

# **AGENDA**

**SPECIAL MEETING OF THE COUNCIL OF THE CITY OF SOUTHFIELD TO BE HELD IN THE COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING, 26000 EVERGREEN ROAD, SOUTHFIELD, MICHIGAN, ON THURSDAY, JUNE 27, 2013, AT 7:00 P.M., LOCAL TIME, PURSUANT TO SECTION 4.4 OF THE CITY CHARTER.**

## **ROLL CALL**

## **PLEDGE OF ALLEGIANCE**

## **PRESENTATIONS**

## **APPOINTMENTS**

## **MINUTES**

**CONSENT AGENDA** (Any item on the Consent Agenda will be removed for discussion upon the request of a Council Member, the Mayor, or a member of the public.)

### **CA-A Receipt of Proposals for Vending Machine Services**

Action Requested: Authorize a contract with Modern Vending of Troy, Michigan for a three year period, with a one two-year extension option.

### **CA-B Receipt of Bids on Agricultural Chemicals, Grass Seed and Fertilizer for the Parks and Recreation Department**

Action Requested: Award John Deere Landscapes of Cleveland, Ohio; Residex, LLC of Novi, Michigan and Harrell's of Howell, Michigan for the listed pesticides, grass seed and fertilizer for an estimated amount of \$16,000 per vendor.

### **CA-C Authorization to Purchase Water Meters and Related Items**

Action Requested: Approve purchase through the Oakland County cooperative contract award to Michigan Meter Technology of Madison Heights, Michigan.

## **CONSENT AGENDA ITEMS FOR DISCUSSION**

## **PUBLIC HEARINGS**

A. 2013-2014 City Budget Adoption

## **SITE PLANS**

**COMMUNICATIONS**

Request for Recognition – Pamela Gerald

Request for Recognition – Gerard Mullin

**1. COUNCIL**

**2. MAYOR**

**3. ADMINISTRATION**

- A. Revision to Chapter 9 of the City Code: Employee Retirement System (SERS) Internal Revenue Code Compliance

**4. ATTORNEY**

- A. Proposed Amendments to Sections 9.603 and 9.606 of Chapter 125A, Regulation of the Ignition, Discharge, and Use of Consumer Fireworks

**5. CLERK, TREASURER, PLANNER, ASSESSOR, ENGINEER**

**6. SCHEDULE**

**7. ORDINANCES**

June 27, 2013

Honorable Mayor and Council  
Municipal Building  
Southfield, Michigan

**Re: 2013-14 City of Southfield Budget Adoption**

Dear Sirs and Mesdames:

**Background:** At a special meeting of City Council scheduled for June 27, 2013 at 7:00 p.m., the proposed City budget will be presented in its final form. This proceeding will be in a public hearing format. Reflecting the City's commitment to meaningful public information and transparency in government, award winning City Cable 15 has produced a video summary of the budget which will be introduced at the special meeting. It will be shown a number of times on Cable 15 and will be available for neighborhood associations, the media, and other interested parties.

The proposed budget was reviewed at length by the Mayor and City Council at the June 3, 2013 Committee-of-the-Whole meeting. The only change in this final proposed budget from the recommended budget that was presented to Council on June 3, 2013 is the Community Development Block Grant figure, which is the latest number provided by the Department of Housing and Urban Development.

**Fiscal Impact:** The final proposed total General Fund budget, at \$65,599,556, remains unchanged since June 3, 2013. This reflects a decrease of \$1,067,580 or 1.6% from the previous year's total. No fund balance reserves are utilized for General Fund operations; realizing a key long-term financial planning goal.

The total budget at \$146.81 million is essentially flat to last year: up \$654,793 or four-tenths of one percent. Within this total is funding for 19 infrastructure projects totaling \$9.7 million.

