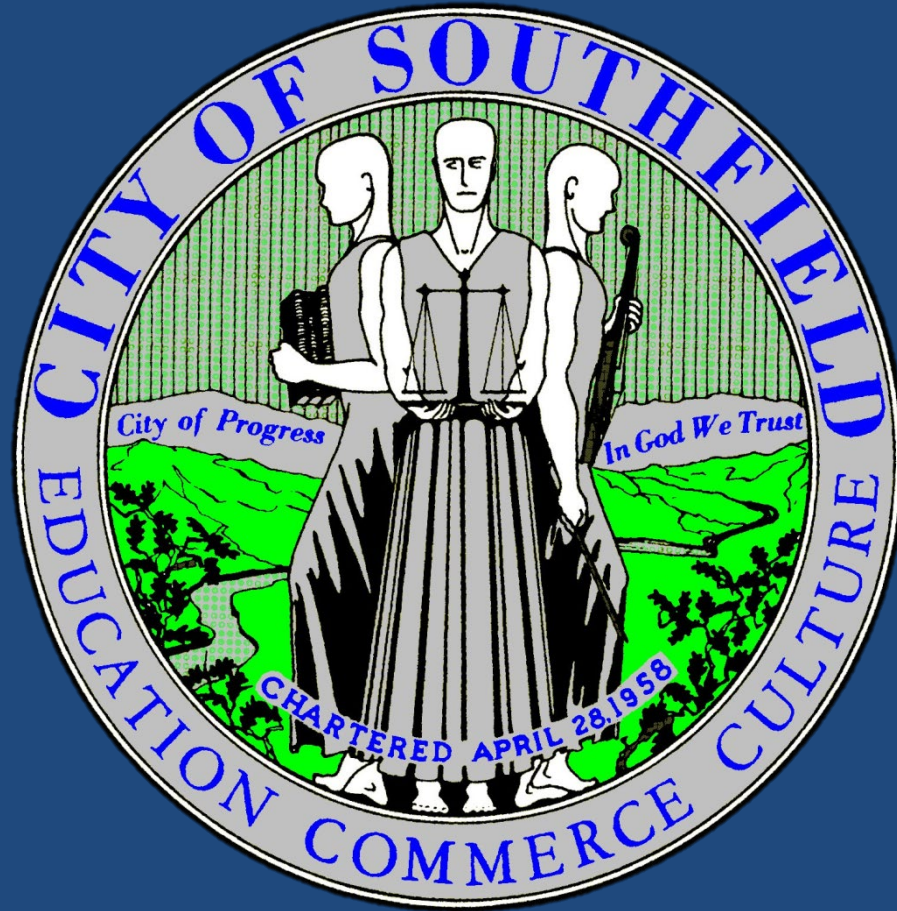
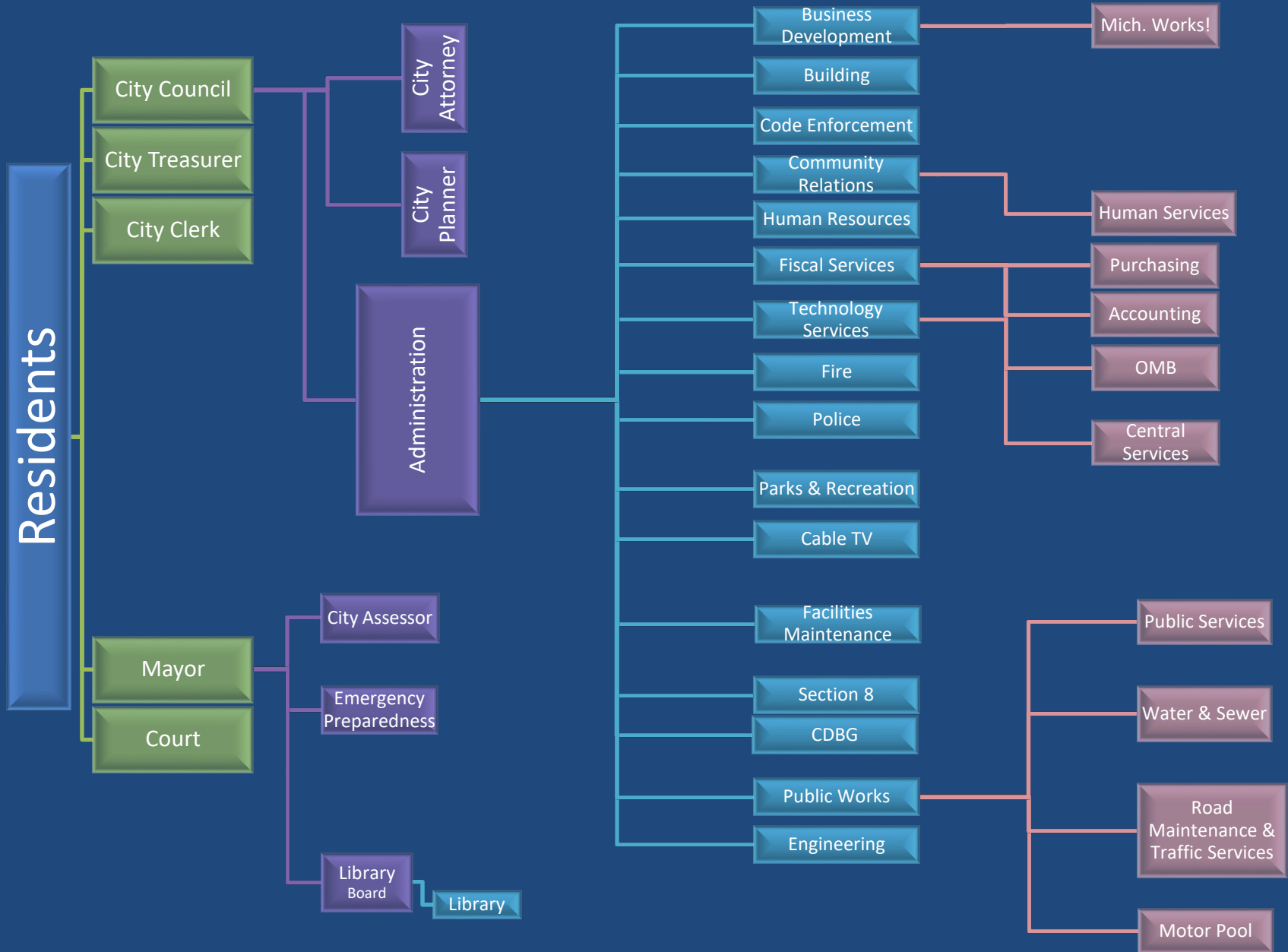


