



## CITY OF MADISON HEIGHTS, MICHIGAN

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ANNUAL BUDGET  
ADOPTED FY 2023 - 24  
PROPOSED FY 2024 - 25



300 W 13 MILE ROAD  
MADISON HEIGHTS MI 48071

[www.madison-heights.org](http://www.madison-heights.org)



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# **City of Madison Heights**

## **Annual Budget**

### **Adopted Fiscal Year 2022-23**

### **Proposed Fiscal Year 2023-24**

#### **Mayor**

Roslyn E. Grafstein

#### **City Council**

Mayor Pro Tem, Mark A. Bliss  
Toya D. Aaron  
Sean Fleming  
Emily J. Rohrbach  
David M. Soltis  
Quinn J. Wright

#### **City Manager**

Melissa R. Marsh

#### **Deputy City Manager/ Police Chief**

Corey K. Haines

#### **Department Heads**

Finance Director/Treasurer - Linda A. Kunath  
City Clerk - Cheryl Rottmann  
Human Resources Director/ Purchasing Coordinator - Amy Misczak  
Department of Public Services – Sean Ballantine  
Fire Chief - Greg Lelito  
Community and Economic Development Director - Giles Tucker  
Library Director - Vanessa Verdun-Morris  
43rd District Court Judge - Keith Hunt

#### **Special Thank you**

Assistant to the City Manager - Adam Owczarzak  
43rd Court Administrator - Sharon Arseneault



# Mayor and Council

Roslyn E. Grafstein  
Mayor



Mark A. Bliss  
Mayor Pro Tem



Toya D. Aaron  
Councilwoman



Sean Fleming  
Councilman



Quinn J. Wright  
Councilor



Emily J. Rohrbach  
Councilor



David M. Soltis  
Councilman



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished*  
*Budget Presentation*  
*Award*

PRESENTED TO

**City of Madison Heights  
Michigan**

For the Fiscal Year Beginning

**July 01, 2022**

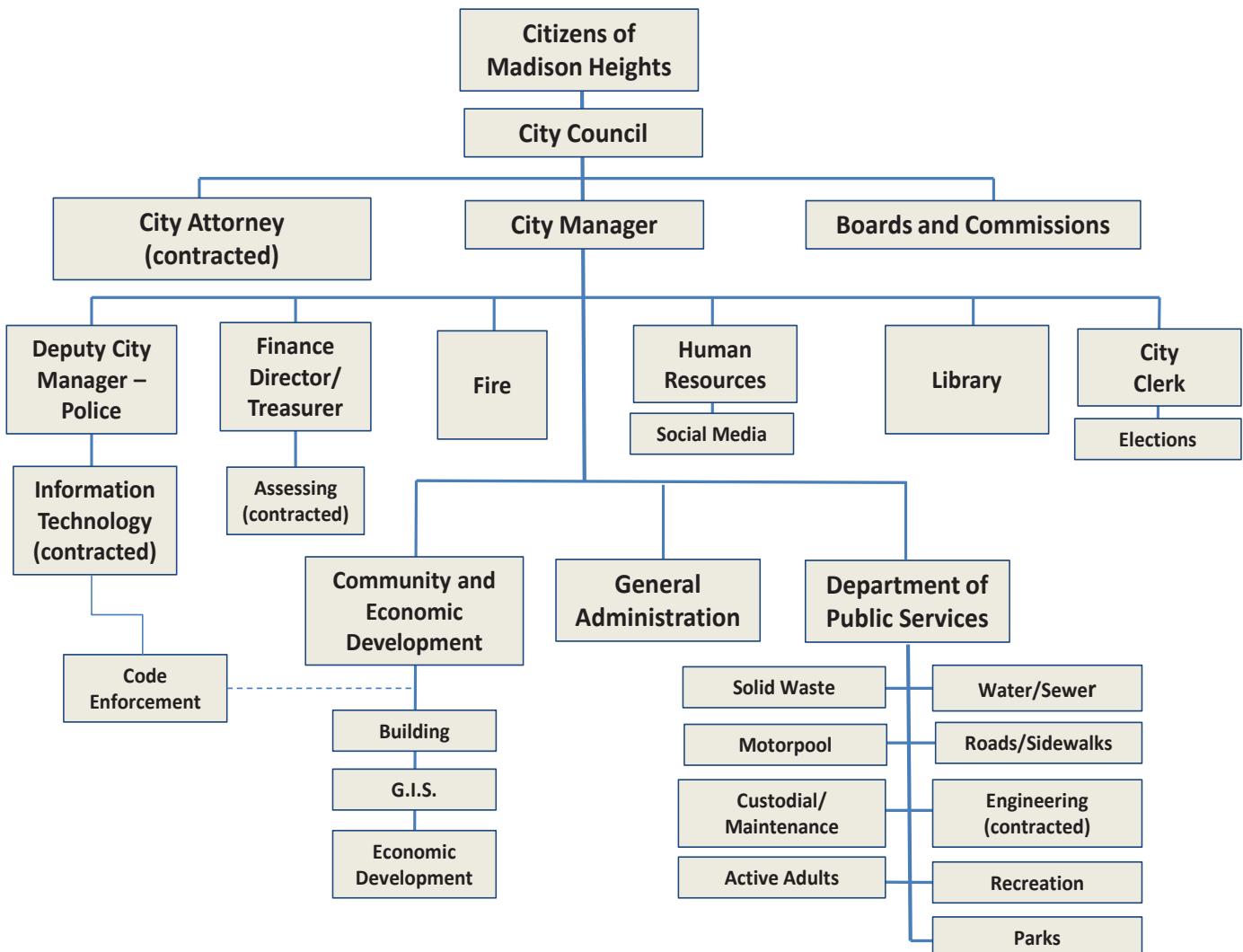
The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Madison Heights for its fiscal year beginning July 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of one year only.



# City of Madison Heights

## Organizational Chart





# City of Madison Heights

City Hall Municipal Offices   Department of Public Services   Fire Department   Police Department  
300 W. Thirteen Mile Road   801 Ajax Drive   31313 Brush Street   280 W. Thirteen Mile Road  
Madison Heights, MI 48071   Madison Heights, MI 48071   Madison Heights, MI 48071   Madison Heights, MI 48071

April 7, 2023

## Budget Transmittal Letter Fiscal Years 2024 and 2025

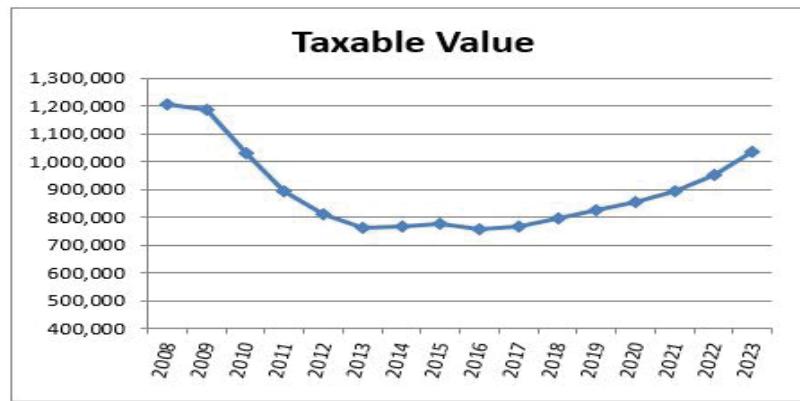
Honorable Mayor and Members of City Council  
Residents of the City of Madison Heights

I am pleased to present the Fiscal Year (FY) 2024 Adopted and FY 2025 Proposed Budgets. These Budgets reflect our continued commitment to community priorities as determined by City Council in the city-wide strategic plan. The strategic plan is the foundation for this balanced consolidated Budget that includes a multi-year Operational Budget, Capital Improvement Plan, and Five-Year Strategic Plan, allowing the City to present a complete financial long-term plan of all City funds and activities.

The multi-year Budget provides residents with certainty about the direction of local government services, finances, and tax levels and keeps city administration focused on continuous improvement and implementation instead of just planning. These documents come together to compile the financial data needed to support the City of Madison Heights's comprehensive decision-making and policy development process. The FY 2024 budget continues to do more than meet the critical needs in the core service areas; it addresses improvements in priority areas for the quality of life in the City, including public safety, library, and parks, to keep moving the City forward and follow the plan for the future for our residents and businesses.

**This budget is supported by a tax rate reduction of 0.5483 of a mill from 26.0771 levied for FY 2023 to 25.5288 FY 2024.**

The FY 2024 overall budget is proposed at \$62 million and is projected to bring revenue growth across all funds due to a State Tax Commission Inflation Rate Multiplier of 5% and increased state revenue sharing. With this higher than the average state inflation rate, the City's taxable value for FY 2024 is now 87.3% of what it was in FY 2008. Unfortunately, we are experiencing unprecedented expenditure pressure from inflationary increases across all service areas that far exceed the 5% inflation rate multiplier.



Due to this upward pressure on expenditures, our continued need to address deferred maintenance from the recessionary period from 2009 to 2015, and the anticipated completion of the Civic Center project in 2024, we remain very cautious about adding full-time positions, thus creating reoccurring expenses. Therefore, the overall Budget focuses on following the strategic plan for moving the City forward by implementing projects that address long-term maintenance issues and align with the City Council's long-term visions.

Specifically, the FY 2024 adopted and FY 2025 proposed budget includes historically high investment in maintaining and replacing existing assets across the City. Making these investments now should serve the City well in the future.

## **PRIORITIES AND ISSUES**

Starting in the fall of 2018, City Council and Staff worked to develop plans that articulated a future vision for the community. These plans considered everyone who lives, works, or visits Madison Heights and centered on creating a solid tax base to allow us to build a strong community and provide services at superior levels. We are now in year five of the original Plan that was expanded to include a 6th focus area last year. These priority areas continue to be: 1) Public Safety 2) Infrastructure and Capital Assets 3) Quality of Life 4) Economic Development 5) Financial Sustainability and 6) Sustainability.

Using this strategic planning as a foundation, this Budget addresses all the priorities and issues summarized below:

### **1. Public Safety**

- Create focused neighborhood improvement areas allowing City Departments to wrap services around the community for real and sustainable improvement. Focused neighborhood engagement (home repairs, code enforcement education, public amenities). GRANT FUNDED \$1.1 million.
- Police Department capital assets highlights: replacement of (9) nine vehicles, (7) seven funded through the General Fund, and (2) two funded through the Drug Forfeiture Fund.
- Fire Department capital highlights: phase funding for an ambulance rescue and quint to replace a 2007 pumper vehicle at \$600,000 a year for both years. A quint does cost more than the vehicle it is replacing, but will allow us to delay the replacement of our ladder truck which provides long-term savings to the City and a more versatile piece of equipment. (A quint is a motorized fire apparatus with a permanently mounted fire pump, an onboard water tank, an area for hose storage, an aerial/elevated platform with a permanently affixed waterway, and an ample supply of ground ladders).

### **2. Infrastructure**

- Police Department Building - HVAC Boiler replacement budgeted both years for \$400,000 in addition to the \$450,000 in the current fiscal year.
- Fire Station #1 – Phase funding starting for a roof replacement in FY 2025.
- Major and Local Streets, including Neighborhood Roads for \$4.1 million in FY 2024 and \$2.9 million in FY 2025; FY 2024 also includes \$220,000 to install street lights on the west side of Dequindre where no lights currently exist.
- Water and Sewer Capital Outlay include service line replacements for \$1.4 million in FY 2024 and \$2.8 million in FY 2025.

### **3. Quality of Life**

- In March 2021, the City finalized the Parks and Recreation Master Plan. In FY 2022, the General Fund budget for Parks Improvements included \$550,772, with an additional \$792,300 in FY 2023. This proposed budget continues this investment in our Park system with \$675,000 budgeted in FY 2024 and \$798,000 in FY 2025. This funding is being maximized by utilizing grant money when possible. The FY 2024 specifically addresses park issues with an additional \$200,000 phase funded for field light replacements, \$230,000 for improvements at Rosies Park, \$88,000 for basketball court refurbishment at Civic Center Park, and \$50,000 for a special project allocation. This special project funding can be carried forward into future budget years to “save” for a significant park enhancement or utilized to match grant opportunities for new features.
- Library budget includes ongoing makers space funding at \$11,000 in FY 2024 and \$10,000 in FY 2025; library of things equipment for \$5,000 per year, remote pickup lockers in FY 2025 for \$50,000. Installation of an official StoryWalk in the north and south areas of the city as an early literacy project (Rosie’s Nature Trail and Civic Center Park) included in the budget FY 2025 for \$15,000.
- The proposed budget also includes funding for a policy change (details still to be determined) to provide a fixed amount of labor and equipment needed to City Boards and Commissions for special events.

- Gateway entrance signs are included in FY 2024 for \$250,000; this is budgeted in the General Fund Streets budget with offsetting revenues from private donors of \$100,000.
- As discussed at strategic planning, the staff is working on a recycling grant to provide recycling toters to residents. This was not included in the budget because it will only be completed if the grant is awarded. If so, we will complete a budget amendment at that time.

#### **4. Economic Development**

- Downtown Development Authority budget includes a streetscape plan for designated areas in the district for \$50,000.

#### **5. Financial Sustainability**

- The City has a long-standing reputation for strong financial policies and practices. These have been enhanced with our strategic planning process and multi-year budgeting. Since 2007, this budget process has highlighted the City's significant financial challenges as the legacy cost of pensions and retiree health care. The 2021 calendar year administration made significant changes to retiree health care bringing it in line with health insurance offered to active employees. This reduced the City's liability by over \$57 million from \$101.7 to \$44.6. The FY 2024 budget continues to reflect this change in funding for retiree's health care premiums from the retiree health care trust instead of being paid from current General Fund resources; this is shown as a transfer from the trust to the General Fund.
- The FY 2024 budget improves the City's funding of the Police and Fire Pension, which is currently only 51.1% funded, by including an additional contribution of \$3.8 million above the actuarially required contribution required this year. The City is also anticipating receiving a pension stabilization grant from the State of Michigan in the current FY for approximately \$4 million; together, this should increase the funding level above the required 60% by June 30, 2024.

#### **6. Sustainability**

- Sustainability projects are included in the Budget at \$27,000 to continue repopulating the tree canopy in the City.
- The City is also working with the local electricity provider DTE for electric vehicle rebates for eight EV charging stations. These are currently being planned as part of the Civic Center Project; however, if funding doesn't allow for this addition, this may be a budget amendment for the FY 2024 budget.
- FY 2024 staff is also working on a grant for a sustainability master plan. This has not been included in the budget and will only be completed if grant funding is available, at which time it will be presented to City Council for a budget amendment.

## BUDGET OVERVIEW

The total budget is \$62.7 million in FY 2024 and \$63.4 million in FY 2025. This multi-year Budget includes proposals for 15 appropriated funds and represents a decrease of \$19.3 million or 23.1% compared to FY 2023. The majority of this decrease is due to funding for the Civic Center Plaza and Fire Station #2 renovation projects. This is detailed in the following table, the operating budget is projected to decrease by \$5.8 million or 9.9%, and the capital budget will reduce by \$13.7 million or 59.1%.

Total Operating and Capital Budget			
	FY 2023 Amended Budget	FY 2024 Adopted Budget	FY 2025 Proposed Budget
<b>Operating Budget</b>	\$ 58,236,809	\$ 52,464,384	\$ 53,578,891
Percent Change		-9.91%	2.1%
<b>Capital Improvement Budget</b>	\$ 23,219,208	\$ 9,491,572	\$ 9,104,431
Percent Change		-59.1%	-4.08%
<b>Total Budget</b>	\$ 81,456,017	\$ 61,955,956	\$ 62,683,322
Percent Change		-23.94%	1.2%

### Financial Challenges

The City's General Fund faces financial challenges that continue to hinder the ability to fully restore services to pre-recession levels. The number one long-term challenge is the broken funding model for municipalities across the State. Although the State, regional and local economy continues to grow steadily, the cumulative effect of the interaction between the Headlee Amendment and Proposal "A" cap the amount of increase in taxable value a municipality can have to the lesser of 5.0% or the State approved Inflation Rate Multiplier with no cap on the decreases. In FY 2024, this multiplier is 5.0% (FY 2023 was 3.3%), which caps the City's overall taxable value growth. Unless the State reforms the structure of restricting municipal revenue growth, the City will continue to struggle to keep up with the actual cost of inflation, which is currently around 8%, while being pressured to restore services. As stated earlier, even with historical increases in the market values of homes in the area, the City's taxable value is only 87.3% of the taxable value in 2008.

The second significant financial challenge is the legacy cost of pensions. As of June 30, 2022, the General Employees' retirement system was 102.04% funded, while the Police and Fire Pension was only 47.14% or \$48.6 million of a \$91.8 million liability. The City's FY 2024 and FY 2025 budget continues to address this system funding by budgeting a pension contribution of \$3.3 million for Fire and \$4.2 for Police in both years. In addition, the Michigan Department of Treasury recently launched the Protecting MI Pension Grant Program. Under this program, the state treasury appropriated \$750 million for qualified pension systems with a funded ratio below 60%. Under the grant guidance, it is estimated that the City will receive an additional \$3.6 million to be awarded to the Madison Heights Police and Fire Pension System. This grant, coupled with the additional budget funding that started in FY 2023, should increase the funding level of this system to over 70% by June 30, 2025.

The third significant financial challenge is state funding of local municipalities. While the State of Michigan and Oakland County have generously allocated a portion of their American Rescue Act Funding to cities, the state's long-term structure to fund municipal services remains a serious issue. Michigan's state revenue sharing began in the 1930s by taxing businesses with liquor licenses. Of that revenue, 85 % went to fund municipalities. In 1946, the state constitution was amended to guarantee local government revenues based on 15 percent of sales tax revenues allocated per capita. In 1998, state law was amended to provide statutory payments based on a percentage of sales taxes. This revenue is not guaranteed, and it has gone through numerous formula changes and has not been fully funded since 2001. Over the past fifteen years, local governments have lost millions of dollars due to these changes in state revenues sharing from the State. From fiscal years 2002 through 2021, Madison Heights lost \$20.3 million during this period of disinvestment. Michigan has cut support for

cities more than any other state since 2002, forcing municipalities to reduce services staff and look for new ways to fund the status quo. The Budget includes increasing state revenue sharing based on recent State projections for a total budget of \$3.8 million for constitutional and statutory revenue sharing; by comparison, in 2006, Madison Heights received \$4.0 million.

Regarding Other Funds, maintaining the City's infrastructure remains a priority and a challenge. Inflation has caused increases beyond our original projections for road construction. However, with the increase in vehicle registration fees and fuel tax increases, the State of Michigan Department of Transportation started to increase funding to municipalities for local and major road repair and maintenance. The FY 2024 budget includes a slight increase from FY 2023 levels for the Major Streets fund of \$66,042. We continue to plan for an aggressive sectional concrete replacement program in the upcoming two budget years and to save funds for the future replacement of the City portion of John R Road, including the \$500,000 budgeted annually in phases from 2022-2025 for a \$1.5 million total.

The Water and Sewer budget focuses on infrastructure and capital asset maintenance, with \$835,000 in water main replacements for FY 2024 and \$1.4 million in FY 2025. In order to maintain this level of investment in maintaining the system, a water and sewer rate increase is required and is included in this budget document. Water and Sewer rates have remained the same since July 1, 2019, although the system has experienced increases in commodity charges year over year, along with increases in personnel and contracted services.

## **Operating Budget Highlights**

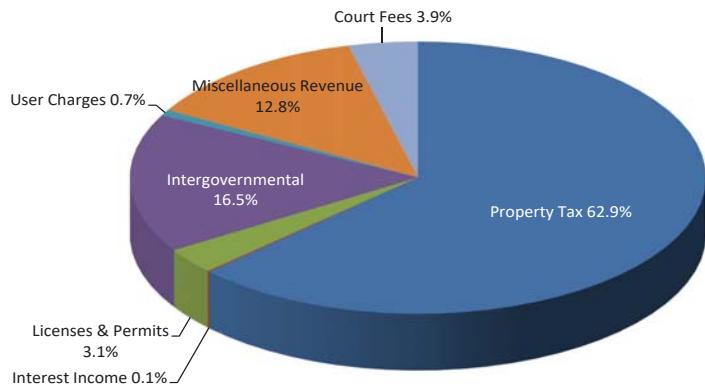
The FY 2024 budget was balanced by contributing \$759,490 to the fund balance when considering all budgeted funds. The General Fund was balanced by utilizing only an estimated \$10,200 of the fund balance in FY 2024. Local Streets is budgeted to contribute \$256,741 to fund balance; this is planned to save for Neighborhood Road projects that cross fiscal years.

### **Revenues**

General Fund Revenues are budgeted at \$39.0 million, including a transfer from the retiree benefits trust for \$2.1 million, representing a planned utilization of trust assets by forecasted the system's actuary. This represents an increase of \$3.1 million or 8.7% from the FY 2023 Amended Budget Revenues. This increase is directly related to the retiree benefits trust transfer and increase in private funding and taxable values

The following pie chart represents the City's General Fund income. Revenues are grouped by major category. Property taxes remain the largest City revenue source representing 62.9% of the FY 2024 General Fund Revenue Budget. Other primary revenue sources include user charges, intergovernmental revenues, court fees, and other miscellaneous revenues.

## Where the Money Comes from by Sources of Funds

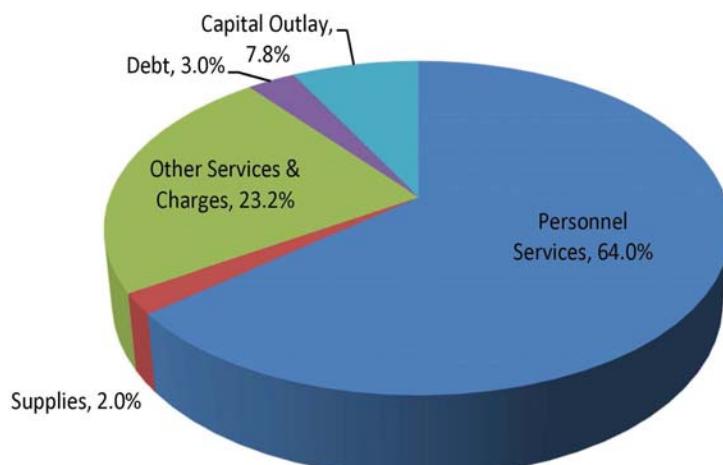


Regarding the Water and Sewer Fund, total expenditures and revenues are budgeted at approximately \$12.2 million, with a contribution to the fund balance planned at \$753,583 to offset FY 2025 capital improvements that will require the use of \$505,096. As discussed earlier, this fund does include a proposed rate increase to both water and sewer rates, eliminating the stormwater method previously utilized. If City Council chooses not to increase rates now, the budget will need to be adjusted to remove planned capital outlay, as this fund is at the minimum reserve balance.

### Expenditures

Compared to FY 2023 Amended Budget, the General Fund is estimated to be down \$5.4 million or 12.1% for FY 2024. Although, as discussed, this difference is a combination of a reduction of transfer for the Civic Center and Fire Station #2 budgeted in FY 2023 at \$8,236,921, a decrease in contribution for retiree health care and general employee pension obligations for \$447,000; an increase in Police and Fire Pension contribution for \$1.7 million, personnel services have also increased \$1.2 million over the Amended Budget for FY 2023. This personnel increase is related to health care increases and negotiated changes to the Police and Fire Union contracts to stay competitive with wages and benefits.

## Where the Money Goes by Line Item Category



The following table presents a summary breakdown of the budget for all funds, inclusive of interfund transfers:

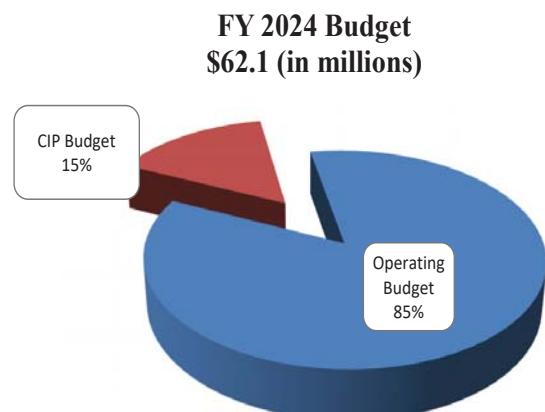
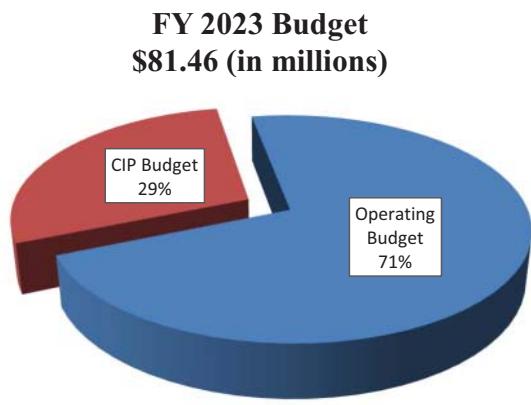
Fund Name	Actual 2021-22	Amended Budget 2022-23	Proposed Budget 2023-24	Increase (Decrease) FY 2022-23 to FY 2023-24	Percent Change	Proposed Budget 2024-25
General Fund	\$ 32,295,663	\$ 44,402,067	\$ 38,860,020	\$ (5,542,047)	(12.5)	\$ 40,237,224
Major Street	1,111,373	2,406,468	2,756,382	349,914	14.5	2,271,694
Local Street	1,807,900	2,859,097	3,258,787	399,690	14.0	2,336,599
Parks Maintenance and Improvement	35,354	43,246	52,977	9,731	22.5	53,391
Downtown Development Authority	89,563	129,259	191,605	62,346	48.2	142,362
Police Drug Forfeiture	95,743	64,250	47,000	(17,250)	(26.8)	48,250
Community Improvement	91,516	145,607	145,805	198	0.1	148,924
Fire Station Bond	447,794	459,714	0	(459,714)	(100.0)	0
Municipal Building Bond	0	275,000	257,100	(17,900)	0.0	482,500
Fire Station Building	5,500	2,551,757	0	(2,551,757)	100.0	0
Municipal Building	48,805	12,005,164	0	(12,005,164)	100.0	0
Water & Sewer Fund	11,302,994	11,976,464	12,173,049	196,585	1.6	13,890,148
Motor & Equipment Pool	1,127,671	994,211	1,034,194	39,983	4.0	1,066,890
Department of Public Services	2,007,734	2,244,259	2,328,850	84,591	3.8	2,479,901
Chapter 20 Drain Debt	-	899,454	850,187	(49,267)	(5.5)	223,440
<b>Total Appropriations</b>	<b>\$ 50,467,610</b>	<b>\$ 81,456,017</b>	<b>\$ 61,955,956</b>	<b>\$ (19,500,061)</b>	<b>(23.9)</b>	<b>\$ 63,381,323</b>

\* Not included in the line-item budget. State funded with separately adopted budget and fiscal year.

## Capital Highlights

Capital Outlay purchases for all funds total \$9.5 million in FY 2024. In FY 2024, investment in capital outlay remains higher than historical averages due to road rehabilitation and reconstruction projects, including R-3 dedicated millage projects, major road sectional work, sidewalk repair, and gap program and the water and sewer line replacements.

More details on these purchases, including the budgeted dollar amounts, can be found in the Department Chapters, Capital Improvement Plan, and the Capital Outlay section of the policy document.



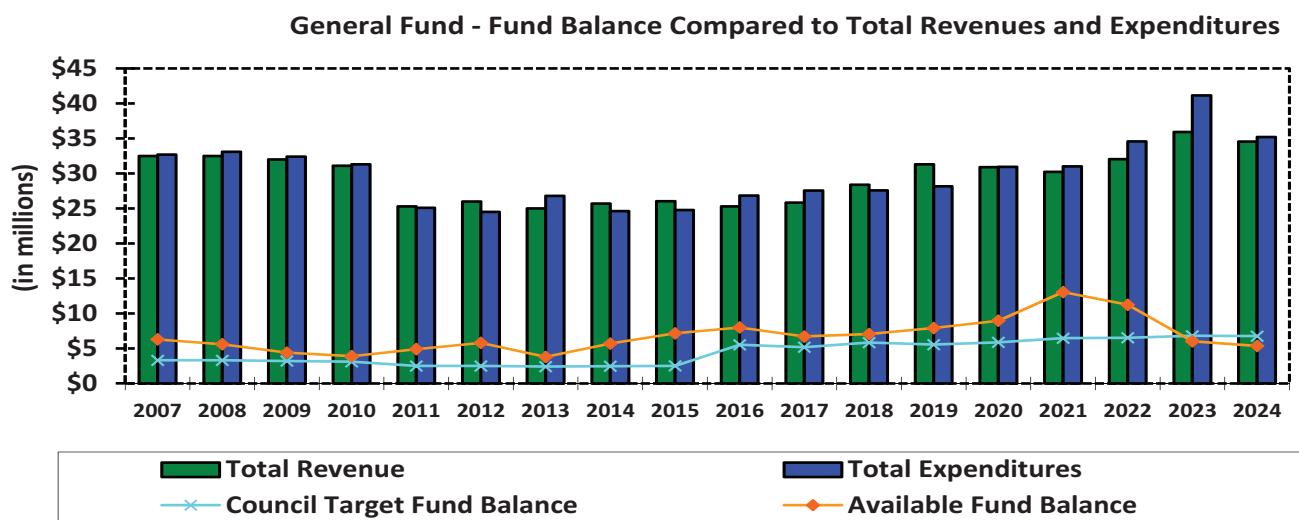
## FINANCIAL ASSESSMENT

Madison Heights has developed and maintained a solid financial position through conservative financial management, sound financial analysis, and policies.

### Fund Balances

Due to strong financial management, our City survived the worst economic decline in our history and has emerged with strong financial reserves across major funds, allowing us the ability to use this reserve to make much-needed investments in our community to renovate the Library, Active Adult Center, City Hall and Fire Station #2. As of June 30, 2022, the General Fund unreserved, but assigned fund balance was \$14.1 million. This fund balance is intentionally higher than average as we saved funding for the construction project referenced throughout. Based on projections, this assigned fund balance will be reduced to \$5.6 million at the end of FY 2024, the required minimum fund balance of 16%, plus one year of debt payments. This complies with the financial policies approved by the City Council, directing staff to keep a fund balance equal to or above 16% of regular operating expenditures plus one year of debt payments. Staff was mindful of the policy as we established the Citywide Strategic Plan and proposed this Budget for Council consideration.

On June 30, 2023, the City's Major Street and Local Street Funds are estimated to have fund balances of \$2,656,623 and \$4,289,814 million, respectively. In addition, the City Water and Sewer Fund is projected to have \$3,224,617 million in unrestricted net position.



On June 30, 2022, the City's Major Street and Local Street Funds are estimated to have fund balances of \$2.2 and \$2.1 million, respectively. In addition, the City Water and Sewer Fund is projected to have \$2.7 million in unrestricted net position.

### Bond Ratings

In June 2016, the City had the bond rating reassigned as part of the bond issuance process for the Limited Tax General Obligations for POBs. During this process, the City secured a rating from Standard and Poor's ("S&P") of AA-/stable. They describe the City's strong management with "good" financial policies and practices under the financial management assessment methodology; adequate budgetary performance, which closed with operating surpluses in the general fund and at the total governmental fund level proving very strong budgetary flexibility and liquidity. The rating agency also noted that the City has a strong institutional framework.

## **Bond Ratings**

In April 2022, the City had its bond rating reassigned as part of the bond issuance process for the \$6.5 million series 2022 limited-tax general obligation (LTGO) capital improvement bonds. During this process, the City secured a rating from Standard and Poor ("S&P") of AA stable. S&P Global Ratings raised its rating on Madison Heights general obligation (GO) debt one notch to 'AA' from 'AA-.' At the same time, S&P Global Ratings assigned its 'AA' long-term rating to Madison Heights' \$6.5 million series 2022 limited-tax general obligation (LTGO) capital improvement bonds. The upgrade reflects marked improvement in the city's underlying economic metrics--notably, the market value per capita--that we expect will at least remain stable on the back of continued development. The rating action also captures our view of officials' progress made in significantly reducing the size of the city's other post-employment benefits (OPEB) liabilities.

## **Major Policy Considerations**

To provide a strategic framework to assist City Council with its appropriation decisions, staff has developed the following set of internal priorities to guide the department budget preparation process for FY 2024.

1. Maintain fiscal responsibility to provide Madison Heights with a stable future
2. Advance technology in our daily operations to improve communication between the City government, residents, and businesses
3. Invest in people to attract and retain talented employees and ensure the organization has a quality workforce to do the public's business, especially as the City's workforce is being asked to do more with fewer resources.
4. Reinvest in the City's infrastructure and equipment sustainability to protect our existing investment, avoid higher costs in the future, and provide greater budgetary flexibility in subsequent years.
5. Engage residents to foster a positive image of Madison Heights.

## **Conclusion**

The City prides itself on sound financial management, appropriate allocation of our limited resources, and a focus on and commitment to long-range planning. As conditions change, the City will continue to adapt to provide a strong foundation for the future.

I want to acknowledge the outstanding efforts of the Assistant to the City Manager Adam Owczarzak, Finance Director Linda Kunath, as well as all Department Heads and staff for their hard work and efforts in the development and planning for this multi-year Budget and their continued commitment to providing excellent services to our residents.

I'd also like to thank the Mayor and City Council for their leadership and support in planning the City's financial operations responsibly and progressively and watching our planning and efforts bring success to our community.

Respectfully submitted,



Melissa R. Marsh

# **CITY OF MADISON HEIGHTS STRATEGIC PLAN - 2023-2028**

## **STRATEGIC GOALS**



1. Public Safety



2. Infrastructure/Capital Assets



3. Quality of Life



4. Economic Development



5. Financial Stability



6. Sustainability

<b>1. Public Safety</b>		
<i>1.1 Encourage and continue to enforce compliance with city ordinances to prevent blight, address graffiti and deterioration to ensure a quality community, and improve community appearance.</i>		
a. Schedule regular attendance at Michigan Association of Code Enforcement Officers events targeting training with third-party vendors and create a detailed training plan for code enforcement officers. <a href="http://MACEO - Home (wildapricot.org)">MACEO - Home (wildapricot.org)</a>	FY 2023-28	GF \$580 Membership Dues \$60 Monthly meeting fees \$120 Annual Training \$400 101-728-955-8640 thru 8660-000
b. Create focused neighborhood improvement areas allowing City Department to wrap services around the community for real and sustainable improvement. Focused neighborhood engagement – home repairs, code enforcement education, public amenities	FY 2024&FY 2025	MSHDA Grant \$75,000 CDBG \$26,000 GF \$3,000 Private/Grant \$10,000 Federal CPF \$890,000
<i>1.2 Improve the Safety and security of municipal buildings.</i>		
a. Evaluate security as a key element in the renovation/rebuild of the Civic Center Project and Fire Station #2 Renovation.	FY 2022-2024	\$2,044,671 Fire Station #2 Renovation 468-336-9870-0000
b. Increase Security for elections by installing security cameras at ballot drop boxes (indoor and outdoor).	FY 2023	Incorporated into the cost of the CC Project.
c. Evaluate the Dispatch area for possible needed upgrades.	FY 2023 - 2024	GF Flooring \$30,000 101-301-987-0000
<i>1.3 Improve Public Safety Services and Emergency Response</i>		
a. Determine appropriate staffing levels for effective emergency response capability and develop a plan to address understaffing, including a process to scale emergency response to call type and need	FY 2025-2028	TBD
b. Work with local school districts for PD Youth officers and protocols for school emergency situations.	FY 2023 -2028	\$108,038 (two officers at 60/40 cost sharing)
c. Addition of a Deputy Fire Chief	Evaluated in FY 2025	\$175,673-\$204,131 depending on benefits
d. Addition of two Dispatchers	Evaluated in FY 2025	\$75,300-\$98,500 each depending on benefits
e. Addition of Administrative Lieutenants position	Evaluted in FY 2025	\$185,000 - \$215,800 depending on benefits
<i>1.4 Strength Emergency Preparedness: Improving residents' capacity to prepare and respond to a major emergency</i>		
a. Holding annual safety drills for various emergency situations (fire, flood, and active shooter) for staff.	FY 2023-28	\$0

b. Raise awareness of local hazards and emergency situations, including warming/cooling stations.	FY 2023-28	\$150 promotion material for residents 101-248-8800-000
c. Engage the City/School liaison committee task force to address programming and or issues	FY 2024	\$0
<b>2. Infrastructure/Capital Assets</b>		
<i>2.1 Building asset management plan – evaluate each city building for use(s) restoration, preservation, and maintenance needs. Discuss options for each location, including repair, refurbishment, relocation, and combination with other sites.</i>		
a. Implement the plan and stay within the budget for renovating Library, City Hall, and adding the Active Adult Center to the Civic Center Complex.	FY 2021-2024	Total cost projection \$12.0 million
b. Develop a plan to include Fire Station #2 renovations with the Civic Center project.	FY 2021-2024	Total cost projection \$2.2
c. DPS Building Assessment.	FY 2026	\$25,000 est.
d. Police Department Building Maintenance Updated including HVAC	FY 2023-2025	FY 2023 \$450,000 FY 2024 & 2025 \$200,000 per year 101-301-982-0000
<i>2.2 Maintain a reliable vehicle fleet citywide with priority given to Public Safety vehicles and equipment.</i>		
a. Evaluate the first round of leased vehicles for program benefits to the city, developing a recommendation for future replacement, and modifications to the 5-year vehicle replacement plan as necessary.	FY 2025	TBD
b. Develop and fund a multi-year capital improvement program.	FY 2022-28	On-Going
<i>2.3 Develop a long-term solution for the SOCRRA site.</i>		
a. Continue to work with legal counsel or other options available to develop either redevelopment opportunities or state-of-the-art facilities at the SOCRRA site.	FY 2021-28	TBD
<b>3. Quality of Life</b>		
<i>3.1 Provide accessible and quality library services with sufficient technology, materials, hours, and staff to meet community needs.</i>		
a. Increase technology accessible to the library's patrons by converting most desktops to laptops and additional charging stations throughout the building.	FY 2022-28	Varies by year

b. Addition of Creative Technology Makerspace (CTM) with public training sessions started after kick-off and implementation.	FY 2023-2028	\$15,000 (Grant CAB) \$10,000 - \$11,000 GF 101-790-981-0000
c. Enhance software on current computers by placing programs on machines that patrons may not purchase for individual use at home – for example, Adobe, Photoshop	FY 2023-2028	\$976 (GF)
d. Enhance the welcoming atmosphere in the library by reconfiguring the children's area and creating a teen space through a renovation includes as part of the Civic Center Project.	FY 2023	Included as part of the CC Project.
e. Create three student members on the Library Advisory Board to be filled by a student from either school district.	FY 2023-2028	\$0
f. Develop marketing for library services and programs, including social media	FY 2023-2028	\$500 annually 101-790-850-0000
g. Add a library lending machines and/or remote lockers on the south side of the city to better serve people who need nearby access within park hours to library materials and/or wi-fi	FY 2025 – FY 2026	\$200,000 for the lending machine \$50,000 for lending lockers 101-790-987-0000
h. Install an official StoryWalk in the north and south areas of the city as an early literacy project (Rosie's Nature Trail and Civic Center Park)	FY 2025	\$7,500 each plus DPS labor to install
i. Create a Library of Things, including Accessibility Support Collection for youth, and Memory kit collection for adults, designed for checkout by people with Alzheimer's and other dementias and/or their caregivers and reflect their varied interested, life experiences and current abilities	FY 2024-28	\$3,000 initial – youth collection \$1,300 initial – memory kits \$5,000 annually for additions/replacements 101-790-766-0000
j. Addition of parent friendly study stations in library (study carrel with crib or play area adjacent)	FY 2025	\$2,000
k. Addition of permanent exhibit display area to the library with display maintained, rotated, and periodically updated by Historical Commission	FY 2023	\$500 display

**3.2 Enhance Parks/Recreation to appeal to a community of all ages and abilities, including expanding green space, recreation programs, and trail improvements.**

a. Develop a park asset management program for all park assets, including condition assessment, lifecycle determinations, and preventative maintenance programs to extend their lifecycle.	FY 2024-2028	FY 2024 \$675,000 FY 2025 \$798,000 FY 2026 \$606,000 FY 2027 \$550,000 FY 2028 \$50,000 – other projects to be determined in the P&R Master Plan
b. Create strategic reserve funds (e.g. parks assets, special projects, business attraction, etc.) to achieve organizational objectives.	FY 2024-2028	\$50,000 (GF) 101-757-987-0000

**3.3 Support neighborhood vitality and livability.**

a. Strengthen Quality of Life Committee goals by creating a policy for City Board events with set labor and equipment needs to be funded by the City.	FY 2024-2028	\$10,000 annually. To cover minimum labor and equipment needs of events.
b. Develop evaluation and process and fee structure that ensures large events held by outside groups meet the needs and interests of a diverse mix of ages and community interests.	FY 2023-28	TBD
c. Design and install new welcoming entrance signage at major gateways to the City.	FY 2024-27	GF \$250,000 (2024) 101-446-987-0000 Revenues: Private funding \$200,000 101-044-674-0000
d. REVISED: Enhance the quality of recreation programs provided by the City to support lifelong learning and skills development by converting the part-time recreation assist to full-time.	FY 2023	GF \$42,000 101-751-762-0000
e. Promote Recycling with a city-wide toter program	FY 2024	64-gallon cart \$541,800 Grants (\$512,640) GF \$29,160 Not included the budget unless grant is awarded.