**Goals Impacted:** All City strategic goals are impacted by the proposed budget.



Financially Sound and Sustainable City Government



Top Quality City Services



Quality Development and Redevelopment



Preferred Place to Make Home



Southfield - One Community, One City

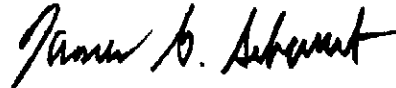


Alive City to Enjoy and Have Fun

**Recommendation:** The City Council approves the 2013-14 Budget Adoption Resolution herein provided. Consistent with the financial policies of the City, strongly endorsed and supported by your Honorable body, this proposed budget was developed in the broader context of a longer range financial plan.

The dedicated leadership of all City elected officials and their concern for the continued progress of the community is respectfully acknowledged and deeply appreciated.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James G. Scharret". The signature is written in a cursive style with a prominent initial "J".

James G. Scharret  
City Administrator

**2013-14 BUDGET ADOPTION RESOLUTION**

**WHEREAS:** City Council has reviewed the recommended 2013-14 budget and determined that the appropriation of funds and service levels provided properly meet the needs of the community and are aligned with the City's strategic goals;

**NOW, THEREFORE, BE IT RESOLVED:** That the 2013-14 budget be adopted, as provided in the budget resolution, totaling \$146,813,340.

# 2013 - 2014 Budget Resolution

**Moved By:** Councilperson Don Fracassi  
**Supported By:** Councilperson Myron Frasier

**Date:** June 27, 2013

**BE IT RESOLVED:** Consistent with the Uniform Budgeting and Accounting Act, expenditure authority is hereby appropriated to the following budgetary centers for the fiscal year commencing July 1, 2013 and ending June 30, 2014:

**GENERAL FUND:**

Administration .....	\$ 499,922
City Clerk .....	887,439
City Council.....	166,454
Community Relations .....	522,399
Court - State 46th District.....	3,465,260
Administrative Services Group .....	11,379,715
Human Services .....	231,138
Law .....	968,988
Mayor's Office .....	198,750
Public Safety Group.....	39,113,411
Community Development Administration .....	1,196,917
Building .....	1,587,354
Planning .....	513,597
Streets & Highways.....	95,311
Transportation.....	454,771
Engineering .....	586,504
Sanitation .....	3,170,523
Treasurer's Office .....	561,103
<b>TOTAL GENERAL FUND.....</b>	<b>65,599,556</b>

FACILITIES MAINTENANCE FUND .....	4,875,987
MOTOR POOL FUND .....	3,935,755
CABLE TELEVISION FUND.....	1,108,949
PARKS AND RECREATION FUND .....	6,735,640
LIBRARY FUND .....	7,354,461
<b>D.P.S. HIGHWAY FUNDS:</b>	
Major Street Fund.....	8,306,016
Local Street Fund.....	5,212,249
WATER AND SEWER FUND.....	48,016,644
DRUG LAW ENFORCEMENT FUND .....	415,487
DONATIONS, MEMORIAL TRUSTS & SPONSORSHIPS .....	200,000
SECTION 8 HOUSING GRANTS FUND .....	2,203,989
COMMUNITY DEVELOPMENT BLOCK GRANT FUND .....	422,900
NEIGHBORHOOD STABILIZATION PROGRAM FUND.....	1,389,500
MICHIGAN WORKS GRANTS FUND .....	3,300,000
AUTO THEFT GRANT.....	304,220

**AND BE IT FURTHER RESOLVED:** That the revenues for the 2013-14 fiscal year are estimated as follows:

**GENERAL FUND:**

General Operating Tax Levy - 6.6094 mills.....	\$14,105,722
Police & Fire Levy – 6.8906 mills.....	14,705,857
Police & Fire Pension Levy – 4.7197 mills.....	10,072,741
Tax Administration Fees, Interest & Penalties.....	1,979,927
State Shared Revenues.....	6,334,591
Engineering and Building Department Revenues.....	1,871,832
Court Revenues.....	4,675,000
Reimbursements.....	2,493,831
Sanitation Fees.....	3,170,523
Other Fees, Permits, Licenses, and Charges.....	4,195,478
Investment Income.....	200,000
Interfund Reimbursements.....	808,342
Fund Balance Appropriated.....	<u>985,712</u>
<b>TOTAL GENERAL FUND.....</b>	<b>65,599,556</b>