City of Southfield Municipal Budget Executive Summary



July 1, 2023 – June 30, 2024

City of Southfield Organization Chart

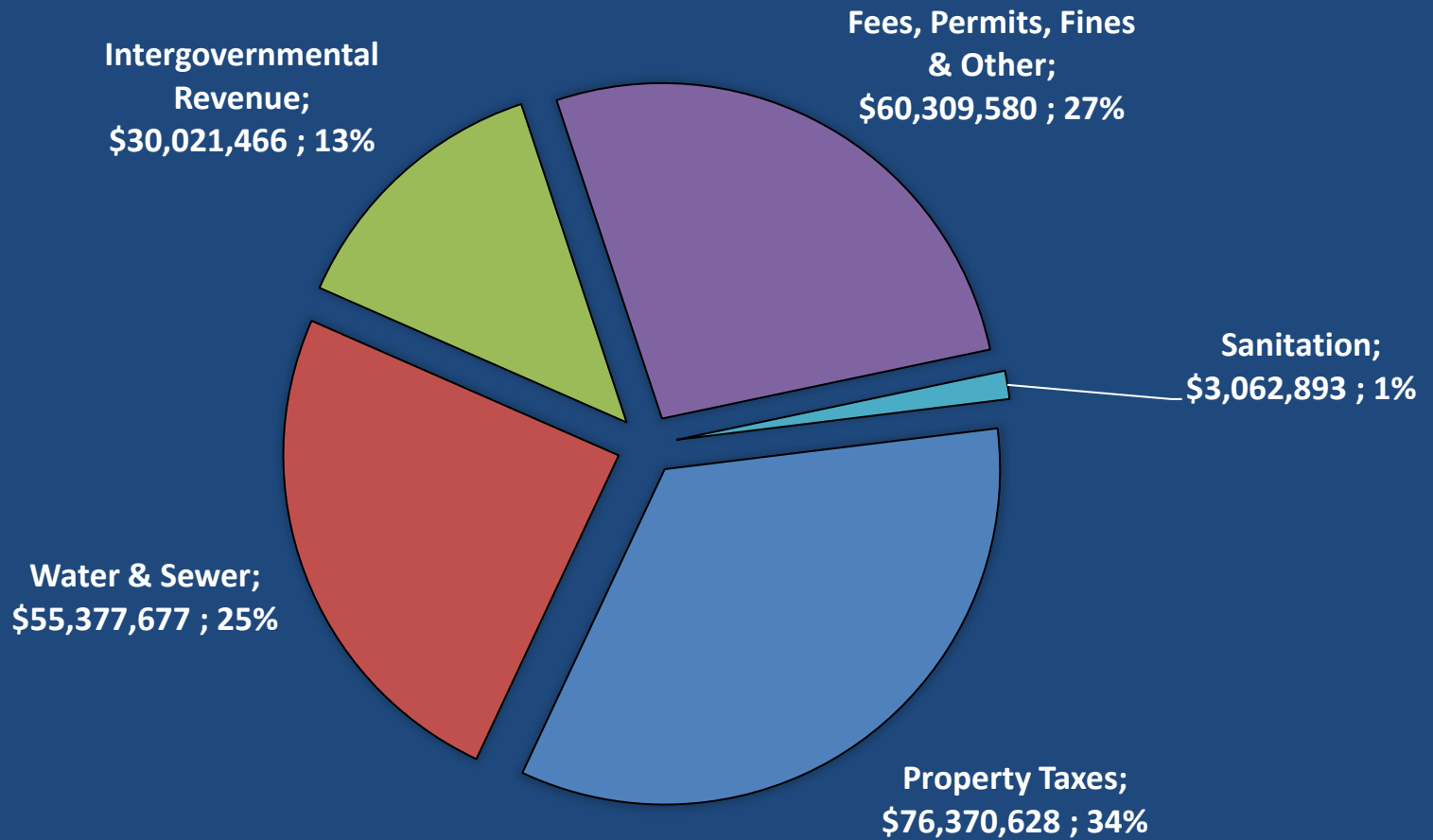


Revenue Snapshot

- Property taxes represent 61% of General Fund Revenues. Projected taxable value is \$2,974,205,453 which represents an increase of approximately \$175 million or 6.3% over the 2022-23 projection
- The millage rate increased by 0.1838 mills comprised of 0.2048 increase in the Police & Fire Pension rate offset by a decrease of 0.001 to the Public Act 59 rate and a 0.02 decrease in the UTGO Road Bond rate. The resultant levy is 27.5579 mills
- State shared revenues increased by approximately 25% compared to the prior budget year. Constitutional and statutory revenue payments from the State of Michigan are projected at \$9,684,305 and \$1,293,340, respectively and represent 13% of the General Fund revenues
- Combined General fund revenues are proposed at approximately \$97.3 million, a 14.5% increase over 2022-23
- Total revenues of all funds are proposed at approximately \$225.1 million, a 15.9% increase from 2022-2023

ALL FUNDS REVENUE

2022-2023



Total Revenues = \$225,142,244



Expenditure Snapshot

- At \$56.4 million, Police and Fire services continue to be the largest General Fund expenditure, making up approximately 58% of all General Fund expenditures, an increase of \$5.9 million over the prior year
- The proposed budget includes approximately \$17 million for general government expenditures. These costs comprise approximately 18% 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 \$97.3 million, a 14.5% increase from 2022-23
- Total expenditures of all funds are proposed at approximately \$225.1 million, a 15.9% increase from 2022-23

Expenditure Snapshot (cont.)

- Proposed infrastructure Investments total approximately \$35.9 million based on available funding. The below table presents a comparison of proposed and current year projects

<u>Department</u>	<u>2022-2023</u>		<u>2023-2024</u>	
	<u># of Projects</u>	<u>Total Investment</u>	<u># of Projects</u>	<u>Total Investment</u>
Local Streets	3	\$5,703,000	5	\$13,600,000
Major Streets	6	5,700,000	6	3,958,000
Water & Sewer	4	8,117,000	7	18,300,000
	13	<u>\$19,520,000</u>	18	<u>\$35,858,000</u>