**4. Economic Development**

**4.1 Implement a comprehensive Economic Development strategy to attract new business and ensure a vibrant business climate that is welcoming to all residents and visitors.**

a. Work with partners at the MEDC to gain recognition as a Redevelopment Ready Community (RRC).	FY 2020-2028	GF \$55,000 101-400-8180-000
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Complete

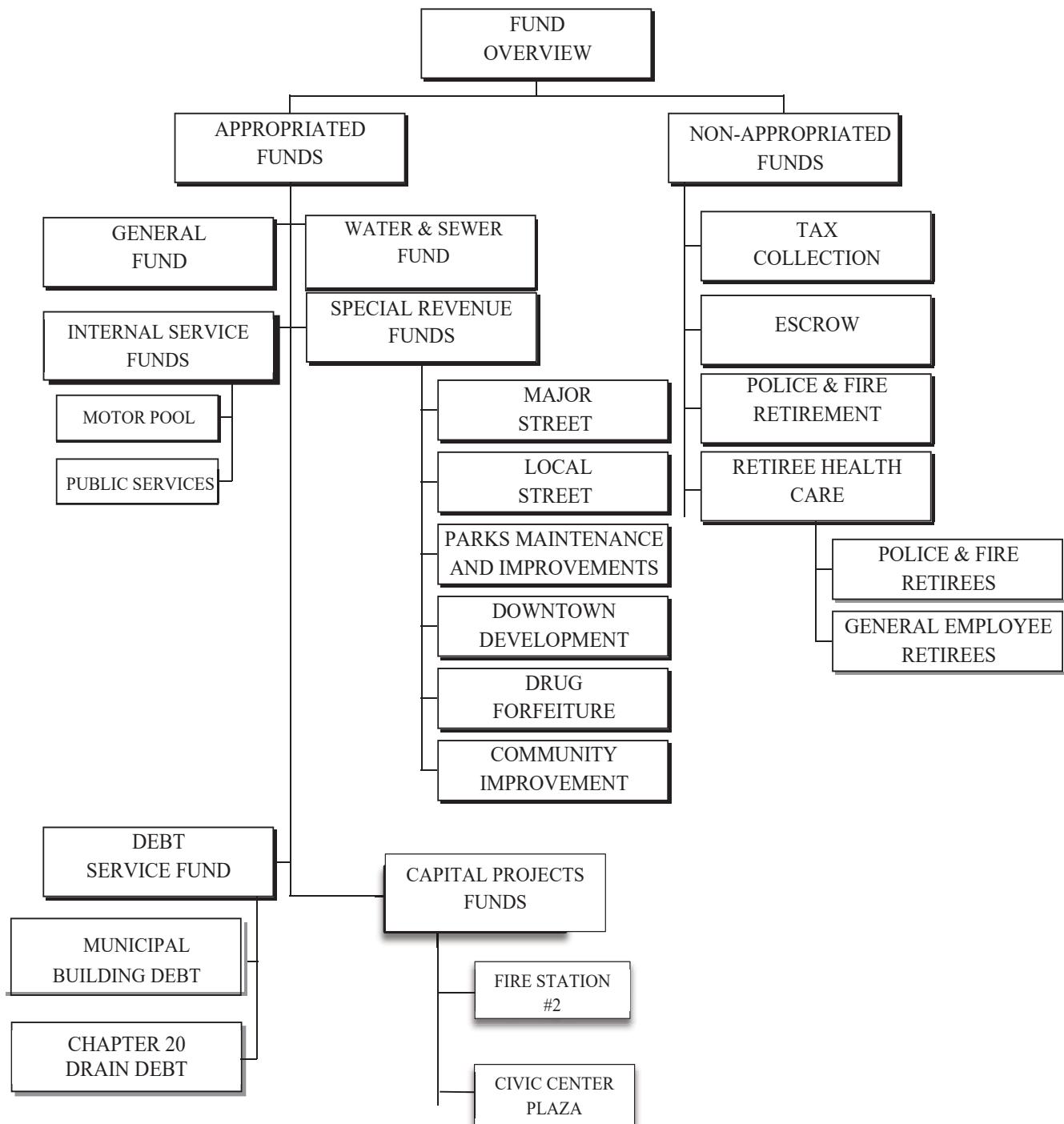
In Process

b. Work with the DDA Board members on goal setting and developing strategies for tracking and reporting key statistics to meet Main Street Oakland requirements for ongoing participation.	FY 2023-2028	\$0
c. Implement annual training for the Zoning Board of Appeals and the Planning Commission.	FY 2022-2028	GF \$300 101-400-9580-000
d. Creation of a formal Economic Development and Marketing Plan	FY 2023	\$0
e. REVISED Partner with MHHP Chamber to promote local business as part of the City's ongoing communication and outreach efforts.	FY 2023-2028	\$10,000 annually (GF) 101-248-818-000 \$10,000 (DDA) 248-863-818-0000
f. Work with the DDA to contract for a visual Streetscape plan	FY 2024-2028	\$50,000 DDA
<b>4.2 Research city options for property acquisitions of vacant or abandoned property.</b>		
a. Evaluate vacant or abandoned property for needed purposes, including expansion or green space or redevelopment.	FY 2021-2028	\$35,000 per year (DDA)
<b>5. Financial Sustainability and Efficient City Services</b>		
<b>5.1 Maintain a stable, efficient, and transparent financial environment encouraging community involvement.</b>		
a. Work with the Information Technology and Advisory Committee (ITAC) and outside vendors to increase service accessibility to residents (online, mobile, off-sight services)	FY 2021-2028	\$0
b. Establish a process to track total grant funding received on an annual basis	FY 2022-2028	\$0
<b>5.2 Provide a reliable financial plan that ensures stability per the strategic plan and promotes a proactive response to issues.</b>		
a. Utilizing the Strategic Plan as a guide for financial decisions and producing and adopting a budget that is in line with the strategic plan.	FY 2023-2028	\$0
b. Continue to proactively manage City's pension liability cost by annually reviewing the assumptions being used in valuations and contributing above the actuarial requirement when possible.	FY 2023-2028	GF \$4,182,849 (FY 2024) (GF) 101-301-710-0009 GF \$3,283,703 (FY2025) (GF) 101-331-710-0009

c. Review and update City fees schedule setting intentional cost recovery goals for City Services and evaluating overall programs.	FY 2023-2027	\$0
d. Increase the percentage of services and projects funded through external sources by proactively pursuing grants, partnerships and other funding opportunities.	FY 2023-2027	\$0
<i>5.3 Attract, hire, train, and retain high-performing diverse municipal workforce.</i>		
a. Conduct Stay-Interviews, initially with newly hired employees, with expansion to all employees if successful.	FY 2021-2026	\$0
b. Complete 360-degree performance reviews and coaching for Department Head staff (externally every five years, internally in off years).	FY 2023	(GF) \$4,200
c. Review and revamp the City-wide Wellness Program.	FY 2022-2028	
d. Review department and Citywide personnel policies to improve readability and embrace forward-thinking employment policies.	FY 2022-2025	GF \$7,286 WS \$2,429 101-226-818-3000 592-590-818-3000
e. REVISED: Recognition programs. Implement Employee and Volunteer Recognition Program.	FY 2023-2028	GF \$2,500
f. Quarterly Department and Supervisors training focuses on Leadership and Coaching Staff.	FY 2023-2028	GF \$4,000 101-270-955-8660
<i>5.4 Leverage technology to drive efficient and responsive service delivery.</i>		
a. Evaluate point-to-point connection systems for the Department of Public Services.	FY 2025	\$100,000 592-901-987-0000 Funded in 2 phases
b. Conduct security awareness training among all staff that utilizes technology on the City network.	FY 2024	GF \$12,917 101-258-9660-000
c. Implement a new host server for City technology needs.	FY 2023	\$81,000 (GF) 101-228-982-0000
d. Research options for expanding documents digitization of documents for historical files.	FY 2024-2027	\$50,000 (GF) 101-728-818-000 Microfiche conversion

6. Sustainability		
6.1 Maximize the environmental and social benefits of our city services and resident programs.		
a. Monitor funding opportunities, as well as other opportunities to add EV charging infrastructure in the City.	FY 2022-2027	TBD
b. Evaluate the feasibility of moving City fleet vehicles to electric when the vehicle is scheduled for replacement.	FY 2022-2027	TBD
c. Participate in the Michigan Green Communities Network.	FY 2023-2028	\$0
d. Continue a Tree Program for new trees and tree replacements in addition to road project tree replacements, including an inventory, tree replacement plan, and residential tree program, and actively pursue grants for tree replacements.	FY 2024-2028	GF \$5,000 101-752-818-0000 Parks Maint. \$2,000 208-463-818-0000 DDA \$5,000 248-863-818-0000 WS \$25,000 592-901-772-0000
e. Revised pass-through charges to users for stormwater charges from Oakland County and began reviewing the possibility of mitigating flood and storm water through adoption of a stormwater runoff, providing education for property owners to decrease impervious surfaces and implementation of municipal green infrastructure as part of larger projects.	FY 2023	WS \$80,000 590-590-818-0000
f. Create a Green Business Recognition Program considering Water and Sewer, Community Development, green infrastructure	FY 2023-2028	\$250
g. Adopt ordinance language that supports renewable energy, stormwater improvements, and green infrastructure projects for development, balancing cost-effectiveness.		
h. Adopt and enforce an anti-idling policy for the municipal vehicle fleet.	FY 2023	\$0
i. Working with the ECC, provide information and resources on how to compost at home and/or businesses.	FY 2023-2024	\$500

# BUDGET FUND STRUCTURE



## **BUDGET FUND STRUCTURE**

The budget is organized by funds, and funds are organized by departments, divisions, or functions. A description of each of the funds is listed below. The comprehensive budget document is comprised of both appropriated and planned operating funds (non-appropriated) as shown on the facing page.

### **Fund Descriptions**

The City maintains accounts for 19 separate funds. The Budget includes the 15 funds that are appropriated by the City Council. The appropriated funds can be divided into five groups of funds based on the type of financial activities. The groups include the General Fund, Special Revenue Funds, Debt Service Funds, Internal Service Funds and Enterprise (Water and Sewer) Fund.

The General Fund, Major Street Fund, Local Street Fund, and Water and Sewer Fund are considered to be major funds. Major funds are funds whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least five percent of the aggregate amount for all governmental and enterprise funds.

### **Appropriated Funds**

#### **1. General Fund**

The General Fund contains the records of the ordinary activities of the City that are not accounted for in another fund. These activities are funded by revenues from general property taxes, state-shared revenues, court fines and fees, charges to other funds for services, permits, user fees and other sources. The Budget establishes revenues and expenditures for the activity budgets (the level on which expenditures should not exceed appropriations).

#### **2. Enterprise Fund - Water and Sewer Fund**

The Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the City financed primarily by user charges. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, construction, billing and collection.

#### **3. Special Revenue Funds**

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted for expenditures for specific purposes. The City has seven Special Revenue Funds that are accounted for separately. A description of the Special Revenue Funds maintained by the City are as follows:

#### **Major Street Fund**

The Major Street Fund's purpose is to account for expenditures associated with the construction and maintenance needs of the portion of the City's street network designated as major streets by the Michigan Department of Transportation (MDOT). Financing is provided by the City's share of state gas and weight taxes, grants, interest on investments, special assessments and maintenance agreements with the Road Commissions of Oakland and Macomb Counties.

#### **Local Street Fund**

The Local Street Fund's purpose is to account for expenditures associated with the construction and maintenance needs of the portion of the City's street network designated as local streets by MDOT. Financing is provided by the City's share of state gas and weight taxes, the Proposal "R-2" and "R-3"

Neighborhood Roads property tax levy, transfers from other funds (Major Street Fund and General Fund), special assessments and interest on investments.

#### **Parks Maintenance and Improvement Fund**

On May 14, 2007, the City entered into a license, use and maintenance agreement with the George W. Kuhn Drainage District and the Oakland County Parks and Recreation Commission regarding the 10-acre Red Oaks Soccer Complex. As consideration for the City's agreement to maintain the Complex for the next 25 years, the City received \$850,000 with limited restrictions of its use. This Fund was established to support maintenance and improvements for both the Red Oaks Soccer Complex and other City parks. Public Act 404 of 2008 allows the City to use a long-term investment strategy for idle funds.

#### **Downtown Development Authority Fund**

The Madison Heights Downtown Development Authority (DDA) was created in June 1997, pursuant to Act 197 of Public Acts of 1975 of the State of Michigan. The primary objective of the DDA is to establish the legal basis and procedure for the capture and expenditure of tax increment revenues in accordance with P.A. 197 of 1975 as amended, for the purpose of stimulating and encouraging private investment in the south commercial district through the provision of services and public improvements.

#### **Drug Forfeiture Fund**

The Drug Forfeiture Fund is used to account for revenues generated by drug forfeiture and expenditures related to the enforcement of drug laws per Public Act 251 of 1982.

#### **Community Improvement Fund**

The Community Improvement Program is a federally funded Division of the Community Development Department that administers the City's Housing and Urban Development (HUD) Community Development Block Grant (CDBG). The Community Improvement Division includes one full-time Code Enforcement Officer.

Block Grant funds have been used for the yard services program (lawn mowing and snow removal), code enforcement, minor home repair, barrier free improvements and other similar projects that benefit low and moderate-income residents.

#### **Special Assessment Revolving Fund**

The Special Assessment Fund is used to record revenues and related project expenditures for special assessment districts, and City Council is able to authorize advancement of funds that are not supported by bond issues.

### **4. Internal Service Funds**

Internal Service Funds account for the financing of services and materials provided by a department of the government to another department on a cost reimbursement basis. The City has two Internal Service Funds that are accounted for separately. Descriptions of the Internal Services Funds maintained by the City are as follows:

### **Public Services Fund**

The Public Services Fund is a new fund to the City as of FY 2017. Prior to FY 2017 Public Service employees were allocated based on a fixed percentage, where the department would estimate where they would spend their time. Now all public service employees are charged to this internal service fund and we use actual hours worked and equipment used to charge to the other activities throughout the city on a monthly basis using the City's Work order program. The Public Services Division is responsible for the maintenance of all city property, including City buildings and grounds, parks, roadways and water and sewer lines. This division also handles special events and activities.

### **Motor Pool Service Fund**

The Motor Pool Vehicle and Equipment Fund is used to account for the cost of operating and maintaining all City vehicles, and rolling and motorized equipment. The Motor Pool Division is also responsible for keeping adequate vehicle and equipment parts in stock; ordering gasoline and diesel fuel; and overseeing the work done on all emergency backup generators.

## **5. Debt Service Fund**

The debt service funds are used to account for and report financial resources that are restricted to the expenditure of principle and interest.

### **Municipal Building Debt Service Fund**

The Municipal Building Debt Service Fund accounts for principle and interest payments made on limited-tax general obligation (LTGO) capital improvement bonds to renovate the City Hall, Library, and Fire Station #2 as well as building the new Active Adult Center.

### **Chapter 20 Drain Debt Service Fund**

The Chapter 20 Drain Debt Service Fund accounts for principal and interest payments made on bond Issued by Oakland County Drain Commissioner for construction and capital for the drains in Madison Heights. Unlimited millage authorized by Chapter 20 of the State of Michigan Drain Code of 1956 (Public Act 40 of 1956).

## **6. Capital Projects Fund**

The Capital Projects Funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the construction of capital facilities and other capital assets. The City utilizes this fund structure to account for less routine capital projects, which are reported instead by function. Rather, this capital projects fund structure will be used primarily for major projects and acquisitions (construction of a new building); this is also useful for multi-year projects

### **Fire Station Construction Fund**

The Fire Station Construction Fund accounts for the revenue and expenditures for the renovation of Fire Station #2. Current plans are to demolish and redevelop the equipment bay area and a complete Renovation of the living space.

### **Civic Center Plaza Project Fund**

The Civic Center Plaza Project accounts for the revenue and expenditures of the renovation of the City Hall and Library buildings and the redevelopment of the Active Adult Center, which is being relocated from John R to the Civic Center Complex.

**Combined Statement of Revenues, Expenditures  
and Changes in Fund Balance**  
**All Fund Types**  
**Fiscal Year Comparison**  
**Fiscal Years 2022-2025**

	GENERAL FUND				SPECIAL REVENUE/DEBT SERVICE FUNDS *			
	Actual 2021-22	Amended 2022-23	Adopted 2023-24	Proposed 2024-25	Actual 2021-22	Amended 2022-23	Adopted 2023-24	Proposed 2024-25
<b>REVENUES</b>								
Property Taxes	\$ 21,261,425	\$ 22,591,420	\$ 24,439,961	\$ 24,991,497	\$ 2,282,501	\$ 5,640,517	\$ 2,991,753	\$ 2,407,248
Licenses and permits	1,265,290	1,086,325	1,190,106	1,241,923	-	-	-	-
Intergovernmental	6,222,309	7,687,129	6,422,717	6,424,683	3,900,283	3,912,195	3,918,577	3,922,868
Court fines and fees	1,226,115	1,374,000	1,519,000	1,519,000	-	-	-	-
Charges for services	297,456	279,604	271,030	271,030	-	-	-	-
Parks and Recreation	253,933	234,000	264,000	264,000	-	-	-	-
Interest and Misc. Revenue	2,169,137	1,701,663	1,717,163	1,717,163	6,285,638	6,369,896	58,477	58,891
Debt Issuance	-	-	-	-	-	-	-	-
Departmental Charges	802,208	891,480	821,480	821,480	-	-	-	-
Transfers from other funds	43,387	84,869	2,204,406	2,969,957	300,000	6,259,164	557,100	782,500
<b>TOTAL REVENUES</b>	<b>\$ 33,541,260</b>	<b>\$ 35,930,490</b>	<b>\$ 38,849,863</b>	<b>\$ 40,220,733</b>	<b>\$ 12,768,422</b>	<b>\$ 22,181,772</b>	<b>\$ 7,525,907</b>	<b>\$ 7,171,507</b>
<b>EXPENDITURES</b>								
General Government	\$ 4,702,943	\$ 3,804,644	\$ 4,175,134	\$ 4,327,951	\$ 54,305	\$ 14,556,921	\$ -	\$ -
Public Safety	19,150,264	22,357,779	24,660,028	24,820,356	95,743	64,250	235,764	240,369
Community Service	4,006,101	4,539,512	4,489,454	4,473,203	-	-	-	-
Culture and Recreation	2,398,932	3,022,481	2,961,973	3,157,732	35,354	43,246	52,977	53,391
Community Development	1,009,615	1,138,451	1,289,288	1,249,373	2,686,783	5,072,955	5,883,097	4,426,366
Community Improvement	-	-	-	-	91,516	145,607	145,805	148,924
Water Division	-	-	-	-	-	-	-	-
Sewer Division	-	-	-	-	-	-	-	-
W/S Support and Capital Outlay	-	-	-	-	-	-	-	-
Transfers out	-	8,510,921	257,100	482,500	322,053	321,869	323,677	324,289
Debt Service	1,027,808	1,028,279	1,027,043	1,028,108	459,714	1,634,168	1,107,287	705,940
<b>TOTAL EXPENDITURES</b>	<b>\$ 32,295,663</b>	<b>\$ 44,402,067</b>	<b>\$ 38,860,020</b>	<b>\$ 39,539,223</b>	<b>\$ 3,745,468</b>	<b>\$ 21,839,016</b>	<b>\$ 7,748,607</b>	<b>\$ 5,899,279</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ 1,245,597</b>	<b>\$ (8,471,577)</b>	<b>\$ (10,157)</b>	<b>\$ 681,510</b>	<b>\$ 9,022,954</b>	<b>\$ 342,756</b>	<b>\$ (222,700)</b>	<b>\$ 1,272,228</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>\$ 13,330,826</b>	<b>\$ 14,576,423</b>	<b>\$ 6,104,846</b>	<b>\$ 6,094,689</b>	<b>\$ 7,603,962</b>	<b>\$ 10,201,882</b>	<b>\$ 10,544,638</b>	<b>\$ 10,510,702</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 14,576,423</b>	<b>\$ 6,104,846</b>	<b>\$ 6,094,689</b>	<b>\$ 6,776,199</b>	<b>\$ 10,201,882</b>	<b>\$ 10,544,638</b>	<b>\$ 10,510,702</b>	<b>\$ 11,975,049</b>

\* Special Revenue Funds account for proceeds from revenue sources that are legally restricted for a specific purpose. These include:  
Major Street, Local Street, Downtown Development, Park Improvements Fund, Police Drug Forfeiture, Community Development Block Grant;  
Capital Project Funds, include construction funds for Fire Station #2 and Civic Center Plaza.

Debt Service includes the Fire Stations Bond Fund, Municipal Building Bond Fund, and Chapter 20 Drain Debt Fund.

**Combined Statement of Revenues, Expenditures  
and Changes in Fund Balance**  
**All Fund Types**  
**Fiscal Year Comparison**  
**Fiscal Years 2022-2025**

	WATER AND SEWER FUND					TOTALS Memorandum Only				
	Actual 2021-22	Amended 2022-23	Adopted 2023-24	Proposed 2024-25		Actual 2021-22	Amended 2022-23	Adopted 2023-24	Proposed 2024-25	
<b>REVENUES</b>										
Property Taxes	\$ 891,858	\$ -	\$ -	\$ -	\$ 24,435,784	\$ 28,231,937	\$ 27,431,714	\$ 27,398,745		
Licenses and permits	-	-	-	-	1,265,290	1,086,325	1,190,106	1,241,923		
Intergovernmental	-	-	-	-	10,122,592	11,599,324	10,341,294	10,347,551		
Court fines and fees	-	-	-	-	1,226,115	1,374,000	1,519,000	1,519,000		
Charges for services	11,477,306	11,253,082	12,655,832	13,084,252	11,774,762	11,532,686	12,926,862	13,355,282		
Parks and Recreation	-	-	-	-	253,933	234,000	264,000	264,000		
Interest and Misc. Revenue	143,481	258,800	258,800	288,800	8,598,256	8,330,359	2,034,440	2,064,854		
Special assessments	-	-	-	-	-	-	-	-		
Departmental Charges	-	-	-	-	802,208	891,480	821,480	821,480		
Transfers from other funds	-	-	-	-	343,387	6,344,033	2,761,506	3,752,457		
<b>TOTAL REVENUES</b>	<b>\$ 12,512,645</b>	<b>\$ 11,511,882</b>	<b>\$ 12,914,632</b>	<b>\$ 13,373,052</b>	<b>\$ 58,822,327</b>	<b>\$ 69,624,144</b>	<b>\$ 59,290,402</b>	<b>\$ 60,765,292</b>		
<b>EXPENDITURES</b>										
General Government	\$ -	\$ -	\$ -	\$ -	\$ 4,757,248	\$ 18,361,565	\$ 4,175,134	\$ 4,327,951		
Public Safety	-	-	-	-	19,246,007	22,422,029	24,895,792	25,758,726		
Community Service	-	-	-	-	4,006,101	4,539,512	4,489,454	4,473,203		
Culture and Recreation	-	-	-	-	2,434,286	3,065,727	3,014,950	3,211,123		
Community Development	-	-	-	-	3,696,398	6,211,406	7,172,385	5,675,739		
Community Improvement	-	-	-	-	91,516	145,607	145,805	148,924		
Water Division	3,709,433	4,198,879	4,316,758	4,440,134	3,709,433	4,198,879	4,316,758	4,440,134		
Sewer Division	5,796,358	6,113,218	6,289,527	6,487,441	5,796,358	6,113,218	6,289,527	6,487,441		
W/S Support & Capital Outlay	1,694,838	1,512,581	1,415,159	2,810,812	1,694,838	1,512,581	1,415,159	2,810,812		
Transfers Out	-	-	-	-	322,053	8,832,790	580,777	806,789		
Debt Service	102,365	151,787	151,605	151,762	1,589,887	2,814,234	2,285,935	1,885,810		
<b>TOTAL EXPENDITURES</b>	<b>\$ 11,302,994</b>	<b>\$ 11,976,464</b>	<b>\$ 12,173,049</b>	<b>\$ 13,890,148</b>	<b>\$ 47,344,125</b>	<b>\$ 78,217,547</b>	<b>\$ 58,781,676</b>	<b>\$ 60,026,651</b>		
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ 1,209,651</b>	<b>\$ (464,582)</b>	<b>\$ 741,583</b>	<b>\$ (517,096)</b>	<b>\$ 11,478,202</b>	<b>\$ (8,593,403)</b>	<b>\$ 508,726</b>	<b>\$ 738,641</b>		
<b>FUND BALANCES, ** BEGINNING OF YEAR</b>	<b>\$ 38,295,740</b>	<b>\$ 39,505,391</b>	<b>\$ 39,040,809</b>	<b>\$ 39,782,392</b>	<b>\$ 59,230,528</b>	<b>\$ 64,283,696</b>	<b>\$ 55,690,293</b>	<b>\$ 56,387,783</b>		
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 39,505,391</b>	<b>\$ 39,040,809</b>	<b>\$ 39,782,392</b>	<b>\$ 39,265,296</b>	<b>\$ 64,283,696</b>	<b>\$ 55,690,293</b>	<b>\$ 56,387,783</b>	<b>\$ 57,318,543</b>		

## Dashboard for Madison Heights

Fiscal Stability	2021	2022	Progress
Fiscal Wellness Indicator Score	1	1	↔
Annual General Fund expenditures per capita	\$1,034	\$1,147	↓
Fund balance as % of General Fund Revenues	37.7%	34.5%	↓
Other Post Employment Benefits % Funded	102.5%	89.9%	↓
Pension % Funded	69.8%	65.1%	↓
Debt burden per capita	\$356.7	\$555.1	↓
Operating Millage	26.26	26.26	↔

Economy & Financial Health	2021	2022	Progress
Population	30,000	28,468	↓
Taxable Value (100k)	\$862,935	\$902,775	↑

Public Safety	2019	2020	Progress
Crimes against persons per thousand residents	11.3	11.0	↑
Crimes against property per thousand residents	32.3	26.3	↑
Crimes against society per thousand residents	12.6	11.1	↑
Other crimes per thousand residents	4.7	4.6	↑
Traffic crashes property	1,189	865	↑
Traffic crashes injuries	307	224	↑
Traffic crashes fatalities	2	3	↓



## **REVENUE CHAPTER**

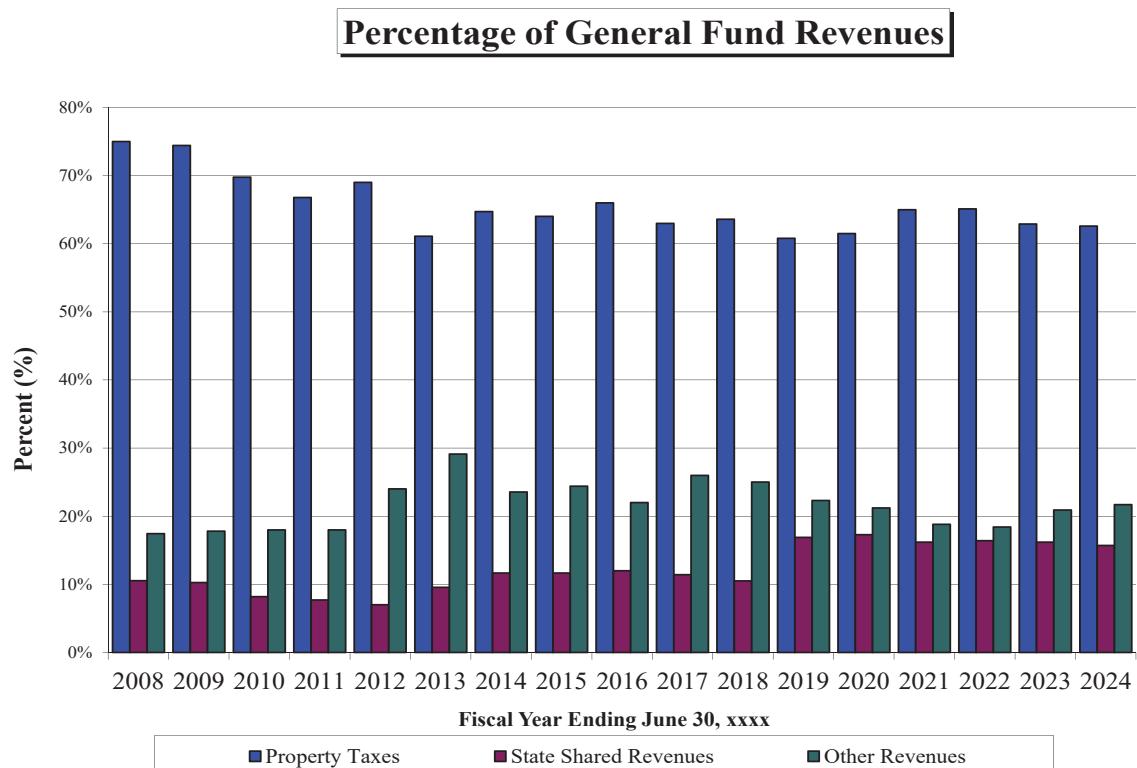
### **Revenue Overview**

General Fund Revenues are budgeted at \$38.9 million exclusive of the planned use of fund balance. This represents an increase of \$3.0 million or 8.6% from the FY 2023 Amended Budget Revenues exclusive of use of fund balance. This increase is directly related to a transfer from the retiree benefits trust for \$2.1 million, representing a planned utilization of trust assets forecasted by the systems actuary; and an increase in taxable value at 5%.

### **Base Budget Revenue Changes**

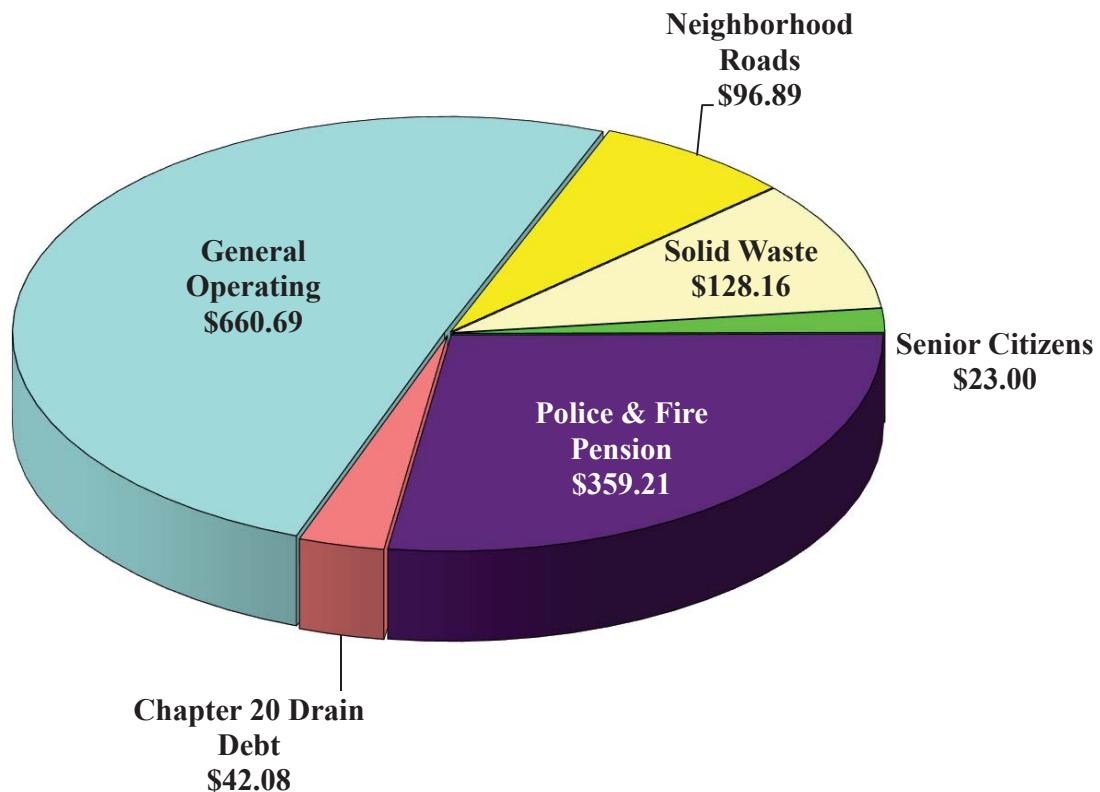
The composition of General Fund Revenues includes: Property Taxes at \$24.4 million or 62.6% of total General Fund Revenues; State Shared Revenues at \$6.1 million (15.7%); Court Related Revenues at \$1.5 million (3.9%); Charges to Other Funds of \$821,480 (2.1%); Business Licenses/Permits \$1.2 (3.0%) Ambulance/Rescue Insurance Reimbursement of \$650,000 (1.7%); Cable Television Fees in the amount of \$425,000 (1.14%); Charges for Services of \$261,530 (0.7%); and Other Revenues of \$1.1 million (3.2%); and Transfers In from Other Funds 2.4 million (6.1%)

In addition, the FY 2024 Budget includes uses of fund balance for a total of \$10,157.



**Average City Taxes - FY 2023-2024**  
**Based on Average Home Market Value of \$167,348**  
**(Taxable Value of \$51,316)**

**Total of \$1,310.03**



Approximately 49% of the City's taxes are restricted for specific purposes.

## **Property Tax Revenues**

The rates displayed below are within the Charter limitations and the Headlee rollback limits. The FY 2024 combined City tax rate of 25.5288 mills per thousand dollars of State taxable valuation is broken down as follows:

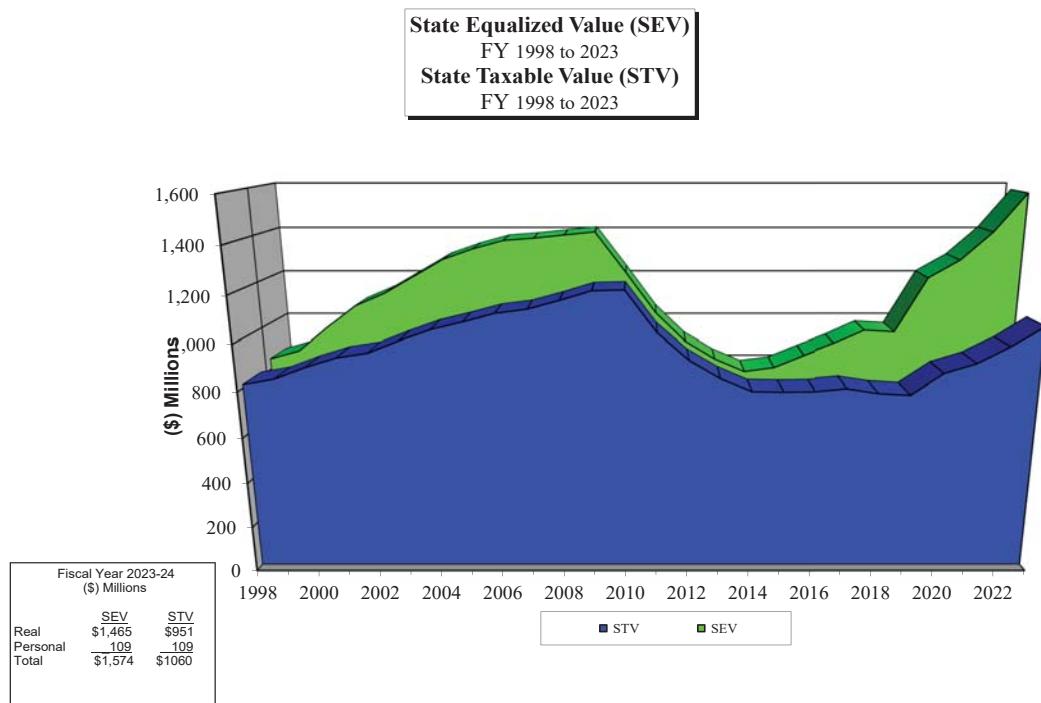
Operating Millages	<b><u>DOLLARS PER \$1,000 of TAXABLE VALUE *</u></b>			
	Tax Rate 2022-23	Tax Rate 2023-24	Tax Rate Limits **	Headlee Tax Limits **
General Operating	12.8746	12.8746	16.0000	14.0978
Neighborhood Road Improvements	1.8882	1.8882	2.0000	1.8882
Solid Waste	2.4976	2.4976	3.0000	2.4976
Senior Citizens	0.4484	0.4484	0.5000	0.4484
Police and Fire Retiree Benefits	7.0000	7.0000	as needed	n/a
Fire Station Bonds	0.4283	0.0000	as needed	n/a
Chapter 20 Drain Debt	<u>0.9400</u>	<u>0.8200</u>	as needed	n/a
<b>Total Millage</b>	<b>26.0771</b>	<b>25.5288</b>		

\*Michigan taxable value begins at 50 percent of the property's fair market value in the year following the date of transfer as adjusted for inflation per Proposal A of 1994, limiting future assessment increases to 5 percent or the rate of inflation whichever is lower, for each property. For FY 2024, the inflation rate has been calculated at 5.0%.