**FACILITIES MAINTENANCE FUND.....** 4,875,987

**MOTOR POOL FUND.....** 3,935,755

**CABLE TELEVISION FUND.....** 1,108,949

**PARKS AND RECREATION FUND:**

Parks & Recreation Tax Levy - 1.7500 mills.....	3,734,834
Investment Income.....	25,313
Program & Other Revenues (arena, pool, & other sources).....	<u>2,975,493</u>
<b>TOTAL PARKS AND RECREATION FUND.....</b>	<b>6,735,640</b>

**LIBRARY FUND:**

Library Tax Levy -2.8000 mills.....	5,975,735
Investment Income.....	98,438
Fines, Fees, State Aid, Contributions and Other Sources.....	1,149,975
Contractual Income.....	<u>130,313</u>
<b>TOTAL LIBRARY FUND.....</b>	<b>7,354,461</b>

**D.P.S HIGHWAY FUNDS:**

Gas & Weight Tax Returns.....	4,647,799
Residential Street Maintenance Levy -- 1.0000 mills.....	2,134,191
Public Act 298 - .2207 mills.....	471,015
Interest Income.....	12,656
Dust Control, Department Sales, & Other Income.....	1,298,139
Interfund Transfer.....	4,954,465
<b>TOTAL HIGHWAY FUNDS.....</b>	<b>13,518,265</b>

D.P.S. WATER AND SEWER FUND:

Water Sales .....	13,140,196
Sewer Charges - Evergreen & SEOC .....	21,216,597
Interest Income .....	42,188
Service & Meter Installations .....	63,750
Penalties, Debt Service, Interest & Other Revenue .....	<u>13,553,913</u>
 TOTAL WATER & SEWER FUNDS .....	 48,016,644
 DRUG LAW ENFORCEMENT FUND .....	 415,487
 DONATIONS, MEM. TRUSTS & SPONSORSHIPS .....	 200,000
 SECTION 8 HOUSING GRANTS FUND .....	 2,203,989
 COMMUNITY DEVELOPMENT BLOCK GRANT FUND .....	 422,900
 NEIGHBORHOOD STABILIZATION PROGRAM FUND.....	 1,389,500
 MICHIGAN WORKS GRANTS FUND .....	 3,300,000
 AUTO THEFT GRANT.....	 304,220

**AND BE IT FURTHER RESOLVED:** That under Section 2.7 of Chapter 17 of Title II of the Ordinance Code of the City of Southfield, the Council does hereby determine that the annual service charge for the fiscal year commencing on July 1, 2013 and ending June 30, 2014 shall be \$180.59 per annum per residential unit for the collection and disposal of garbage and rubbish. Further, that the City Clerk certify to the City Assessor the service charge of \$180.59 per annum per residential unit, which charge shall be collected and returned in the same manner as other municipal taxes are certified, assessed, collected and returned; and

**BE IT FURTHER RESOLVED:** That under Sections 2.153 and 2.154 of Chapter 20 and Section 2.171 of Chapter 21 of Title II of the Ordinance Code of the City of Southfield, the Council does hereby determine that the combined water and sewer rate is herewith established at, and all bills rendered on or after July 1, 2013, shall be computed on \$84.68 per Mcf of consumption; such combined rate being comprised of \$25.37 per Mcf for water service, \$40.18 per Mcf for sewer service; and \$19.13 for water and sewer system capital improvements; in addition to revised meter and industrial waste control charges as outlined in the attached schedule; and that a 15% administrative fee shall be added to delinquent water and sewer charges that are entered upon the tax roll pursuant to Sections 2.155 and 2.177 of the City Code; and

**BE IT FURTHER RESOLVED:** That funding for capital projects placed under the superintending control of the Southfield Building Authority by City Council shall be approved in the aggregate, allowing for transfer of funding between projects by the Building Authority within the total allocation approved by Council; and that the 2013-14 Southfield Downtown Development Authority budget, in the amount of \$824,434 is hereby approved by the City Council, pursuant to Section 28 of PA 1975, No. 197, subject to the express requirement and condition that any sale, conveyance, or other disposition of real property owned by or titled in the name of the Southfield DDA shall require review and approval by the Southfield City Council prior to any such sale, conveyance, or other disposition thereof.