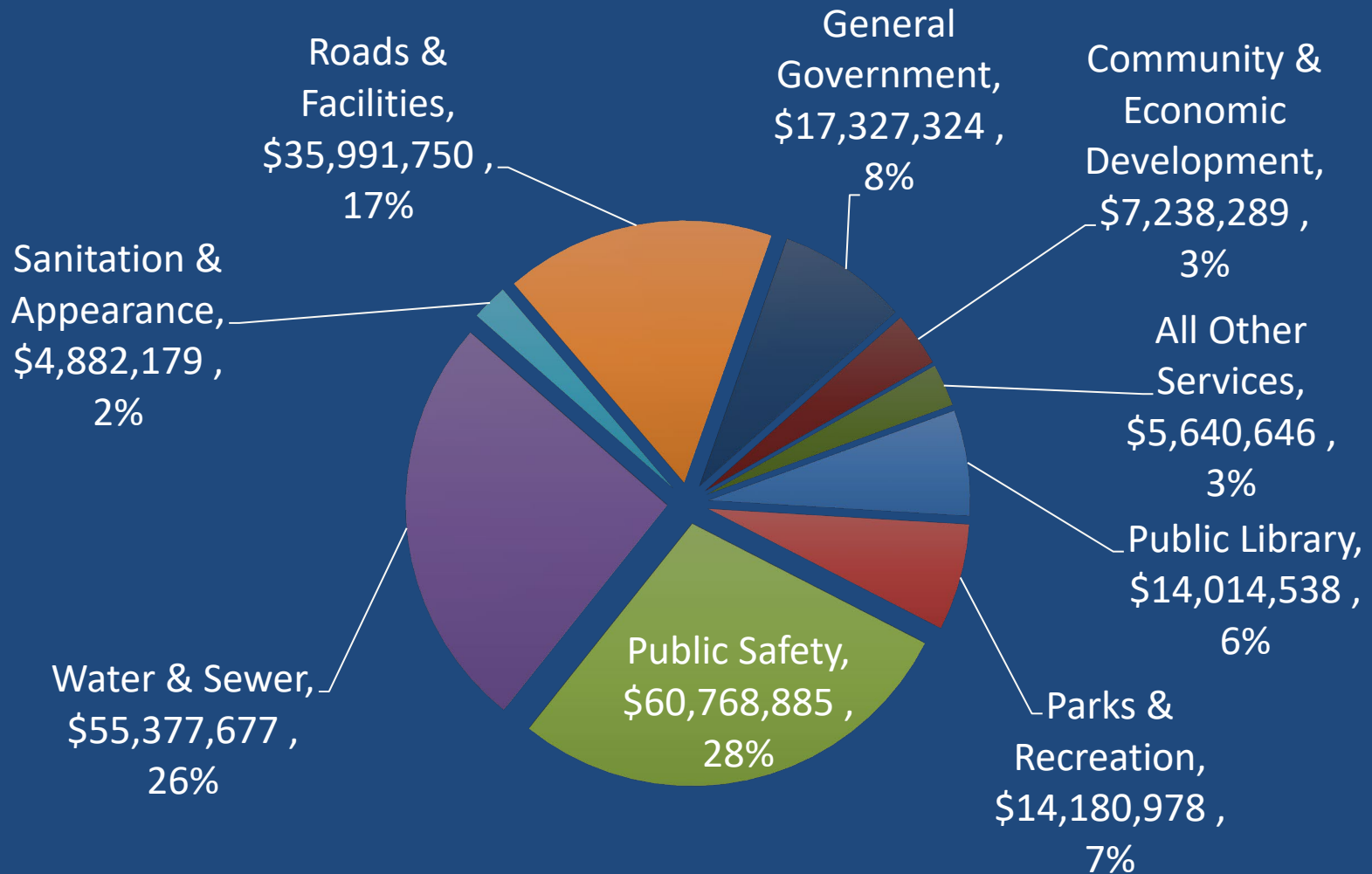
Expenditure Snapshot (cont.)

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

Budget Year	Employee Count (Career only)	Change Over Prior Year
2021-22	601	-18
2022-23	595	-6
2023-24	606	+11

ALL FUNDS EXPENSES

2023-2024



Total Expenditures = \$ 225,142,244



Budget Comparisons

2022-23 vs. 2023-24

All Funds Significant Variances

General Fund	14.5%	\$12,348,755
Local Street Fund	89.8%	\$8,452,255
Major Street Fund	-20.7%	-\$2,598,204
Parks and Recreation Fund	71.0%	\$5,887,283
Water and Sewer Fund	7.6%	\$3,919,347
TOTAL BUDGET	17.1%	\$31,666,058



Proposed Capital Projects

- Local Streets \$ 13,600,000
– 5 Projects
- Major Streets \$3,958,000
– 6 Projects
- Water & Sewer \$18,300,000
– 6 Projects
- Total Capital Program \$35,858,000



Local Streets Projects

Sherwood Village	\$	5,500,000
Concrete Patching		1,000,000
Asphalt Rehabilitation		1,000,000
Tamarack Bridge		100,000
Washington Heights		6,000,000
Total	\$	<hr/> 13,600,000



Major Street Projects

12 Mile Road (Northwestern to Telegraph) RCOC	\$200,000
13 Mile & Greenfield Traffic Signal Replacement (RCOC)/Mt Vernon approach	140,000
Bridge Street bridge	100,000
Denso Drive	3,000,000
Civic Center Road Streetlights	100,000
Civic Center Pathway	418,000
total	<hr/> \$3,958,000



Water & Sewer Projects

Water Infrastructure	\$	5,000,000
Redesign of City Hall lift station		100,000
Water Lining Replacements		2,000,000
Section 24 - Sherwood Village		3,900,000
Hyde Park & Roseland		700,000
Washington Heights		6,600,000
		<hr/>
Total	\$	18,300,000



Water and Sewer Rates

- Proposed rates per Mcf*:

• Water Service	\$ 38.84
• Sewer Service	63.92
• Capital maintenance	<u>38.03</u>
• Total	\$140.79
- *Mcf = 1,000 cubic feet



Water and Sewer Rates (continued)