When the taxable value increases more than the amount explained above, the millages are "rollback". Due to the increase in market value compared to the state rate of inflation, the City calculated a rollback for FY 2024 of 1.0000. Two millages are not affected by the rollback. These millages are set to the rate needed to generate the required payments and include Police and Fire Retiree Benefits (PA 345), and Chapter 20 Drain Debt payments. Fire Station Bonds have matured and are no longer levied starting in FY 2024.

\*\*Tax rate limits as established by the City Charter and various State laws. These limits are further subject to potential reduction due to the Headlee State Constitutional Amendment, which limits property tax increases related to the rate of inflation, and Proposal "A" approved by State voters on March 15, 1994.

In Madison Heights, there are 10,262 single-family homes and condominiums, 828 commercial parcels, and 284 industrial parcels. The average home market value is \$167,348 (State Equalized Value is \$83,674) with a taxable value of \$51,316 and an average tax bill of \$1,310 for City services for the Fiscal Year 2024.



Taxable property consists of 89.4% real (land and building) and 10.6% personal (equipment and fixtures).

## Property Tax Base

The chart above illustrates the State Equalized Value (SEV) change over the last twenty years based on the property type. The property tax base for the General Fund is quite diversified. The major components of the General Fund Property Tax Revenue are single-unit residential/condominiums (53%), commercial (30%), industrial (9%), and personal property (8%). This chart also illustrates the gap between equalized and taxable value. In FY 2024, the overall taxable value is estimated to grow 8.69%, with equalized value increasing by 11.35%. It is anticipated that for the year, the equalized value will continue to increase while the taxable value is restricted due to the Headlee Amendment, so even when the City does have an annual increase in uncapped property values, we will not benefit monetarily as uncapped values are treated as growth on existing property and trigger the Headlee millage rollback. Under the Headlee Amendment, the increase in the taxable value of property not transferred is capped at the lesser of inflation or 5 percent; with an inflation rates higher than 5% for FY 2024 this is capped.

Oakland County is responsible for collecting all property tax that goes unpaid as of March of each year. In the past, the delinquent tax account was estimated based on projected collections from Oakland County of past delinquent taxes that were paid throughout the year.

## **Personal Property Tax Reform**

In December 2012, Governor Rick Snyder signed a package of bills that collectively phased out the personal property tax (PPT) by providing exemptions for small parcels (defined as personal property with a taxable value of \$40,000 or less) and exemptions for eligible new and existing manufacturing personal property. The exemptions began in 2014 for the small parcels, and a 10-year phase-in started in 2016 for the manufacturing personal property. The City estimated a loss of \$1.4 million from the small parcel exemption as it would affect 97% of all personal property parcels in the City. The manufacturing PPT exemption was estimated to cost the City \$10.7 million over the 10-year period (by 2023), inclusive of a \$369,600 loss by virtue of nine (9) current tax abatements becoming permanent. The legislation was predicated on voter approval in a State-wide election held in August 2014.

As the result of the extensive work by the Michigan Municipal League (MML) lobbying on behalf of local governments, the State Legislature passed in March 2014 Senate Bills 821-830, which provide 100% reimbursement to local units for all lost PPT revenue and which replaces the local Essential Services Assessment with a State assessment through a new Local Community Stabilization Authority. In FY 2023, this revenue is estimated to be \$2.3 million. However, this revenue stream remains questionable from year to year as we depend 100% on the State for calculating and reimbursing funds. This has made it very difficult to estimate for budget and planning purposes. In late 2021, the State continued its long-standing practice of using local government funding to pay for other priorities with the passage of HB 5351 to amend the General Property Tax Act again to increase the value of the eligible manufacturing personal property exemption to \$180,000. This legislation more than doubles the personal property tax exemption for small taxpayers. While a one-year revenue replacement was included, the ongoing erosion of funding that supports local services will be permanent unless the Legislature and the Governor fulfill their commitment to finding revenue replacements.

## **State Shared Revenues**

The City's second-largest source of General Fund Revenue is State Shared Revenues budgeted at \$6.1 million or 15.7% of revenues. This revenue source has increased from 10% of revenues since FY 2017 due to the reimbursement discussed above. The State mandates that PPT reimbursement be accounted for as State Shared revenues.

State Shared Revenues are also taxes collected by State government and then transferred back to local units of government. Michigan currently has two forms of revenue sharing payments: constitutional and statutory.

- Constitutional

Article IX, Section 10, of the Michigan Constitution requires that "Fifteen percent of all taxes imposed on retailers on taxable sales at retail of tangible personal property at a rate of not more than 4% shall be used exclusively for assistance to townships, cities, and villages, on a population basis as provided by law." For FY 2024, the State projects a distribution of constitutional revenue sharing of \$3,117,727 for the City or a 8.0% (\$231,564) increase over the projected allocation for FY 2023.

- Statutory - City, Village and Township Revenue Sharing

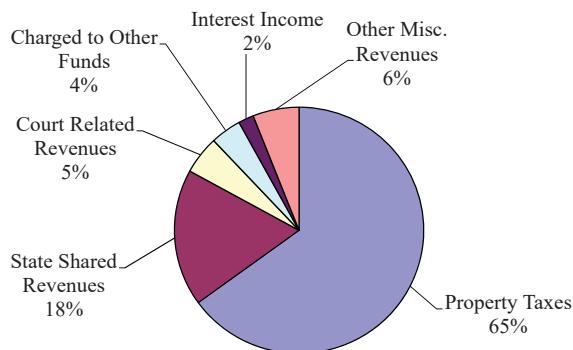
Beginning in FY 2014-15, the Legislature established the City, Village, and Township Revenue Sharing (CVTRS) program to simplify the Economic Vitality Incentive Program (EVIP). Each eligible local unit must meet all of the Accountability and Transparency requirements to receive the full CVTRS payments, eliminating the consolidation of services plan and an unfunded accrued liability plan requirement.

Under this new legislation, cities like Madison Heights that had a FY 2010 statutory payment greater than \$4,500 and a population greater than 7,500 will receive the greater of the “Percent Payment” or “Population Payment”. In FY 2024, this total for the City is budgeted to be \$690,683. This is a 11.7 % increase over FY 2023 or (\$72,245).

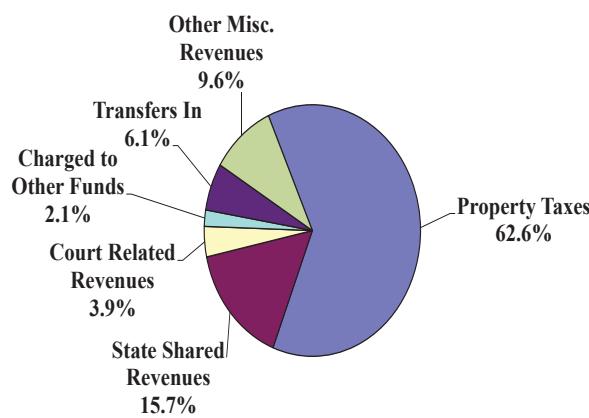
To continue to receive this money, the City must make required documents available to the State Treasury office and have them available for public viewing in the City or on a publicly accessible Internet site. These required documents include a certification of accountability and transparency, a citizen’s guide including unfunded liabilities, a performance dashboard, and a debt service report. As of the publication of this document, all the required documents can be found at [www.madison-heights.org](http://www.madison-heights.org).

The City assumed it will meet all CVTRS requirements for budget purposes and planned for an increase in budgeted CVTRS.

**Major Revenues in FY 2000-01**



**Major Revenues in FY 2024**



As you can see from the pie charts shown above, in FY 2000-01, State Shared Revenues made up 18% of the General Fund Revenues; in FY 2023-24, they are only 16.2% of the total. Statutory and Constitutional revenue sharing has been a target for the State resulting in long-term revenue loss imposed on the City. Over the past twenty- two years, local governments have lost millions of dollars due to these changes in state revenues sharing from the State. From fiscal years 2002 through 2022, Madison Heights has lost \$20.7 million during this period of disinvestment. Michigan has cut support for cities more than any other state since 2002, forcing municipalities to reduce services staff and look for new ways to fund the status quo. The Budget includes increasing state revenue sharing based on recent State projections for total, constitutional and statutory, of \$3.81 million; by comparison, in 2006, Madison Heights received \$4.0 million.

The City is also reimbursed for a portion of the District Court Judge’s salary, liquor license enforcement, Police training activities, penal fines dedicated to library services, and miscellaneous court costs.

## **Other Revenues**

For FY 2024, the third-largest revenue source, is transfer in from other funds. This is due to a transfer from the retiree benefits trust for \$2.1 million, representing a planned utilization of trust assets forecasted by the system's actuary for payment of retiree health care premiums.

The fourth-largest source of the General Fund revenue is composed of Court fines, forfeits, and charges. This revenue source has historically been one of the City's largest revenues sources funding the court operations and a small portion of the Police for enforcement; however, unlike during the past two fiscal years where the court struggled to operate with COVID restrictions this budget does fund the operational cost of the court at \$1.52 million.

The fifth significant revenue is business license and permits, which are budgeted at \$1,190,106. These revenues are based on fees charged for license for businesses, landlords and contractors as well as inspection charged for construction permits.

The sixth group of revenue sources, other governmental revenues, includes items that provide between \$100,000 and \$650,000 in annual funding. This category is not as crucial to the overall budget as those already mentioned earlier but represents a significant source of revenue. These revenues include charges to other funds, charges for service, recreation and Active Adult Center user fees, cable television franchise fees, and ambulance insurance reimbursement charges.

Revenue categories amounting to less than \$100,000 annually include payments in lieu of taxes, penal fines from the County, State transportation credits, sales of goods, non-recreation user charges, auto pound, police service fees, cell phone dispatch revenues, and fixed fees asset sales. Interest income is budgeted at \$50,000 for FY 2024.

## **Revenue Assumptions**

- State Shared Revenues - Based on Michigan Department of Treasury Projections, Constitutional State Shared Revenues (SSR) are budgeted to be \$3,117,727 and City, Village, and Township Revenue Sharing (CVTRS) is budgeted to be \$690,683. For more information on SSR, see the SSR section of this chapter.
- Licenses and Permits – Fees set by City Council; based on activity projected by the Community Development Director for occupational and non-business licenses; and City Clerk for business licenses and permits.
- Charges From Other Departments – Charges for Internal Service Funds include consultant's cost allocation plan (Water and Sewer); time analysis, and costs for parts and labor, outside work, fuel, personnel, and insurance (Motor Pool); and time and equipment rental for Department of Public Services.
- Interest Income – Less than 1.0% is being budgeted as interest on cash reserves for general investments due to the current economic environment. In accordance with PA 404 of 2008, the cash reserves from the Parks Maintenance and Improvement Fund are invested in a long-term portfolio to maximize investment returns. Interest income for the Parks Maintenance and Improvement Fund is budgeted to be 10%.

- Gas & Weight Tax – Revenue from Michigan’s gasoline and diesel taxes and its vehicle registration fees make up the bulk of the revenue that goes into the Michigan Transportation Fund. Money from the fund is then disbursed to the Michigan Department of Transportation (MDOT), county road commissions and cities and villages. MDOT recently released projections for Act 51 revenues. The budget includes \$4 million of Act 51 revenues to be used on the City’s Major and Local Roads.
- Water Sales and Sewage Disposal – The Great Lakes Water Authority has announced a 9.8% increase for Madison Heights for water usage in FY 2024. In addition, Oakland County has estimated an increase of 2.4% - 3.0% for stormwater and sewage disposal. The FY 2024 Budget does include an increase to Madison Heights end-users. We have not increased rates since July 1, 2019 as we were in the process of completing a comprehensive rate restructuring.

## **OTHER MAJOR FUNDS**

### Major Street Fund

The largest source of Major Street revenues at \$2.6 million is derived from Gas and Weight taxes collected by the State of Michigan. These taxes are distributed to local municipalities based on miles of roads and city population. Gas and Weight tax revenues comprise 90.4% of Major Street revenues. Other revenues include reimbursements from the Road Commissions of Oakland and Macomb Counties for winter and summer maintenance by the City on County roads and berm areas and interest income.

### Local Street Fund

Prior to 1996, the primary source of revenue for the Local Street Fund had been from State distributions of Gas and Weight tax. These State distributions, estimated to be \$953,510, only provide enough funding to perform minor road repairs and maintenance. In an effort to raise revenues for more extensive and much-needed repairs and rehabilitation, the voters approved the renewal of a ten-year dedicated road millage of two mills in August 2016. This millage will provide \$1.97 million in FY 2024 and an estimated \$20 million over the ten-year period, which is used exclusively to repair and reconstruct residential streets and rights-of-way. Other revenues include interest income budgeted at \$5,000, local stabilization revenue sharing for \$210,000, transfer in from Major Street funds for \$300,000.

### Parks Maintenance and Improvement Fund

The Parks Maintenance and Improvement Fund was established with a November 2007 one-time payment of \$850,000 from the George W. Kuhn Drainage District, in exchange for the City’s agreement to assume responsibility for the operation and upkeep of the 10-acre Red Oaks Soccer Complex. The projected revenues for the budget year include \$52,977 in interest income from the investment of the original payment. The revenues and accumulated funds can be used for any Madison Heights park system improvement.

### Downtown Development Authority Fund

Funding for the Downtown Development Authority (DDA) is derived exclusively from the incremental growth in real and personal property tax above the 1997 base year for those properties located in the District. Tax revenues decreased drastically during the recession, while revenues are recovering we are still lagging behind pre recession levels. In FY 2010 the DDA collected \$243,100 in tax revenue FY 2023 is budgeted to collected \$174,548 in tax revenue.

### Drug Forfeiture Fund

The Fund is used to account for revenues generated by the Madison Heights Police Department through drug forfeitures related to enforcement of drug laws pursuant to Public Act 251 of 1982.

### Community Improvement Fund

Community Improvement revenues are provided by the Federal Housing and Urban Development (HUD) Department for the Community Development Block Grants (CDBG) program. HUD monies for the CDBG program are estimated to be \$145,805 for FY 2024. This program is administered by Oakland County and provides reimbursement for expenditures that aid low-moderate income areas. This reimbursement is limited to the amount of available Federal funding.

### Municipal Building Bond Funds

This fund accounts for the debt repayment associated with the Civic Center Plaza and Fire Station #2 building projects. These capital improvement bonds were issued in April 2022 for the \$6.5 million series 2022 limited-tax general obligation (LTGO).

### Chapter 20 Drain Debt Fund

This fund accounts for Drain debt activity for the drains located in Madison Heights. The tax is levied pursuant to Michigan Drain Code Chapter 20 of Public Act 40 of 1956. A dedicated millage of 0.82 mills will generate \$850,187 to make these payments as assessed by Oakland County.

### Water and Sewer Fund

Water and Sewer Fund revenues are generated through user charges to residential and commercial customers. Rates have not been increased since July 1, 2019, while we worked with OHM consulting to complete a stormwater system and rate analysis. As a result, Water and Sewer rates are budgeted to changes follows: Water rate per unit will increase from \$3.27 to \$4.26; Sewer will increase from \$3.69 to \$6.30 per unit; Stormwater rate would be eliminated, changing from \$12.60 per equivalent residential unit to \$0.00

This budget includes a contribution to net assets in the amount of \$753,583 for FY 2024 ahead of a planned use of fund balance in FY 2025 of \$505,096 for one-time expenses such as capital assets and infrastructure improvements such as water main replacements.

## Motor Pool Fund

Revenues of the Motor Pool Fund are provided exclusively through contributions from departments of the General Fund (\$925,816) and the Water and Sewer Fund (\$108,378). The amount contributed by each department is based on the cost incurred by the Motor Pool in maintaining each department's vehicles.

## Department of Public Services Fund

Revenues of the Department of Public Services Fund are provided exclusively through contributions from other departments in the City. The amount contributed by each department is based on the time incurred by the Department of Public Services personnel as tracked by the City's work order system. FY 2024 includes revenues from the General Fund (\$723,149), Major Street Fund (\$119,731), Local Street Fund (\$175,872) and Water and Sewer Fund (\$1,310,098).

## FUND BALANCE

In Madison Heights, the General Fund Fund Balance consists of designations of assigned fund balance for various purposes, totaling \$13.3 million. This amount is higher than the City's average fund balance as we strategically have been saving for the upcoming capital projects included in the FY 2023 budget. The following table reflects the audited Fund Balance for the years ended June 30, 2021, and 2022:

FUND BALANCE	ACTUAL FY 2020-2021	ACTUAL FY 2021-22	CHANGE FY 2021 vs 2022
Unreserved:			
Assigned:			
Vested Employee Benefits	\$2,732,929	\$2,554,009	(\$178,920)
Retained Insurance Risks	2,131,740	1,092,722	(\$1,039,018)
Capital Improvements	3,676,976	1,906,658	(\$1,770,318)
Post employment Benefits	1,490,535	778,283	(\$712,252)
Technology Improvements	150,000		(\$150,000)
Pension Bonds	884,082	892,807	\$8,725
Subsequent Year's Expenditures	1,989,172	1,705,053	(\$284,119)
Capital projects - Civic Center &		5,159,868	5,159,868
Total Assigned	\$13,055,434	14,089,400	\$7,184,860
Non Spendable and Restricted	<u>275,392</u>	<u>7,460,252</u>	<u>(\$373,169)</u>
Total Unreserved Fund Balance	\$13,330,826	\$21,549,652	\$ 8,218,826

## Assigned Funds

Assigned Fund Balance falls into four categories: funds designated for vested employee benefits; retained insurance risks; technology improvements, capital projects, subsequent year's expenditures, and debt, including liability for other post-employment benefits.

The designation for vested employee benefits was established to provide a reserve for unused sick leave and vacation benefit liabilities not funded elsewhere. These funds would be required to meet the commitments, which change over

time based on employee retirements, leave accrual, and utilization rates. On June 30, 2022, this designation was set based on audited records at \$2,554,009 of the Assigned Fund Balance. In 1987, the City started setting aside a portion of its Fund Balance for possible contingencies related to self-insurance losses. Based on reporting of claims incurred but not reported, staff assigned \$1,092,722 for insurance risk on June 30, 2022.

With the decreases in revenue sharing and property tax, and increasing prices, the general maintenance and upkeep of City facilities and technology have become a heavy burden to support and, in some situations, have been deferred for years. As of June 30, 2022, the assignment for future capital improvements was included at \$1,906,658, with an additional \$5,159,868 for capital projects - renovation of the Civic Center Plaza and Fire Station #2. The City has also followed the sound practice of designating funds for budgeted purchases and projects that cannot be accomplished by the end of any given fiscal year. This method of carrying forward monies could be used to retain appropriations on large equipment purchases or construction projects budgeted but not bid or completed before the end of a fiscal year. This financial tool is used to pull together all those significant outstanding items but not acted upon by the end of a budget year. On June 30, 2022, those carry-forward purchase designated funds totaled \$1,705,053.

In FY 2017, the City issued Pension Obligation Bonds. On June 30, 2022, one year of debt payments for the principal was assigned at \$892,807, and \$778,283 was assigned for city contributions for other post-employment benefits.

#### Unassigned Funds

Unassigned Fund Balance is that portion of the fund balance not specifically assigned for a specific purpose. Due to the current financial constraints, all of the Fund Balance is either non-spendable, assigned, or reserved for specific purposes.

#### Restricted Funds

Restricted fund balance is the portion of fund balance constrained to specific purposes by an external characteristic. In the City's case, these monies are restricted for dedicated millages and donations for specific items. As of June 30, 2022, the City had restricted funds for Capital Project bonds \$6,430,535, and donations of \$138,038.

#### Changes in Fund Balance

This budget document complies with the City Council financial policy to maintain a minimum of two months (16%) of regular operating expenditures plus one year of debt payments. For more details, please see the Reserve Policy in the Appropriations Chapter.

**ALL FUNDS SUMMARY**  
**CHANGES IN PROJECTED**  
**FUND BALANCE/RETAINED EARNINGS**  
**FISCAL YEAR 2023-24**

Fund	Beginning Balance	Revenues	Expenditures	Ending Balance	Percent Change In Fund Balance
General Fund (1)	\$ 5,617,823	\$ 38,849,863	\$ 38,860,020	\$ 5,607,666	(0.00)
Major Street (2)	2,842,820	2,570,185	2,756,382	2,656,623	(0.07)
Local Street - Non Proposal R (3)	374,854	1,333,510	984,787	723,577	0.93
Local Street - Proposal R	3,658,249	2,182,018	2,274,000	3,566,267	(0.03)
Parks Maintenance and Improvements	577,885	52,977	52,977	577,885	0
Downtown Development Authority	298,324	213,875	191,605	320,594	0.07
Police Drug Forfeiture	183,747	250	47,000	136,997	(0.25)
Community Improvement Program	113	145,805	145,805	113	0
Fire Stations Bond Funds	11,460	0	0	11,460	0
Municipal Building Bond Fund	0	0	0	0	0
Fire Stations Building Funds	0	257,100	257,100	0	0
Municipal Building Fund	0	0	0	0	0
Chapter 20 Drain Fund	0	850,187	850,187	0	0
Water and Sewer Fund (4)	2,471,034	12,926,632	12,173,049	3,224,617	0.31
Motor Pool and Equipment Fund	0	1,034,194	1,034,194	0	0
Department of Public Services	0	2,328,850	2,328,850	0	0
<b>Total</b>	<b>\$16,036,309</b>	<b>\$ 62,745,446</b>	<b>\$61,955,956</b>	<b>\$16,825,799</b>	<b>0.05</b>

- The Water and Sewer Fund's retained earnings is not representative of cash in the business type fund and includes accounts receivable, depreciation, and inventory. At June 30, 2023, the cash portion of retained earnings are projected to be \$2,719,752 with unrestricted net assets estimated to be \$2,471,034.
- The General Fund budget proposes a use of Fund Balance in both FY 2023 and 2024. The Budget use of fund balance is \$10,157 in FY 2024 and \$16,491 in FY 2025.
- The City Council has adopted a financial policy for General Fund fund balance to maintain a minimum of two months (16%) of regular operating expenditures plus one year of General Obligation debt payments, which is estimated to be \$1.22 million.
- The Major Street fund is budgeted to use \$186,197 to fund balance. At June 30, 2024, the fund balance is projected to be \$2,656,623.
- The Local Street Fund has two components of fund balance. The first includes non-proposal R revenues, which are projected to contribute \$384,723 to fund balance in FY 2023. The second is Proposal R portion a dedicated Roads millage is levied, which is budgeted to use \$91,982 to fund balance in FY 2023.

## **BUDGET POLICIES AND PROCEDURES CHAPTER**

### **Role of the Budget**

The Budget provides the annual financial plan for the management of the City's affairs. The document compiles the financial data needed to support the City of Madison Heights's comprehensive decision-making and policy development process. This Budget is based on the Capital Improvement Plan, the City's financial policies, Strategic Planning document and workshop discussions, and City Manager and Departmental review of operations.

### **Budget Strategy**

The current financial plan is based upon Citywide Strategic Plan, Council direction and current revenue constraints. These factors govern the stewardship of public funds and reflect the following principles:

Maintain basic services at current levels with adequate funding and enhancement of services where feasible;

Program costs will reflect a true picture of the cost of operations. Depreciation will not be included in program costs and some Citywide expenses will be separated from program expenditures for ease of administration;

Program services will be provided in the most efficient method while meeting the needs of the public;

Necessary infrastructure improvements to stationary capital assets such as roads, sewer lines and water systems, will be undertaken, when financially feasible, to meet needs;

Revenues will be estimated at realistic levels;

Reserves will be programmed at appropriate levels (two months' worth of operating expenditures or 16% of annual operating expenditures plus one year of debt payments) to protect the City from future uncertainties; and

The Budget will comply with provisions of the State Constitution, City Charter, Municipal Code and sound fiscal policy.

Reserves will only be utilized for one-time expenditures not ongoing expense.

## **FINANCIAL POLICIES**

Written financial policies serve the staff in the preparation of the budget and management of the City's financial affairs. Policies have been established in the following areas: Operating Management, Budget and Expenditures, Revenue, Reserves, Capital Improvements, Debt, Investments, Electronic Transactions of Public Funds, Auditing and Financial Reporting, Credit Cards, Accounting and Identity Theft Prevention.

The City of Madison Heights's financial policies, as compiled below, set forth the basic framework for the overall fiscal management of the City. Operating independently of changing economic circumstances and conditions, these policies assist the decision making process of the City Council and staff. These policies provide guidelines for evaluating both current activities and proposals for future programs.

Most of the policies represent long-standing principles, traditions, and practices, which have guided the City in the past and have helped maintain financial stability.

### **Operating Budget Policies**

1. The City will establish a financial forecast to be updated annually, focusing on a four-year horizon combined with the current year for a five-year outlook.
2. The City will evaluate alternative means of services delivery when opportunities arise to ensure that services are being provided to our residents at the most economical cost.
3. The City will attempt to maintain its present service level for all priority and essential services within the existing property tax millage limits.

### **Budget and Expenditure Policies**

1. The City must adopt a balanced budget annually. A balanced budget is when total budgeted revenues are equal to total expenditures. All expenditures or revenues that increase or decrease the budget causing it to be out of balance must be amended by City Council through formal action.
2. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare periodic reports comparing actual revenues and expenditures to budgeted amounts.
3. The City will emphasize efforts to reduce expenditures in major cost centers (e.g. energy, medical insurance premiums, self-insurance liability premiums, communications, information technology, pension costs, worker's compensation premiums and other fringe benefits).
4. The Water and Sewer Fund operations will be self-supporting.

## **Revenue Policies**

1. The City will seek to maintain a diversified and stable revenue system to shelter itself from short-run fluctuations in any one revenue source.
2. The City will attempt to obtain additional revenue sources as a way of ensuring a balanced budget.
3. The City will establish all user charges and fees at a level related to the full cost (operating, direct, indirect and capital) of providing the service.
4. The City will review fees and charges annually, and will design or modify revenue systems to automatically allow charges to grow at a rate that keeps pace with the cost of providing the service, which includes, but is not limited to, pass-through charges from other jurisdictions and wholesale providers of service to the City.
5. The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.
6. The City will, to the extent possible, use one-time revenues to fund one-time expenditures instead of financing ongoing programs.
7. The City will evaluate revenue sources to identify those sources that are unpredictable and use conservative estimates in preparing revenue projections.
8. The City will consider financing options for equipment and infrastructure needs only when the cost exceeds \$200,000; useful life exceeds 10 years and phase funded savings not feasible.
9. The City will consider leasing vehicles only when higher resale values and ability to turnover lower mileage vehicles when vehicles exist. We will not consider leasing vehicles that require customized up fitting of equipment.

## **Reserve Policies**

GASB 54 requires certain actions by the City in order to establish a means to segregate fund balance for reporting purposes. Furthermore, in order to ensure that the City maintains adequate levels of fund balance to mitigate risks and provide a back-up for revenue shortfalls, this policy establishes a minimum level of unrestricted fund balance in our general fund, along with use and replenishment of fund balance.

### **Purpose**

The City believes that sound financial management principles require that sufficient funds be retained by the City to provide a stable financial base at all times. To retain this stable financial base, a fund balance in the General Fund must be sufficient to fund all cash flows of the organization, to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature, and to provide funds for all existing encumbrances.

The purpose of this policy is to establish a key element of the financial stability by setting guidelines for fund balance as well as use and replenishment. Fund balance is an important measure of economic stability. It is essential to maintain adequate levels of fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for general operations.

In addition, this policy addresses the City's requirements under GASB 54 surrounding the composition of fund balance, including the establishment and use of the various components of fund balance.

### Definitions

Fund Balance – A governmental fund's fund balance is the difference between its assets, deferred outflows and its liabilities and deferred inflows.

Fund Balance Components – An accounting distinction is made between the portions of fund equity that are spendable and non-spendable. Under GASB 54, these are broken up into five categories:

1. Non-spendable Fund Balance – Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
2. Restricted Fund Balance –Amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include grants and dedicated millages.
3. Committed Fund Balance - Amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
4. Assigned Fund Balance –Amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
5. Unassigned Fund Balance – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Unrestricted Fund Balance - Unrestricted fund balance includes committed, assigned and unassigned fund balance categories. Governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on unassigned fund balance rather than on unrestricted fund balance.

### Minimum Unrestricted Fund Balance – Major Funds

1. The City will maintain unrestricted fund balance of no less than two months (16%) of regular operating expenditures plus one year of debt payments if applicable.
2. The City will plan to meet all reoccurring expenditures with reoccurring revenues. Only one-time expenditures shall be funded through a use of fund balance.
3. The City will establish reserves to comply with the terms and conditions of the debt instruments used to finance capital improvement projects. Capital improvement projects are large purchases and construction projects costing \$30,000 or more.

4. The City shall set aside specific amounts of retained earnings in reserves for future development of capital improvement projects that it has determined to be in the best long-term interests of the City.
5. The City will review fund balance levels at the end of each year to insure compliance with this policy. If fund balance falls below the policy guidelines, the City should immediately take all steps necessary to control operating expenditures and use budget surplus to replenish the fund balance to target levels in the following year.

#### Committed Fund Balance

The City Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the City Council at the Council meeting. If a commitment is to be made, the resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year.

#### Assigned Fund Balance

The City Council has authorized the City Manager and/or Finance Director/Treasurer as the official authorized designee to assign fund balance to a specific purpose as approved by this fund balance policy.

#### Order of Expenditure of Funds (Spending Prioritization)

When multiple components of fund balance are available for the same expenditure (for example, a project has both restricted and unrestricted funds available for it), spending will occur in this order – restricted amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

#### **Capital Improvement Policies**

1. The City will develop an inventory of capital needs annually. The capital needs are reviewed to determine what projects and/or assets should be funded. In the past, the cost for some capital improvements has been large enough to warrant a separate millage or bond proposal.
2. The City will develop a multi-year plan for capital improvements, update it annually and make all capital improvements in accordance with the plan.
3. The City's plan will include large capital purchases and construction projects costing more than \$5,000.
4. The City will maintain its physical assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs. The budget will provide for the adequate maintenance and the orderly replacement of the capital infrastructure and equipment from current revenues where possible.
5. The City will try to ensure that prime commercial and industrial acreage is provided with the necessary infrastructure to meet the market demand for this property.
6. The City will use the following criteria to evaluate the relative merit of each capital project:
  - a. Projects that are related to a grant opportunity will receive priority consideration.

- b. Projects that implement a shared service or inter local agreement will receive priority consideration.
- c. Projects specifically included in an approved replacement schedule will receive priority consideration.
- d. Projects that reduce the cost of operations or energy consumption will receive priority consideration.
- e. Projects that have been funded for at least one prior year as part of a multi-year phased funding approach will receive priority consideration.
- f. Projects that duplicate other public and/or private services will not be considered.
- g. Priority will be given to those projects that directly support development efforts in areas with a majority of low to moderate-income households.

## **Capital Asset Management Policy**

### Purpose

The purpose of this policy is to ensure that the City's capital assets are accounted for in conformance with generally accepted accounting principles; and to establish a consistent and cost-effective method for accounting for assets.

This capital asset policy is in accordance with generally accepted accounting principles and closely conforms to capital asset accounting practices as recommended by the Government Finance Officers Association (GFOA).

### Policy

1. Capitalization Thresholds - Effective July 1, 2016, for assets that have an estimated useful life of at least two (2) years, the City will increase the capitalization threshold of individual assets other than Buildings, Building Improvements and Land Improvements and Infrastructure from \$2,000 to \$5,000. The capitalization threshold for Buildings and Building Improvements shall be \$50,000 and for Land Improvements the capitalization threshold shall be \$25,000. However, assets acquired with debt proceeds may be capitalized regardless of cost. In addition, assets acquired prior to July 1, 2016 and capitalized at a lower threshold, may continue to be depreciated on the basis of past practice. Effective July 1, 2016, infrastructure projects and improvements shall be capitalized so as to substantially account for the City's investment in infrastructure and consider related debt. Individual assets that cost less than \$5,000, but that operate as part of a networked system may be capitalized in the aggregate, using the group method, if the estimated average useful life of the individual asset is at least two years. A network is determined to be where individual components may be below \$5,000 but are interdependent and the overriding values to the City is on the entire network and not the individual assets (e.g. computer systems and telephone systems).

2. Valuation - In accordance with generally accepted accounting principles, the City will value its capital assets at historical cost. Historical cost includes the cost or estimated cost at the time of acquisition, freight charges, installation and site preparation charges, and the cost of any subsequent additions or improvements, excluding repairs. If a capital asset is donated to the City, the asset will be valued based on the fair market value at the time the asset is donated.
3. Capital Assets Inventory Report - As part of the financial audit, the Finance Department shall submit a capital asset report to the City's independent auditor on an annual basis. This report will include the following information:
  - a. Type of asset (i.e. land, building, infrastructure)
  - b. Date of acquisition
  - c. Acquisition cost
  - d. Estimated useful life
  - e. Annual depreciation
  - f. Accumulated depreciation
4. Depreciation - The City will use the Straight-Line Method as its standard approach to depreciate capital assets.
5. Salvage Value - The City will set the salvage value on capital assets at 10 percent of acquisition cost.
6. Estimated Useful Lives - For assets purchased after July 1, 2016, the City will use the following ranges in setting useful lives for depreciating assets:
  - a. Buildings and land improvements - 50 years
  - b. Machinery and equipment - 5 years
  - c. Furniture and fixtures - 5 years
  - d. Office Equipment - 5 years
  - e. Vehicles - 5 years
  - f. Infrastructure assets
    - i. Streets and bridges - 25 years
    - ii. Sidewalks - 15 years
    - iii. Utility systems - 20-50 years
7. Capital vs. Repair and Maintenance Expense -
  - a. With respect to improvements on non-infrastructure and infrastructure capital assets, cost should be capitalized if the useful life of the asset is substantially extended, or the cost results in a substantial increase in the capacity or efficiency of the assets.
    - i. Otherwise the cost should be expensed as repair and maintenance.

- b. With respect to improvements on infrastructure capital assets under the Modified Accrual Approach, cost should be capitalized if expenditures substantially increase the capacity or efficiency of an infrastructure.
  - i. Otherwise this cost, including those that preserve the useful life of an infrastructure asset, is expensed.
- 8. Disposal and Transfer of City's Assets - Disposition of City's assets will be performed in accordance with applicable City policies and procedures.

### **Debt Policies**

- 1. The City will consider use of debt financing only for equipment and capital improvement projects such that revenue is of a sufficient amount, and the projects' term of financing will not exceed the useful life of the asset or project.
- 2. The net bonded indebtedness incurred for all public purposes shall not at any time exceed ten (10) percent of the assessed value of all real and personal property in the City.
- 3. The amount of emergency loans that the Council makes under provisions of Section 10.1 subsection (3) of the Charter may not exceed three-eighths of one percent of the assessed value of the real and personal property in the City.
- 4. The total amount of special assessment bonds pledging the full faith and credit of the City shall not at any time exceed twelve percent of the assessed value of all real and personal property in the City.
- 5. The City will not consider the use of debt financing to support operations.
- 6. The City will maintain a sound relationship with all bond rating agencies and will keep them informed about our current capital projects.
- 7. The City will publish and distribute an Official Statement for each bond issue.

### **Investment Policy**

- 1. The City will invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the entity and conforming to all State statutes and local ordinances governing the investment of public funds.
- 2. This investment policy applies to all financial assets held by the City other than the Police and Fire Retirement Fund and the Parks Maintenance and Improvements Fund which are governed by Public Act 314 of 1965 as amended.
- 3. The City's investments shall be reasonably diversified by specific maturity dates, and/or individual financial institutions or a specific class of securities.
- 4. In managing its investment portfolio, the Finance Director/Treasurer (serving as the Investment Officer) or designee should avoid transactions that might impair public confidence. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of these affairs, not for speculation, but for investment, considering the probable safety of this capital as well as the probable income to be derived.

5. The City's officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair or create the appearance of an impairment on their ability to make impartial investment decisions.
6. The City is empowered by State statute (1943 P.A. 20 as amended by 1988 P.A. 285, and Section 1 (as amended by 1997 P.A. 44) to invest in the following types of securities:
  - a. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.
  - b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the state under a law or rule of this state or the United States.
  - c. Commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and that matures not more than 270 days after date of purchase.
  - d. Repurchase agreements consisting of instruments in subdivision (a).
  - e. Bankers' acceptances of United States banks.
  - f. Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
  - g. Mutual funds registered under the Investment Company Act of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S. C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of either of the following:
    - (i) the purchase of securities on a when-issued or delayed delivery basis;
    - (ii) the ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100% of the value of the securities loaned; and
    - (iii) the limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.
  - h. Obligations described in subdivision (a) through (g) if purchased through an inter-local agreement under the Urban Cooperation Act of 1967, 1967 (Extra Session) PA 7, MCL 124.501 to 124.51.
  - i. Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, MCL 129.111 to 129.118.
  - j. Investment pools organized under the Local Government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150.

7. The Investment Officer is restricted to investments in any one single issue or obligation of \$3,000,000 or less, which meet the statutory restrictions above.
8. Except for cash in certain restricted and special accounts, the investment officer may pool cash of various funds to maximize investment earnings. Investment income shall be allocated to the various funds based upon their respective participation.
9. The City maintains its records on the basis of funds and account groups, each of which is considered a separate accounting entity. All investment transactions shall be recorded in the various funds of the City in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board. Accounting treatment will include carrying investments at cost or amortized cost which approximates market and amortizes the premium or discount over the life of the investment.
10. The Investment Officer will submit a quarterly investment report that provides the principal and type of investment by fund, annualized yield, ratio of cash to investments, earnings year-to-date, and a summary report of cash and investments maintained in each financial institution. Material deviations from projected investment strategies will be reported immediately to the City Manager.
11. The Investment Officer shall establish a system of internal controls, which are designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Finance/Treasurer Department. Required elements of the system of internal controls shall include 1) the timely reconciliation of all bank accounts (i.e., monthly reconciliation within 30 days of the end of the monthly cycle), and 2) details of delivery versus payment procedures and trust receipt documentation.