**BE IT FURTHER RESOLVED:** That the following property tax revenue and tax rates be authorized and that the City Treasurer is ordered to levy such funds and rates and collect and deposit to the various specific uses and funds as required by ordinance or resolution; and that the City Treasurer is hereby authorized to impose a 1% property tax administration fee for all property taxes due, and a late penalty charge when applicable, in conformance with Section 44 of Public Act 503 of 1982; and

**2013-14 BUDGET**  
**PROPERTY TAX REVENUES AND RATES**

<b><u>OPERATING</u></b>	<b><u>Revenue</u></b>	<b><u>Rate*</u></b>
General Operations	14,105,722	6.6094
Police & Fire	14,705,857	6.8906
Police & Fire Pension	10,072,741	4.7197
Residential Street Maintenance	2,134,191	1.0000
Parks & Recreation	3,734,834	1.7500
Library	5,975,735	2.8000
Public Acts 298/59	<u>520,956</u>	<u>0.2441</u>
TOTAL OPERATING	51,250,036	24.0138
County Drains at Large	1,136,602	0.4873
Local Development Finance Authority I	617,416	**
Local Development Finance Authority III	327,869	**
DDA/Tax Increment Finance Authority	201,542	**
Smart Zone	128,124	**
Brownfield Redevelopment Authority	202,828	**
Renaissance Zone (Tool and Die)	<u>10,136</u>	<u>**</u>
GRAND TOTAL	53,874,553	24.5011
Taxable Valuation (TV)	2,134,191,023	
TV Captured by LDFA I	25,199,515	
TV Captured by LDFA III	13,381,794	
TV Captured by DDA/TIF	8,225,839	
TV Captured by Smart Zone	5,229,308	
TV Captured by Brownfield Redevelopment Authority	8,278,316	
TV Captured by Renaissance Zone (Tool & Die)	<u>413,682</u>	
TOTAL TV	2,194,919,477	

\*Mills per \$1,000 of TV

\*\*Total millage of 24.5011 applied to taxable value of LDFA and other special authorities.

**2013-2014**  
**Schedule of Meter Charges**  
**And**  
**Industrial Waste Control Surcharges**

**1. Meter Charge (Per Month)**

5/8".....\$ 1.31	3".....\$ 13.37
3/4"..... 1.48	4"..... 18.96
1"..... 1.82	6"..... 24.07
1 1/2"..... 3.09	8"..... 24.07
2"..... 3.91	10"..... 25.12

**2. Industrial Waste Control Surcharge (Per Month)**

5/8".....\$ 8.46	3".....\$ 122.67
3/4"..... 12.69	4"..... 169.20
1"..... 21.15	6"..... 253.80
1 1/2"..... 46.53	8"..... 423.00
2"..... 67.68	10"..... 592.00

**BE IT FURTHER RESOLVED:** That the City Administrator is hereby authorized to make budgetary transfers within the appropriations centers established through this budget, to take any and all steps necessary to allow for completion of the annual audit by December 31, to provide for continuity of the current risk management and insurance program, and to administratively adjust contracts for road and other capital projects up to a maximum of 20% when such adjustments result from circumstances unforeseen at the time of bidding, as long as such adjustments would not exceed the approved total for that particular capital account, and subject to the requirement that all such adjustments be reported to Council on a periodic basis. Further, that the City Administrator is hereby authorized to release bidding documents for those capital items, projects, and recurring commodities expressly authorized in this budget, for public review by the Council following receipt of bids; that authorization is hereby given for acquisition of Library books and subscription services of a continuing and sole vendor nature within the Library appropriation adopted in this budget; that approval and authorization are hereby given for the Mayor and City Clerk to execute contracts for the entertainment events within the appropriations adopted in this budget; that approval is hereby given for the continued use of Dell brand computers, servers, storage area network, and other related equipment as the City's standard computing platform as previously authorized by Council Resolution #2001.351 of November 26, 2001; and that approval is hereby given for the routine maintenance and software licensing necessary for the continuing functionality of the City's existing computerized business systems and for the use of various professional repair and maintenance services involving electrical, electromechanical and control equipment located in City facilities, in conjunction with Chapter 8, Section 1.279 (2) and (4) of the Southfield Code of Ordinances; and

**BE IT FURTHER RESOLVED:** That the 2013-14 budget shall be automatically amended (a) on July 1 to reappropriate encumbrances outstanding and capital project reserves at June 30, 2013, and (b) to transfer any approved salary adjustments during the fiscal year for which sufficient funds are provided in the Support Services appropriation.