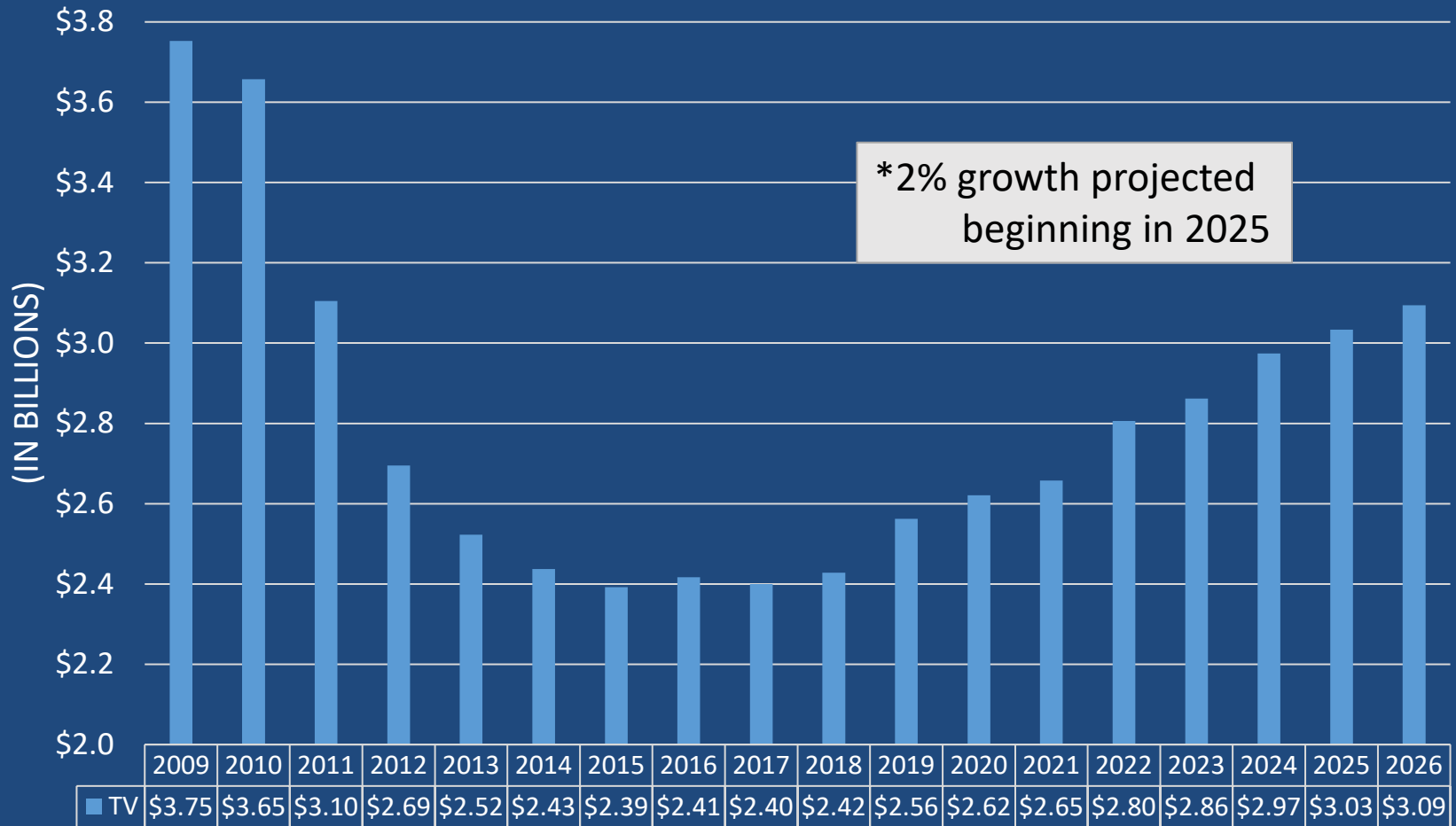
- Proposed rates per Ccf*:

• Water Service	\$ 5.79
• Sewer Service	8.29

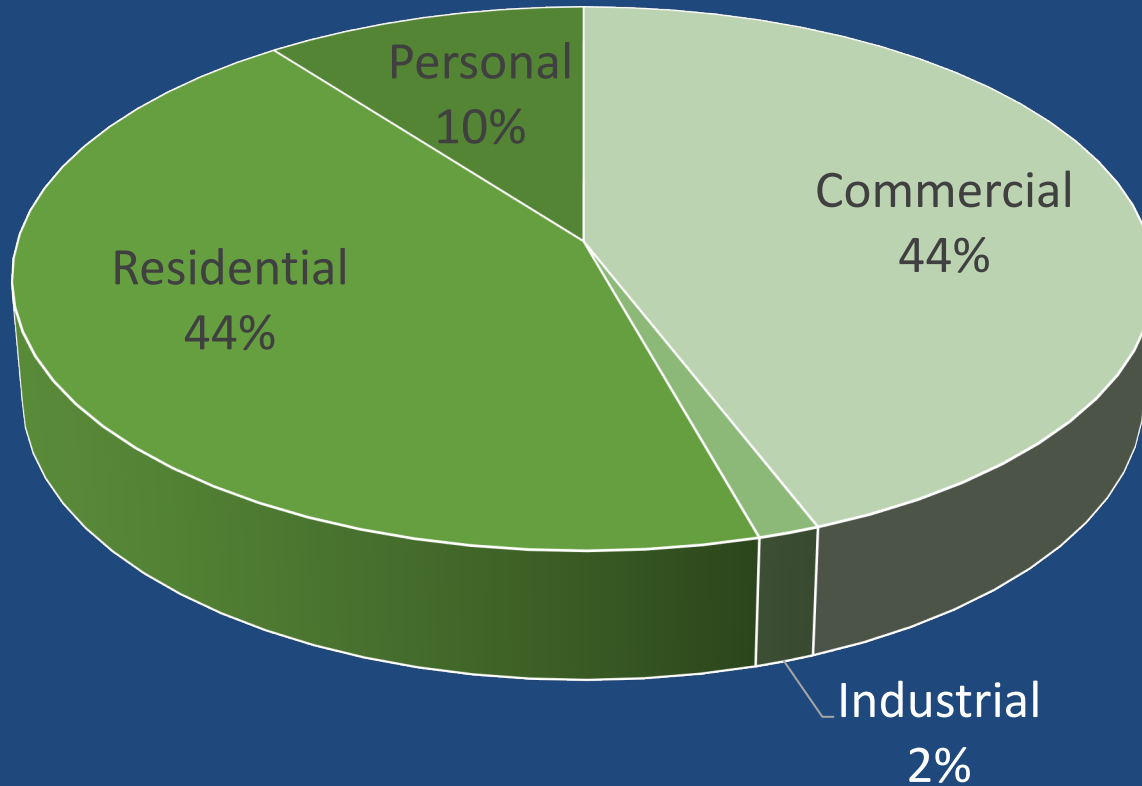
- *Ccf = 100 cubic feet

Taxable Property Values

2009-2026*



Composition of Taxable Value 2023-2024



Property Tax Rates

	<u>2022-23</u>	<u>2023-24</u>	<u>Increase / (Decrease)</u>
Operating:			
General Operations	6.5281	6.5281	-
Public Safety	6.8057	6.8057	-
Police & Fire Pension	5.5054	5.7102	0.2048
Residential Street Maintenance	0.9876	0.9876	-
Parks & Recreation	1.7283	1.7283	-
Library	2.7655	2.7655	-
Public Act 298	0.2207	0.2207	-
Public Act 59	0.0178	0.0168	(0.0010)
Total Operating	<u>24.5591</u>	<u>24.7629</u>	<u>0.2038</u>
Debt Service:			
County Drains At Large	0.2150	0.2150	-
UTGO Road Bond	2.6000	2.5800	(0.0200)
Total Levy	<u>27.3741</u>	<u>27.5579</u>	<u>0.1838</u>



Property Tax Revenues

<u>Tax Levy</u>	<u>Mills</u>	<u>Revenue</u>
Operations	24.7629	\$73,648,952
Non-operating	2.7950	8,312,904
Totals	<u>27.5579</u>	<u>\$81,962,856</u>

