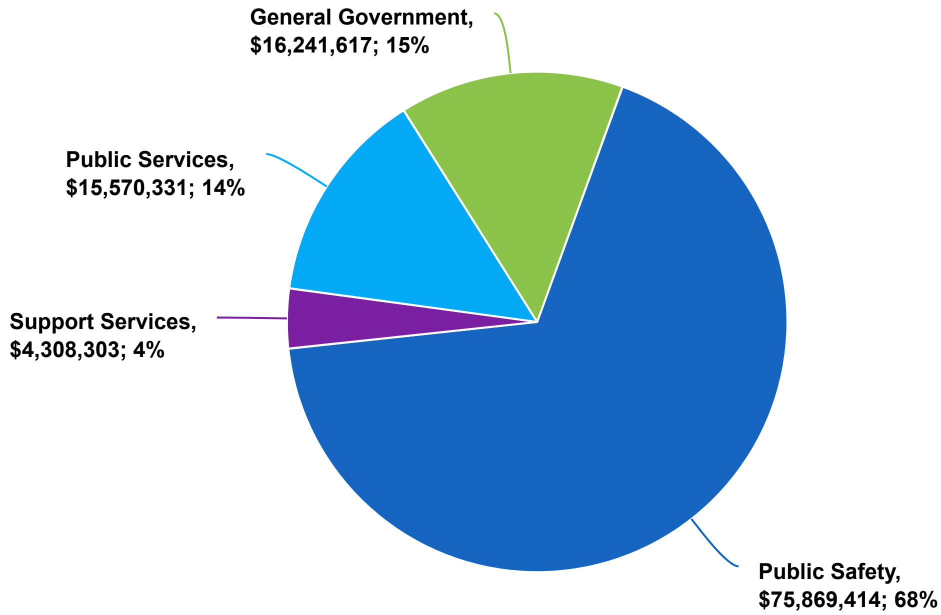
	25-26 Approved Budget	26-27 Recomm. Budget	% Change
General Operating Levy	$ 20,989,551	$ 21,759,572	3.7%
Police & Fire Levy	21,882,108	22,684,486	3.7%
Police & Fire Pension Levy	17,614,169	21,893,089	24.3%
Publicity Levy	49,837	49,860	0.0%
Tax Administration Fees & Penalties	2,907,442	3,177,498	9.3%
Sales Tax Returns - Constitutional	8,379,696	7,970,326	(4.9%)
Sales Tax Returns - Statutory	1,416,347	1,375,769	(2.9%)
Local Community Stabilization	1,725,000	2,300,000	33.3%
Cable Franchise Fees	950,000	730,000	(23.2%)
Sanitation Charges	4,482,712	4,583,618	2.3%
Building Department Revenues	2,929,593	3,253,500	11.1%
Engineering Revenues	1,645,116	1,624,292	(1.3%)
District Court Revenues	2,442,472	2,316,372	(5.2%)
Reimbursements	2,663,871	3,407,053	27.9%
Fees, Licenses, and Permits	4,373,443	4,912,471	12.3%
Investment Income	2,000,000	3,000,000	50.0%
Interfund Reimbursements	3,295,735	6,490,759	96.9%
Total Revenues Exclusive of Fund Balance	99,747,092	111,528,665	
Use of Restricted Fund Balance:			
Committed	22,507,900	-	
Right-of-way/Metro Authority:	750,000	400,000	
Sanitation Reserve		61,000	
Use of Unrestricted Fund Balance	5,372,056	-	
Total General Fund	**$ 128,377,048**	**$ 111,989,665**	**(12.8%)**