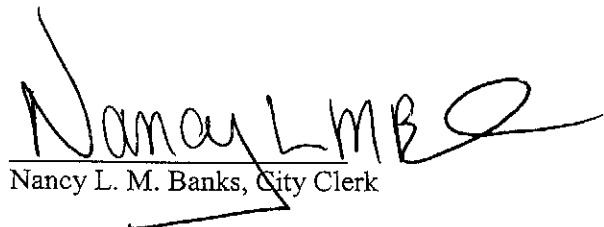
**AYES:** Fracassi, Frasier, Moss, Seymour, and Siver

**NAYS:** None.

**ABSENT:** Jordan, Lantz

I, Nancy L. M. Banks, the duly elected and qualified Clerk of the City of Southfield, Oakland County, Michigan, do hereby certify that the foregoing resolution was adopted by Council at a Special Meeting held June 27, 2013 pursuant to Section 8.4 of the City Charter.

Date: July 5, 2013

  
Nancy L. M. Banks, City Clerk

# 2013-2014 Recommended Budget

## City of Southfield

	<b>Approved Revenues</b>
GENERAL FUND:	
General Operating Levy	14,105,722
Police & Fire Levy	14,705,857
Police & Fire Pension Levy	10,072,741
Tax Administration Fees & Penalties	1,979,927
Sales Tax Returns - Constitutional	5,406,708
Sales Tax Returns - Statutory	880,383
Liquor Licenses	47,500
Sanitation Charges	3,170,523
Building Revenues	1,200,000
Engineering Revenues	671,832
District Court Revenues	4,675,000
Reimbursements	2,493,831
Fees, Licenses & Permits	4,195,478
Investment Income	200,000
Interfund Reimbursements	808,342
Transfer from Committed Fund Balance:	
Equalization Reserve	985,712

TOTAL GENERAL FUND 65,599,556

FACILITIES MAINTENANCE FUND	4,875,987
MOTOR POOL FUND	3,935,755
CABLE TV FUND	1,108,949
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MAJOR STREET FUND	8,306,016
LOCAL STREET FUND	5,212,249
WATER & SEWER FUND	48,016,644
DRUG LAW ENFORCEMENT FUND	415,487
DONATIONS, MEM. TRUSTS & SPONSORSHIPS	200,000
(DUPLICATING TRANSFERS)	(12,568,013)
MUNICIPAL SUBTOTAL	<u>139,192,731</u>

COMM. DEVELOPMENT BLOCK GRANT	422,900
N.S.P.*	1,389,500
SECTION 8 HOUSING GRANTS	2,203,989
MICHIGAN WORKS GRANTS	3,300,000
AUTO THEFT GRANT	304,220
TOTAL GRANT FUNDS	<u>7,620,609</u>

TOTAL ALL OPERATING FUNDS 146,813,340

DEBT SERVICE -

TOTAL REVENUES 146,813,340

	<b>Approved Expenditures</b>
GENERAL FUND:	
Administration	499,922
Fiscal Services/OMB	188,492
Accounting	447,416
Purchasing	108,711
Technology Services	1,692,217
Assessing	692,524
Central Services	1,480,629
Support Services	6,041,307
Human Resources	728,419
Clerk	887,439
Council	166,454
Community Relations	522,399
Court - 46th District	3,465,260
Human Services	231,138
Law	968,988
Mayor's Office	198,750
Public Safety	39,113,411
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Treasurer	561,103

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DEBT SERVICE -

TOTAL EXPENDITURES 146,813,340

\*Neighborhood Stabilization Program