Taxable Value, without Captures

\$2,974,205,453

Property Tax Distribution

City 46%

Non-City 54%



Schools 27%

Other 17%

State 10%

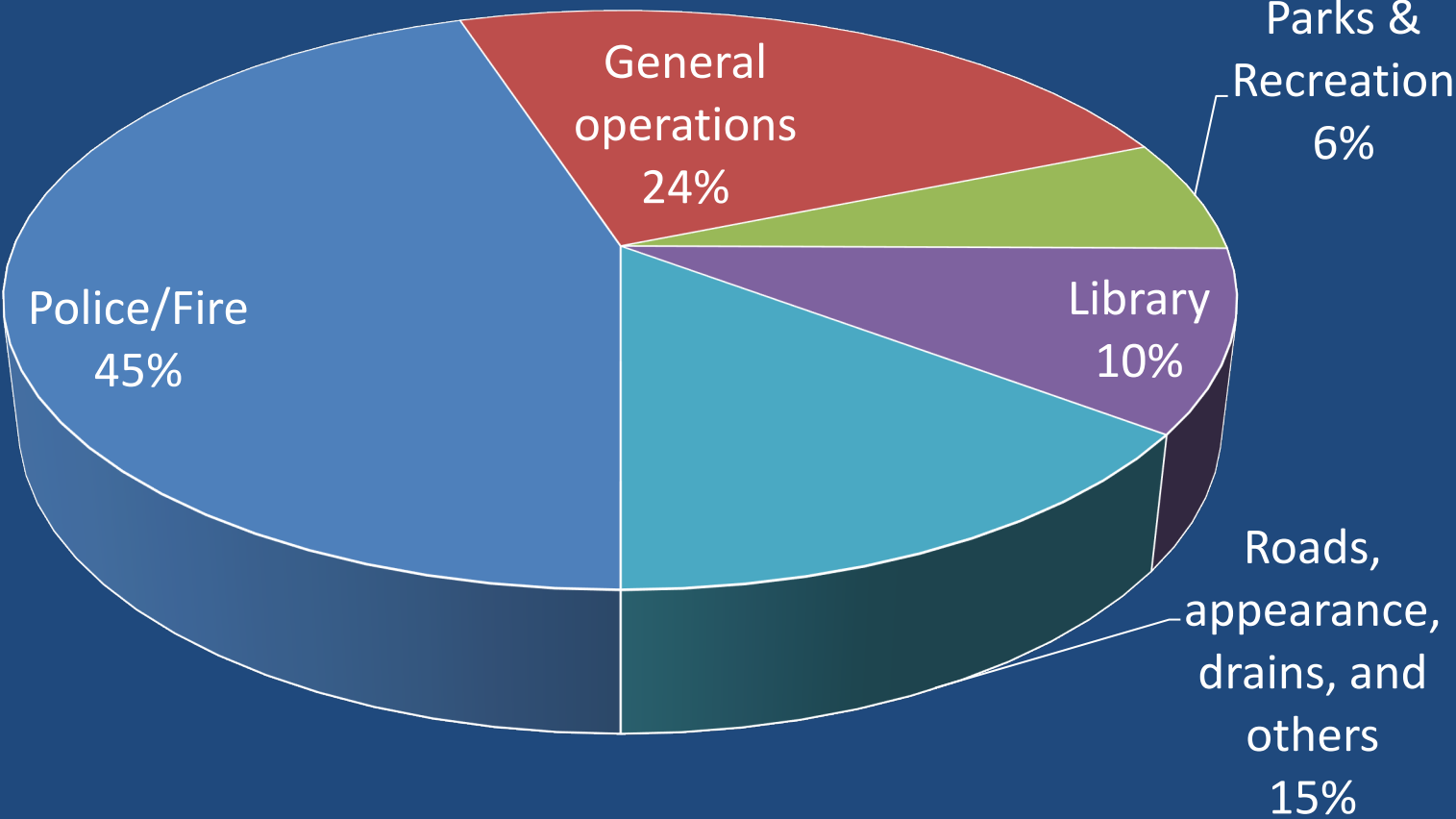


Services Provided for Property Tax Dollars

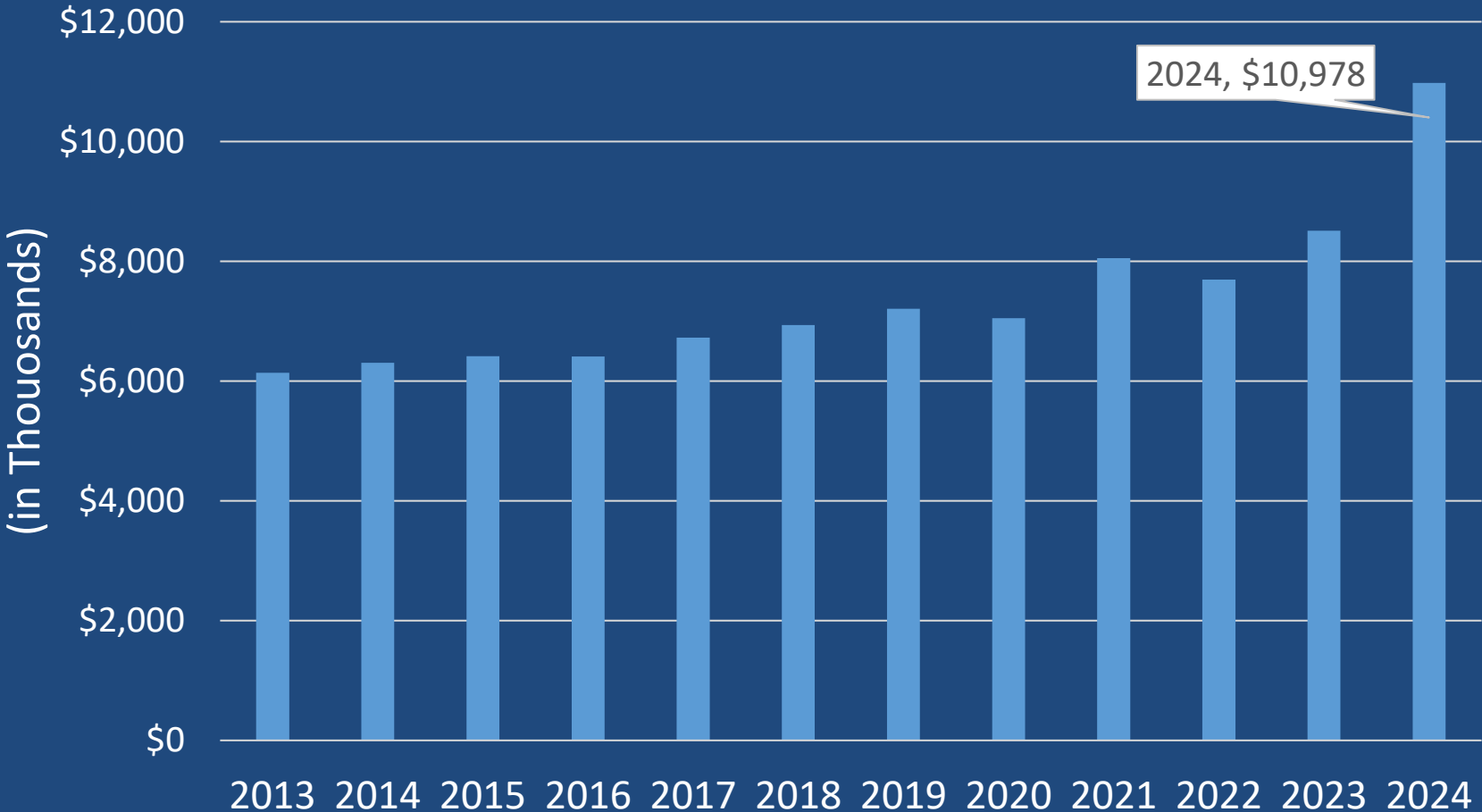
City Services Provided:	<u>Millage Rate</u>	<u>Annual Property Taxes</u>
Police/Fire	12.5159	\$1,252
General operations	6.5281	653
Parks & Recreation	1.7283	173
Library	2.7655	277
Roads, appearance, drains, and others	4.0201	402
Total City services	<u>27.5579</u>	<u>\$2,756</u>