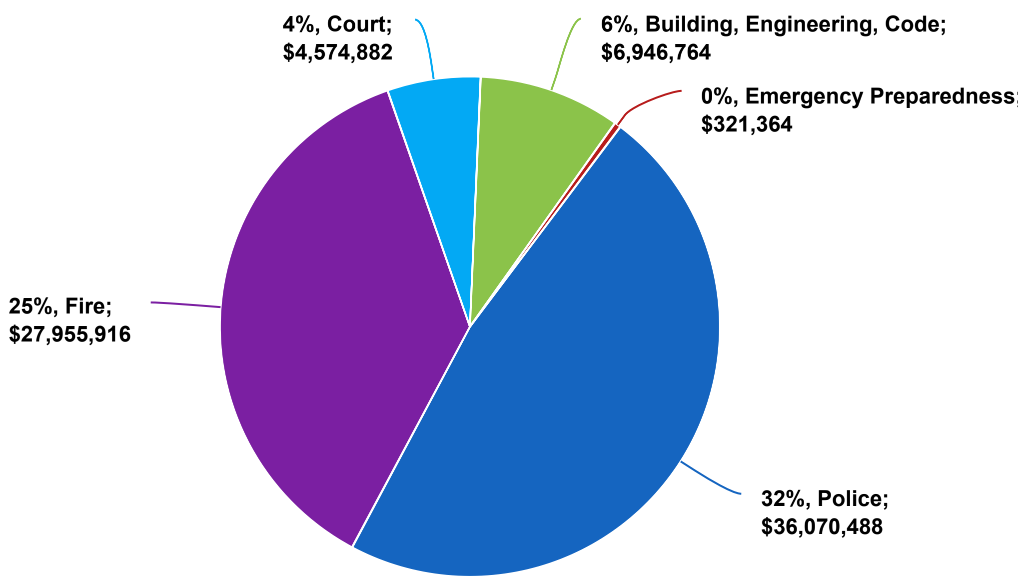
Budget Comparison - General Fund Expenditures

	25-26 Approved Budget	26-27 Recomm. Budget	% Change
Administration	$ 925,798	$ 1,010,791	9.2%
Assessing	1,443,127	1,315,996	(8.8%)
Building	3,347,391	3,417,221	2.1%
Business Development	783,911	697,405	(11.0%)
Central Services	1,038,366	820,729	(21.0%)
City Attorney	1,339,014	1,301,759	(2.8%)
Clerk	1,537,785	1,748,880	13.7%
Code Enforcement	1,709,998	1,517,300	(11.3%)
Community Relations	946,294	1,081,729	14.3%
Council	237,360	241,511	1.7%
Court - 46th District	4,549,072	4,574,882	0.6%
Emergency Preparedness	199,147	321,364	61.4%
Engineering	2,088,913	2,012,243	(3.7%)
Fire	27,620,338	27,955,916	1.2%
Fiscal Services	3,087,661	3,253,712	5.4%
Human Resources	2,422,947	2,257,713	(6.8%)
Mayor's Office	133,741	135,618	1.4%
Planning	2,982,976	3,510,806	17.7%
Police	35,107,450	36,070,488	2.7%
Purchasing	379,796	398,955	-%
Sanitation	4,482,712	4,644,618	3.6%
Road Maintenance & Administration	1,058,782	5,024,022	374.5%
Support Services	26,359,805	4,308,303	(83.7%)
Technology Services	2,714,214	2,589,832	(4.6%)
Traffic Services	769,183	611,751	(20.5%)
Treasurer	1,111,267	1,166,121	4.9%
Total General Fund	**$ 128,377,048**	**$ 111,989,665**	**(12.8%)**

General Fund Expenditures 2026-2027



Public Safety Percent of General Fund Expenditures 2026-2027



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 does 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.

Fund Balance Classification		Amount
Non-spendable	$	910,518
Restricted for right-of-way (Metro Act)		1,308,510
Committed to specific programs:		
Dispatch improvements		
Equalization reserve		1,000,000
Local improvement revolving - Northland		2,517,425
Building infrastructure reserve		22,507,900
Tax base initiatives reserve		1,000,000
Total Committed	**$**	**27,025,325**
Assigned:		
Encumbrances	$	4,024,496
Subsequent year's expenditures		
Total Assigned	**$**	**4,024,496**
Unassigned	**$**	**18,786,647**
Total Fund Balance - June 30, 2025*	**$**	**52,055,496**

* 2024-2025 Annual Financial Report