### **Electronic Transactions of Public Funds Policy**

1. Authority to enter into Automated Clearing House (ACH) agreements and electronic transfer for public funds.

The Finance Director/Treasurer may enter into an ACH agreement as provided by Public Act 738 of 2002, hereinafter “the Act”, effective December 30, 2002. The City Council has adopted a resolution to authorize electronic transactions of public funds and have received a copy of the policy. Applicable definitions in the Act shall apply.

2. Responsibility for ACH.

The Treasurer shall be responsible for all ACH agreements, including payment approval, accounting, reporting, and generally overseeing compliance with the ACH Policy. The Treasurer shall provide documentation detailing the goods or services purchased, the cost of goods or services, the date of the payment, and the department(s) serviced by the payment. This report is contained in the electronic general ledger software system.

3. The following system of internal accounting controls shall be used to monitor the use of ACH transactions.

The Treasurer shall be responsible for the establishment of ACH agreements. The Treasurer shall make arrangements for those accounts to be paid by ACH or electronic transfers.

Upon receipt of an invoice for payment for accounts paid by ACH, the Department Head shall approve payment and notify the Treasurer to arrange for the appropriate debit to the City's accounts.

For payment of state and federal payroll taxes, the Treasurer shall initiate payment to the proper authority upon receipt of the information from the payroll department using the established Electronic Federal Tax Payment System (EFTPS) and state programs.

For deposits from state, county, and/or federal authorities, and from third-party payment processors (e.g. banks, vendors), the Treasurer shall obtain the amount of the deposit and send a notice to the person responsible for accounting records.

All invoices shall be held by the Finance Department along with copies of payment notices.

The Treasurer reserves the right to amend this policy relating to any other matters the Treasurer considers necessary.

### **Auditing and Financial Reporting Policies**

1. An independent audit will be performed annually.
2. The City will produce annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board.
3. The City will maintain a strong internal audit and segregation of duties to the best of its ability given reduced staffing levels.

### **Credit Card Policy**

1. The Finance Director/Treasurer is responsible for the City of Madison Heights credit card accounting, monitoring, and generally for overseeing compliance with this credit card policy. The Human Resources Director and/or Finance Director is responsible for credit card issuance and retrieval.
2. A credit card may be used only by an officer or employee of the City of Madison Heights for the purchase of goods or services for the official business of the City of Madison Heights. In addition, any administrative policy that may be implemented by the City Manager may limit the specific official business for which credit cards may be used.
3. An officer or employee using credit cards issued by the City of Madison Heights shall submit to the Finance Department documentation detailing the goods or services purchased, the cost of the goods or services, the date of the purchase, and the official business for which purchased.
4. An officer or employee issued a credit card is responsible for its protection and custody and shall immediately notify the Finance Director if the credit card is lost or stolen.

5. An officer or employee issued a credit card shall return the credit card upon the termination of his or her employment or service in office with the City of Madison Heights.
6. The Finance Director shall establish a system of internal accounting controls to monitor the use of credit cards issued by the City of Madison Heights.
7. The approval of credit card invoices by the utilizing department shall be completed before payment.
8. The balance including interest due on an extension of credit under the credit card arrangement shall be paid for within 30 days of the initial statement date or before the stated due date. The City of Madison Heights shall comply with this provision.
9. Disciplinary measures shall be consistent with law for the unauthorized use of a credit card by an officer or employee of the City of Madison Heights.

## **Accounting Policies**

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies:

### **1. Basis of Accounting**

Modified Accrual is a “basis of accounting” that determines when a transaction or event is recognized in the fund’s operating statements. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

The Water and Sewer Fund and Police and Fire Retirement Fund use the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are both measurable and earned, regardless of when the cash is received. Expenses are recorded when incurred. Otherwise, all governmental funds and other funds utilize the modified-accrual basis of accounting. The City is legally subject to the budgetary control requirements of the State of Michigan Public Act 621 of 1978, as amended (the Uniform Budgeting Act). Budgets must be adopted for the General Fund, Special Revenues Funds and Debt Service Funds. The City adopts its budget by activity, which is in accordance with the State’s legal requirements. The budget follows the type of accounting that the State of Michigan directs. Modifications in such method from the accrual basis are as follows:

- a. Property taxes and other revenue that are both measurable and available for use to finance operations of the City are recorded as revenue when earned. Other revenue is recorded when received.

Properties are assessed as of December 31 and the related property taxes become a lien on the following July 1. These taxes are due on August 31 with the final collection date of February 28 before they are added to the County’s delinquent tax rolls with penalties.

- b. Non-current receivables, such as special assessments, are recorded at full value and deferred revenue is recorded for the portion not available for use to finance operations as of year-end.

- c. Interest income on special assessment receivable is not accrued until its due date.
- d. Interest on bonded indebtedness and other long-term debt is not recorded as an expenditure until its due date.
- e. Payments for inventory types of supplies are recorded as expenditures at the time of purchase.
- f. The non-current portion of vested employee benefits is reflected in the General Long-Term Debt Group of Accounts.

## **2. Budgeting**

All appropriated funds are budgeted for on a modified accrual basis. In particular, employee wages are budgeted to account for the number of days scheduled for each fiscal year.

## **3. Fund Accounting**

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts, recorded cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of performing specific activities or attaining certain objectives. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate “fund types.”

### **A. Governmental Funds**

**General Fund:** The General Fund contains the records of the ordinary activities of the City that are not accounted for in another fund. General Fund activities are financed by revenue from general property taxes, state-shared revenue and other sources.

**Special Revenue Funds:** Special Revenue Funds are used to account for activities that are substantially funded by a specific external revenue source that is restricted or committed to a specific purpose.

**Debt Service Funds:** Debt Service Funds are used to account for the annual payment of principal, interest and expenses in connection with certain long-term debt other than debt payable from the operations of an enterprise fund.

**Capital Project Funds:** Capital Project Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

### **B. Proprietary Funds**

**Enterprise Fund:** The Enterprise Fund is used to account for the results of operations that provide a service to citizens that is financed primarily by a user charge for the provision of that service. The Water and Sewer Fund is the City’s only Enterprise Fund.

**Internal Services Funds:** Internal Services Funds are used to account for activities that provide services to other funds or departments within the local government. The Motor Pool Fund and Department of Public Service Fund are Internal Service Funds in the City, which provide services on a cost reimbursement basis.

The Proprietary Funds are unique to governmental accounting. Unlike most other funds, these funds are treated similar to private businesses; in other words, the cost associated with these funds must be recovered through revenue generated from their services. Capital related charges in these funds are budgeted based upon actual cost; however, for accounting purposes these capital purchases are recorded as assets and depreciated over their useful life.

#### C. Fiduciary Funds

Trust Funds are used to account for assets held by the City in a trustee capacity or as an agent for individual, organizations, other governments or other funds. These include both the Police and Fire Retirement Fund and Retiree Health Care Fund, as well as the General Retiree Health Care Fund, and Tax Collection and Escrow Funds. The Police and Fire Retirement Funds and both Retiree Health Care Funds are accounted for in the same manner as proprietary funds. Tax Collection and Escrow Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

#### D. Fixed Assets and Long-term Liabilities

**Fixed Assets and Long-term Liabilities:** Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Group of Accounts, rather than in the governmental funds. Such assets, which are recorded as expenditures at the time of purchase, do not include certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and lighting systems. No depreciation is recorded for general fixed assets.

All fixed assets are recorded at cost or, if donated, at their estimated fair value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Group of Accounts, not in the governmental funds.

### **Identity Theft Policy**

The risk to the City, its employees and customers from data loss and identity theft is of significant concern to the City and can be reduced only through the combined efforts of every employee and contractor.

The City adopts this sensitive information policy to help protect employees, customers, contractors and the City from damages related to the loss or misuse of sensitive information.

This policy will:

1. Define sensitive information;
2. Describe the physical security of data when it is printed on paper;
3. Describe the electronic security of data when stored and distributed; and
4. Place the City in compliance with state and federal law regarding identity theft protection.

This policy enables the City to protect existing customers, reducing risk from identity fraud, and minimize potential damage to the City from fraudulent new accounts. The program will help the City:

1. Identify risks that signify potentially fraudulent activity within new or existing covered accounts;
2. Detect risks when they occur in covered accounts;
3. Respond to risks to determine if fraudulent activity has occurred and act if fraud has been attempted or committed; and
4. Update the program periodically, including reviewing the accounts that are covered and the identified risks that are part of the program.

This policy and protection program applies to employees, contractors, consultants, temporary workers, and other workers at the City, including all personnel affiliated with third parties. The detailed policy can be found on the City's website at [www.madison-heights.org](http://www.madison-heights.org).

### Water and Sewer Billing Policy

Minimum Bill Fee - During each year's budget process, the user rates for water, sewer and storm water shall be evaluated and approved as part of the annual budget resolution. These rates are calculated by dividing total estimated units to be sold in the coming year into the total budgeted expenses.

Budgeted expenses are composed of operational cost, capital expenses, general maintenance of the water, sewer and storm water systems, and the commodity charge from the Great Lakes Water Authority (GLWA) and Oakland County Water Resource Commissioner.

Fixed operational cost and capital expenses are paid by all accounts connected to our system regardless of usage. This is charged in a minimum bill fee of 10 units and represents a "ready to serve" charge. Regardless of an account's usage, the water and sewer lines in the City must be maintained so that service can be provided when needed.

For residential customers, the minimum bill is 10 units for usage of 0-10 units a quarter.

For commercial customers, the minimum bill is 3.33 units for usage of 0-3.33 units a month.

## **BUDGETING CONTROLS**

### **Internal Controls**

The annual budget provides a basis of control over financial operations. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the approved budget. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Enterprise Fund are included in the annual appropriated budget. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established by function and activity within each individual fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

### **Independent Audit**

State statutes and the City Charter require an annual audit of all accounts of the City by certified public accountants selected by the City Council. This requirement has been fulfilled by Plante & Moran, Certified Public Accountants, for many years. The auditor's report on the general purpose financial statements is included in the financial section of the Annual Financial Report. The auditor's report that relates specifically to the federal funds' single audit is reported under separate report.

## **BUDGET PROCESS OVERVIEW**

The Annual Budget covers a twelve month period beginning July 1<sup>st</sup> and ending June 30<sup>th</sup>.

There are several goals associated with the preparation and development of the City's annual budget document. First, the budget is a financial plan and management tool. The document should assist staff in monitoring revenues and expenditures and in evaluating the effectiveness of City program and services. Second, the budget serves as an important reference document and communication tool. It should provide staff, City Council and the general public with extensive information on the nature and scope of municipal operations and services.

### **Departmental Budget Requests**

The budget preparation process includes the development of a five year capital improvement plan. Particular attention is given to providing sufficient justification for these budget requests.

### **Building the Proposed Budget**

Under the direction of the City Manager, and with the assistance of Oakland County Equalization, Department Heads and the Finance Director/Treasurer prepare an initial projection of revenues for the next fiscal year. This projection is based on reasonable assumptions of revenue generated by estimated property values and current user fees, and the most current information from the State. Next, the City Manager establishes budget allocations for existing funding priorities and the

strategy of proportioned allocations (including reduction if necessary) for each department based on available revenue. Spending priorities are based on the City's financial policies and mandated requirements, and focus on maintaining priority services, covering insurance and bond requirements, and the balancing of staff, supplies and equipment.

### **Budget Review and Analysis**

All funding requests are sent to the City Manager and Finance Director/Treasurer for review and evaluation. The objectives of this phase are to:

- a. Ensure that the intent of all budget requests is understood and complete.
- b. Gain greater understanding of departmental goals, objectives and operations for the coming fiscal year.
- c. Determine how proposed budgetary programs and associated changes are related to City Strategic Plan and department goals and objectives.
- d. Develop comprehensive information and/or request further justification on budgeted items.

Various analytical techniques are utilized in evaluating departmental budget requests. Some of these include: analysis of workload and levels of services, evaluation of historical expenditure patterns, projection of inflationary price increases, as well as review of departmental operations.

### **City Manager Review**

Review sessions are scheduled with the City Manager. After these discussions, the City Manager makes final adjustments and works with the Finance Director/Treasurer and staff to prepare the draft of the Proposed Budget.

### **City Council Adoption**

After receiving the Proposed Budget, work session(s) are conducted with the City Council to familiarize members of the Council with its contents. A public hearing is conducted to assure that persons and organizations are provided an opportunity to comment. The City Council then makes its revisions and adopts the budget for the next fiscal year.

### **Budget Amendments**

The City Manager is authorized to make Budgetary transfers as needed within the appropriation centers established throughout the Budget. Any other transfers between appropriations may be made only by further action of the Council, pursuant to the provisions of the Michigan Uniform Accounting and Budget Act.

## **Budget Calendar**

### **Economic Outlook Process**

September to Mid November	Financial team develops five year financial forecast and future funding presentation
November	Staff and Council review forecast results and presentation

### **Strategic Planning Process**

Early December	First Strategic Planning workshop with City Council and Staff to review overall City goals and set objectives
Early January	Second Strategic Planning Workshop with Citizen engagement
January - Late February	Department Heads and Staff develop action items to be considered for achieving each object
Early March	Based on available revenues, City Council holds a final Strategic Planning Workshop to discuss and finalize plans for the upcoming fiscal year
April	City Council formally adopts Strategic Plan
Late May to June	Department Heads and City Manager develop strategic work plans and provide copies to Council

### **Capital Improvement Plan**

Early January	City Manager requests that departments submit Capital requests for Capital Improvement Plan (CIP) (over \$5,000)
Mid January	Department of Public Services and Community Development Department complete road evaluation
Late January	Final deadline for CIP requests to City Manager
Mid February	City Manager and Staff review and compile the CIP requests
Early February to mid February	Preparation of CIP worksheets, maps, graphs and tables for presentation
Early March	City Manager and Staff prepare the CIP document as part of the Policy Operating Budget

## **Operating Budget**

Early January to Late February	Preparation of Personnel Schedules by Finance Department; Internal Service Funds (Motor Pool and Department of Public Services) submitted and reviewed by City Manager
Mid January to Mid February	Department Heads submit changes in user fees
Late January/Early February	Staff proposes and Council reviews and approves amendments, if needed (no special notices or public hearing required)
Early February	Deadline for submission of department budgets to City Manager
Late February	City Manager's review of budget request with Department Heads
March	City Manager and staff resolve remaining budget concerns and other questions and prepare draft line item budget and policy document.

Early April	Staff produces Proposed Budget for submission to City Council
Mid April	Council Budget Workshop Session(s)
Late April	Finance Director/Treasurer and City Clerk publish notice of public hearing on millage rates and budget adoption
By the Third Monday in April	Charter Requirement - City Manager presents budget to Council
Second Monday in May	Public Hearing on the Budget. City Council adopts Annual Operating Budget and Tax Levy
May/June	Staff produces and electronically posts the Adopted Budget document and distributes to City Council, Department Heads and Public
Late June	Staff proposes and Council reviews and approves year-end budget amendments and carry forwards, if needed (no special notices or public hearing required)

## **APPROPRIATIONS CHAPTER**

The Appropriations Chapter provides the backup and support materials for concepts and programs introduced in the Budget Overview. This chapter outlines changes to the base budget that are necessary for the City to meet its existing obligations in the new budget year.

### **Changes to the Base Budget**

#### **Personnel Services**

##### **Wages & Benefits**

Personnel services comprise approximately \$27.7 million or 44.6% of the Total Budget and approximately \$24.7 million or 63.4% of the General Fund Budget. Personnel Services across all funds are up \$255,661 when compared to the FY 2023 Amended Budget. This large increase is due to the FY 22 or 23 Budget not including any contractual increases as negotiations had not yet been completed, and the FY 24 Budget includes all contractual increases as approved by Council. This includes a \$3,500 increase to each wage step within all ranks of Fire, Police Patrol and Police Service Aid classifications, a 3% wage increase that was applied retroactively for July 1, 2022, a 2.5% on July 1, 2023, and 2.25% on July 1, 2024. It is the City's practice to only budget for negotiated changes once those have been approved by City Council. The City is also contributing \$1.7 million more into the Police and Fire pension system to address the under funding of this system which was only 47.14% funded at June 30, 2022.

Overall, the Budget includes a net increase of 1.3 full-time equivalencies (FTE's) The slight increase to budgeted positions results from additions of a Full Time Recreation Specialist, Part Time Media Specialist, and Part Time Code Enforcement Officer. These personnel increases were slightly offset by the elimination of the Part Time Recreation Assistant, and reduction of hours in Part Time Library and Part Time CED operations. The City has continued to carefully analyze what positions can and should be added to the budget and remain fiscally responsible.

Except for eight executive and administrative employees, the City's entire full-time workforce belongs to one of eight bargaining units ( seven City unions and one 43rd District Court union). All of the City's eight bargaining units and non-union administrative staff have labor agreement extensions that will expire June 30, 2025. These contracts include wage increases of 2.5% in FY 24 and 2.25% in FY 25.

#### **Medical Costs**

Health care coverage is one of the largest fringe benefit cost component for the City. The FY 2024 budget includes a modest 1.42% decrease to medical insurance for active employees based on projections from the City's health care consultant.

- Health Care Coverage - Current Employees

The largest fringe benefit cost is budgeted at \$3.0 million in FY 2024 and \$3.3 million in FY 2025 for health care coverage. For the purpose of negotiated benefits, employees are divided into two groups: active (currently employed) and retired. All active employees that opt-in to City health insurance are in a self-insured Blue Cross - Blue Shield Community Blue 4 Plan. The plan has a deductible of \$500 for single, \$1,000 for couple/family and a 20% co-pay for expenses over the deductible up to a maximum of \$1,500 for single and \$3,000 for couple/family per year. This plan also requires per visit fees of \$30 for doctor office visits, \$30 for urgent care clinic and \$150 for emergency room. Prescriptions for all active employees are a \$5 generic, \$40 preferred brand and \$80 non-preferred brand prescription copay program. On July 1, 2017, the City reduced the employee 20% medical premium sharing to 10% for all groups in accordance with PA 152.

To partially offset the cost of the higher employee prescription drug card deductible, the City contributes \$125 into a Flexible Spending Account (FSA), a tax-advantaged account used for eligible medical expenses for the employees and eligible dependents. The Police and Fire bargaining units elected to have the \$125 added to their taxable uniform allowance.

The City, collaborating with the Cities of Ferndale, Royal Oak, Hazel Park and Oak Park operate a municipal employer-sponsored employee health and wellness center. The participating Cities, which are self-insured, realize savings by reducing the number of visits through traditional insurance plans and eliminating the mark-up for traditional office overhead, diagnostic tests, and prescriptions. For more details on the MiLife Center, please refer to the Personnel Chapter.

- Health Care Coverage - Retirees

During Calendar year 2021, the City moved all current retiree health insurance to mirror for retirees. These retirees will receive the same health insurance as active employees, which is currently the plan Community Blue PPO with a \$5/\$40/\$80 drug card. Retirees were not yet on Medicare at that time were enrolled in this plan effective July 1, 2021, and retirees on Medicare will be enrolled in the Medicare version of this plan effective January 1, 2022.

The changes described above have reduced the City's combined liability by over \$48 million for retiree health care from \$86.1 million to \$44.6 million. As of June 30, 2021 the City has accumulated a market value for both health care trusts of 45.7 million, resulting in 95.18% funding for Police and Fire and 115.69% funding for the General Employee Trust. This is a significant achievement that will assist in keeping the City on solid financial footing for years to come.

Due to the increased funding percentage of these trusts, retiree health care premiums were moved from the operations budget to be paid from these trusts. For illustration purposes these retiree line items were budgeted at over \$2 million in FY 2022; starting in FY 2023 these line items totaled \$258,428.

Overall this also resulted in the ability to decrease the Police and Fire Retiree Benefit millage from 7.1155 to 7.0000 while making additional contributions to the pension system. We anticipate this millage to continue to be reduced in future years.

- Dental Coverage

All employees receive the Delta Premier PPO, with an annual benefit to \$1,500 per year, for specified dental procedures. In addition, the City provides a maximum \$1,000 lifetime benefit for orthodontics. The dental and orthodontic coverage rate is projected to increase 5% in FY 2023 at 481 for single coverage, \$1,153.40 for couple and \$1,441 for family at an overall average \$1,281 per employee per year.

- Life Insurance Coverage

The Fire Fighters, Police Command Officers, Police Officers and the Department Heads bargaining groups receive \$50,000 life insurance policies for active employees. The Municipal Employees Union; DPS Employee - Field Workers Union, the Supervisors and Assistants Union, and Court Clerks have a \$35,000 policy. Many retirees receive \$10,000 in coverage. The annual premiums for these coverages for active employees are \$264 for the \$50,000 policy and \$185 for the \$35,000 policy. Effective July 1, 2011 as part of the new labor agreements, retiree life insurance is no longer provided for new hires.

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- Worker's Compensation

Until 2010, the City was fully insured for workers compensation through the MML municipal pool utilizing Meadowbrook as a third party administrator. As part of the FY 2010-11 Budget, effective July 1, 2010, the City moved to a self-insurance plan where the City is contracting with a third party administrator (Citizens Management, now Sedgwick) and converted to pay-as-you-go claims. During FY 2010, the City spent \$382,100 on workers' compensation premiums.

The City has provided training for Department Heads and Supervisors by Sedgwick to provide education regarding workers compensation and how the City can manage costs better now that we are self-funded. The City has seen success with self-funding our workers' compensation program given that the number of incidents has dropped to 13 from the 14 year high of 63. The cost to the City over the past twelve years (FY 2011-2023) was \$3,269,362 and the savings during this same time period is estimated to be \$1,697,938

- Other Benefits

In January 2015, the City's Optical Insurance Plan was changed by the provider. This change opened a network of providers and offered more current coverage for lenses. The cost of this plan increased the City's cost from a flat \$95 per year per employee to a tiered system: that is budgeted to decrease 4.8% in FY 2024 over FY 2023 budget \$58.32 for single coverage; \$105.00 for couple; and \$163.32 for family. Short-term and long-term disability insurance premiums have remained constant at \$48,000.

The employer's contribution rates for Social Security (6.2% of eligible wages), Medicare (1.45% of eligible wages), sick leave buy back rates, and firefighter food allowances have remained the same. The only other change in the budget allocated to these items is a result of changes in staffing costs to which these rates are being applied, based on the Federal government's annual increase in the maximum wage subject to Social Security payroll tax.

- Employee Wellness Program

Funding for the Employee Wellness Program bonuses has been frozen for another year at current levels.

- Longevity Pay

Historically, the City has provided employees with longevity pay based on achieving their anniversary dates at 5, 10, 15 and 20 years, with awards of longevity pay based on their salary of 2%, 4%, 6% and 8% of wages, respectively. In regard to the Police Officers Union, employees hired after 1994 receive 1%, 3%, 5% and 6% as they hit the four anniversary dates. Police Command Officers have the same adjusted longevity pay as the Police Officers Union for employees hired after 1997. Starting in 1994, the City has been attempting to eliminate longevity pay for employees hired after this date. All non-sworn groups agreed to eliminate longevity pay for new hires with effective dates from July 1, 1997 to August 1, 1999. Effective July 1, 2009, longevity pay has been eliminated for all new Police and Fire employees. Of the 167 active employees, 37 employees still receive longevity.

## **Pensions**

The largest fringe benefit cost component is the employer's contribution to the pension systems. This expense is budgeted to be \$7.96 million in both FY 2024 and 2025. The City's full-time workforce is divided into two pension groups. All Police and Fire sworn employees are members of the Police and Fire Pension Fund established pursuant to Michigan Public Act 345. This remainder of the full-time employee workforce is covered by the Municipal Employee's Retirement System (MERS) As of June 30, 2022, the General Employees' retirement system was 102.04% funded, while the Police and Fire Pension was only 47.14% or \$48.6 million of a \$91.8 million liability. The City's FY 2024 and FY 2025 budget continues to address this system funding by budgeting a pension contribution of \$3.3 million for Fire and \$4.2 for

Police in both years. In addition, the Michigan Department of Treasury recently launched the Protecting MI Pension Grant Program. Under this program, the state treasury appropriated \$750 million for qualified pension systems with a funded ratio below 60%. Under the grant guidance, it is estimated that the City will receive an additional \$3.6 million to be awarded to the Madison Heights Police and Fire Pension System. This grant, coupled with the additional budget funding that started in FY 2023, should increase the funding level of this system to over 70% by June 30, 2025.

In regard to the General Employees plan administered through MERS, all general employee groups, including non-union, have agreed to close the pension plans changing pension benefits for new hires from a Defined Benefit (DB) plan to a Defined Contribution (DC) plan. These DC plans are funded at 8.0% by the City with variable employee contributions by union. When a plan changes from DB to DC, the plan becomes closed, and the remaining unfunded liability is revised to be paid at a flat dollar amount for the number of employees.

The budget for the employer contribution to MERS on behalf of the General Employee's Pension Fund is projected to be \$464,446 in FY 2024.

The State authorized, through Public Act 329 of 2012, municipalities to bond to pay the cost for pension and post-employment benefit liability, upon the satisfaction of certain conditions including issuance on or before December 31, 2018 a municipal credit rating in the AA category or higher, plans being closed to new hires, the preparation of a comprehensive financial plan, and approval from the Michigan Department of Treasury.

In FY 2017, the City successfully issued Pension Obligation Bonds (POBs) for the General employee's pension pursuant to Public Act 34 of 2001 and a resolution adopted by City Council on March 28, 2016. When the analysis was completed on issuing POBs, it was determined that the City would experience savings of approximately \$4 million over 16 years if the bonds sold with a true interest cost of 4.2% and investment earnings average 5.2%. These bonds sold in September 2016 with a true interest cost of 3.12%, well below the City's expectations of 4.2%. This will lead to greater savings than expected over the long-term. Debt payments budgeted in FY 2024 and FY 2025 for POB principal and interest are \$1.18 million each year. With this contribution, the City's General Employee's pension is considered 99% funded on market value as of December 2021. This reduced the budgeted actuarially required contributions because the City is now only required to fund the normal cost annually.

### **Supplies and Other Services and Charges**

In the non-personnel service areas of supplies, the department's budgets have decreased 0.9% or \$35,770 overall across all funds when compared to the Amended Budget for FY 2023. This decrease is largely due to the FY 2024 budgeted amount for one-time purchases in computer supplies, fire and police tools and supplies, and road maintenance.

The area of Other Services and Charges increased 4.7% overall across all funds when compared to the Amended Budget for FY 2023. The increase is related to budgeted increases for liability insurance, electricity contracting for rubbish and recycling services, and police computer services for emergency call integration

### **Capital Outlay**

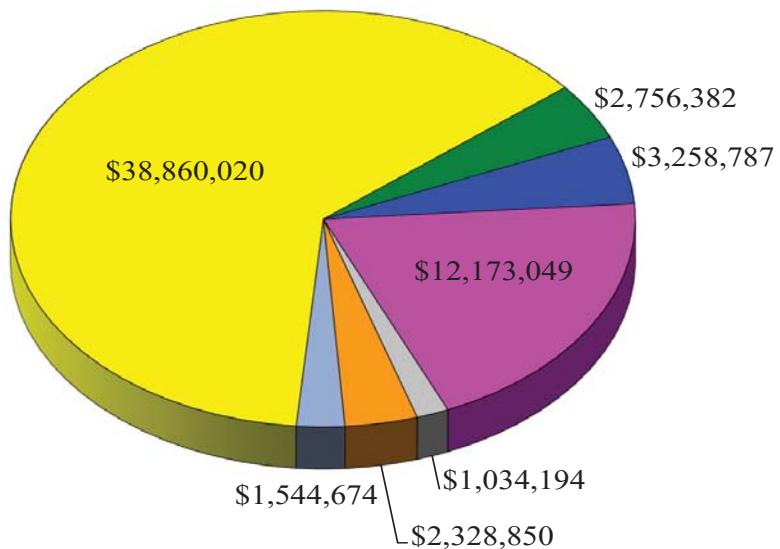
Capital Outlay purchases for FY 2024 total \$8.95 million for the General Fund and \$9.3 million for FY 2024 for all funds.

More details on these purchases including the budgeted dollar amounts can be found in the Department

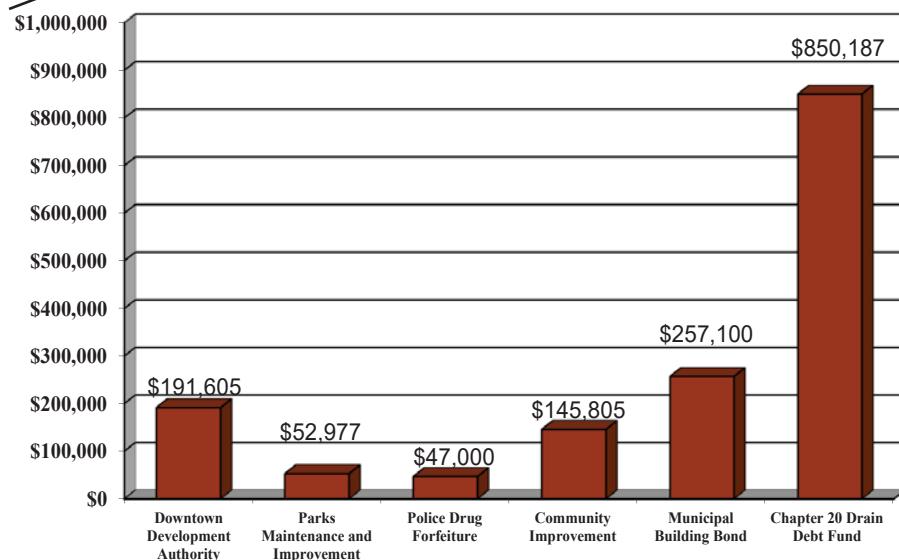
## ALL FUNDS APPROPRIATIONS

### FISCAL YEAR 2024

■ General Fund	■ Major Street
■ Local Street	■ Water & Sewer Fund
■ Motor Pool & Equipment	■ Department of Public Services
■ Other Funds	



### Other Funds



Almost 62.7% of the City's operations are supported through the General Fund and the Water and Sewer Fund (19.6%) amounts shown do not include transfers to other funds

# ALL FUNDS SUMMARY

## FISCAL YEAR 2023-24

Activity	General Fund	Major Street	Local Street	Parks Maintenance & Improvement	Downtown Development Authority	Police Drug Forfeiture	Community Improvement
City Council	\$ 58,606	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
District Court	1,572,161	0	0	0	0	0	0
City Manager	275,307	0	0	0	0	0	0
Elections	84,605	0	0	0	0	0	0
City Assessor	228,309	0	0	0	0	0	0
Legal	375,000	0	0	0	0	0	0
City Clerk	410,997	0	0	0	0	0	0
Personnel	466,357	0	0	0	0	0	0
Board of Review	3,043	0	0	0	0	0	0
General Administration	395,117	0	0	0	0	0	0
Finance	804,517	0	0	0	0	0	0
Information Technology	549,979	0	0	0	0	0	0
Municipal Building	60,878	0	0	0	0	0	0
Custodial & Maintenance	197,829	0	0	0	0	0	0
Police	13,637,187	0	0	0	0	47,000	0
Fire	9,450,680	0	0	0	0	0	0
Community Development	1,289,288	0	0	0	167,928	0	145,805
Streets	1,358,313	2,456,382	3,258,787	0	0	0	0
Solid Waste	3,131,141	0	0	0	0	0	0
Recreation	398,466	0	0	0	0	0	0
Nature Center	9,672	0	0	0	0	0	0
Parks	1,098,503	0	0	52,977	0	0	0
Senior Citizens	514,386	0	0	0	0	0	0
Library	937,946	0	0	0	0	0	0
Water and Sewer	0	0	0	0	0	0	0
Insurance/Bonds/Transfers	1,551,733	300,000	0	0	23,677	0	0
Motor Pool	0	0	0	0	0	0	0
Department of Public Services	0	0	0	0	0	0	0
<b>Total Appropriations</b>	<b>\$ 38,860,020</b>	<b>\$ 2,756,382</b>	<b>\$ 3,258,787</b>	<b>\$ 52,977</b>	<b>\$ 191,605</b>	<b>\$ 47,000</b>	<b>\$ 145,805</b>
Less: Transfers Out	257,100	300,000	-	-	23,677	-	-
<b>Net Total Appropriations</b>	<b><u>\$ 38,602,920</u></b>	<b><u>\$ 2,456,382</u></b>	<b><u>\$ 3,258,787</u></b>	<b><u>\$ 52,977</u></b>	<b><u>\$ 167,928</u></b>	<b><u>\$ 47,000</u></b>	<b><u>\$ 145,805</u></b>

## ALL FUNDS SUMMARY

### FISCAL YEAR 2023-24

Municipal Building Debt Fund	Water and Sewer Fund	Motor Pool and Equipment Fund	Department of Public Services	Chapter 20 Drain Debt Fund	Total	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,606	City Council
-	-	-	-	-	1,572,161	District Court
-	-	-	-	-	275,307	City Manager
-	-	-	-	-	84,605	Elections
-	-	-	-	-	228,309	City Assessor
-	-	-	-	-	375,000	City Attorney
-	-	-	-	-	410,997	City Clerk
-	-	-	-	-	466,357	Personnel
-	-	-	-	-	3,043	Board of Review
-	-	-	-	-	395,117	General Administration
-	-	-	-	-	804,517	Finance
-	-	-	-	-	549,979	Information Technology
-	-	-	-	-	60,878	Municipal Building
-	-	-	-	-	197,829	Custodial & Maintenance
-	-	-	-	-	13,684,187	Police Department
-	-	-	-	-	9,450,680	Fire
-	-	-	-	-	1,603,021	Community Development
-	-	-	-	-	7,073,482	Streets
-	-	-	-	-	3,131,141	Solid Waste
-	-	-	-	-	398,466	Recreation
-	-	-	-	-	9,672	Nature Center
-	-	-	-	-	1,151,480	Parks
-	-	-	-	-	514,386	Active Adult Center
-	-	-	-	-	937,946	Library
-	12,021,444	-	-	-	12,021,444	Water and Sewer
257,100	151,605	-	-	850,187	3,134,302	Insurance/Bonds/Transfers
-	-	1,034,194	-	-	1,034,194	Motor Pool
-	-	-	2,328,850	-	2,328,850	Department Public Services
\$ 257,100	\$ 12,173,049	\$ 1,034,194	\$ 2,328,850	\$ 850,187	\$ 61,955,956	Total Appropriations
					580,777	Less: Transfers Out
<u>\$ 257,100</u>	<u>\$ 12,173,049</u>	<u>\$ 1,034,194</u>	<u>\$ 2,328,850</u>	<u>\$ 850,187</u>	<u>\$ 61,375,179</u>	Net Total Appropriations

**ALL FUNDS APPROPRIATIONS**  
**PER STATE OF MICHIGAN DETAILED CATEGORY CLASSES**  
**FISCAL YEAR 2023-24**

Activity	Personnel Services	Supplies	Other Services & Charges	Capital Outlay	Total
City Council	\$ 54,017	\$ 325	\$ 4,264	\$ -	\$ 58,606
District Court	1,066,505	31,900	345,676	128,080	1,572,161
City Manager	263,682	400	11,225	-	275,307
Elections	47,785	16,150	20,670	-	84,605
City Assessor	-	-	228,309	-	228,309
Legal	-	-	375,000	-	375,000
City Clerk	371,936	5,500	33,561	-	410,997
Human Resources	218,990	350	247,017	-	466,357
Board of Review	2,373	-	670	-	3,043
General Administration	245,398	58,025	75,014	16,680	395,117
Finance	714,911	7,250	82,356	-	804,517
Information Technology	-	36,000	249,307	264,672	549,979
Municipal Building	-	-	60,878	-	60,878
Custodial & Maintenance	17,608	21,200	159,021	-	197,829
Police	12,421,186	144,600	711,420	595,745	13,872,951
Fire	7,639,138	122,550	620,795	1,068,197	9,450,680
Community Development	688,357	8,300	851,364	55,000	1,603,021
Streets	18,051	314,272	1,797,159	4,944,000	7,073,482
Solid Waste	74,849	19,600	2,686,692	350,000	3,131,141
Recreation	254,576	69,837	74,053	-	398,466
Nature Center	-	-	9,672	-	9,672
Parks	32,455	41,800	402,225	675,000	1,151,480
Active Adult	237,754	130,592	71,040	75,000	514,386
Library	630,852	23,300	154,195	129,599	937,946
Insurance and Transfers	-	-	848,367	-	848,367
Debt Service	-	-	2,285,935	-	2,285,935
Water and Sewer	262,337	2,719,137	7,880,371	1,159,599	12,021,444
Motorpool	346,364	250,700	437,130	-	1,034,194
Department of Public Services	2,319,620	-	9,230	-	2,328,850
<b>Total Appropriations</b>	<b>\$ 27,928,744</b>	<b>\$ 4,021,788</b>	<b>\$ 20,732,616</b>	<b>\$ 9,333,492</b>	<b>\$ 61,955,956</b>
Less: Transfers Out	-	-	580,777	-	580,777
<b>Net Total Expenditures</b>	<b>\$ 27,928,744</b>	<b>\$ 4,021,788</b>	<b>\$ 20,151,839</b>	<b>\$ 9,333,492</b>	<b>\$ 61,375,179</b>

## **RISK MANAGEMENT**

The City is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The City has purchased insurance for health, dental, optical, and life insurance claims, is insured for workers' compensation claims, and participates in the Michigan Municipal Risk Management Authority (MMRMA) risk pool for general liability claims. Settled claims relating to the insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years. As of July 1, 2012, the City has moved to self-insurance for health, dental and worker's compensation.

### **Liability and Property Insurance**

The City is a member of the Michigan Municipal Risk Management Authority, which is a self-insurance program for general and auto liability, auto physical damage and property loss claims. The program provides for reinsurance (which is partly underwritten by the Authority itself) in the following amounts:

	<u>RETENTION *</u>	<u>LIMITS OF REINSURANCE</u>
General and auto liability	\$500,000 per occurrence	\$15,000,000 per occurrence
Auto physical damage (Non-Fire/EMS)	\$1,000 deductible and \$15,000 each vehicle; \$30,000 per occurrence	\$1,500,000 per occurrence
Fire/EMS Vehicle Replacement Cost	\$1,000 deductible per occurrence	
Property	\$1,000 deductible	\$45,114,894

\*The Retention amounts represent the amount that the City pays before reinsurance coverage begins.

In addition to the losses retained, the City may be responsible for certain defense costs. The City has elected to participate in the Authority's Stop Loss Program, which limits paid losses from the City to no more than \$925,000 per fiscal year.