Based on a Southfield home with a market value of \$200,000 and a taxable value of \$100,000

Property Tax Dollars Distribution 2023-2024



State Shared Revenue

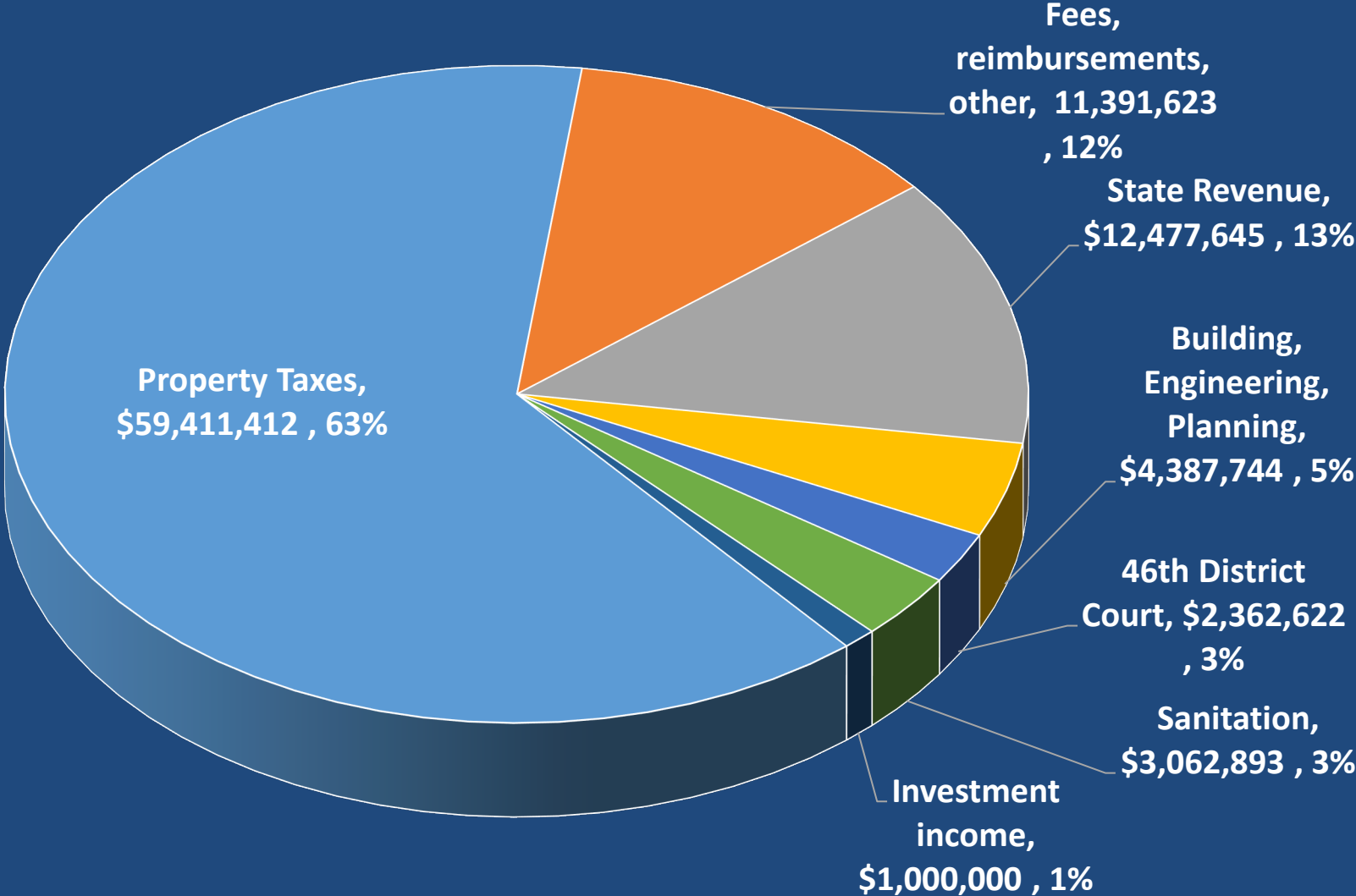




General Fund Revenues

General Operating Levy	\$19,415,911	Engineering Revenues	1,558,871
Police & Fire Levy	20,241,550	District Court Revenues	2,362,622
Police & Fire Pension Levy	16,983,308	Reimbursements and other	1,667,520
Publicity Levy	49,967	Fees, Licenses & Permits	3,633,267
Tax Administration Fees & Penalties	2,720,676	Investment Income	1,000,000
Sales Tax Returns - Constitutional	9,684,305	Interfund Reimbursements	4,196,697
Sales Tax Returns - Statutory	1,293,340	Use of Restricted Fund Balance:	
Local Community Stabilization	1,500,000	Right-of-way/Metro Authority	600,000
Cable Franchise Fees	1,294,139		
Sanitation Charges	3,062,893	Use of Unrestricted Fund Balance	<u>3,210,733</u>
Building Revenues	2,828,873	TOTAL GENERAL FUND	<u>\$97,304,672</u>