On June 13, 2016, Council approved increasing the retention from \$250,000 to \$500,000, Premiums are budgeted at \$708,090 across all funds for FY 2024, and \$729,340 for FY 2025.

### **Other Insurance Programs**

As of July 1, 2010, the Worker's Compensation Program moved to being self-funded and administered through a third party. This transition has allowed the City to provide its own statutory workers compensation coverage while carrying excess insurance up to a \$350,000 specific retention for any occurrence. This program change has saved the City an estimated \$ 1,697,938 (FY 2011-2023). The administrative costs are allocated to individual budget activities of the City, based on

payroll exposure. The actual workers compensation payments of claims will be allocated to the department where the worker's compensation claims are generated. Please refer to the Personnel and Positions Chapter for a discussion of overall savings since switching to self-insurance for workers' compensation.

### **Special Events Insurance Requirements**

On December 14, 1992, the City Council adopted a Council Policy establishing Uniform Insurance Requirements for Special Events. The policy covers clubs and organizations that request to hold special events on City property and/or in the City's right-of-way. The policy categorizes special events based on the potential risk involving the event activities into "hazard groups", and outlines the requirements for: liability, property, fire damage, medical and vehicle insurances; indemnification, defend and hold harmless agreements; and participant liability release.

Effective July 2014, the State of Michigan approved Public Act 271 which revised laws relating to insurance. This triggered a policy update by staff and the City's liability insurance consultant. As a result, on March 14, 2016, the City Council approved an update of this Council Policy. The policy is periodically reviewed by staff and the City's Risk Manager to determine the need for further modification.

## **DEBT ADMINISTRATION**

The City's current Governmental Activities General Obligation long-term debt outstanding is \$18.4 million. This amount includes \$2.5 million of vested employee benefits; and \$15.9 million in general obligation bonds. The vested employee benefits will be paid on various future dates with general revenues from Governmental Funds.

The City's latest government bond rating occurred in April 2022 when the City secured an upgraded rating from Standard and Poors ("S&P") for the issuance of general obligation bonds. S&P assigned its "AA/stable" underlying rating, describing the City's strong management oversight with "good" financial policies and practices under the financial management assessment methodology; low debt burden relative to tax base; strong institutional framework, including operating surpluses in the general fund and at the total governmental fund level; very strong reserves and liquidity.

As of June 30, 2024, the City will be at 11.68% of the City's debt limit of \$157 million, which is based on 10% of assessed valuation. The City has general obligation bonds outstanding in the amount of \$6.4 million of a new issue for Civic Center Project Bond, and \$9,110,000 of a \$15,250,000 issue for general employee pension. The City is also responsible for our share of seven bonds (not counted toward the debt limit) related to the George W. Kuhn Drain project for a total of \$983,000.

The City in the past has issued bonds to provide for the acquisition and construction of some major capital facilities. General Obligation Bonds are direct obligations and pledge the full faith and credit of the City. City contractual labor agreements are also general obligations of the government; however, these are not funded by the issuance of bonds. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets to pay debt service. Outstanding long-term debt recorded in the General Long-Term Debt Account Group, exclusive of contractual labor agreements, will include the following at June 30, 2024:

I. Civic Center Project Bond in the amount of \$6.4 million was issued June 9, 2022, payable over 20 years, for the cost of constructing and Active Adult Center on the Civic Center complex and renovating the existing City Hall and Library, to include energy efficiencies such as HVAC, lighting, and windows.

II. George W. Kuhn Drain Bonds and State Revolving Loan Debt issued between October, 2000 through September, 2008. Portions of this debt have been refinanced with the most recent occurring in February 2016 when the District issued \$7,450,000 to refinance a 2007 issuance saving Madison Heights \$57,400 over 8 years. The total remaining debt issued is \$115.3 million with Madison Heights's share being \$12.1 million. The bond and interest payments are being paid from a Chapter 20 Drain Debt tax levy, with \$983,000 principal remaining.

III. The State has authorized, through Public Act 329 of 2013, municipalities to bond to pay the cost for pension and post-employment benefit liability, upon the satisfaction of certain conditions including issuance on or before December 31, 2018, a municipal credit rating in the AA category

or higher, plans being closed to new hires, the preparation of a comprehensive financial plan, and approval from the Michigan Department of Treasury.

Bonding for post-retirement benefits can be risky endeavor. On March 28, 2016, Staff have recommended, and Council has approved , a resolution to move forward with the issuance of Pension Obligation Bonds (POBs) in a not-to-exceed amount of \$15,250,000 in order to address 86% of the City's General Pension unfunded liability of \$17,500,000. Based on financial analysis, issuing pension obligation bonds for the general employees could produce savings to the City of approximately \$4 million over the next sixteen years, while offering predictable debt service payments. This savings will be recognized if investment earnings exceed 502% of the life of the bond and the City can sell bonds at a true interest cost of 4.2%.

General Employees Pension Obligation Bonds in the amount of \$15,250,000 were issued on September 15, 2016 payable over 16 years. The bonds were well received by investors and the City was able to secure a true interest cost of 3.12%, well below the needed 4.2%.

**Legal Debt Margin**  
**(Amounts expressed in thousands)**

**June 30, 2024**

**Calculation of debt limit:**

	2020	2021	2022	2023	2024
State equalized valuation	\$ 1,135,111	\$ 1,211,277	\$ 1,287,299	\$ 1,394,386	\$ 1,574,183
10% of assessed value	<u>113,511</u>	<u>121,128</u>	<u>128,730</u>	<u>139,439</u>	<u>157,418</u>

**Calculation of debt subject to limit:**

Total debt	\$ 19,053	\$ 17,392	\$ 14,565	\$ 18,835	\$ 20,764
Less: debt not subject to limit:					
General obligation (2)	4,063	3,277	2,836	1,895	2,385
Special revenue bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net debt subject to limit	<u>\$ 14,990</u>	<u>\$ 14,115</u>	<u>\$ 11,729</u>	<u>\$ 16,940</u>	<u>\$ 18,379</u>
Legal debt margin available (1)	<u>\$ 98,521</u>	<u>\$ 107,013</u>	<u>\$ 117,001</u>	<u>\$ 122,498</u>	<u>\$ 139,039</u>
Net debt subject to limit as % of debt limit	13.21%	11.65%	9.11%	12.15%	11.68%

(1) Debt limit set forth in Section 4A, Act 279 of 1909 (Home Rule City Act) -

"Notwithstanding a charter provision to the contrary, the net indebtedness incurred for all public purposes shall not exceed the greater of the following:

- (a) Ten percent of the assessed value of all the real and personal property in the city.
- (b) Fifteen percent of the assessed value of all the real and personal property in the city if that portion of the total amount of indebtedness incurred which exceeds 10% is or has been used solely for the construction or renovation of hospital facilities.

(2) Debt not subject to the limit - water and sewer general obligation bonds

**Summary of Debt Service Requirements To Maturity**

**Annual Principal And Interest Requirements June 30,2024**

<u>Fiscal Year Ending June 30</u>	<u>**Civic Center Project General Obligations</u>	<u>Kuhn Drain Obligations</u>	<u>Pension Obligation</u>	<u>Total</u>
2024	\$ 255,600	\$ 700,136	\$ 1,177,468	\$ 2,133,204
2025	481,000	73,393	1,178,689	1,733,082
2026	481,600	73,658	1,178,230	1,733,488
2027	481,800	63,977	1,175,690	1,721,467
2028	481,600	63,644	1,175,482	1,720,726
2029	481,000	52,593	1,172,315	1,705,908
2030	480,000	-	1,171,149	1,651,149
2031	478,600	-	1,167,425	1,646,025
2032	476,800		1,166,239	1,643,039
2033	479,500			479,500
2034	481,600			481,600
2035	478,200			478,200
2036	479,300			479,300
2037	479,800			479,800
2038	484,600			484,600
2039	478,800			478,800
2040	477,500			477,500
2041	480,500			480,500
2042	477,800			477,800
2042	479,400			479,400
<b>Totals</b>	<b>\$ 9,375,000</b>	<b>\$ 1,027,401</b>	<b>\$ 10,562,687</b>	<b>\$ 20,965,088</b>

### **Civic Center Project General Obligation Bonds**

Date of issue - June 9, 2022

Payment Date:

Principal, November 1

Interest, November 1 and May 1

Amount of issue - \$6,390,000

	<b>Fiscal Year</b>				<b>Total</b>
	<u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Requirements</u>	
2024	\$ -	\$ 255,600	\$ 255,600		
2025	230,000	251,000	481,000		
2026	240,000	241,600	481,600		
2027	250,000	231,800	481,800		
2028	260,000	221,600	481,600		
2029	270,000	211,000	481,000		
2030	280,000	200,000	480,000		
2031	290,000	188,600	478,600		
2032	300,000	176,800	476,800		
2033	315,000	164,500	479,500		
2034	330,000	151,600	481,600		
2035	340,000	138,200	478,200		
2036	355,000	124,300	479,300		
2037	370,000	109,800	479,800		
2038	390,000	94,600	484,600		
2039	400,000	78,800	478,800		
2040	415,000	62,500	477,500		
2041	435,000	45,500	480,500		
2042	450,000	27,800	477,800		
2043	470,000	9,400	479,400		
	<hr/> \$ 6,390,000	<hr/> \$ 2,985,000	<hr/> \$ 9,375,000		

**George W. Kuhn Drain Water & Sewer Obligations - Amount of Issue - \$115,356,820**

**Debt Name:**

Series C Sept. 29, 2001 (Total \$82,200,000 Madison Heights Share \$8,649,748)  
Series D Dec. 20, 2001 (Total \$2,277,676 Madison Heights Share \$239,675)  
Series 2005F Sept. 22, 2005 (Total \$1,519,146 Madison Heights Share \$162,391)  
\* Series 2007 Refinancing B & E Aug. 2007 (Total \$12,460,000 Madison Heights Share \$1,311,143)  
Series 2007G Sept. 2007 (Total \$1,765,000 Madison Heights Share \$188,672)  
Series 2008H Sept. 2008 (Total \$7,685,000 Madison Heights Share \$821,499)  
\* Series 2016 Refinancing B & E March 2016 (Total \$7,449,998.63 Madison Heights Share \$783,949)  
Combined Issue Total \$115,356,820 Madison Heights Share \$12,157,077

Payment Date: Principal, April 1 and Interest, April 1, October 1

<b>Fiscal Year</b>				<b>Total</b>
<b><u>Ending June 30</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Requirements</u></b>	
2024	676,560	23,576	700,136	
2025	66,276	7,117	73,393	
2026	68,025	5,633	73,658	
2027	59,862	4,115	63,977	
2028	60,931	2,713	63,644	
2029	51,310	1,283	52,593	
	\$ 982,964	\$ 44,437	\$ 1,027,401	

## Pension Obligation Bonds

Date of issue - September 29, 2016

Payment Date:

Principal, January 1

Interest, July 1, January 1

Amount of issue - \$15,250,000

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2024	900,000	277,468	1,177,468
2025	925,000	253,689	1,178,689
2026	950,000	228,230	1,178,230
2027	975,000	200,690	1,175,690
2028	1,005,000	170,482	1,175,482
2029	1,035,000	137,315	1,172,315
2030	1,070,000	101,149	1,171,149
2031	1,105,000	62,425	1,167,425
2032	<u>1,145,000</u>	<u>21,239</u>	<u>1,166,239</u>
	\$ 9,110,000	\$ 1,452,687	\$ 10,562,687

## **PERSONNEL AND POSITIONS**

The City of Madison Heights employs 167 full-time positions yielding 5.9 full-time employees per 1,000 of City population based on the 2020 census count of 28,468. The City also employs 135 positions on a part-time or seasonal basis. Personnel services comprise approximately \$27.7 million or 44.6% of the Total Budget and approximately \$24.7 million or 63.4% of the General Fund Budget.

Total personnel costs have increased \$2.7 million compared to the FY 2023 Amended Budget. Several factors contribute to this increase. The FY 2023 Budget did not include any contractual increases as negotiations had not yet been completed, and the FY 2024 Budget includes all contractual increases as approved by Council. The City is also contributing \$1.7 million more into the Police and Fire pension system to address the under funding of this system which was only 47.14% funded at June 30, 2022. Changes to budgeted positions include additions of a Full Time Recreation Specialist, Part Time Media Specialist, and Part Time Code Enforcement Officer. These personnel increases were slightly offset by the elimination of the Part Time Recreation Assistant, and reduction of hours in Part Time Library and Part Time CED operations.

Except for eight executive and administrative employees, the City's entire full-time workforce belongs to one of eight bargaining units (seven City unions and one 43rd District Court union). The unions can be divided into two groups based on binding arbitration rights provided to public safety sworn employees by the State under Public Act 312. The sworn unions include the Police Command Officers Union, Police Officers Union, and International Association of Fire Fighters. The non-sworn unions include Madison Heights Court Clerks Association; American Federation of State, County, and Municipal Employees (AFSCME) Council 25 Department Heads Union; AFSCME Council 25 Supervisors & Assistants Union; Technical, Professional and Office workers Association of Michigan (TPOAM) Department of Public Services Union; and TPOAM Municipal Employees Union, which represents clerical and technical workers.

All of the City's eight bargaining units and non-union administrative staff have labor agreements that will expire June 30, 2025. These contracts include wage increases of 2.5% in FY 2024 and 2.25% in FY 2025.

### **Personnel Actions**

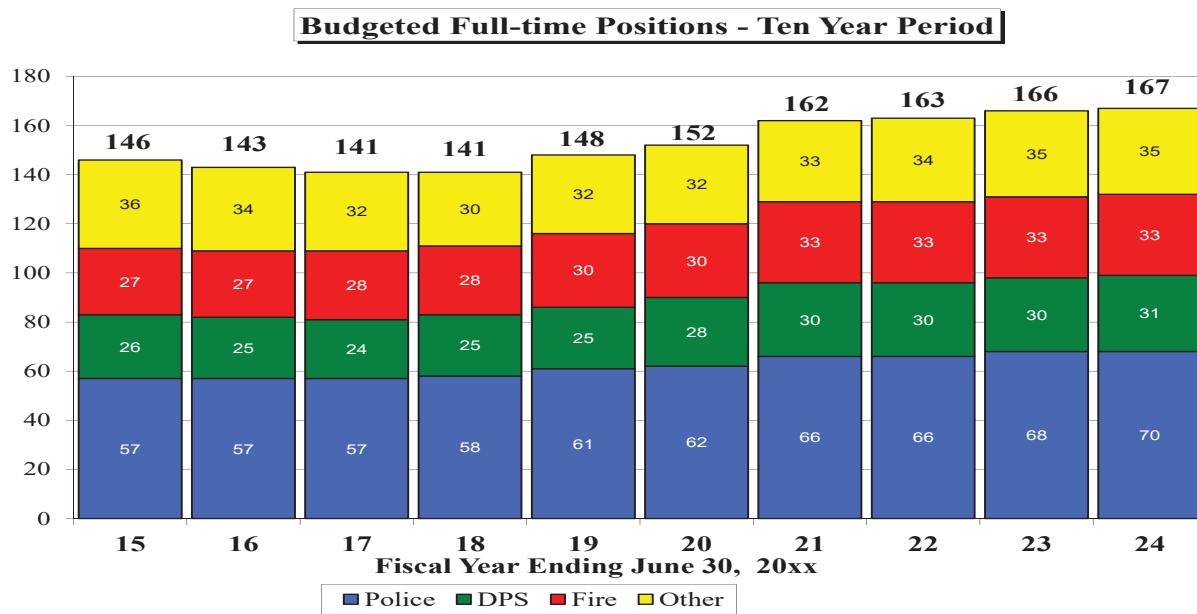
The FY 2023-24 Budget reflects a total net increase of 1.3 full-time equivalencies (FTEs) with no additional FTE's projected for FY 2024. The slight increase to budgeted positions results from additions of a Full Time Recreation Specialist, Part Time Media Specialist, and Part Time Code Enforcement Officer. These personnel increases were slightly offset by the elimination of the Part Time Recreation Assistant, and reduction of hours in Part Time Library and Part Time CED operations. The City has continued to carefully analyze what positions can and should be added to the budget and remain fiscally responsible.

The City's current hiring review of all position vacancies continues in FY 2024. Even though Proposal MH passed, the City must remain vigilant not to over-extend itself on additional personnel whose wages and benefits compound each year. The City's goal is to remain fiscally strong in the coming years and avoid the potential of cutbacks should the economy take a downturn, which is very likely in the aftermath and ongoing repercussions of the global pandemic. Therefore, whether full or part-time, each vacated position must be evaluated and approved by the City Manager before the hiring process may begin. In addition, the City continues to research options for position consolidation and reorganization where possible and prudent so that the City will remain fiscally sound without sacrificing core services.

## The Work Force at a Glance

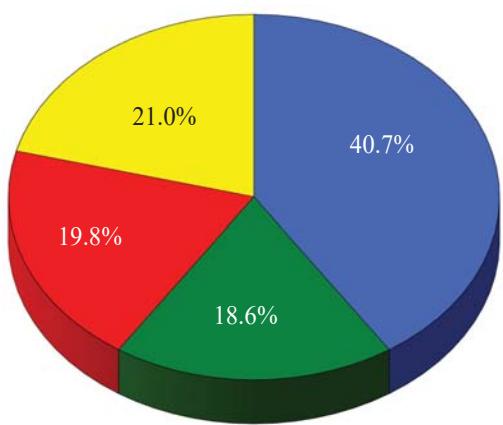
In Fiscal Year 1993-94, the City employed 251 full-time positions. Since that time, the City has reduced the workforce without significantly compromising core services, resulting in a leaner, more efficient organization. With the slow recovery of the economy and the passing of Proposal MH, the City has begun restoring a limited number of essential positions to increase services delivered to our residents. As mentioned above, the City is approaching the restoration of positions with extreme caution and thorough analysis of the potential impact on the budget in current and future years.

A bar graph of budgeted full-time positions over the last ten years is presented below. The Appendix contains a table showing positions by fund and activity over a twenty-five-year period.

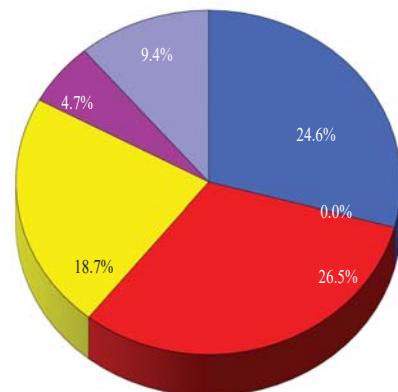


Continuing the analysis of the City's workforce, the following graphs illustrate the percentage breakdown of full and part-time employees for FY 2024. An Organizational Chart showing full-time employees by bargaining unit or non-union classification is presented in the Appendix.

**Full-Time Positions by Function**



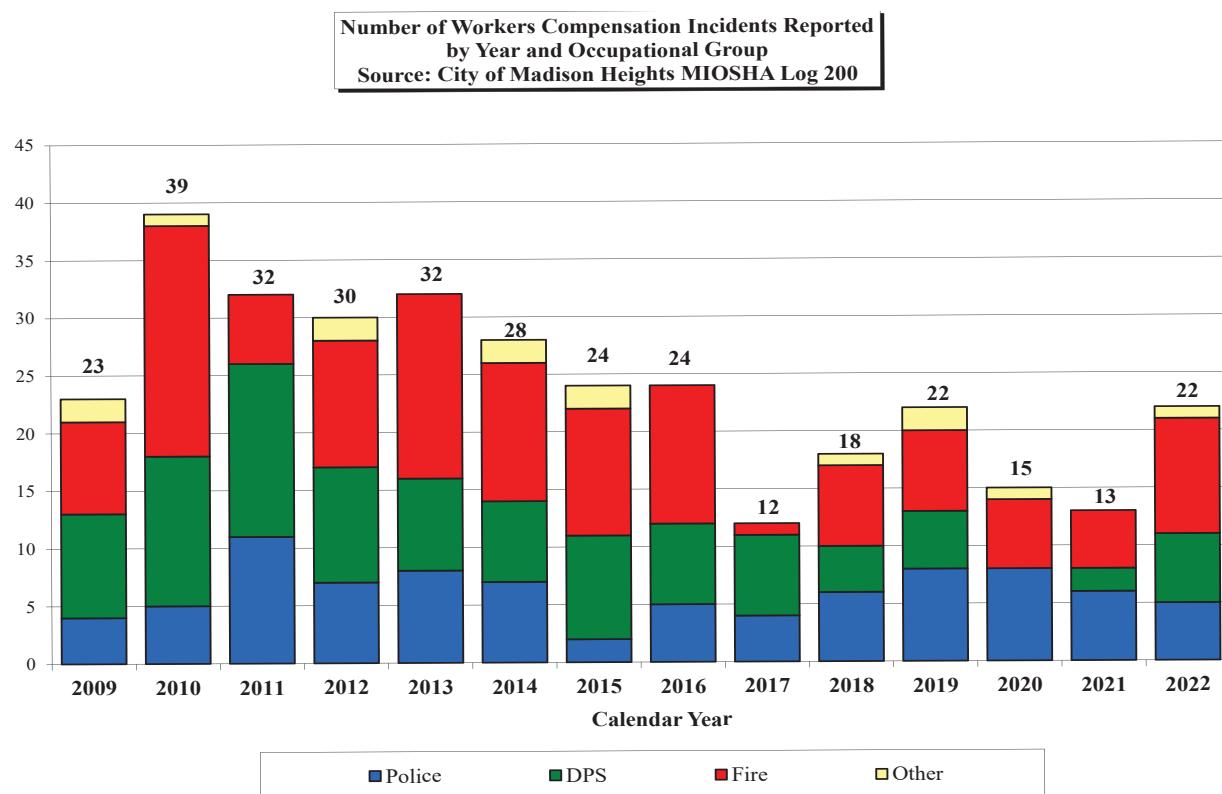
**Part-Time Positions Full-Time Equivalencies (FTE)**



## On-The-Job Injury Experience

In August of 1998, the Human Resources Department implemented a return-to-work program wherein employees on long-term periods of workers' compensation leave are returned to work in temporary "bridge" assignments. These jobs vary according to medical restrictions and the type of work needed. As shown in the following bar graph, the program has had some early success, but several severe long-term injuries in Public Services, Police, and Fire yielded an increase in the number of workers' compensation incidents in 2004 and 2006. Nevertheless, the number of reported workers' compensation incidents has declined overall since 2006, with a low of 12 incidents in 2017. In the calendar year 2021, there were just 13 reportable worker's compensation cases; however, the reportable cases jumped to 22 in 2022, which is in line with numbers just before the pandemic.

As part of the FY 2010-23 Budgets, effective July 1, 2016, the City moved to a self-insurance plan. The City is contracting with a third-party administrator (Citizen Management, York Risk Services, now Sedgwick and converted to pay-as-you-go claims. As a result, during FY 2010, the City spent \$382,100 on workers' compensation premiums.



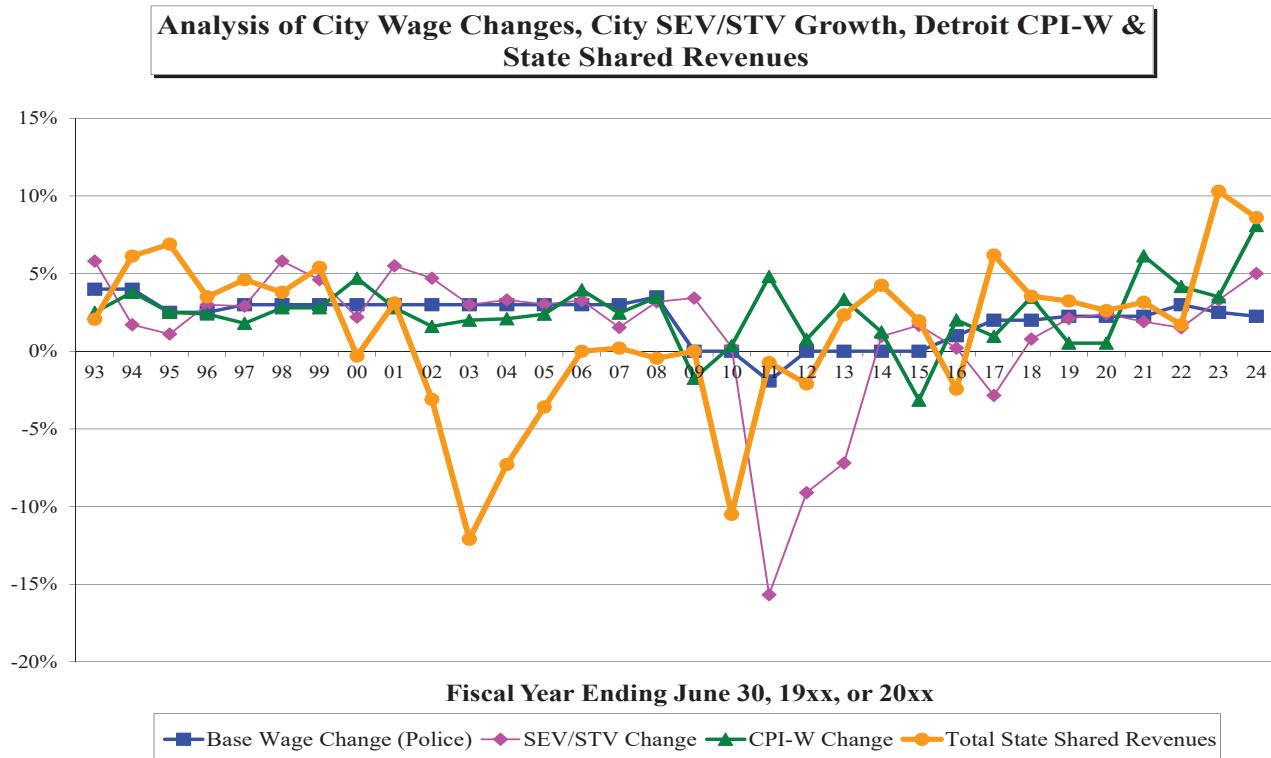
The City, through Sedgwick, has trained Department Heads and Supervisors regarding workers' compensation and how the City can manage costs better now that we are self-funded. As a result, the City has succeeded in self-funding our workers' compensation program as the number of incidents has dropped to 13 from the 14 year high of 63. The cost to the City over the past twelve years (FY 2011-2023) was \$3,269,3622, and the savings during this same period is estimated to be \$1,697,938. At the time of this policy document publication, the City will have evaluated proposals from quotes received and sought Council approval for a new third-party administrator contract beginning July 1, 2023.

**ALL FUNDS**  
**FULL TIME AND PART TIME POSITIONS**  
**INCLUDING FULL TIME EQUIVALENCY CALCULATION (F.T.E.)**

	<u>Budget 2021-22</u>			<u>Estd '21 to '22</u> F.T.E. Change	<u>Estimated Budget 2022-23</u>			<u>Estd '22 to '23</u> F.T.E. Change	<u>Estimated Budget 2023-24</u>			<u>Estd '23 to '24</u> F.T.E. Change	
	Full Time	Part Time	F.T.E.		Full Time	Part Time	F.T.E.		Full Time	Part Time	F.T.E.		
<b>General Fund</b>													
District Court	9	3	10.3730	0.0000	9	3	10.3730	0.0000	9	3	10.3730	0.0000	
City Manager	2	0	1.8000	0.0000	2	0	1.8000	0.0000	2	0	1.8000	0.0000	
City Assessor	0	0	0.0000	0.0000	0	0	0.0000	0.0000	0	0	0.0000	0.0000	
City Clerk	3	73	4.3200	1.0000	3	73	4.3200	0.0000	3	73	4.3200	0.0000	
Human Resources	2	0	1.5000	0.0000	2	0	1.5000	0.0000	2	0	1.5000	0.0000	
General Administration	1	0	1.5000	0.2400	1	0	1.5000	0.0000	1	1	2.0333	0.5333	
Finance	7	1	7.7200	0.0000	7	1	7.7200	0.0000	7	1	7.7200	0.0000	
Information Technology	0	0	0.0000	0.0000	0	0	0.0000	0.0000	0	0	0.0000	0.0000	
Police	66	18	69.2050	-0.1300	68	19	72.1550	2.9500	68	19	72.1550	0.0000	
Fire	33	0	33.0000	0.0000	33	0	33.0000	0.0000	33	0	33.0000	0.0000	
Community Development	5	2	6.5000	-1.0000	6	1	6.7500	0.2500	6	2	7.2533	0.5033	
Library	4	11	9.5603	0.0000	4	11	9.5603	0.0000	4	11	9.4600	-0.1003	
<b>Department of Public Service</b>													
(Prior to FY 2017-18)													
Custodial & Maintenance	0	0	0.1000	0.0000	0	0	0.1000	0.0000	0	0	0.1000	0.0000	
Streets	0	0	0.1000	0.0000	0	0	0.1000	0.0000	0	0	0.1000	0.0000	
Solid Waste	0	0	0.3800	0.0000	0	0	0.3800	0.0000	0	0	0.3800	0.0000	
Recreation	1	14	3.2769	0.0179	1	14	3.2769	0.0000	2	13	3.6469	0.3700	
Parks	0	2	0.5000	0.0000	0	2	0.5000	0.0000	0	2	0.5000	0.0000	
Senior Center	2	7	4.0650	0.0000	2	7	4.0650	0.0000	2	7	4.0650	0.0000	
Sub Total	3	23	8.4219	0.0179	3	23	8.4219	0.0000	4	22	8.7919	0.3700	
Total	135	131	153.9001	0.1279	138	131	157.1001	3.2000	139	132	158.4065	1.3063	
Major Street Fund	0	0	0.0000	0.0000	0	0	0.0000	0.0000	0	0	0.0000	0.0000	
Local Street Fund	0	0	0.0000	0.0000	0	0	0.0000	0.0000	0	0	0.0000	0.0000	
Community Improvement Fund													
Comm. Dev. Block Grant	1	0	1.0000	0.0000	1	0	1.0000	0.0000	1	0	1.0000	0.0000	
Total	1	0	1.0000	0.0000	1	0	1.0000	0.0000	1	0	1.0000	0.0000	
<b>Water &amp; Sewer Fund</b>													
Water Division	0	0	0.0000	0.0000	0	0	0.0000	0.0000	0	0	0.0000	0.0000	
Sewer Division	0	0	0.0000	0.0000	0	0	0.0000	0.0000	0	0	0.0000	0.0000	
Water & Sewer Admin.	2	0	1.5200	0.0000	2	0	1.5200	0.0000	2	0	1.5200	0.0000	
Total	2	0	1.5200	0.0000	2	0	1.5200	0.0000	2	0	1.5200	0.0000	
Motor Pool Fund	3	2	3.9600	0.0000	3	2	3.9600	0.0000	3	2	3.9600	0.0000	
DPS Fund (Beginning FY 2017-18)	22	1	22.6750	0.0000	22	1	22.6750	0.0000	22	1	22.6750	0.0000	
Total All Funds	163	134	183.0551	0.1279	166	134	186.2551	3.2000	167	135	187.5615	1.3063	
				BOR Counc	<u>0.0600</u> 1.2250			BOR Counc	<u>0.0600</u> 1.2250			BOR Counc	<u>0.0600</u> 1.2250

## A Look at Wages and Fringe Benefits

Planning for labor negotiations and future wages requires an understanding of how the City's wages have measured up against the City's ability to pay (i.e. growth in tax base) and local inflationary pressures. The next line chart plots the City's overall wage increases for all bargaining units against changes in the City's State Taxable Value (STV), Detroit area Consumer Price Index (CPI-W), and Total State Shared Revenues.

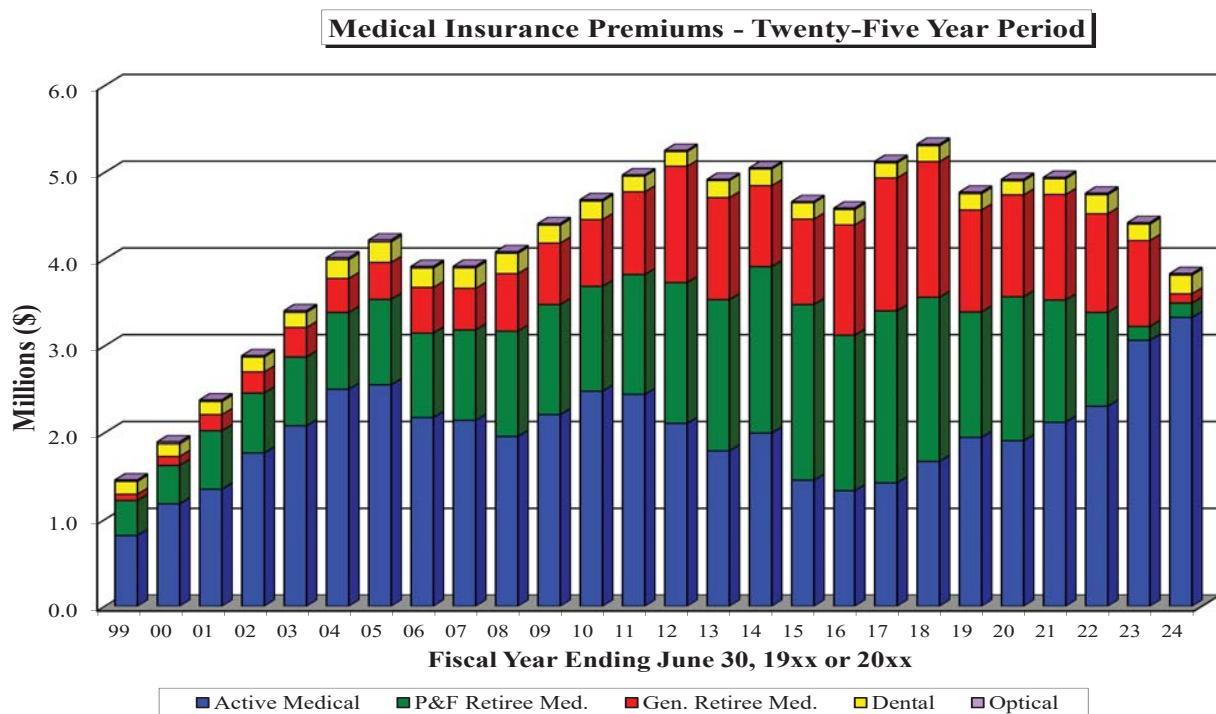


The mild recession of the early nineties is reflected in the downward trend in STV for those years. Beginning in FY 1993-94, wages and inflation start to converge while STV managed modest increases until 2001. Since FY 1994-95, wages and CPI-W average less than 4% while STV fluctuated more due to new construction and the State's changes in the property tax valuation rules. Beginning in 2002, the early effects of the Great Recession were manifested in sharp declines in State Revenue Sharing, reflecting less disposable income and fewer sales. The "second wave" of the recession is shown beginning in FY 2008-09 and continuing through FY 2012-13, as the change in STV represents the largest downturn in STV that the City has ever experienced. This downturn directly affected the taxes collected by the City and resulted in decreasing the City's ability to pay, based on the decline in the principal source of property tax revenue, being lower than CPI and wages. From FY 2014- FY 2021, the CPI-W increased an average of only 1.76%, the same was true for SEV/STV changes inflation rate through FY 2022, which lags the economy by approximately a year. However, starting in FY 2022 inflation has been 6.4%-8.1% while SEV/STV inflation is capped by state law at the rate of inflation or 5% whichever is less. This equates to FY 2023 SEV/STV inflation being set at 3.3% and FY 2024 set at 5%. This makes it difficult for municipalities in Michigan to keep up with inflationary increase to wage and benefits.

## Medical Insurance

Medical insurance is one of the most important fringe benefits to monitor, with an eye toward cost control. The FY 2024 budget includes a modest 1.42% increase to medical insurance for active employees based on projections from the City's health care consultant. The following chart compares the City's medical insurance premiums over the past twenty years. The slight decrease shown in 2013 for medical is due to the City's move to Community Blue PPO 4 ("CB4"), which for the first time included deductible and co-insurance for all active employees. In addition, the City moved to a self-insured medical insurance program in July 2012. The premiums shown for FY 2023 are estimated.

Pursuant to Public Act 152, City Council passed a Resolution in December 2012, and each following year, authorizing the City to impose a 20% health insurance premium sharing on all employees who receive City paid health insurance starting after the June 2013 expiration of the Collective Bargaining Agreements. In FY 2018, this premium sharing was adjusted to 10%, as reflected in each Collective Bargaining Agreement. The 10% premium sharing will continue at least through the current settled contracts to June 30, 2025. This measure not only helps reduce the City's expenses for medical premiums but also raises employee awareness of the exorbitant price of health care, which should in turn cause employees to take a more realistic look at the health care plans, make healthier lifestyle choices, and realize that the days of no deductible or co-insurance are over.



The fate of the Patient Protection and Affordable Care Act (PPACA), which was signed into law on March 23, 2010, by President Barack Obama, faced repeal attempts under former President Donald J. Trump's administration. The Act was not repealed in its entirety; however, there were several changes to the Act, including rendering the individual mandate virtually obsolete with the penalty for not having insurance reduced to zero dollars. Another change under the Trump administration was to make "skinny" health care plans or plans NOT meeting a minimum value available again. The Biden administration has not made significant changes to the Affordable Care Act as it exists; however, the City is working with its benefits consultants to keep apprised of and in compliance with any changes to medical insurance requirements and reporting mandates.

One of the City's most innovative attempts to curb healthcare costs was opening the MiLife Health & Wellness Center, located in the lower level of City Hall, in January 2015. By way of background, in August 2012, staff and the City's healthcare consultant Cornerstone (now Manquen Vance) began researching the concept of an on-site, employer-sponsored health and wellness center as a collaborative venture with Ferndale and Royal Oak. In January 2015, this concept became a reality when the MiLife Health and Wellness Center officially opened to eligible employees and dependents. This Center offers an alternative primary care option focusing on the Patient-Centered Medical Home (PCMH) model of a salaried physician and medical staff paid by a third-party management company under contract with the participating cities. As a result, the participating cities, which are self-insured, realize savings by reducing the number of visits through traditional insurance plans and eliminating the mark-up for traditional office overhead, diagnostic tests, and prescriptions. In March 2018, two additional municipalities, Oak Park and Hazel Park, joined this collaboration.

Employees benefit from the Center because there is no deductible or co-pay for office visits, basic lab work, or generic prescriptions. Additional benefits of the Center are that wait times for appointments are typically less than five minutes, and appointments with the doctor are longer than at a traditional office, averaging 17 minutes.

Original estimates show that participating cities would need a minimum of 20% participation in the first year to "break even". The first annual performance report of the MiLife Health and Wellness Center detailed a 59% utilization rate, \$29,458 in hard dollar medical savings to the City, and over \$25,500 savings to our employees through zero co-pays. These savings do not consider the "soft-dollar" savings of treating a formerly undiagnosed chronic condition and avoiding lost productivity and time off of employees to attend traditional medical appointments. These "soft-dollar" costs were estimated to be over \$750,000 for the first year.

January 2024 was our 8th year operating the MiLife Health and Wellness Center. During these eight years of operations, we averaged a utilization rate of 67.6%. We have saved \$286,642 in hard dollars over this period and have averaged savings of \$35,831 per year. In addition, each year, CareHere/Premise Health analyzes the number and types of health issues diagnosed in the center and estimates a potential long-term savings has the diagnosis gone undetected; this "soft dollar" savings is \$97,793. In addition, the employees have saved \$44,944 in co-pays, prescriptions, and lab tests. During 2021, operations at the Center continued but were still slightly impacted by the Covid-19 pandemic. In 2022, a flood in the basement due to the construction at City Hall also impacted operations.

In January 2016, the Center was opened to pre-Medicare retirees, and the City of Madison Heights also began to utilize the Center for non-police and fire pre-employment physicals. In the spring of 2019, the City completed steps to obtain the necessary equipment and certifications to perform pre-employment physicals for sworn Police and Fire employees. The City is also making efforts to expand membership to the MiLife Center through outreach to both public and private entities in and around Madison Heights.

The City remains optimistic that with appropriate marketing, communication, integration of the City's existing Healthy Heights wellness program with the MiLife Center, and positive employee experiences at the Center, the utilization and savings will continue to grow, and overall employee health will improve.

## **Retiree Health Care and Pension**

As mentioned earlier, Pension and Retiree Health care “legacy costs” are the largest liability of the City at \$135.5 million and \$44.6 million, respectively. This is common among municipalities with histories of defined benefit plans. To address this liability and give municipalities leverage for either funding or making benefit changes, in December 2017, the State legislature passed Public Act 202, Protecting Local Government Retirement and Benefits Act. Under this law, a municipality’s retiree health plan would be considered underfunded if its assets are less than 40 percent of its obligations or require annual contributions greater than 12 percent of a jurisdiction’s annual operating revenues. A pension plan is deemed underfunded if it is less than 60 percent funded or its annual contributions are greater than 10 percent of annual operating revenues. Under this Act, municipalities are required to report pension and retiree health care finances to the State for review. If a municipality is underfunded, it must also submit an approved corrective action plan if it has not received a waiver from the State. The new law does not include explicit enforcement mechanisms, but according to the Deputy State Treasurer and head of the Treasury’s State and Local Finance Group, this Act is just the first step as municipalities across the State continue to struggle to fund the promises that have resulted in these legacy costs.

Initially, the City was underfunded for both Retiree Health Care Trust as well as the Police and Fire Pension plan; however, on June 30, 2021, our funding had drastically improved for the Retiree Health Care Trust as follows:

Benefit Plan	Most Recent Actuarial Study	Funding Ratio	Underfunded
Police and Fire Pension	June 30, 2022	51.1%	Yes
General Pension	December 31, 2021	99%	No
General Retiree Health Care	June 30, 2022	101.1%	No
Police and Fire Retiree Health Care	June 30, 2022	83.73%	No

## **Retiree Health Care**

In April of 2004, the Government Accounting Standards Board (GASB) issued regulations to improve disclosure for liability associated with future retiree health care costs, similar to the existing pension obligation disclosure requirements. Based on these GASB guidelines, the City was required to begin reporting our liability and contributions to fund these liabilities over the next 30-year time frame.

In FY 2006, the City developed and implemented a plan to prefund this liability calculated at \$54 million for Police and Fire and \$31.5 million for General Employees; for a total actuarial accrued liability for these benefits of \$86.1 million. Implementation of this plan began when Council approved the establishment of two Trust plans, one for Police and Fire (sworn) Retiree Health Care and a second for General Employee (non-police and fire) Retiree Health Care. The next steps were to allocate the money in the budget and study strategies to reduce the overall liability responsibly. Due to the significant calculated contribution cost to fund these plans, the City was historically unable to fund the total annual recommended contribution, averaging 101.76% of Police and Fire payroll or \$3,575,366 and 70.55% payroll for General employees or \$1,638,899. Instead, past budgets included funding the normal cost for both plans; approximately \$500,000 a year for Police and Fire and \$206,000 for General employees. Both plans receive actuarial evaluations every two years with funding levels below 40%. In addition to establishing these trusts for accumulation of funding, the City also began to address the unsustainable liability by negotiating labor concessions in the form of retiree health care savings accounts for all new hires, which will reduce this liability in the future. As of July 1, 2009, all employee groups have agreed to eliminate retiree health care in lieu of a health savings plan for all new hires, and the Court employees agreed to change to this plan for all new hires and the majority of current employees. While this labor negotiation strategy is fiscally sound in the long run, the actuarial valuation guidelines require the Trust to be funded over a shorter amortization

period, which increases the City's contribution rate over the next few years before declining in the future.

As mentioned earlier, with the requirement of PA 202, the City has successfully negotiated the elimination of City-paid retiree Medicare supplemental insurance with all bargaining units. As a result, members of these groups who are eligible to receive retiree health care will instead receive a \$300 monthly stipend per retiree and eligible spouse upon reaching Medicare age, at which point all City obligations shall cease. This elimination of retiree health insurance at Medicare age has significantly reduced the City's liability in future years; however, the City was still struggling to fund the actuarial calculated liability.

Therefore in the calendar year 2021, the City moved all current retiree health insurance to mirror the health insurance plan for active employees. These retirees will now receive the same health insurance as provided to active employees, which is currently a Community Blue PPO with a \$5/\$40/\$80 drug card. All retirees were enrolled in this plan January 1, 2022.

The changes described above have reduced the City's combined liability by over \$48 for Retiree Health Care from \$86.1 million to \$44.6 million. As of June 30, 2021, the City has accumulated a market value for both trusts of \$45.7 million, resulting in 95.18% funding for Police and Fire and 115.69% funding for the General Employees Trust. This is a significant achievement that will assist in keeping the City on a solid financial footing for years to come.

Due to the increased funding percentage of these trusts, retiree health care premiums were moved from the current year operations budget to be paid from these trusts. This resulted in an FY 2023 budget for retiree health care of \$1.1 million as compared to FY 2023 of \$3.3 million. Overall this also resulted in the ability to decrease the Police and Fire Retiree Benefit millage from 7.1155 to 7.0000 while making additional contributions to the pension system. We anticipate this millage to continue to be reduced in future years.

### **Pensions**

The second component to the legacy cost fringe benefit is the employer's contribution to the pension plans. This expense is budgeted to be \$7.96 million in both FY 2023 and 2024. The City's full-time workforce is divided into two pension groups. All Police and Fire sworn employees are members of the Police and Fire Pension Fund established pursuant to Michigan Public Act 345. The remainder of the full-time employee workforce is covered by the Municipal Employees' Retirement System (MERS). As of June 30, 2022 the General Employees' retirement system was 102.04% funded, while the Police and Fire Pension was only 47.14% or \$48.6 million of a \$91.8 million liability. The City's FY 2024 and FY 2025 budget continues to address this system funding by budgeting a pension contribution of \$3.3 million for Fire and \$4.2 for Police in both years. In addition, the Michigan Department of Treasury recently launched the Protecting MI Pension Grant Program. under this program, the state treasury appropriated \$750 million for qualified pension systems with a funded ratio below 60%. Under the grant guidance, it is estimated that the City will receive an additional \$3.6 million to be awarded to the Madison Heights Police and Fire Pension System. This Grant, coupled with the additional budget funding that started in FY 2023, should increase the funding level of this system to over 70% by June 30, 2025.

This plan remains open to all new hires in the Police and Fire Departments; however, starting in 2009, new hires can only count base wage into their final average compensation, and the pension multiplier was adjusted from 2.8% to 2.5%.

In regard to the MERS plan, all general employee groups, including non-union, have agreed to close the pension plans changing pension benefits for new hires from a Defined Benefit (DB) plan to a Defined Contribution (DC) plan. These DC plans are funded at 7.0% by the City with variable employee contributions by union. When a plan changes from DB to DC, the plan becomes closed, and the remaining unfunded liability is revised to be paid at a flat dollar amount for the number of employees.

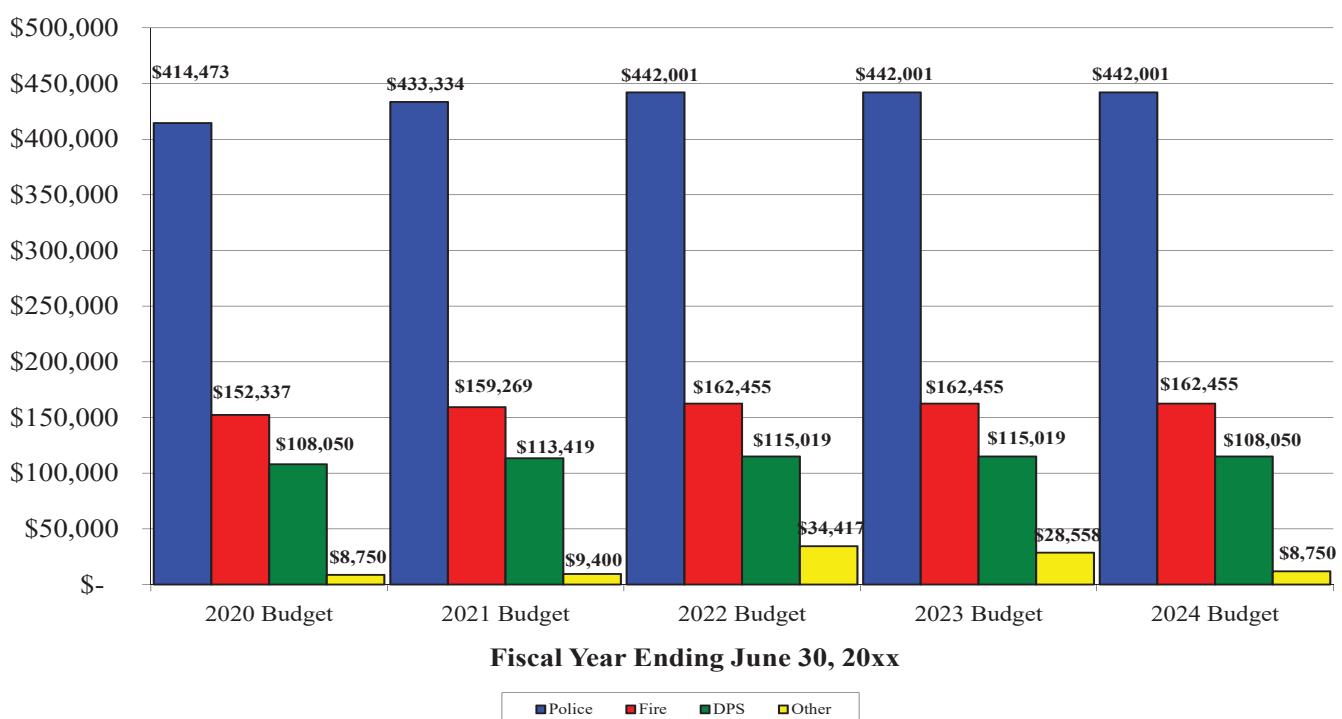
The budget for the employer contribution to MERS on behalf of the General Employee's Pension Fund is projected be \$464,446 in FY 2023. The State authorized, through Public Act 329 of 2012, municipalities to bond to pay the cost for pension and post-employment benefit liability, upon the satisfaction of certain conditions including issuance on or before December 31, 2018, a municipal credit rating in the AA category or higher, plans being closed to new hires, the preparation of a comprehensive financial plan, and approval from the Michigan Department of Treasury. In FY 2017, the City successfully issued Pension Obligation Bonds (POBs) for the General Employee's pension pursuant to Public Act 34 of 2001 and a resolution adopted by City Council on March 28, 2016. When the analysis was completed on issuing POBs, it was determined that the City would experience savings of approximately \$4 million over 16 years if the bonds sold with a true interest cost of 4.2% and investment earnings average 5.2%. These bonds sold in September 2016 with a true interest cost of 3.12%, well below the City's expectations of 4.2%. This will lead to greater savings than expected over the long-term. Debt payments budgeted in FY 2023 and FY 2024 for POB principal and interest are \$1.19 million each year. With this contribution, the City's General Employee's pension is considered 93% funded on market value as of December 2020. This reduced the budgeted actuarially required contributions because the City is now only required to fund the normal cost annually.

## Overtime

Overtime costs for all Funds in FY 2023-24 are budgeted at \$731,325. Overtime budgeted in the Police and Fire Departments amounts to \$604,456, and DPS overtime equals \$115,019. These overtime costs have been budgeted with consideration toward adjusting overtime to actual trending costs. The following chart shows overtime costs over the past five years. Much of the overtime costs have been attributable to having vacant positions due to the long lead time hiring qualified sworn personnel. The City has attempted to reduce this by starting the recruitment process prior to the occurrence of the vacancy; however, it has become increasingly difficult to find qualified recruits for Police and Fire, and Madison Heights is experiencing the same recruitment struggles as other municipalities nationwide

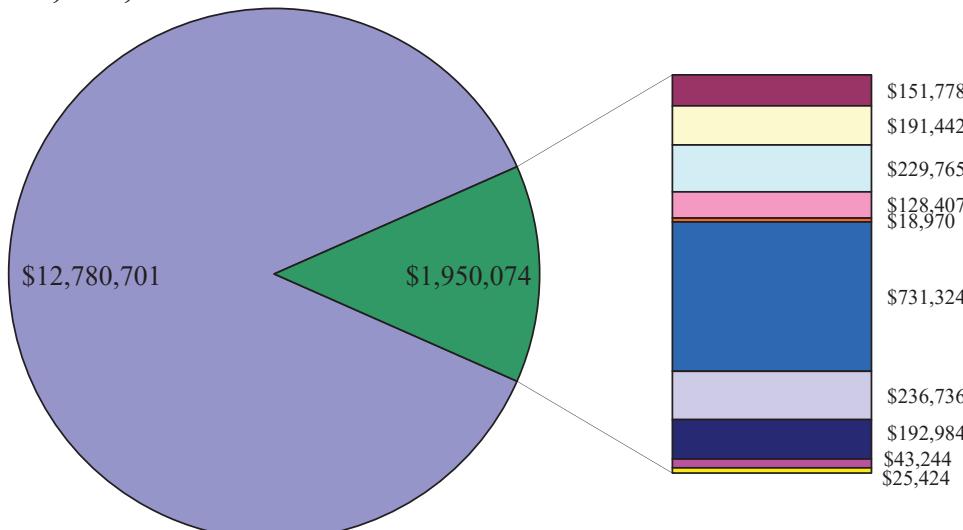
The charts below depict the City's budgeted wage and fringe benefit costs for FY 2023-24 and overtime costs over the past four years.

**All Funds Overtime Cost**

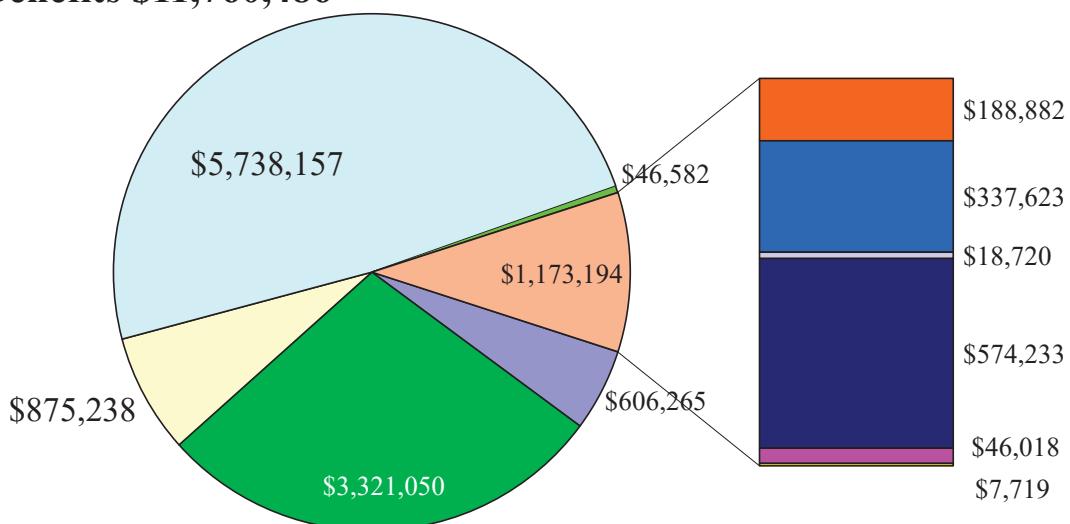


**2023-24**  
**Wage and Fringe Benefit Costs (\$25,043,130)**  
**Fiscal Year Budget**  
**All Funds**

**Wages \$13,117,138**



**Benefits \$11,760,486**



## Total Compensation Analysis

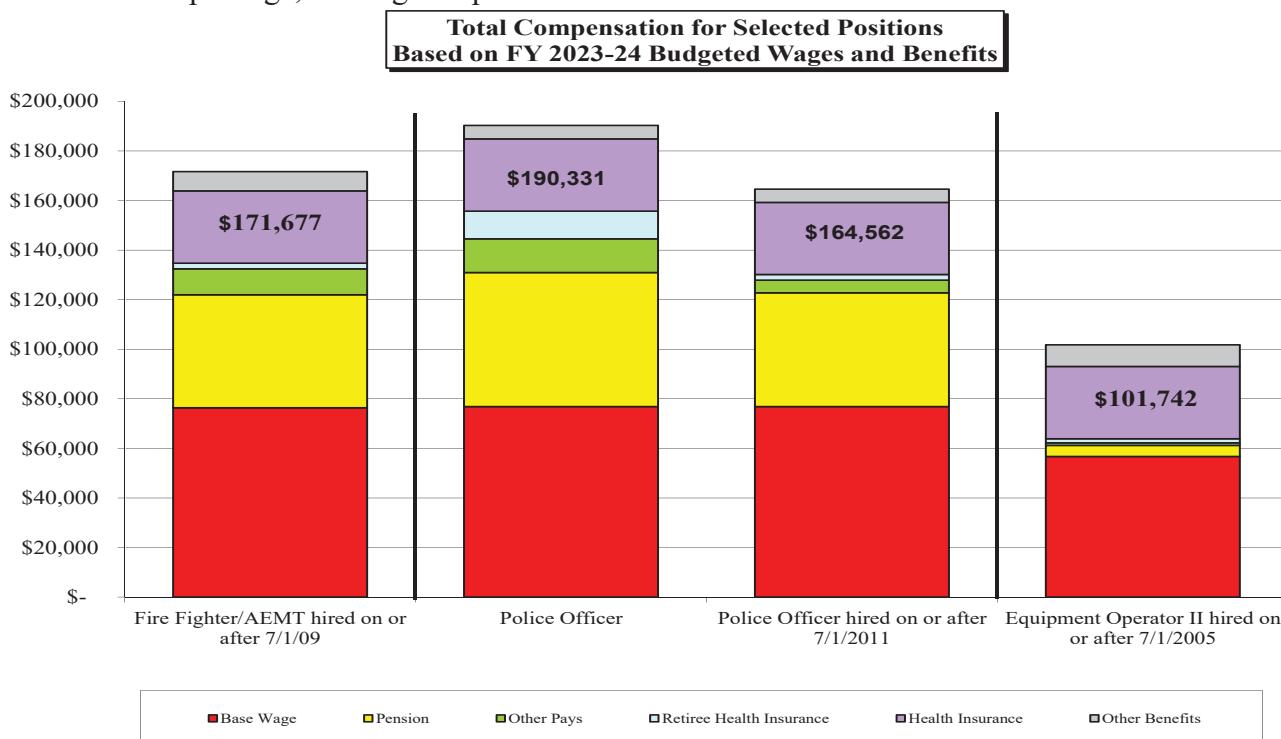
In order to determine what should be negotiated to control the City's expenses, we must look at the wages and benefits calculated together for total compensation currently provided to employees. The City has already made great strides in controlling costs for new hires by eliminating retiree health care and providing new employees with a Health Care Savings Program. In addition, the non-Police and Fire new hires are provided with a Defined Contribution Pension as opposed to a Defined Benefit retirement program. New hires for Police and Fire have a reduced pension multiplier of 2.5%, down from 2.8%.

For comparative purposes, the bar chart below shows the total FY 2024 compensation amount and benefit components for the positions of Police Officer, Fire Fighter/Paramedic, and Equipment Operator II, assumed at senior employee wages and longevity, and an average overtime cost. For comparative purposes, we have also included the wages and benefits for new hires in each category.

With benefits, the incumbent senior Police Officer receives annual total compensation of \$190,331. Fringe benefits average 1.2 times base wages for senior employees. A newly hired Fire Fighter's total compensation is \$171,677. It is important to note that the last incumbent Senior Firefighter/Paramedic under the old tier of benefits retired in March 2018.

A newly hired Equipment Operator II's total compensation is \$101,742. We no longer have any Equipment Operator II's under Tier 1 benefits; all are under the Defined Contribution Pension Plan and Health Care Savings Program for retiree health.

A newly hired Police Officer's total compensation is \$164,562, a savings of \$25,769 in overall annual compensation. The savings achieved under the new tier of benefits across all Unions are significant. At this time, we have 27 Firefighters, 35 Police Officers, 14 Equipment Operators, and 45 other employees with the new hire benefits package, totaling 121 positions or more than 72.45% of the full-time workforce.



Of course, wages are comprised of pay for time worked and pay for time not worked. The value of leave time is an important wage component to track for purposes of productivity analysis and cost control. The following table shows the cost of leave time for a Police Officer in FY 2024. The position's compensation calculation assumes the maximum wage step and longevity.

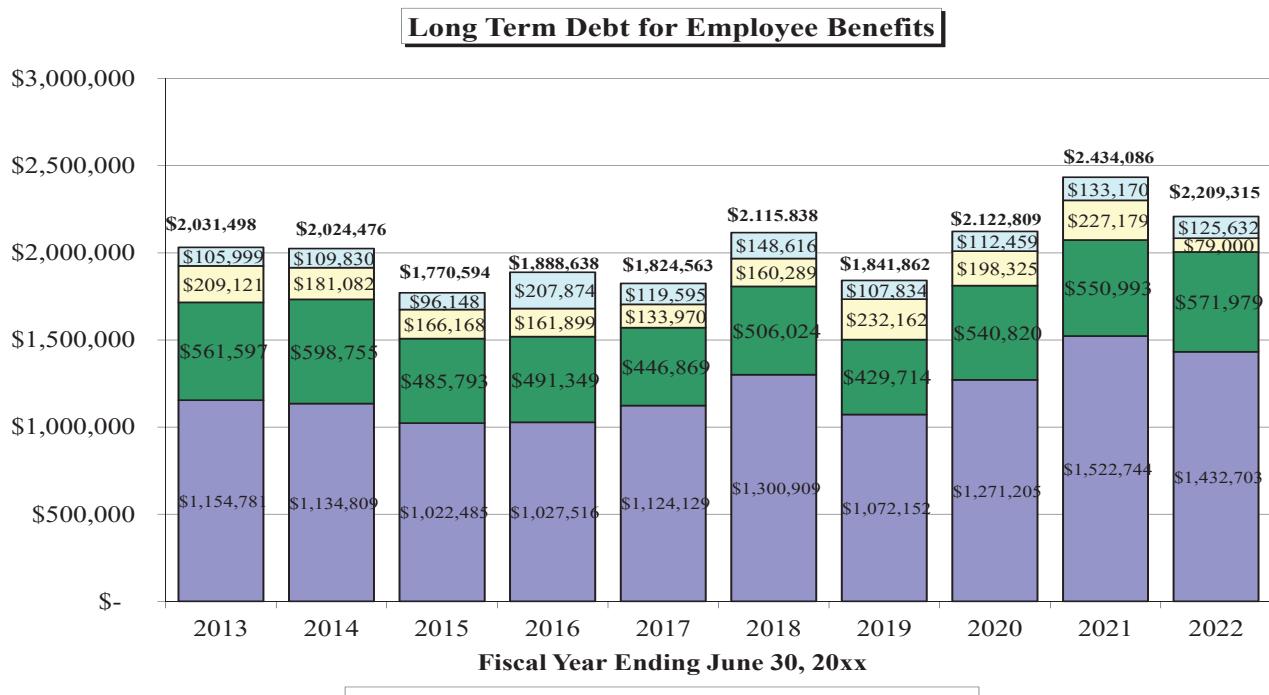
Leave Benefit	Days Off Per Year	Value of Leave Benefit
Vacation	25	\$15,501
Holidays	12	7,441
Admin. Leave Days	6	3,720
Sick leave (Max. of 12)	5	3,100
Personal Leave Days	2	1,240
<b>Total</b>	<b>50</b>	<b>\$31,002</b>

**As shown on the chart above, this Police Officer could have almost one day off per week!**

Cash benefits include compensation and other fringe benefits apart from the compensation received for time worked and leave time. Specifically, cash benefits may include cost-of-living payments (COLA) (if applicable), sick leave buy-back payments, longevity pay, holiday pay, medical insurance incentive (if applicable), education incentive, and uniform allowance. Other fringe benefits include medical insurance premiums, Medicare employer contributions, optical insurance premiums, dental payments, life insurance premiums, short-term and long-term disability insurance premiums, workers compensation payments, and pension contributions.

In addition, the value of unused employee leave can represent a significant liability for the City at the time of retirement. The following chart shows just how expensive these leave allotments can be by focusing on the key benefits of vacation, sick leave, longevity, and compensatory time off (CTO).

This chart is illustrative of the liability for these benefits as of the last audited fiscal year, June 30, 2022.



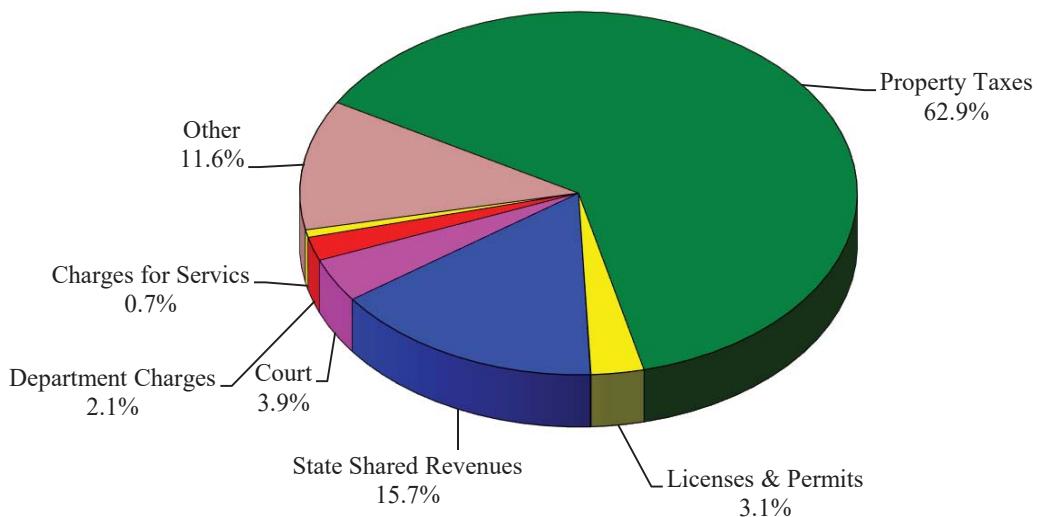


## **GENERAL FUND**

This chapter provides both a summary of General Fund revenues and expenditures and a review of the services provided, organizational structure, authorized positions, expenditures, revenues, performance measures, key issues, accomplishments and objectives for the General Fund Departments, Divisions and Cost Centers.

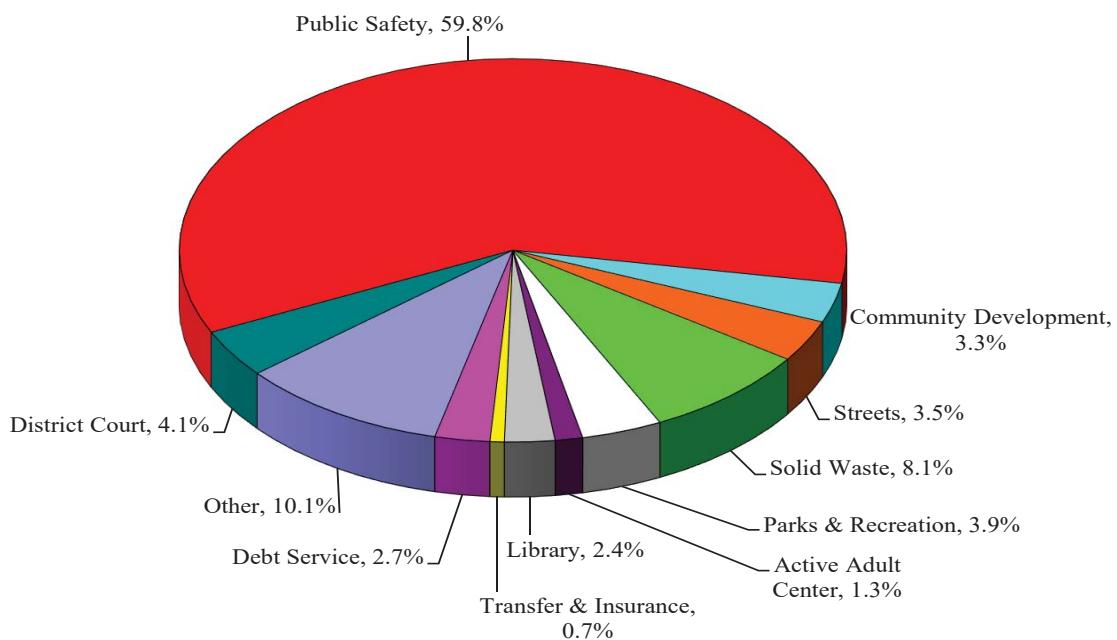
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# General Fund Revenues



The principal sources of General Fund Revenues are the Property Tax, Court and State Shared Revenues.

# General Fund Expenditures



Police, Fire and Court operations combined make up over sixty-two percent of all General Fund Expenditures.

**GENERAL FUND REVENUES AND EXPENDITURES  
FY 2024 ADOPTED AND FY 2025 PROPOSED BUDGETS**

Description	Actual 2021-2022	Estimate 2022-2023	Adopted Budget 2023-2024	Increase (Decrease) FY 2022-23 to FY 2023-24	Proposed Budget 2024-2025
<b>Revenues by Source:</b>					
Property Taxes	\$ 21,261,425	\$ 22,591,420	\$ 24,439,961	\$ 1,848,541	\$ 24,991,497
Licenses & Permits	475,241	417,800	521,581	103,781	573,423
Non-Business Licenses & Permits	790,049	668,525	668,525	-	668,500
Federal Shared Revenues	33,587	1,571,062	10,000	(1,561,062)	10,000
State Shared Revenues	5,992,527	5,819,092	6,115,901	296,809	6,115,901
Other Governmental Revenues	40,963	165,956	175,658	9,702	177,624
County Shared Revenues	74,565	61,000	51,139	(9,861)	51,139
SMART Revenues	80,667	70,019	70,019	-	70,019
Court Fines and Fees	1,226,115	1,374,000	1,519,000	145,000	1,519,000
Charges for Services	288,826	262,730	261,530	(1,200)	261,530
Sales-Miscellaneous	8,630	16,874	9,500	(7,374)	9,500
Parks & Recreation	253,933	234,000	264,000	30,000	264,000
Miscellaneous Revenues	2,082,571	1,651,663	1,667,163	15,500	1,667,163
Sale of Fixed Assets	86,566	50,000	50,000	-	50,000
Department Charges	802,208	891,480	821,480	(70,000)	821,480
Transfers In	43,387	84,869	2,204,406	2,119,537	2,271,956
Prior Years Fund Balance	-	8,471,577	10,157	(8,461,420)	16,491
<b>Total Revenues</b>	<b>\$ 33,541,260</b>	<b>\$ 44,402,067</b>	<b>\$ 38,860,020</b>	<b>\$ (5,542,047)</b>	<b>\$ 39,539,223</b>
Less: Transfers In	22,053	21,869	23,677	21,869	24,289
<b>Net Total Revenues</b>	<b>\$ 33,519,207</b>	<b>\$ 44,380,198</b>	<b>\$ 38,836,343</b>	<b>\$ (5,563,916)</b>	<b>\$ 39,514,934</b>

Description	Actual 2021-2022	Estimate 2022-2023	Proposed Budget 2023-2024	Increase (Decrease) FY 2022-23 to FY 2023-24	Proposed Budget 2024-2025
<b>Expenditures by Activity:</b>					
City Council	\$ 56,615	\$ 58,306	\$ 58,606	\$ 300	\$ 58,606
District Court	1,336,807	1,461,729	1,572,161	110,432	1,559,855
City Manager	240,803	262,383	275,307	12,924	292,198
Elections	63,425	83,638	84,605	967	83,438
City Assessor	211,902	227,776	228,309	533	228,309
Legal	376,106	335,695	375,000	39,305	375,000
City Clerk	371,642	402,273	410,997	8,724	488,437
Human Resources	384,641	473,001	466,357	(6,644)	468,613
Board of Review	1,415	3,043	3,043	-	3,043
General Administration	735,343	338,619	395,117	56,498	407,102
Finance	737,969	793,202	804,517	11,315	849,375
Information Technology	242,550	310,878	549,979	239,101	536,419
Municipal Building	823,323	58,588	60,878	2,290	62,347
Custodial & Maintenance	194,579	190,442	197,829	7,387	199,444
Police	11,006,925	12,956,804	13,637,187	680,383	13,626,482
Fire	6,806,532	7,939,246	9,450,680	1,511,434	9,634,019
Community Development	1,009,615	1,138,451	1,289,288	150,837	1,249,373
Streets	1,275,123	1,134,575	1,358,313	223,738	1,216,016
Solid Waste	2,730,978	3,404,937	3,131,141	(273,796)	3,257,187
Recreation	188,359	306,228	398,466	92,238	411,325
Nature Center	5,874	59,600	9,672	(49,928)	9,745
Parks	906,324	1,236,991	1,098,503	(138,488)	1,258,219
Active Adult Center	471,332	498,778	514,386	15,608	447,316
Library	827,046	920,884	937,946	17,062	1,031,127
Insurance, Bonds and Transfers	1,290,435	9,806,000	1,551,733	(8,254,267)	1,786,228
<b>Total Expenditures</b>	<b>\$ 32,295,663</b>	<b>\$ 44,402,067</b>	<b>\$ 38,860,020</b>	<b>\$ (5,542,047)</b>	<b>\$ 39,539,223</b>
Less: Transfers Out	-	8,510,921	257,100	6,547,195	482,500
<b>Net Total Expenditures</b>	<b>\$ 32,295,663</b>	<b>\$ 35,891,146</b>	<b>\$ 38,602,920</b>	<b>\$ (12,089,242)</b>	<b>\$ 39,056,723</b>

**GENERAL FUND REVENUES**  
**FY 2024 ADOPTED and FY 2025 PROPOSED**  
**BUDGET**

Description	Actual 2021-2022	Estimate 2022-2023	Budget 2023-2024	Increase (Decrease) FY 2022-23 to FY 2023-24	Budget 2024-2025
Property Taxes	\$ 21,261,425	\$ 22,591,420	\$ 24,439,961	\$ 1,848,541	\$ 24,991,497
Licenses & Permits	1,265,290	1,086,325	1,190,106	103,781	1,241,923
Federal Revenues	33,587	1,571,062	10,000	(1,561,062)	10,000
State Shared Revenues	5,992,527	5,819,092	6,115,901	296,809	6,115,901
Other Government	196,285	296,975	296,816	(159)	298,782
Court Fines and Fees	1,226,115	1,374,000	1,519,000	145,000	1,519,000
Service Fees	542,759	496,730	525,530	28,800	525,530
Sales - Miscellaneous	8,630	16,874	9,500	(7,374)	9,500
Miscellaneous	2,169,137	1,701,663	1,717,163	15,500	1,717,163
Department Charges	802,208	891,480	821,480	(70,000)	821,480
Transfers In	43,387	84,869	2,204,406	2,119,537	2,969,957
Prior Year's Fund Balance	-	8,471,577	10,157	(8,461,420)	16,491
<b>Total</b>	<b>\$ 33,541,350</b>	<b>\$ 44,402,067</b>	<b>\$ 38,860,020</b>	<b>\$ (5,542,047)</b>	<b>\$ 40,237,224</b>
Less: Transfers In	43,387	84,869	21,869	2,119,537	2,969,957
<b>Net Total Revenues</b>	<b>\$ 33,497,963</b>	<b>\$ 44,317,198</b>	<b>\$ 38,838,151</b>	<b>\$ (7,661,584)</b>	<b>\$ 37,267,267</b>

Description	Actual 2021-2022	Estimate 2022-2023	Budget 2023-2024	Increase (Decrease) FY 2022-23 to FY 2023-24	Budget 2024-2025
General Government	\$ 5,730,748	\$ 4,832,923	\$ 5,205,177	\$ 372,254	\$ 5,356,059
Public Safety	19,150,264	22,357,778	24,660,028	2,302,250	24,820,356
Community Service	4,006,101	4,539,512	4,489,454	(50,058)	4,473,203
Culture and Recreation	2,398,935	3,022,481	2,958,973	(63,508)	3,157,732
Community Development	1,009,615	1,138,451	1,289,288	150,837	1,249,373
Transfers Out		8,510,921	257,100	(8,253,821)	482,500
<b>Total</b>	<b>\$ 32,295,663</b>	<b>\$ 44,402,066</b>	<b>\$ 38,860,020</b>	<b>\$ 2,711,775</b>	<b>\$ 39,539,223</b>
Less: Transfers Out	0	8,510,921	257,100	(8,253,821)	482,500
<b>Net Total Expenditures</b>	<b>\$ 32,295,663</b>	<b>\$ 35,891,145</b>	<b>\$ 38,602,920</b>	<b>\$ 10,965,596</b>	<b>\$ 39,056,723</b>

<b>Assigned Fund Balance - Unrestricted</b>	\$ 21,549,652	\$ 13,078,076	\$ 13,067,919	\$ (10,157)	\$ 13,749,429
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## GENERAL FUND EXPENDITURES

### FY 2024 ADOPTED and FY 2025 PROPOSED BUDGET

<b>GENERAL GOVERNMENT</b>					
Description	Actual 2021-2022	Estimate 2022-2023	Budget 2023-2024	Increase (Decrease) FY 2022-23 to FY 2023-24	Budget 2024-2025
Mayor and Council	\$ 56,615	\$ 58,306	\$ 58,606	\$ 300	\$ 58,606
City Manager	240,803	262,383	275,307	12,924	292,198
Legal	376,106	335,695	375,000	39,305	375,000
Assessor/Board of Review	213,317	230,819	231,352	533	231,352
City Clerk/Elections	435,067	485,911	495,602	9,691	571,875
Human Resources	384,641	473,001	466,357	(6,644)	468,613
General Administration	735,343	338,619	395,117	56,498	407,102
Finance	737,969	793,202	804,517	11,315	849,375
Information Technology	242,550	310,878	549,979	239,101	536,419
Custodial/Maintenance	1,017,902	249,030	258,707	9,677	261,791
Insurance & Bonds	1,290,435	1,295,079	1,294,633	(446)	1,303,728
<b>Total</b>	<b>\$ 5,730,748</b>	<b>\$ 4,832,923</b>	<b>\$ 5,205,177</b>	<b>\$ 372,254</b>	<b>\$ 5,356,059</b>
<b>PUBLIC SAFETY</b>					
Police	\$ 11,006,925	\$ 12,956,804	\$ 13,637,187	\$ 680,383	\$ 13,626,482
Fire	6,806,532	7,939,245	9,450,680	1,511,435	9,634,019
District Court	1,336,807	1,461,729	1,572,161	110,432	1,559,855
<b>Total</b>	<b>\$ 19,150,264</b>	<b>\$ 22,357,778</b>	<b>\$ 24,660,028</b>	<b>\$ 2,302,250</b>	<b>\$ 24,820,356</b>
<b>COMMUNITY SERVICE</b>					
Streets	\$ 1,275,123	\$ 1,134,575	\$ 1,358,313	\$ 223,738	\$ 1,216,016
Solid Waste	2,730,978	3,404,937	3,131,141	(273,796)	3,257,187
<b>Total</b>	<b>\$ 4,006,101</b>	<b>\$ 4,539,512</b>	<b>\$ 4,489,454</b>	<b>\$ (50,058)</b>	<b>\$ 4,473,203</b>
<b>CULTURE AND RECREATION</b>					
Recreation	\$ 188,359	\$ 306,228	\$ 398,466	\$ 92,238	\$ 411,325
Nature Center	5,874	59,600	9,672	(49,928)	9,745
Parks	906,324	1,236,991	1,098,503	(138,488)	1,258,219
Active Adult Center	471,332	498,778	514,386	15,608	447,316
Library	827,046	920,884	937,946	17,062	1,031,127
<b>Total</b>	<b>\$ 2,398,935</b>	<b>\$ 3,022,481</b>	<b>\$ 2,958,973</b>	<b>\$ (63,508)</b>	<b>\$ 3,157,732</b>
<b>COMMUNITY DEVELOPMENT</b>					
<b>Total</b>	<b>\$ 1,009,615</b>	<b>\$ 1,138,451</b>	<b>\$ 1,289,288</b>	<b>\$ 150,837</b>	<b>\$ 1,249,373</b>
<b>TOTAL</b>					
General Fund Total	\$ 32,295,663	\$ 35,891,145	\$ 38,602,920	\$ 2,711,775	\$ 39,056,723
Transfers Out	-	8,510,921	257,100	(8,253,821)	482,500
<b>Total</b>	<b>\$ 32,295,663</b>	<b>\$ 44,402,066</b>	<b>\$ 38,860,020</b>	<b>\$ (5,542,046)</b>	<b>\$ 39,539,223</b>

# **Mayor & Council**

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The citizens of Madison Heights elect the Mayor and six members of the Council. The Mayor is elected for a two-year term and Council members are elected for staggered four-year terms. Key responsibilities include:

- Appointment of the City Manager, to exercise and perform all administrative functions of the City that are not assigned by the City Charter or ordinance to another official;
- Adoption of the Annual Budget, appropriation of funds, and levy of taxes necessary to support municipal purposes;
- Adoption of laws, ordinances and resolutions, as deemed proper to promote and protect the high level of service quality and financial stability in the City; and
- Promotion of community involvement by appointing members to the various Boards and Commissions within the City.