General Fund Revenues 2023-2024

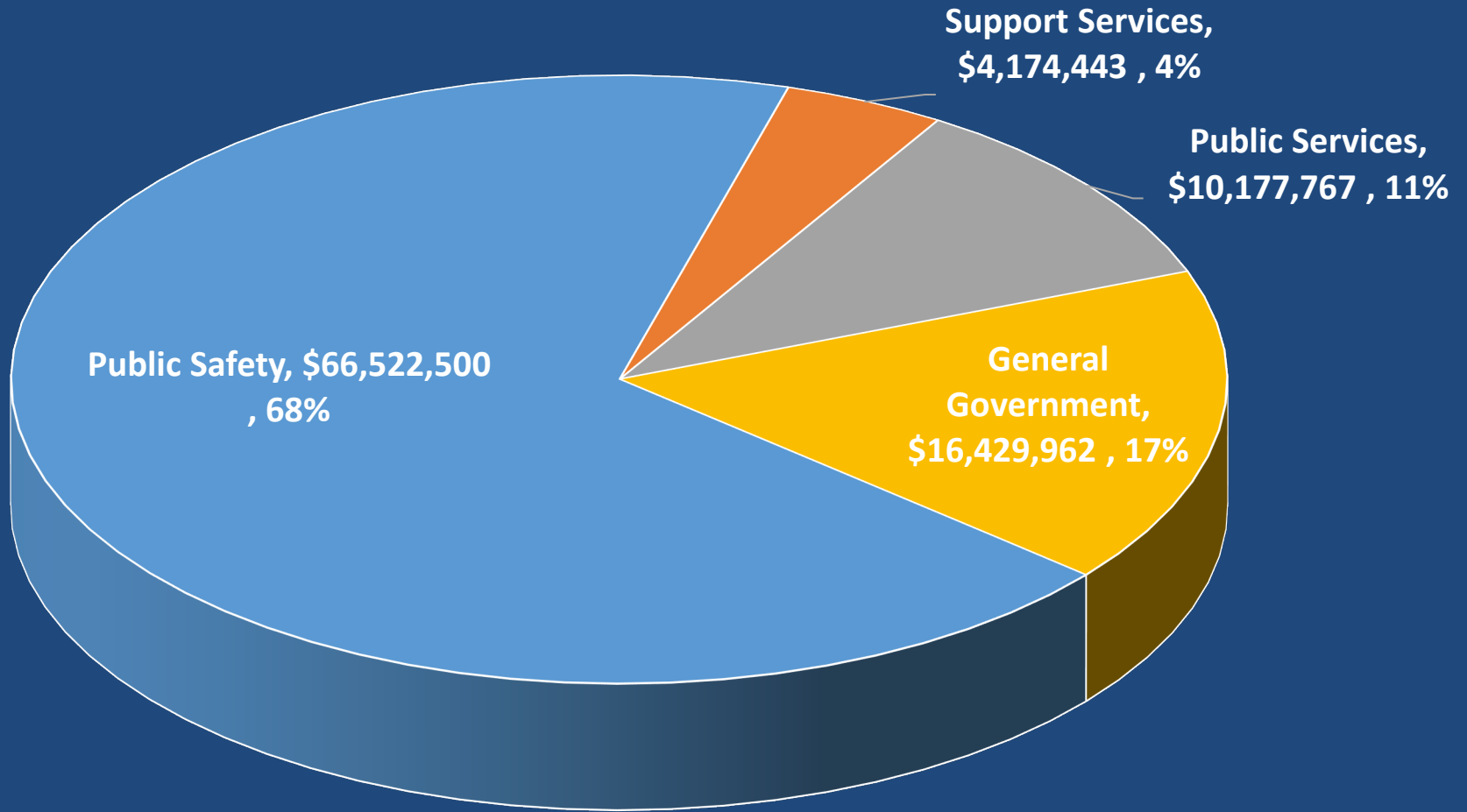




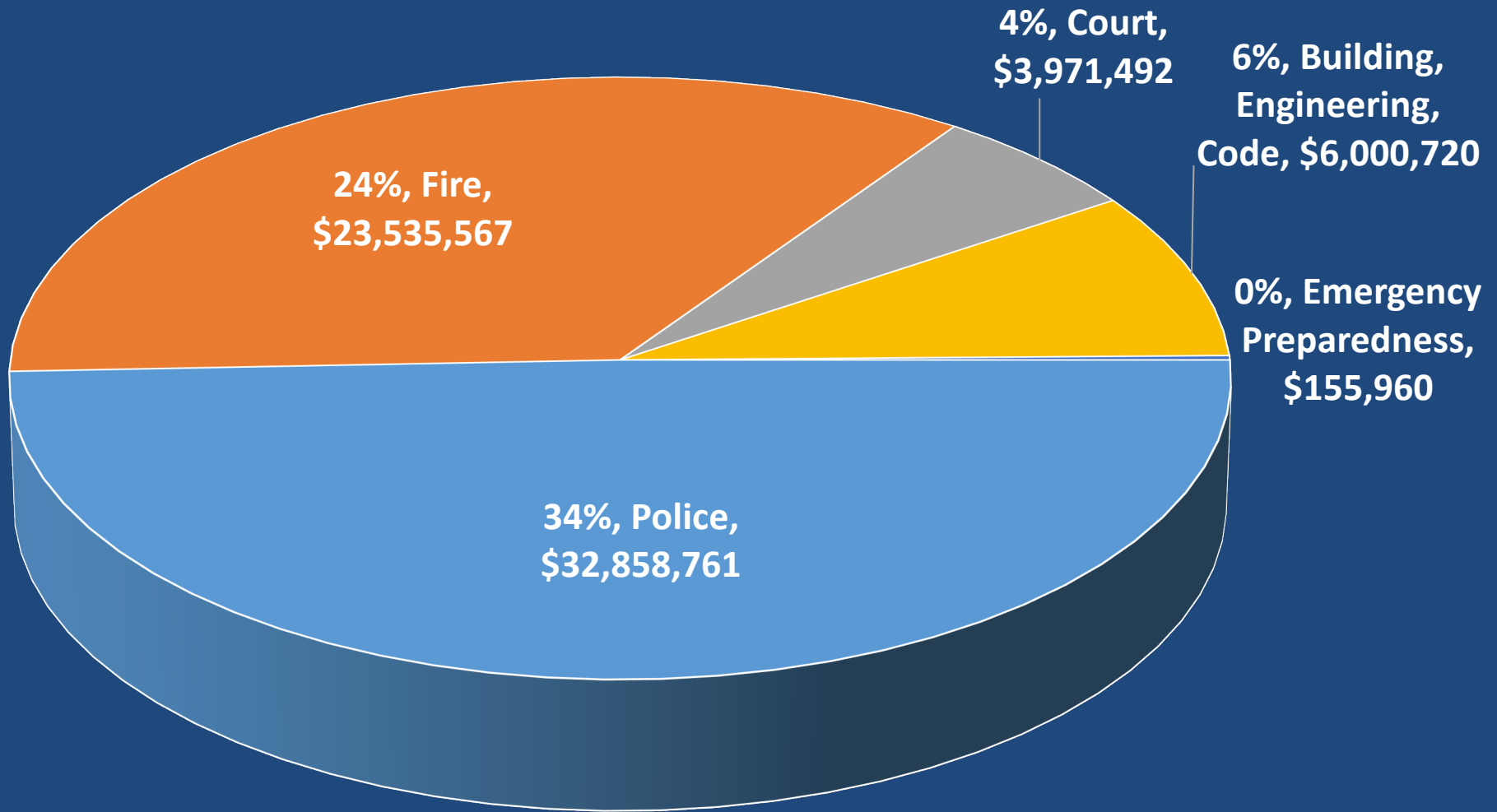
General Fund Expenditures

Administration	\$803,745	Fire	23,535,567
Assessing	1,319,181	Fiscal Services	3,186,278
Building	2,502,999	Human Resources	2,262,820
Business Development	416,672	Mayor's Office	128,210
Central Services	1,097,759	Planning	2,377,079
City Attorney	1,178,843	Police	32,858,761
Clerk	1,365,491	Sanitation	3,062,893
Code Enforcement	1,504,459	Road Maintenance & Admin	2,904,071
Community Relations	897,362	Support Services	4,169,153
Council	225,648	Technology Services	3,760,874
Court - 46th District	3,971,492	Traffic Services	524,980
Emergency Preparedness	155,960	Treasurer	<u>1,101,113</u>
Engineering	1,993,262	TOTAL GENERAL FUND	\$97,304,672

General Fund Expenditures 2023-2024



Public Safety Percent of General Fund Expenditures 2023-2024



Percentages shown are in relation to total General Fund expenditures



Fund Balance Components

General Fund as of 6/30/2022

Non-spendable	\$1,145,575
Restricted	2,014,641
Committed	37,962,517
Assigned	1,631,653
Unassigned	<u>16,074,444</u>
Fund Balance - 6/30/22	<u>\$58,828,830</u>

Budgeted Use of Fund Balance

<u>Fund</u>	<u>Estimated Balance</u> <u>6/30/23</u>	<u>Budgeted FY2024</u> <u>Use</u>	<u>Estimated Balance</u> <u>6/30/24</u>
General Fund	\$57,881,529	\$3,810,733	\$54,070,796
Cable	313,541	147,672	165,869
Library	9,654,144	5,356,973	4,297,171
Motor Pool	11,741,552	1,644,552	10,097,000
Parks & Recreation	7,035,459	2,170,921	4,864,538
Drug Law Enforcement	262,692	71,073	191,619

Council Goals for 2023-2024 budget as discussed on December 7, 2022

Council was asked what special projects they would like to see included in the FY24 budget. Council members were asked to limit their responses to five items.

Councilwoman Banks	Status
Splashpad for 2023	Master Plan implementation phase 1 underway. Funding included in FY24 Parks & Recreation budget
Finalize plans regarding the pool	No specific funds included in FY24 budget
Dog parks implemented	No specific funds included in FY24 budget
Walkable Southfield – bike paths/sidewalks	Pathways and amenities are included in the FY24 Planning Department budget
Finalize Administrative Civil Service (ACS) rules	Special Projects Coordinator is budgeted in the FY24 Human Resources Department budget

Council Goals continued

Councilman Brightwell	Status
Ensure City Attorney and Information Technology departments are moved to the municipal building	Facility planning project currently in the pre-construction phase
Ensure that every building's space utilization conforms with the current day office space utilization needs as seen in the Comprehensive Needs Assessment	Facility planning project currently in the pre-construction phase
Have every department fit into the needs of the building (utilization of space)	Facility planning project currently in the pre-construction phase
Each councilmember has their own office within City Hall	Facility planning project currently in the pre-construction phase