## **Organizational Structure and Staff**

<b>Personnel Summary</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Mayor	1	1	1	1
Mayor Pro-Tem	1	1	1	1
Councilmembers	5	5	5	5
<b>Total Elected Officials</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>

The City also has over 240 volunteers who dedicate their time and talents to Madison Heights Boards, Commissions, Committees and support programs. The City Council appoints members to Boards and Commissions including:

- Arts Board
- Downtown Development Authority and Brownfield Redevelopment Authority
- Charter Amendment & Ordinance Revision Committee
- Civil Service Commission
- Construction Board of Appeals
- Crime Commission
- Elected Officials Compensation Commission
- Environmental Citizens Committee
- Historical Commission
- Human Relations and Equity Commission
- Information Technology Advisory Committee
- Library Advisory Board
- Human Relations and Equity Commission
- Parks and Recreation Advisory Board
- Planning Commission
- Police and Fire Pension Board and Retiree Health Care Trust Board
- Active Adult Center Advisory Board
- Tax Review Board
- Zoning Board of Appeals

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Input	Regular City Council Meetings	23	23	23	23
	Agenda Items	150	175	175	180
	Public Hearings Held	10	10	10	10
Outcomes	Ordinances and Amendments Adopted	10	20	20	17
	Agenda Items Acted Upon	150	175	175	178
	Annual % Change in Millage Rate	0.0%	-0.7%	-2.1%	0.0%
	Department Expenditures as a % of General Fund	0.2%	0.1%	0.2%	0.1%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease)	Budget 2024-25
				FY 2022-23	
Personnel Services	\$ 53,141	\$ 54,017	\$ 54,017	\$ 0	\$ 54,017
Supplies	393	325	325	-	325
Other Services and Charges	3,081	3,964	4,264	300	4,264
Capital Outlay	-	-	-	-	-
Total	\$ 56,615	\$ 58,306	\$ 58,606	\$ 300	\$ 58,606
Resources:					
General Fund	\$ 56,615	\$ 58,304	\$ 58,606	\$ 600	\$ 58,606
Total	\$ 56,615	\$ 58,304	\$ 58,606	\$ 600	\$ 58,606

## Key Issues

- Training is being retained at higher than historical levels since four of the seven elected seats are open for November 2023.
- This budget also includes \$300 for community promotion for a new volunteer and citizen recognition program.
- All other items for this department are supported at its current level.

# District Court

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The 43<sup>rd</sup> District Court was established by the State of Michigan to render judicial decisions for the citizens of the City. The State is divided into judicial districts, each of which is an administrative unit subject to the control of the Supreme Court. Jurisdiction of the District Court includes all felonies, misdemeanors, civil infractions, and civil and small claim cases.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Court Administrator	1	1	1	1
Chief Deputy Court Clerk	2	2	2	2
Deputy Court Clerk	4	4	4	4
Court Officer	1	1	1	1
Probation Officer	1	1	1	1
Total Full-Time	9	9	9	9
Magistrate	1	1	1	1
Court Officer	2	2	2	2
MIDC Clerk	1	1	1	1
Probation Officer	0	0	0	0
Total Part-Time	4	4	4	4
Total Employees	13	13	13	13

The District Court Judge who is an employee of the State of Michigan and elected by local voters supervises nine full-time and three part-time District Court employees. The Judicial staff includes the District Court Judge and a full-time Court Administrator. Also, a part-time Magistrate hears small claims cases, signs warrants, sets bonds, etc. The Court is subdivided into five functional divisions including: Criminal Cases, Civil Cases, Small Claims, Probation and Traffic Bureau.

- The Criminal Division handles all felony and misdemeanor complaints filed by law enforcement.
- The Civil Cases Division handles the jurisdiction of all civil litigation up to \$25,000.
- The Small Claims Division hears civil cases filed below \$5,500 and requires no attorney.
- The Probation Division provides services to the Judge and probationary clients. The Probation Officer provides special reports and analysis to the Judge for assistance on sentencing decisions.
- The Traffic Bureau Division handles complaints filed by law enforcement agencies regarding traffic and City ordinances.

## Financial Summary

<b>Requirements:</b>	Actual	Estimate	Budget	Increase (Decrease)	Budget
	2021-22	2022-23	2023-24	FY 2022-23 FY 2023-24	2024-25
Personnel Services	\$ 997,423	\$ 1,041,535	\$ 1,066,505	\$ 24,970	\$ 1,118,348
Supplies	23,535	31,900	31,900	-	31,900
Other Services and Charges	305,400	321,538	345,676	24,138	367,907
Capital Outlay	10,449	66,756	128,080	61,324	41,700
<b>Total</b>	<b>\$ 1,336,807</b>	<b>\$ 1,461,729</b>	<b>\$ 1,572,161</b>	<b>\$ 110,432</b>	<b>\$ 1,559,855</b>
<b>Resources:</b>					
Court Salary Standard	\$ 46,352	\$ 49,719	\$ 49,719	\$ -	\$ 49,719
Court Fines	715,457	800,000	955,000	155,000	955,000
Forfeits	33,730	18,000	18,000	-	18,000
Reimbursed Court Costs	367,206	400,000	400,000	-	400,000
Bond Fees	11,523	31,000	31,000	-	31,000
Probation Oversight	89,994	110,000	110,000	-	110,000
Violation Clearance	8,205	15,000	5,000	(10,000)	5,000
General Fund	64,340	38,010	3,442	(34,568)	(8,864)
<b>Total</b>	<b>\$ 1,336,807</b>	<b>\$ 1,461,729</b>	<b>\$ 1,572,161</b>	<b>\$ 110,432</b>	<b>\$ 1,559,855</b>

## Key Issues

- The fourth largest source of General Fund Revenue is composed of Court fines, forfeits and charges (\$1.5 million), which are used to partially offset the cost of operating our State-mandated District Court and legal prosecution costs.
- Revenues are budgeted to increase slightly over FY 2023 to cover court operation cost.
- The Michigan Indigent Defense Commission (MIDC) was created by legislation in 2013 after an advisory commission recommended improvements to the state's legal system. One part time position was added to handle the increased administration to be in compliance, however this position has been eliminated with administrative tasks handled by finance personnel and the contracted MIDC administration.

# **City Manager**

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The City Manager is appointed by the City Council and serves as the chief administrative officer.

The City Manager is responsible for:

- Implementation of policies and direction set by the City Council;
- Direction and supervision of all City Departments, oversight of all personnel functions and purchasing activities of the City;
- Administrative support at all Council meetings;
- Enforcement of municipal ordinances, Charter provisions, and other laws and regulations;
- Preparation of the annual operating budget;
- Reports to the Council on a continuing as well as ad hoc basis on the City's finances, operations and future needs; and,
- Other administrative duties such as assuring positive relationships with the public, working with outside governmental and non-governmental agencies, investigating and adopting new technologies and coordinating public information.

## **Organizational Structure and Staff**

<b>Personnel Summary</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
City Manager	1	1	1	1
Executive Assistant	1	0	0	0
Assistant to the City Manager	0	1	1	1
Total Full-Time	2	2	2	2

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Output	Number of Staff Meetings held	22	23	23	23
	Number of Council-adopted goals managed	43	45	45	43
	Media inquiries/requests handled	85	75	75	70
Efficiency	% of Council Agenda Items Reviewed Prior to Bi-Weekly Staff Meeting	99.0%	99.0%	99.0%	99.0%
	Department Expenditures as a % of General Fund	0.7%	0.6%	0.7%	0.7%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 235,411	\$ 249,948	\$ 263,682	\$ 13,734	\$ 280,573
Supplies	182	400	400	-	400
Other Services and Charges	5,210	12,035	11,225	(810)	11,225
Capital Outlay	-	-	-	-	-
<b>Total</b>	<b>\$ 240,803</b>	<b>\$ 262,383</b>	<b>\$ 275,307</b>	<b>\$ 12,924</b>	<b>\$ 292,198</b>
Resources:					
General Fund	\$ 240,803	\$ 262,383	\$ 275,307	\$ 12,924	\$ 292,198
<b>Total</b>	<b>\$ 240,803</b>	<b>\$ 262,383</b>	<b>\$ 275,307</b>	<b>\$ 12,924</b>	<b>\$ 292,198</b>

## Key Issues

- Personnel Services is budgeted to increase to accommodate changes in insurance coverage status.
- The balance of this budget is supported at the current service level.

# City Clerk & Elections

The Clerk's Office consists of the City Clerk who is appointed by the City Manager and one full time Deputy City Clerk, and a Business Services Coordinator. During elections, there are an average of 72 Election Workers who participate in running the election precincts. The number of elections and the anticipated voter turnout determine the number of election workers. The Clerk's Office is responsible for:

- Retaining all official records of the City;
- Attending all City Council Meetings and various board meetings to record official actions in the form of minutes, indices, adjustments of directories and updates to the Code of Ordinances;
- Preparing ceremonial certificates of commendation and testimonials;
- Issuing animal licenses; coordinating all business licenses; right-of-way and door-to-door solicitation permits;
- Administering the Elections Division, which is responsible for voter registration and conducting Federal, State, County, City and School Elections in accordance with the Federal and State Election Laws while striving to protect the rights of voters;
- Serving as City Freedom of information Act (FOIA) Coordinator;
- Maintaining public meeting information; and
- Managing Boards and Commissions.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
City Clerk	1	1	1	1
Deputy City Clerk	1	1	1	1
Business Services Coordinator	0	1	1	1
Total Full-Time	2	3	3	3
Election Chairpersons/Co Chairperson	24	18	24	12
Election Inspectors	123	68	112	45
Office Assistant	1	1	1	1
Total Part-Time	148	87	137	58

## Accomplishments

### **Resource Management:**

- Conducted the August 2, 2022 Primary Election and November 8, 2022 General Election.
- Applied for and won a grant to install new Drop Boxes and Cameras (2023 Strategic Planning Item 1.2b)
- Conducted training for all election inspectors, and recruited student election inspectors
- Electronic storage of all City Council Ordinances and City Council Packets
- Professional development of City Clerk and Deputy City Clerk
- Implemented new record retention program and conversion of existing records
- Improved efficiency of Agenda processing (2021 Strategic Planning Item 5.1c)
- Improved efficiency of boards and commissions administration (2021 Strategic Planning Item 5.1c)
- Implemented expansion of business license registration program (2021 Strategic Planning Item)

## Objectives

### **Resource Management**

- Hold Pop-Up office hours prior and Elections for voters accessibility
- Continue electronic storage, retention and indexing of all contracts, titles, resolutions and agreement records.
- Continue professional development for City Clerk and staff.
- Improve security of election materials and ballot drop boxes (2023 Strategic Planning Item 1.2b)

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-24 Budget	2024-25 Budget
Input	Hours attending City Council Meetings	39	40	40	40
	Number of Election Workers per election	57	60	60	60
	Average Number of Voters per FTE	1515	5672	3800	3800
Output	Number of Business and Animal Licenses Issued	1800	1422	1800	1800
	Number of New Registered Voters/Changes	5805	5000	5000	5000
	Number of Absentee Ballots Sent	4617	9000	6000	6000
Outcome	Average Days to Post Approved Board Minutes to website	30	30	30	30
	Number of Election Workers attending training (workers x trainings)	84	120	120	120
	Average Length of time to Process New Business Licenses (days)	29	29	29	29
Efficiency	% Voter Turnout per November State Election	19%	51%	20%	20%
	% of FOIA request responded to within 10 business days	100%	99%	100%	100%
	Department Expenditures as a % of General Fund	1.20%	0.9%	1.1%	1.2%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 343,003	\$ 354,713	\$ 371,936	\$ 17,223	\$ 449,292
Supplies	2,968	5,500	5,500	0	5,500
Other Services and Charges	25,671	42,060	33,561	(8,499)	33,645
Capital Outlay	-	-	-	-	-
Subtotal-Elections	63,425	83,638	84,605	967	83,438
<b>Total</b>	<b>\$ 435,067</b>	<b>\$ 485,911</b>	<b>\$ 495,602</b>	<b>\$ 9,691</b>	<b>571,875</b>
Resources:					
Business Licenses	\$ 164,586	\$ 195,000	\$ 195,000	\$ -	\$ 195,000
Animal Licenses	8,026	8,500	8,500	-	8,500
Bicycle Licenses	18	25	25	-	0
Vital Health Statistics	15,125	17,000	17,000	-	17,000
Election Reimbursement	-	-	-	-	-
General Fund	247,312	265,386	275,077	9,691	351,375
<b>Total</b>	<b>\$ 435,067</b>	<b>\$ 485,911</b>	<b>\$ 495,602</b>	<b>\$ 9,691</b>	<b>\$ 571,875</b>

## Key Issues

- New election laws to be implemented in FY 24 will increase staffing and overtime cost of conducting elections as the days and hours prior to the election and absentee ballots can be filed in person is expanded.
- This budget is supported at the current service level.

# Assessing

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The Assessing function is contained within the Finance Department, with contractual services provided by Oakland County Equalization Department. Assessing responsibilities include:

- Operating under the provisions of the General Property Tax Act of 1893, as amended, and applicable local charter provisions;
- Monitoring and maintaining the “principal residence” status of all property throughout the City as well as tracking property transfers;
- Developing special assessment district rolls used to fund infrastructure improvements; and providing analysis of proposed Special Assessment District (SAD) projects.
- Defending all assessments before the Michigan Tax Tribunal and supporting economic development efforts; and
- Handling the appraisal of all real estate and personal property for property tax purposes on an annual basis. There are 11,553 real property descriptions and 1,746 personal property accounts in the City.

## Accomplishments

### **Resource Management:**

- The personal property team studied 5.5%, 90 out of 1,731 parcels, in performance of the 2023 equalization study.
- Renewed contract with Oakland County Equalization for one additional year until June 30, 2023.
- Contracting assessing to Oakland County Equalization has saved approximately \$306,000 per year in General Fund operating expense.
- Reviewed 99 eligible manufacturing personal property statements, 1018 small business exemptions, and 431 personal property statements in accordance with State Personal Property tax (PPT) reform legislation.

Oakland County Equalization reviewed 646 property records. 157 appeals went to the Board of Review and 5 appeals were heard at the Michigan Tax Tribunal

The Tentative average assessed value was \$88,744 and average taxable value was \$51,379 for taxable parcels in 2023.

## Objectives

### **Resource Management:**

- Establish new market and taxable property values for tax year 2023 (FY 2024).
- Conduct audits for a minimum 5% of all personal property accounts.

## Performance Measures

Output	Performance Indicators	2022 Actual	2023 Estimate	2023-2024	2024-2025
				Budget	Budget
	Property Records Reviewed	646	400	400	400
	Personal Property Audits	33	15	15	15
	Michigan Tax Tribunal Cases	5	10	10	10
	Board of Review Appeals	157	10	200	200
Efficiency	% Assessment Changes Processed by the Deadline	100.0%	100.0%	100.0%	100.0%
	% of Parcels Added/Deleted by Deadline	100.0%	100.0%	100.0%	100.0%
	Department Expenditures as a % of General Fund	0.7%	0.5%	0.6%	0.6%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Other Services and Charges	211,902	227,776	228,309	533	228,309
Capital Outlay	-	-	-	-	-
Subtotal-Board of Review	1,415	3,043	3,043	-	3,043
Total	\$ 213,317	\$ 230,819	\$ 231,352	\$ 533	\$ 231,352
<b>Resources:</b>					
General Fund	\$ 213,317	\$ 230,819	\$ 231,352	\$ 533	\$ 231,352
Total	\$ 213,317	\$ 230,819	\$ 231,352	\$ 533	\$ 231,352

## Key Issues

- In the spring of 2010, the City replaced its in-house Assessing Office with a contract with Oakland County Equalization Department at a savings of approximately \$304,000 per year.
- The City is currently under contract with Oakland County Equalization to provide assessing services through June 30, 2024.

# Legal Department

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The City's legal services are contracted to a number of external legal firms. The City Attorney, as called for in the City Charter, is appointed by the City Council. The City also retains services of legal specialists in the areas of telecommunications, labor relations, liability claims and environmental protection. The Legal Department's responsibilities include:

- Providing legal representation and advising the City Council and City Administration;
- Representing the City in civil matters and prosecution of criminal matters;
- Preparing legal opinions and/or reviewing ordinances, resolutions and contracts;
- Presenting legal updates to City Council, Administration; and
- Attending City Council meetings and various Boards and Commissions.

## Performance Measures

Performance Measures:	2022 Actual	2023 Estimate	2023-2024 Proposed	2024-2025 Proposed
<b>Workload Indicators</b>				
Legal Counsel (Hours)				
Tax Tribunal	68	29	29	29
Labor	20	16	16	16
General	2,661	1,973	1,972	1,972
Telecommunications	75	75	75	75
Department Expenditures as a % of the General Fund	1.2%	0.8%	1.0%	0.9%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Other Services and Charges	376,106	335,695	375,000	39,305	375,000
Capital Outlay	-	-	-	-	-
<b>Total</b>	<b>\$ 376,106</b>	<b>\$ 335,695</b>	<b>\$ 375,000</b>	<b>\$ 39,305</b>	<b>\$ 375,000</b>
<b>Resources:</b>					
General Fund	\$ 376,106	\$ 335,695	\$ 375,000	\$ 39,305	\$ 375,000
<b>Total</b>	<b>\$ 376,106</b>	<b>\$ 335,695</b>	<b>\$ 375,000</b>	<b>\$ 39,305</b>	<b>\$ 375,000</b>

## Key Issues

- This budget is supported at the current service level.

# Human Resources Department

The Human Resources Department consists of the Human Resources Director who is appointed by the City Manager, and the Purchasing and Personnel Assistant whose cost is split between the Human Resources and General Administration Departments. The Human Resources Department is responsible for:

- Researching and formulating policy as directed by the City Manager or initiated by the Department; and
- The following additional functions: coordination of employee recruitment and selection, training, counseling, medical evaluation, discipline, grievance administration, staffing analysis and planning, labor relations, labor contract negotiations, employee health and safety, return-to-work program, compensation administration, positions control, pay and classification review, employee wellness and other matters.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Human Resources Director	1	1	1	1
Purchasing and Personnel Coordinator/Assistant	1	1	1	1
Total Full-Time	2	2	2	2

### Accomplishments

#### **Resource Management:**

- Successfully settled contracts with Police Officers Union and Police Command Officers Union each through June 30, 2025.
- Continued to assist retirees with enrolling in Medicare Advantage, and with Medicare Advantage health insurance billing questions and/or problems, as well as coordinate updates to Medicare Part B premium payments to eligible retirees.
- Assisted with administration of the Community Blue 4 health insurance and Flexible Spending Account programs, arranging for open enrollment and coordination with Payroll to ensure accurate and timely processing of any changes.
- Monitored the Patient Protection and Affordable Care Act (PPACA) to ensure continued compliance.
- Completed PPACA year-end reporting for required 1094-C and 1095-C forms including filing with the IRS.
- Successfully petitioned the Civil Service Commission to continue the waiver for Act 78 requirements for entry level Police Officer and Fire Fighter for an additional one-year period to reduce recruitment time without lowering minimum requirements, thereby assisting each department's ability to hire qualified employees in a timely manner.
- Coordinated a 360 Review and follow up for Department Heads through a third party vendor
- Arranged for "in-service" training for all office staff on Customer Service with an emphasis on Diversity and Inclusion through the City's Employee Assistance provider Bronson/HelpNet.
- Expanded "Stay Interviews" process to include both new employees and tenured employees beginning January 2022 (2023 Strategic Plan 5.3.a)
- Working with the Fire Union and Fire Chief, assisted in the implementation of a firefighter fitness and wellness program (2022 Strategic Plan 5.3.c)
- Supported the launch of the employee portal through the Civic Plus web hosting platform

### Objectives

#### **Resource Management:**

- Expand use of and promotion of the City's online employee portal to maximize employee engagement.
- Continue Stay Interviews and work with Department Heads to implement employee suggestions where possible, while maintaining confidentiality.
- Evaluate ongoing success of previous integration of wellness program into the MiLife Health and Wellness Center, and make adjustments as appropriate.
- Continue to evaluate best practices in recruitment efforts to assist with entry level positions, particularly Police and Fire.
- Identify best practices in online training and launch a program for all employees to access appropriate training. Continue with in-person training where possible.
- Assist with the promotion of the MiLife Center in order to attract other municipalities and local businesses to join.
- Continue to transfer past and present personnel files to electronic format and organize.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Input	All full-time staff in jurisdiction: Average years of service	10	8	8	8
	All part-time staff in jurisdiction: Average years of service	7	7	7	7
	Avg Number of full-time, regular employees on payroll jurisdiction-wide: Sworn public safety	83	83	83	83
	Avg Number of full-time, regular employees on payroll jurisdiction-wide: Total	162	163	163	163
	Hours Paid: All Human Resources staff	3,900	3,900	3,900	3,900
Output	Hours paid: All jurisdiction staff	599,173	601,253	601,253	601,253
	HR: Number of full time positions filled	14	10	10	10
	Percentage of new full-time employees completing probationary period	71%	80%	80%	80%
	Turnover: Number of full-time, permanent employees who left: Total*	4	2	2	2
	Turnover: Number of full-time, regular employees who left: Sworn public safety*	4	2	2	2
Outcome	Turnover rate: All full-time employees*	2.5%	1.2%	1.2%	1.3%
	Department Expenditures as a % of General Fund	1.2%	1.1%	1.2%	1.2%

\*does not include those who left during probation or due to retirement or death

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 211,452	\$ 240,767	\$ 218,990	\$ (21,777)	\$ 253,886
Supplies	426	325	350	25	350
Other Services and Charges	172,763	231,909	247,017	15,108	214,377
Capital Outlay	-	-	-	-	-
Total	\$ 384,641	\$ 473,001	\$ 466,357	\$ (6,644)	\$ 468,613
Resources:					
General Fund	\$ 384,641	\$ 473,001	\$ 466,357	\$ (6,644)	\$ 468,613
Total	\$ 384,641	\$ 473,001	\$ 466,357	\$ (6,644)	\$ 468,613

## Key Issues

- This budget is supported at the current service level.

# General Administration

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General Administration serves as the cost center for general administrative support and non-department specific payments such as city-wide telephone maintenance and website hosting.

## Accomplishments

- Successfully auctioned surplus vehicles and miscellaneous City surplus items on govdeals.com and the City's cooperative purchasing website netting over \$21,000 in revenue.
- Completed purchase of miscellaneous fleet vehicles including Police Department Interceptor Utility vehicles. Other vehicles and significant equipment purchased include a DPS dump truck with plow, DPS GMC 3500, DPS Chevy Silverado, Fire utility truck, Fire ambulance, DPS solar arrowboard.
- Award contract for printing and mailing of City Newsletter.
- Develop programs to encourage and increase citizen engagement in budgeting and strategic planning with focus on understanding their interest.

## Goals/Objectives

- Continue to utilize the MITN cooperative purchasing website and govdeals.com to attain optimal revenue when selling surplus items.
- Continue to take advantage of cooperative purchasing including but not limited to MITN, the State of Michigan (MiDEAL), Oakland County and Macomb County to increase purchasing power while reducing staff time spent on creating, issuing, and administering bids.
- Host a Citizens Academy to educate residents and develop a civic leader talent pool for potential future Boards and Commissions members.
- Completed purchase of miscellaneous fleet vehicles including Police Department interceptor Utility vehicles. Other vehicles and significant equipment purchased including DPS dump truck with plow, DPS leaf vacuum, DPS single axle dump truck, Fire Dept Chevy Silverado utility vehicle, new latex printer for DPS sign shop, and DPS solar arrowboard.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-25 Budget
<i>Input</i>	Expenditures: General fund personnel and operations	\$29,582,464	\$30,836,064	\$31,153,208	\$31,153,208
	Expenditures: Special-revenue/restricted fund personnel and operations	\$15,545,653	\$15,398,110	\$15,844,735	\$15,844,735
	Square miles of land area served	7.2	7.2	7.2	7.2
	Revenues, General fund: Property Tax	\$20,899,138	\$22,591,420	\$22,742,016	\$22,742,016
	Revenues, General fund: State Revenue Sharing	\$ 5,181,797	\$5,819,092	\$5,819,092	\$5,819,092
<i>Efficiency</i>	Department Expenditures as a % of General Fund	2.3%	0.8%	1.0%	1.0%

## Financial Summary

<b>Requirements:</b>	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 562,424	\$ 217,067	\$ 245,398	\$ 28,331	\$ 246,323
Supplies	46,766	57,021	58,025	1,004	58,025
Other Services and Charges	114,034	64,531	75,014	10,483	72,754
Capital Outlay	12,119	-	16,680	16,680	30,000
<b>Total</b>	<b>\$ 735,343</b>	<b>\$ 338,619</b>	<b>\$ 395,117</b>	<b>\$ 56,498</b>	<b>\$ 407,102</b>
<b>Resources:</b>					
General Fund	\$ 735,343	\$ 338,619	\$ 395,117	\$ 56,498	\$ 407,102
<b>Total</b>	<b>\$ 735,343</b>	<b>\$ 338,619</b>	<b>\$ 395,117</b>	<b>\$ 56,498</b>	<b>\$ 407,102</b>

## Key Issues

- The budget includes funding for a new Tri-Caster at \$16,650, and an increase in personnel services due to the addition of a Social Media paid internship position.

# Finance Department

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The Finance Department consists of a Finance Director/Treasurer, Deputy Finance Director, one Accountant, a fiscal assistant/payroll, and three full-time Fiscal Assistants. The Finance Department is responsible for:

- Preparing and maintaining the City's financial statements in compliance with the requirements of the Governmental Accounting Standards Board (GASB);
- Accounting, pension administration, risk management, treasury and oversight of assessing functions;
- Processing of financial reporting, accounting, accounts payable, budgeting, cash receipts, payroll, pension management, miscellaneous receivables, tax assessment documents, tax and utility billing and collections;
- Assisting in budget development, implementation, maintenance and control;
- Additionally, the Finance Department provides support services to other departments, including being part of the management team in labor negotiations with all employee bargaining units; and
- Monitoring and evaluating the fiscal impact of Federal and State legislation regarding employee benefits.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Finance Director/Treasurer	1	1	1	1
Deputy Treasurer/Finance Director	1	1	1	1
Accountant	1	1	1	1
Fiscal Assistant II	3	3	3	3
Fiscal Assistant II/Payroll	1	1	1	1
Total Full-Time	7	7	7	7
Part-time Office/Treasury Clerk	1	1	1	1
Total Part-Time	1	1	1	1
Total Employees	8	8	8	8

## Accomplishments

### **Resource Management:**

- Received the Government Finance Officers Association's (GFOA) Distinguished Budget Award for FY 2022-23
- Completed annual audit and single audit, with both receiving unqualified opinions. Timely filed State required reports.
- Revised property tax notices to provide additional information to taxpayers, at no additional cost. Promote online payment/credit card processing system, which expands customer payment options to online and over the phone and aligns directly with city financial software.
- Streamlined department budget entry and expanded budget information to two (2) years.
- Facilitated numerous grant awards to maintain compliance with applicable guidelines

## Objectives

### **Resource Management:**

- Complete annual audit and have Annual Financial Report finalized within four months of fiscal year end.
- Complete single audit within four months of fiscal year end.
- Have property tax, special assessment, water/sewer and other unpaid bills settlement balanced and to Oakland County for reimbursement by the end of March.
- Monitor, report, and assist with the numerous grant awards.

# Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
<i>Input</i>	Total Dollar amount of City Budget (all funds)	\$50,145,557	\$72,623,227	\$61,375,179	\$62,574,534
	Total Dollar amount of Budget Amendments (all funds)	(\$4,431,336)	\$3,952,577		
	City Taxable Value	\$902,258,410	\$963,293,970	\$1,030,644,090	\$1,061,563,413
	Total Dollar value of Fiscal Year CIP - all funds	\$4,274,789	\$23,564,208	\$9,461,572	\$9,074,431
<i>Output</i>	Accounts Payable Processed - Paper Check	3,250	3,250	3,250	3,250
	Accounts Payable Processed - ACH	1,572	1,588	1,604	1,620
	Accounts Payable Processed - Credit Card	2,098	1,700	1,717	1,734
	Payroll processed- total pay checks	5,142	5,317	5,317	5,317
	# of water/sewer customers	11,209	11,209	11,209	11,209
	# of water/sewer customers signed up for ACH	1,918	1,937	1,957	1,976
<i>Outcome</i>	% of Accounts Payable processed by ACH	50.0%	50.0%	50.0%	50.0%
	% of water/sewer customers signed up for ACH	17.1%	17.3%	17.5%	17.6%
	Amount of Credit Card Rebate	\$6,000	\$6,000	\$6,000	\$6,000
	% of Dollar amount of budget amendments	-8.8%	>1.5%	>1.5%	>1.5%
	% of Budgeted GF revenues received	105.0%	95.0%	95.0%	95.0%
	% of Budgeted GF expenditures spent	96.1%	95.0%	95.0%	95.0%
	Taxes collected by March 1 as a % of Total	96.6%	97.0%	97.0%	97.0%
<i>Efficiency</i>	Date of Annual Auditor's Report	11/14/2022	11/1/2023	11/1/2024	11/1/2025
	% Funded for General Employees Pension Trust	102.0%	100.0%	100.0%	100.0%
	% Funded for Police and Fire Pension Trust	47.1%	57.0%	58.0%	59.0%
	% Funded for the General Employee Retiree Health Benefits Trust	101.1%	100.0%	100.0%	100.0%
	% Funded for the Police and Fire Employee Retiree Health Benefits Trust	83.7%	96.0%	96.0%	96.0%
	Department Expenditures as a % of General Fund	2.3%	1.8%	2.1%	2.1%

# Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 664,372	\$ 715,993	\$ 714,911	\$ (1,082)	\$ 756,554
Supplies	4,025	7,250	7,250	-	7,250
Other Services and Charges	69,572	69,959	82,356	12,397	85,571
Capital Outlay	-	-	-	-	-
<b>Total</b>	<b>\$ 737,969</b>	<b>\$ 793,202</b>	<b>\$ 804,517</b>	<b>\$ 11,315</b>	<b>\$ 849,375</b>
<b>Resources:</b>					
Mobile Home Solid Waste	\$ 52,752	\$ 58,680	\$ 58,680	\$ -	\$ 58,680
Property Tax Admin. Fees	540,794	530,000	530,000	-	530,000
Interest Income on Deposits	(265,720)	50,000	50,000	-	50,000
General Fund	410,143	154,522	165,837	11,315	210,695
<b>Total</b>	<b>\$ 737,969</b>	<b>\$ 793,202</b>	<b>\$ 804,517</b>	<b>\$ 11,315</b>	<b>\$ 849,375</b>

# Key Issues

- This budget is supported at the current service level.

# Information Technology

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Outsourced to BPI Information Systems in 2015, the Information Technology Department is responsible for providing 24/7 computer support services for the City including on site staffing during business hours and on call support covering after hours. In addition to the normal system maintenance and helpdesk services, BPI also provided all special information technology tasks.

- Installation and support of computers/devices/peripherals, technical support of all hardware and software platforms, telephone, and assistance with and administration of the technological direction of the City.

## Accomplishments

### **Resource Management:**

- Replaced the copper PRI phone lines with redundant SIP (Session Initiation Protocol) services. SIP services improve the voice reliability and have redundant fail over.
- To improve network security, a “security Operation Center” was configured to monitor the firewall logs and core host equipment.
- Upgraded the internet connect to one gigabyte symmetrical with a second service for redundant failover. Outdoor access points were added for secure public wireless internet access.
- Installed additional security cameras in the police department. Completed cleanup of old camera system and integrated with new security cameras.
- Setup docking stations via a new switch in the police equipment office. Worked with Axon and CLEMIS to setup exports to CLEMIS every eight hours. This allows for videos to be tagged in the Oakland County software based upon the nature of the crime.
- Upgraded Exchange server from CU 16 to CU 18 for zero-day patch, then again from CU 18 to CU 21 for another zero-day patch.
- Installed new video conference equipment and sound system.
- Replaced computers in Police Department, Library and City Hall.
- Upgraded holding cell telephone System Setup to secure VoIP phone system for detainees.
- Assisted the Police Department and Court with provided all documentation to the state for successful completion of the LEIN audits.

## Objectives

### **Resource Management:**

- Update the document imaging application Xtender data transfer to Laserfiche.
- Replace the host servers running Microsoft Data Center and VMware; right sizing these to accommodate applications hosted locally while moving others to the cloud. (2023 Strategic Plan 5.4.c and 5.4.d)
- Replace the core firewall at City Hall
- Continue to provide helpdesk and desk side help for their computer needs plus after hours support for the departments running 24/7
- Conduct security awareness training for all staff that utilize technology on the city network. ( 2023 Strategic Plan 5.4.b.)

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Input	Number of helpdesk requests	1,700	1,500	1,500	1600
	Number of endpoints served	470	435	435	435
Output	Number of new computers installed	25	25	25	25
	Special IT projects handled	18	15	15	20
Efficiency	% of helpdesk request handled in 8 hours or less	90%	90%	90%	93%
	Total number of helpdesk cases resolved	1,700	1,500	1,500	1
	Capital expenditures for IT	\$ 20,832	\$ 77,561	\$ 264,672	\$ 264,672
	Expenditures per each endpoint served	\$ 770	\$ 730	\$ 640	\$ 640
Department Expenditures as a % of General Fund		0.8%	0.7%	1.4%	1.3%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	21,228	33,700	36,000	2,300	50,000
Other Services and Charges	200,490	199,617	249,307	49,690	269,797
Capital Outlay	20,832	77,561	264,672	187,111	216,622
Total	\$ 242,550	\$ 310,878	\$ 549,979	\$ 239,101	\$ 536,419
Resources:					
General Fund	\$ 242,550	\$ 310,878	\$ 549,979	\$ 239,101	\$ 536,419
Total	\$ 242,550	\$ 310,878	\$ 549,979	\$ 239,101	\$ 536,419

## Key Issues

- Capital Outlay includes host servers and storage area network, resulting in a large increase (381,000) and phase 1 of 2 funding for networking equipment (\$122,872)
- The FY 2024 budget continues to contact this service.

# Custodial & Maintenance Division

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The services of the Custodial and Maintenance Division of the Department of Public Services are provided on an assignment basis by Department of Public Services employees and contractors. The Division is responsible for:

- Maintaining City buildings, which includes: preventative maintenance and repairs; planned improvements; and
- Custodial services through outside contractors at the Library, District Court, Police Station, Active Adult Center, City Hall and the Department of Public Services buildings.