Implementation of the remote water reading	Currently in beta testing, included in FY24 Water & Sewer budget
Implementation of a 5-year budget process	No specific funds included in FY24 budget
Final plan for funding and planning for the municipal swimming pool	No specific funds included in FY24 budget
Wage and salary plan to keep our recently adopted plan competitive with other communities	No specific funds included in FY24 budget

Council Goals continued

Councilman Crews	Status
Delete the box on employment applications	No specific funds included in FY24 budget
Return of the fireworks display for the community	No specific funds included in FY24 budget
Community benefits agreements (use public arts as a model)	No specific funds included in FY24 budget
Hire an administrative assistant for the Council	Reviewing options within existing personnel budget
More basketball courts in the city	No specific funds included in FY24 budget

Councilman Frasier	Status
Make the campus more ADA accessible	Facility planning project currently in the pre-construction phase includes ADA
Have appointments come before council on a regular basis	No specific funds included in FY24 budget
See the DPW building have solar power	Included in FY24 budgeted building improvements
Review and control the overtime for Fire and Police	No specific funds included in FY24 budget
Coffee and Cops (Return)	Funds available in Police Department FY24 budget

Council Goals continued

Councilwoman Taylor	Status
Allocate money for spot road repair work	Funds are included in DPW FY24 budget
Education and training	Funds are included throughout FY24 budget across departments
Splash Pad	Master Plan implementation phase 1 underway. Funding included in FY24 Parks & Recreation budget
Community Benefits Agreements	No specific funds included in FY24 budget
Dog Park	No specific funds included in FY24 budget
Administrative Assistant for Council	Reviewing options within existing personnel budget
Memory Hall or Wall in City Hall	No specific funds included in FY24 budget
Government Day- encourage the kids to work in the government – City Hall open house; Intergenerational City Council (junior Council)	No specific funds included in FY24 budget

Council Goals continued

Councilman Mandelbaum	Status
City entrance ways need to be upgraded	Entranceway improvements are included in the FY24 Planning Department budget
Charter committee or commission	No specific funds included in FY24 budget
Cable/parks and rec -plan for sustainability: operating costs	No specific funds included in FY24 budget
DPW trucks on GPS so that the residents will know where the trucks are plowing	No specific funds included in FY24 budget
Adding more trees to the surrounding areas	Tree planting project currently underway

Mayor Siver	Status
Speed bumps	Included in Local Streets Fund FY24 budget
Repair neighborhood streets/spot repairs	Funds are included in DPW FY24 budget
Dog park	No specific funds included in FY24 budget
Streetlights (replacing the entire poles)	Included in Major Streets Fund FY24 budget
Repair/replace fences along major roads	Included in Major Streets Fund FY24 budget



Thank you