## **Accomplishments**

### **Resource Management:**

- Continued to monitor and adjust HVAC scheduled and setpoints at City buildings through the i-Vu web interface or local programmable thermostats, resulting in energy savings and increased building comfort.
- Consistently assigned a second employee to Building Maintenance, which has resulted in improved delivery of service of non-emergency items and projects (painting, repairs, light bulb changes, etc.)
- Performed routine roof inspections in order to maintain warranties and pro actively maintain the roofing systems at all buildings in good condition.
- Restored window cleaning through the line-item Budget process to improve aesthetics and appearance of City buildings.
- Continued providing building system and logistic support addressing environmental concerns of the COVID-19 pandemic
- Heavily involved in the Civic Center Campus renovation project

## **Objectives**

### **Resource Management:**

- Plan necessary repairs and maintenance around the planned renovation/re purposing of space at City Hall, the Library, and the Active Adult Center.
- Budget for HVAC replacement and upgrades at the Police Department.
- Budget for roof replacement at Fire Station 1
- Continue to explore energy savings opportunities and improved lighting quality through LED lighting conversions and replacements.
- Continue to monitor performance of custodial contractors at City buildings.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-25 Budget
<i>Input</i>	Expenditures: Total jurisdiction facilities: Repairs	175,226	170,000	180,088	180,000
	Jurisdiction facilities, Total Electricity usage: kWh	1,511,707	1,500,000	1,300,000	1,300,000
<i>Efficiency</i>	Admin/office facilities, Custodial expenditure per square foot	\$ 0.93	\$ 0.93	\$ 1.11	\$ 1.11
	Admin/office facilities, Repair expenditure per square foot	\$ 0.61	\$ 0.60	\$ 0.63	\$ 0.63
	Departmental Expenditures as a % of General Fund	0.6%	0.4%	0.5%	0.5%

## Financial Summary

<b>Requirements:</b>	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 16,066	\$ 16,829	\$ 17,608	\$ 779	\$ 18,130
Supplies	23,275	21,200	21,200	-	21,200
Other Services and Charges	155,238	152,413	159,021	6,608	160,114
Capital Outlay	-	-	-	-	-
Subtotal-Municipal Bldg.	823,323	58,588	60,878	2,290	62,347
<b>Total</b>	<b>\$ 1,017,902</b>	<b>\$ 249,030</b>	<b>\$ 258,707</b>	<b>\$ 9,677</b>	<b>\$ 261,791</b>
<b>Resources:</b>					
General Fund	\$ 1,017,902	\$ 249,030	\$ 258,707	\$ 9,677	\$ 261,791
<b>Total</b>	<b>\$ 1,017,902</b>	<b>\$ 249,030</b>	<b>\$ 258,707</b>	<b>\$ 9,677</b>	<b>\$ 261,791</b>

## Key Issues

- The budget is supported at the current service level.
- The funding in this division is used for the routine upkeep and maintenance of all City buildings and facilities, and is directly affected by capital outlay funding which replaces aging building systems.

# Police Department

- The Police Department is the largest department with 68 full-time positions, including one Animal Control Officer, 17 part-time Crossing Guards, part-time Animal Control Support Worker and one part-time Record Clerk. The Department is responsible for:
- Establishing a safe environment for residents and businesses through community policing, crime suppression, maintaining order and responding to emergencies and calls for assistance;
- Solving crimes by successful investigation and prosecution; and
- Helping citizens who wish to become more involved and aware of methods of crime prevention in their community. Current volunteer groups include Police Reserves, Crisis Response Team, and Police Explorers, who are young people interested in law enforcement careers.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Police Chief	1	1	1	1
Deputy Police Chief	1	1	1	1
Lieutenants	4	4	4	4
Sergeants	9	9	9	9
Police Officers	36	36	38	36
School Liason Officer	0	0	0	2
Administrative Secretary	1	1	1	1
Information Systems Specialist	1	1	1	1
Office Assistant II	2	2	2	2
Police Service Assistants	10	10	10	10
Animal Control Officer	1	1	1	1
Total Full-Time	66	66	68	68
Crossing Guards	17	17	17	17
Animal Control Support	1	1	2	2
Records Clerk	1	1	1	1

## Accomplishments

### **Public Safety:**

- Purchased and replaced five (5) new police vehicles.
- Added a part-time property officer to assist with the property room.
- Hired five (5) new police officers to fill vacancies cause by retirements.
- Replaced all drainpipes throughout the Police Department.
- All other objectives are still in process (Strategic Planning Item 2.1d)

### Objectives

#### **Public Safety:**

- Continue hiring process as planned adding two (2) new School Resource Officers (2023 Strategic Plan 1.3.b)
- Purchase and replace five (5) police and administrative vehicles.
- Replacing aging infrastructure such as heating/cooling, tile flooring and carpeting, includes dispatch area (2023-24 strategic plan 1.2.c).
- Replace in-car radar devices and in-car printers.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Input	Expenditures, police personnel and overtime (including support charged to department)	\$ 9,928,067	\$ 11,337,086	\$ 12,232,422	\$ 12,271,832
	Expenditures: Sworn police overtime	\$ 670,033	\$ 442,001	\$ 442,001	\$ 442,001
	Expenditures: Sworn police salaries and benefits (excluding overtime)	\$ 8,054,490	\$ 9,508,237	\$ 10,400,395	\$ 10,314,692
	Sworn Police FTEs (Budgeted)	53	53	53	53
	Sworn Police FTEs per 1,000 pop	1.9	1.9	1.9	1.9
Output	Dispatch calls/initiated actions: Total Police Responses	40,929	32,545	33,000	35,000
	Injury: producing traffic accidents	306	275	275	275
	Moving violation citations issued (excluding DUIs)	3,766	4,198	4,200	4,000
	Number of accidents involving fatalities	1	0	0	0
	DUI Arrests	155	116	120	125
Outcome	Complaints against sworn police personnel: Excessive force	1	1	0	0
	Complaints against sworn police personnel: Excessive force, sustained	0	0	0	0
	Complaints against sworn police personnel: Total	11	4	0	6
	Complaints sustained against sworn personnel: Total	3	1	0	0
Efficiency	Dispatch calls/initiated actions: Number of total police responses per 1,000 population	1,438	1,143	1,159	1,229
	Dispatch calls/initiated actions: Number of total police responses per sworn FTE	772	614	623	660
	Dispatch calls/initiated actions: Total police department expenditures per total police response	\$269	\$398	\$413	\$389
	Department Expenditures as a % of General Fund	34.1%	29.2%	35.1%	33.9%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 9,928,067	\$ 11,337,086	\$ 12,232,422	\$ 895,336	\$ 12,271,832
Supplies	164,973	155,600	139,600	(16,000)	152,500
Other Services and Charges	680,400	714,627	710,420	(4,207)	726,405
Capital Outlay	233,485	749,491	554,745	(194,746)	475,745
Total	\$ 11,006,925	\$ 12,956,804	\$ 13,637,187	\$ 680,383	\$ 13,626,482
Resources:					
Animal Control and Pound	\$ 2,317	\$ 2,600	\$ 2,600	\$ -	\$ 2,600
Liquor License Inspections	34,126	27,000	27,000	-	27,000
Law Enforcement Grants	33,587	1,571,062	10,000	(1,561,062)	10,000
Other Governmental Revenues	0	127,456	137,158		139,124
Police Miscellaneous	152,931	126,000	126,000	-	126,000
Police & Fire Pension Millage	4,094,621	4,056,992	4,070,685	13,693	4,104,875
General Fund	6,689,343	7,045,694	9,263,744	2,218,050	9,216,883
Total	\$ 11,006,925	\$ 12,956,804	\$ 13,637,187	\$ 670,681	\$ 13,626,482

## Key Issues

- Personnel services increased due to the union contract settlements starting in FY 2023 (See personnel chapter for more details), and additional pension contributions.

# Fire Department

The Fire Department consists of 30 licensed paramedics of whom 21 are Firefighters, 6 are Sergeants, and 3 are Lieutenants. In addition, staff also includes 2 employees in fire prevention/administration, plus one full time clerical position. The Department is responsible for:

- Enforcing State laws and City ordinances that relate to fire protection and prevention including inspections of commercial and industrial buildings, and multiple unit dwellings for fire code violations;
- Protecting the lives and property from the ravages of fire by responding to residential, commercial and industrial fires with specialized equipment;
- Responding to hazardous material incidents, confined space rescue and trench rescue; and,
- Providing advanced life support emergency medical services.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Fire Chief	1	1	1	1
Fire Marshal	1	1	1	1
Captains	3	3	3	3
Lieutenants	6	6	6	6
Firefighters	21	21	21	21
Fiscal Assistant II	1	1	1	1
Total Full-Time	33	33	33	33
Total Employees	33	33	33	33

## Accomplishments

### Public Safety

- Adopted the 2021 International Fire Code.
- Purchased new self-contained breathing apparatuses.
- Evaluated multiple manufacturers of fire hoses to determine the preferred fire hose for purchase.
- Responded to 5,094 emergency calls for service, an increase of 1.5% over the previous year.
- Transported 2,782 patients to local hospitals, an increase of 4.4% over the previous year.
- Completed 456 business fire inspections.
- Oversaw the building renovation and construction project at Fire Station 2.

### Resource Management

- Captain Figueroa completed EMU's Fire Staff and Command Executive Leadership Program successfully.
- Hired five new Firefighter/Paramedics.(Strategic Planning Item 1.3a)
- Developed and administer a firefighter health and wellness program.
- Awarded a \$60,000 Assistance to Firefighter Grant to purchase new gear washers and dryers to enhance our cancer prevention initiative

## Objectives

### Public Safety:

- Coordinate the reopening of Fire Station 2.(Strategic Plan 2023 1.2.a)
- Purchase a new ambulance housed at Fire Station 2.
- Add a fourth ambulance to the vehicle fleet.
- Complete Fire Station 1's kitchen renovation project.
- Assess the need and feasibility of a new quint fire engine to be housed at Fire Station 2.
- Consolidate the department's pre-incident surveys and inspection data into one source for first responding personnel.
- Submit an Assistance to firefighter Grant for a new ladder truck.

### Resource Management:

- Lieutenant Gilson is budgeted to attend Eastern Michigan University, Fire Staff and Command.
- Hire one new Firefighter/Paramedic.
- Guide the newly hired firefighters through their probationary period.
- Administer Captain and Lieutenant promotional exams.
- Training firefighters on the eligibility list to meet the job requirements of the officer position.
- Perform a one-year evaluation of the department's wellness program.
- Held annual safety drills for various emergency situations (Strategic Plan 1.4.a)

## Performance Measures

	<b>Performance Indicators</b>	<b>2022 Actual</b>	<b>2023 Estimate</b>	<b>2023-2024 Budget</b>	<b>2024-2025 Budget</b>
<i>Input</i>	Expenditure: Total Fire/EMS personnel and operations (including support charged to department)	\$ 6,806,532	\$ 7,939,246	\$ 9,450,680	9634019
	Expenditures, Fire/EMS Personnel: Sworn	\$ 5,663,405	\$ 6,000,463	\$ 7,381,628	7719635
	Expenditures: Sworn Fire/EMS personnel, OT only	\$ 113,115	\$ 61,233	\$ 61,233	61233
<i>Output</i>	EMS: Number of ALS Responses	2,215	2,300	2,350	2,400
	EMS: Total BLS and ALS Responses	4,404	4,450	4,500	4,550
	Inspections: Commercial/Industrial Occupancies Inspected	517	450	450	450
<i>Outcome</i>	EMS: Total BLS and ALS Transports	2,800	2,825	2,875	2,900
	Emergency EMS response time: Percentage 8 Min or under: Dispatch to arrival	96%	98%	98%	98%
	Emergency fire response time: Percentage 4 Min or under: Dispatch to arrival	40%	46%	49%	49%
	Percentage of responses within 8 minutes (conclusion of dispatch to arrival on scene of effective response force) for 1-2 family residential structure fire incidents.	100%	100%	100%	100%
	Emergency fire response time: Percentage 8 Min or under: Dispatch to arrival	98%	98%	95%	95%
<i>Efficiency</i>	Fire Incidents: Arson: Percentage of Cases Cleared	100%	100%	100%	100%
	Total BLS and ALS responses per 1,000 of population	146	148	150	150
	Total Fire/EMS personnel and operations expenditures per capita	\$239	\$279	\$332	\$338
	Number of total Fire Department (Fire and EMS) responses per suppression FTE	172	174	175	177
	Department Expenditures as % of General Fund	21.1%	17.9%	24.3%	23.9%

## Financial Summary

					<b>Increase</b>	
					<b>(Decrease)</b>	
	<b>Actual</b>	<b>Estimate</b>	<b>Budget</b>		<b>FY 2022-23</b>	<b>Budget</b>
<b>Requirements:</b>	2021-22	2022-23	2023-24		FY 2023-24	2024-25
Personnel Services	\$ 5,855,130	\$ 6,192,188	\$ 7,639,138	\$ 1,446,950	\$ 7,982,811	
Supplies	128,777	113,305	122,550	9,245	125,750	
Other Services and Charges	759,474	575,799	620,795	44,996	640,271	
Capital Outlay	63,151	1,057,954	1,068,197	10,243	885,187	
<b>Total</b>	<b>\$ 6,806,532</b>	<b>\$ 7,939,246</b>	<b>\$ 9,450,680</b>	<b>\$ 1,511,434</b>	<b>\$ 9,634,019</b>	
<b>Resources:</b>						
Ambulance & CPR Revenues	\$ 883,950	\$ 652,500	\$ 652,500	\$ (50,000)	\$ 652,500	
Police & Fire Pension Millage	2,269,274	2,644,343	3,221,511	185,310	3,395,471	
General Fund	3,653,308	4,642,403	5,576,669	1,376,124	5,586,048	
<b>Total</b>	<b>\$ 6,806,532</b>	<b>\$ 7,939,246</b>	<b>\$ 9,450,680</b>	<b>\$ 1,511,434</b>	<b>\$ 9,634,019</b>	

## Key Issues

- This budget includes the third and fourth of fifth installment payments for a pumper #722 and phase one (1) and two (2) funding for an ambulance rescue replacement.
- Personnel services increased due to additional pension contributions (See personnel chapter for more details). This contribution is offset by reduction of retiree health care expenses that resulted from moving retiree health care premiums to the retiree health care trust.

# Community and Economic Development

The Community and Economic Development Department consists of these functions: Building, Planning/Zoning, Economic Development, Code Enforcement, Geographic Mapping, and Block Grants. The Department is responsible for:

- Handling all inspections of new buildings, inspections of commercial buildings for business licenses and inspections for landlord licenses, as well as providing recommendations on matters coming before the Planning Commission and Zoning Board of Appeals;
- Handling all code inspection and enforcement services;
- Providing support to the Planning Commission, Downtown Development and Brownfield Redevelopment Authorities, and working with the development, business and real estate communities to promote economic development.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Community and Economic Development Director	1	1	1	1
Building Official (Contracted 2015-16)	0	0	0	0
Economic Development Supervisor	0	0	0	0
Administrative Secretary	1	1	1	1
GIS/CDD Technician	1	1	1	1
GIS/Multimedia Specialist	0	0	0	0
Planner	0	1	1	1
Office/CDBG Assistant	1	1	1	1
Code Enforcement Officer (Non-CDBG)	1	1	1	1
Total Full-Time	6	5	6	6
Code Enforcement Officer	1	1	1	1
Total Part-Time	1	1	1	1
Total Employees	7	7	7	7

## Accomplishments

### Public Safety:

- Selected consultant for the Comprehensive Zoning Ordinance Rewrite project. Received first draft of the new zoning ordinance at the end of February 2023.
- Sent out Minor Home Repair letters to 2467 homes and received 194 responses interested in repair programs.
- Provided environmental review and SHPO reporting for \$490,000 CPF Library Renovation project.
- Awarded \$137,349 in CDBG PY 22 funds used for Code Enforcement, Yard Services for seniors, and for minor home repair projects.
- Submitted application for \$137,359 in CDBG PY 23 funds used for the Edison Park Parking Lot project, Yard Services for seniors, and for minor home repair projects.
- Awarded \$75,000 in Round 8 of MSHDA's Neighborhood Enhancement Fund (NEP) for minor home repair.
- The MHDAA awarded a \$5,147.66 Sign Grant to the "The Supply House" located at 27645 John R Rd.
- Approved and issued reimbursement of funds for 29101 John R Rd & 30031 Dequindre Brownfield plans.
- Completed PA 57 DDA TIF reporting to State of Michigan.
- Completed Brownfield TIF reporting to State of Michigan.

## Objectives

- Creation of formal Economic Development & Marketing Plan.(Strategic Plan 4.1.d)
- Digitize historical building documents on microfilm and upload them onto Laserfiche database.
- Adopt new zoning ordinance.
- Select planning/engineering consultant for a Downtown streetscape Plan. ( 2024 Strategic Plan 4.1.c) .

Continue training for Zoning Board of Appeals and Planning Commission (2023 Strategic plan 4.1.c)

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
<i>Input</i>	Valuation of commercial/industrial construction*	\$26,222,877	\$10,000,000	\$10,000,000	\$10,000,000
	Valuation of residential construction*	\$1,395,436	\$5,000,000	\$5,000,000	\$5,000,000
	Expenditures: Code Enforcement personnel and operations	\$122,615	\$106,839	\$166,013	\$171,393
	Expenditures: Development inspection, personnel and operations	\$887,000	\$1,031,612	\$1,123,275	\$1,077,980
<i>Output</i>	Code Enforcement: Total Cases Initiated **	3527	3,500	3500	3500
	# of Building Permits issued: Commercial***	102	200	200	200
	# of Building Permits issued : Residential ***	669	700	700	700
<i>Outcome</i>	Vacancy Rate: Industrial	3%	3%	3%	3%
	Vacancy Rate: Office	7%	7%	7%	7%
	Vacancy Rate: Retail	3%	3%	3%	3%
	% of cases resolved through forced compliance	< 1%	< 1%	< 1%	< 1%
	% of cases resolved through voluntary compliance	> 99%	> 99%	> 99%	> 99%
	Department Expenditures as a % of General Fund	3.1%	2.6%	3.3%	3.1%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 426,155	\$ 535,644	\$ 616,791	\$ 81,147	\$ 626,187
Supplies	3,093	7,800	7,800	-	7,800
Other Services and Charges	580,367	595,007	664,697	69,690	615,386
Total	\$ 1,009,615	\$ 1,138,451	\$ 1,289,288	\$ 150,837	\$ 1,249,373
<b>Resources:</b>					
Occupational Licenses	\$ 194,695	\$ 220,000	\$ 220,000	\$ -	\$ 220,000
Other Permits	73,416	60,000	60,000	-	60,000
Building Permits	708,589	600,000	600,000	-	600,000
Engineering Fees	74,640	76,000	76,000	-	76,000
Planning Fees	20,300	21,250	21,250	-	21,250
GIS Services	8,890	7,500	7,500	-	7,500
General Fund	15,000	153,701	153,701	-	264,623
Total	\$ 1,095,530	\$ 1,138,451	\$ 1,138,451	-	\$ 1,249,373

## Key Issues

- The budget adds back a part-time Code Enforcement Officer for FY 2024

# **Streets Division**

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The services of the Streets Division of the Department of Public Services are provided on an assignment basis by Department of Public Services employees and contractors. The Division is responsible for:

- Maintaining the 106 miles of streets under the City's jurisdiction, and through maintenance agreements with Oakland and Macomb counties;
- Street cleaning, snow and ice removal, tree trimming, street signs, and open drain repair;
- Replacing worn street signs with a high density facing for safer, more visible signs.
- Oversight of major and local road reconstruction projects.
- Oversight of the City's sidewalk replacement program.

## **Accomplishments**

### **Public Safety:**

- Assisted in the 2022 neighborhood and major road repair and reconstruction programs by creating and providing signs, barricades, storage facilities, debris removal, etc.
- Continued as a regional leader in snow removal, reducing costs and improving efficiency by using brine, underbody scrapers, wing plows, and v-body inserts as part of the snow fighting arsenal.
- Repainted all traffic pavement markings throughout the entire City.
- Continued pursuing grants to supplement the ROW Tree Replacement Program.

## **Objectives**

### **Public Safety:**

- Plan for a comprehensive rehabilitation of John R. Road in conjunction with the Road Commission for Oakland County, and taking into account the impact of the I-75 Modernization Project.
- Continue to review and update web pages and City media information, to eliminate outdated information and keep the content fresh and engaging.
- Improve pedestrian and traffic safety by analyzing pedestrian crossings, and making improvements where necessary and feasible along Dequindre Road between 11 and 13 Mile Roads,
- Manage the tree program for new trees and tree replacements.
- Monitor performance of the cold rubber road repair contractor (Simiron) and product.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
<i>Input</i>	Expenditures on paved sidewalks (operations and capital)	\$ 24,931	\$ 23,000	\$ 30,000	\$ 30,000
	Annual Streetlighting Expense	\$ 412,777	\$ 424,340	\$ 501,090	\$ 523,640
<i>Efficiency</i>	Expenditures, paved road rehabilitation, per total paved lane miles	\$ 5,512	\$ 10,849	\$ 12,348	\$ 9,280
	Department Expenditures as a % of General Fund	3.9%	2.6%	3.5%	3.0%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 16,215	\$ 18,161	\$ 18,051	\$ (110)	\$ 18,573
Supplies	20,529	18,450	18,500	50	18,500
Other Services and Charges	875,406	823,720	896,762	73,042	937,943
Capital Outlay	362,973.00	274,244	425,000	150,756	241,000
Total	\$ 1,275,123	\$ 1,134,575	\$ 1,358,313	\$ 223,738	\$ 1,216,016
Resources:					
Weed Mowing	\$ 36,416	\$ 40,000	\$ 50,000	\$ 10,000	\$ 50,000
Brush Chipping	5,950	6,500	7,500	1,000	7,500
General Fund	1,232,757	1,088,075	1,300,813	212,738	1,158,516
Total	\$ 1,275,123	\$ 1,134,575	\$ 1,358,313	\$ 223,738	\$ 1,216,016

## Key Issues

- The Department continues to quantify the condition of the City's road network through biennial PASER ratings, to determine a long-term plan and prioritization for road replacement/rehabilitation.
- The I-75 Modernization Project will be affecting traffic on the City's road network for the next several years. Increased traffic volumes and posted detours will be taken into account when scheduling major road rehabilitation projects during this time.

# Solid Waste Division

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The services of the Solid Waste Division of the Department of Public Services are provided on an assignment basis by Department of Public Services employees and contractors. The Division is responsible for:

- Collection of refuse and recycling, brush chipping, street sweeping, leaf pickup, litter disposal, right-of-way tree management, park clean-up and catch basin clean out;
- By newsletter, website, and other forms of social and electronic media, informing citizens of refuse and recycling rules and schedules that instruct residents on the City's mandatory recycling program.

## Accomplishments

### **Public Health:**

- Completed multiple tree trimming/pruning requests along with annual sectional winter trimming/pruning by Limb Walkers Tree Service and DPS personnel.
- Completed removal of 26 dead or diseased trees, or proactively removed from City construction projects year-to-date.
- DPS has sold 24 recycling bins and 86 boxes of garbage bags year-to-date.
- The GFL cart program continues to be successful, with steady interest from residents.

## Objectives

### **Public Health:**

- Monthly sweeping of residential areas.
- Continue to monitor solid waste and disposal contractor.
- Continue to monitor the health of City trees and remove or trim as necessary.
- Continue to hold the DPS Spring Clean-Up Day and Free Brush Chipping Week to reduce rat harborages in the City, reducing calls to Code Enforcement for rodent issues.
- With the Environmental Citizens Committee, continue developing a public outreach campaign to increase recycling and composting tonnage, while decreasing garbage volumes. (2024 Strategic plan 6.1.i)
- Continue the City Tree Program, replacing trees, residential tree program, and general assessment of tree health, removal and trimming (2023 Strategic Plan 6.1.d)

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
<i>Input</i>	Expenditures for Recycling	\$ 294,274	\$ 301,631	\$ 309,172	\$ 316,901
<i>Output</i>	Residential recycling: Tons collected	859	900	900	950
	Yard Waste Tons Collected: Composted	1,912	1,950	1,950	2,000
<i>Efficiency</i>	Street sweeping expenditures per lane mile	790	800	805	810
	Department Expenditures as a % of the General Fund	8.5%	7.7%	8.1%	8.1%

## Financial Summary

<b>Requirements:</b>	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 69,910	\$ 75,239	\$ 74,849	\$ (390)	\$ 76,832
Supplies	14,880	18,924	19,600	676	19,600
Other Services and Charges	2,562,925	2,605,650	2,686,692	81,042	2,765,755
Capital Outlay	83,263	705,124	350,000	(355,124)	395,000
<b>Total</b>	<b>\$ 2,730,978</b>	<b>\$ 3,404,937</b>	<b>\$ 3,131,141</b>	<b>\$ (273,796)</b>	<b>\$ 3,257,187</b>
<b>Indirect Costs</b>	<b>456,817</b>	<b>1,017,539</b>	<b>596,600</b>	<b>(420,939)</b>	<b>655,148</b>
<b>Resources:</b>					
Solid Waste Millage	\$ 2,274,161	\$ 2,387,398	\$ 2,534,541	\$ 74,673	\$ 2,602,039
General Fund	913,634	2,035,078	1,193,200	(769,408)	1,310,296
<b>Total</b>	<b>\$ 3,187,795</b>	<b>\$ 4,422,476</b>	<b>\$ 3,727,741</b>	<b>\$ (694,735)</b>	<b>\$ 3,912,335</b>

## Key Issues

- The budget is supported at the current service level
- The City is submitting for a recycling container grant that will provide carts for the entire community if awarded. This will only be completed if the grant is awarded therefore it is not included in the budget.

# Recreation Division

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The Recreation Division of the Department of Public Services consists of a part-time coordinator, 25 seasonal part-time positions and many contracted recreation specialists. The Recreation Division is responsible for:

- Conducting the City's leisure and recreational programs including instructional programs such as dance, tennis, golf, fitness, yoga, painting, and team sports such as basketball, softball, T-Ball, volleyball, gymnastics and martial arts;
- Processing all registrations, facility reservations, preparation and distribution of flyers, evaluation and selection of programs and instructional personnel and contractors, and coordination of volunteer coaches; and
- Hosting the annual "Festival in the Park", 5K Run/Walk, City Golf Outing, Hometown Harvest (former Nature Center Fall Open House), Holiday Tree Lighting and the February Coffee Concerts; and supporting the Memorial Day Parade.

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Full Time Recreation Coordinator	0	1	1	1
Full Time Recreation Specialist	1	0	1	1
Total Full-Time	1	1	1	1
Part-time recreation assistant	1	1	1	1
Basketball Staff	13	8	8	8
Camp Staff	7	10	10	10
Lifeguard	1	1	1	1
Adult Program Supervisor	2	2	2	2
Youth Program Supervisor	1	2	2	2
Recreation Intern	1	1	1	1
Total Part-Time	26	25	25	25
Total Employees	26	26	27	27

## Accomplishments

### **Quality of Life:**

- The division continues to work with surrounding communities to develop/share in recreation programs. Those partner communities include Royal Oak, Troy, Clawson, and Berkley. The division also has partnered with other city departments and boards; for an example the Madison Heights Public Library and the Arts Board.
- Installed two new play structures in the city.
- Increased social media presence by regular use of a Facebook page for the Recreation Department to promote all special events, one-day programs and post reminders of deadlines. The information can easily be shared with the click of a mouse to hundreds of people with less cost and time than traditional avenues. The Recreation Department has reached over 1,700 followers.
- Continued sponsorship initiatives to increase revenues for events and programs and reduce staff time and postage cost spent on solicitation. Gained "Naming Sponsors" for events with donations that cover a majority of event cost.
- Continued building Day Camp program to offer full summer of opportunities to meet families' needs. We had an 8 week summer camp program that was sold out with over 70 kids every week.
- Offered more programs with lower minimum participation requirements, leading to more successful programs and fewer cancellations.
- Offered new low-cost programs and events to reach more families such as family game nights, and Story time With Santa.
- Offered new virtual programing to help our families that were uncomfortable meeting in person.
- Expanded our existing programs and events to make them bigger and better. An example is the sold out Glow Golf Event.
- Started a new Counselors in Training Program for teens in the summer. These teens grew in community and leadership by helping our staff run activities for our Summer Camp.

## Objectives

### **Quality of Life:**

- The goal of Madison Heights Recreation is to provide its residents with a range of fun active and passive programs to further improve their quality of life.
- Promoting social, mental, and physical well-being to the citizens of Madison Heights through a variety of active and passive recreational programming.
- Analyzing program offerings for relevance, participation, cost-effectiveness, and accessibility.
- Selecting and hiring a full-time Recreation Assistant.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Input	New Programs introduced	19	21	15	15
	Recreation revenues	\$ 194,815	\$ 140,000	\$ 155,000	\$ 155,000
Output	Recreation Registrations	2,874	2,500	3,000	3,000
	Pavilion Rentals	93	85	95	100
Efficiency	Department Expenditures as a % of the General Fund	0.6%	0.7%	1.0%	1.0%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 142,621	\$ 173,532	\$ 254,576	\$ 81,044	\$ 265,788
Supplies	52,233	58,394	69,837	11,443	71,468
Other Services and Charges	(6,495)	74,302	74,053	(249)	74,069
Capital Outlay	-	-	-	-	-
Total	\$ 188,359	\$ 306,228	\$ 398,466	\$ 92,238	\$ 411,325
Resources:					
Recreation Fees	\$ 180,668	\$ 135,000	\$ 150,000	-	\$ 150,000
Recreation-Miscellaneous	14,147	5,000	5,000	-	5,000
General Fund	(6,456)	166,228	243,466	77,238	256,325
Total	\$ 188,359	\$ 306,228	\$ 398,466	\$ 77,238	\$ 411,325

## Key Issues

- The Recreation division has continued to spend the time analyzing available space dimensions and trying to figure out the best way to host a multitude of classes with very limited space. This situation has been exacerbated by the current construction project, and is expected to ease in the months ahead.
- The Recreation Division continues to be in a rebuilding phase; program funding is expected to increase in future years as the Division creates and offers an increased amount of new programming.
- Personnel Services increased as we converted the part-time recreation assistant position to full-time to help meet the demand for programming.

# Nature Center Division

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Oakland County Parks and Recreation (OCPR) assumed operation of the Red Oaks Nature Center in 2012, following execution of a 25-year lease with the City. On November 22, 2021 City Council approved a contract amendment including extension of the lease through December 31, 2046 The Oakland County Parks and Recreation staff is responsible for:

- Providing visitors a better appreciation of nature by fostering a safe home for live animals, taxidermy mounts, artwork and special events;
- Maintaining the building and 36 acres of natural preservation for visitors to enjoy as an oasis in the middle of a developed community; and
- Maintaining a 40 hour week, which offers a variety of seasonal displays and programs.

## Accomplishments

### **Quality of Life:**

- Restored in-person programming as COVID restrictions were lifted.
- With Recreation, aided in the promotion of the Red Oaks Nature Center, and other Red Oaks Parks within the City limits.
- Approved a new 25 year lease agreement between the City and Oakland County Parks and Recreation, streamlining the capital improvement funding process, addressing the issue of differing fiscal years, and cleaning up obsolete language.

## Objectives

### **Quality of Life:**

- Continue promotion of OCPR programming and activities at the Red Oaks Nature Center and other Red Oaks parks.
- Continue collaboration on capital planning and improvements of the Red Oaks Nature Center facility.
-

## Financial Summary

<b>Requirements:</b>	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease)	Budget 2024-25
				FY 2022-23	
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	28	-	-	-	-
Other Services and Charges	5,846	9,600	9,672	72	9,745
Capital Outlay	-	50,000	-	(50,000)	-
<b>Total</b>	<b>\$ 5,874</b>	<b>\$ 59,600</b>	<b>\$ 9,672</b>	<b>\$ (49,928)</b>	<b>\$ 9,745</b>
<b>Resources:</b>					
General Fund	\$ 5,874	\$ 59,600	\$ 9,672	\$ (49,928)	\$ 9,745
<b>Total</b>	<b>\$ 5,874</b>	<b>\$ 59,600</b>	<b>\$ 9,672</b>	<b>\$ (49,928)</b>	<b>\$ 9,745</b>

## Key Issues

- In light of the financial difficulties created by failing property tax revenues, the City was forced to lay off paid staff at the Nature Center on June 30, 2010. During FY 2013, a 25-year lease agreement was achieved with Oakland County Parks and Recreation (OCPR), which became effective October 12, 2012, allowing them to assume operations of the Nature Center and Suarez Friendship Woods.
- The arrangement between the City and OCPR has proven and continued to be advantageous to both parties. In FY 2022, a new 25 year lease agreement was signed, simplifying the capital improvement process between the City and OCPR to both parties' mutual benefit.
- Recently, the city administration has been in communication with OCPR regarding amending this lease to remove the city's capital contribution therefore this \$50,000 has not been included in the budget

# Parks Division

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The Parks Division of the Department of Public Services consists of two part-time seasonal Park Rangers, and DPS personnel on an assignment basis. This division is responsible for:

- Maintaining all City parks and the exterior landscaping of all City facilities;
- Preparing athletic fields, and performing winter sidewalk, trail, and parking lot maintenance for all City facilities; and
- Responding to tree service calls, removal of unsafe or dead trees, coordination of the tree planting program, and oversight of the mowing contractor.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Parks Maintenance III	0	0	0	0
Total Full-Time	0	0	0	0
Park Rangers	2	2	2	2
Total Part-Time	2	2	2	2
Total Employees	2	2	2	2

### Accomplishments

#### **Quality of Life:**

- Maintained the Parks system in a clean and sanitary state. The Parks continue to see ongoing increased usage as amenities are replaced and updated,
- A variety of capital projects were undertaken, including the completion of the north play structure replacement at Rosie's Park, replacement of the large play structure at Civic Center Park, and improvements of parking lots.
- With the City Manager's office, pursued multiple grant opportunities resulting in increased funding for park amenity replacements.
- Continued involvement with a variety of City Recreation and private events through setup and event logistics and support.
- Continued West Nile prevention measures.
- Ongoing inspections and repairs of playgrounds and playground equipment.
- Maintenance of all park trails, including crack sealing, sectional replacements, and overall assessment of life expectancy.

### Objectives

#### **Quality of Life:**

- Continue West Nile Virus prevention measures.
- Continue planting trees at various parks.
- Continue the addition and replacement of features at various parks (e.g. benches, barbecues, drinking fountains, etc.) as funding allows (Strategic Plan 3.2.a)
- Continue to assist with ballfield/soccer maintenance through various seasons.
- Continue replacement of aged play structures and swing sets as funding allows.
- Monitor park shelters and pavilions for needed maintenance items.
- Continue to explore energy savings opportunities at the park shelter buildings and facilities through lighting, HVAC, and insulation upgrades.
- Devise a formal strategy for park property acquisition that actively monitors the market and establishes a process for identifying target parcels for consideration.
- Continue evaluating and improving ADA accessibility in the City's park system.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Input	Expenditures: Parks personnel and operations: Total	\$ 373,894	\$ 402,191	\$ 433,703	\$ 470,419
	Park maintenance expenditures per acre	\$ 3,936	\$ 4,234	\$ 4,565	\$ 4,952
Efficiency	Department Expenditures as a % of General Fund	2.8%	2.8%	2.8%	3.1%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 22,047	\$ 32,335	\$ 32,455	\$ 120	\$ 33,208
Supplies	43,934	41,775	41,800	25	41,800
Other Services and Charges	289,571	319,581	349,248	29,667	385,211
Capital Outlay	550,772	843,300	675,000	(168,300)	798,000
Total	\$ 906,324	\$ 1,236,991	\$ 1,098,503	\$ (138,488)	\$ 1,258,219
Resources:					
General Fund	\$ 906,324	\$ 1,236,991	\$ 1,098,503	\$ (138,488)	\$ 1,258,219
Total	\$ 906,324	\$ 1,236,991	\$ 1,098,503	\$ (138,488)	\$ 1,258,219

## Key Issues

Through the strategic planning process the City has been able to focus budget efforts on improvements to the park system.

# Active Adult Division

The Active Adult Division of the Department of Public Services is staffed with one full-time Active Adult Center Coordinator, One full-time Office Assistant, as well as part-time staff consisting of two Bus Drivers, three Chauffeur Drivers, one Program Assistant, and an Office Assistant. The Division is responsible for:

- Hosting a wide range of programs at the Center where seniors can enjoy their leisure time participating in educational and recreational programs; and
- Providing transportation for recreation, personal business appointments and other activities as well as a daily lunch program, a home chore (grass cutting and snow removal) program, and human services information and referrals.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Active Adult Center Program Coordinator	1	1	1	1
Active Adult Center Program Specialist	1	1	1	1
Total Full-Time	2	2	2	2
Bus Driver/Chauffeur	5	5	5	5
Active Adult Center Program Assistant	1	1	1	1
Office Assistant	1	1	1	1
Total Part-Time	7	7	7	7
Total Employees	9	9	9	9

### Accomplishments

- Raised \$2,956.30 through fund-raising events and donations to help cover extraneous equipment and programs at the Center.
- Rented the Active Adult Center 19 times grossing \$3,275.00 in revenue.
- Assisted 51 elderly, handicapped, and disabled residents through the Yard Services Program for lawn mowing (totaling 816 cuts) saving the seniors \$34,272.00 in expenses.
- Continued aiding 30 seniors in receiving Focus Hope commodity food each month, totaling 360 boxes of food.
- Assisted 100 seniors with tax assistance through the help of AARP.
- Continued busing seniors to various essential places such as the grocery store, doctor appointments, the bank and other locations for free through a Cares Act grant.
- Started our SHARP (Senior Home Assistance and Repair Program) back up on a limited basis to help seniors who are residents with minor home repairs.
- Started our Medical Loan Closet back up to loan out free medical equipment (such as walkers, wheelchairs, shower chairs and canes) to anyone.
- Continued to temporarily revamp our monthly newsletter to be an at home activity book as well as an advertisement of in person events at the Center.
- Continued to work with sponsors to have all of our in person events free of charge to the seniors (sponsored by various agencies).
- Received donations of gift baskets, prizes for events and goodie bag items from various agencies to use for events and online Facebook trivia games.
- Assisted the Madison Heights food pantry by donating food and offering refrigerator and freezer space.
- Purchased a new 50 passenger bus.

### Objectives

- Our focus for 2023 will continue from last year, encouraging our patrons to take care of the most important person in their life- themselves! Our classes and events this upcoming year will focus on supporting them in this effort- physically, emotionally, mentally and spiritually.
- Continue to combat senior isolation by connecting them in innovative ways.
- Meet the service needs of older adults and their families to enhance dignity, independence and quality of life for seniors, keeping the senior in their homes as long as possible.
- Provide positive events that foster interaction among older adults and between seniors and the community to build friendships making the community stronger, healthier and more supportive.
- Encourage a relaxed atmosphere of warmth, friendliness, cooperation and concern for others.
- Continue to implement activities that are pleasurable and improve health and well-being- physically, emotionally and mentally- making sure seniors are recognized as a valuable asset.
- Enhance adults' knowledge about subjects with which they are familiar as well as offer information and education on interesting current topics to maintain mental acuity.
- Continue to develop a variety of activities to allow attendees to participate at many different levels whether it is listening, talking, playing or watching.
- Provide information and referral for services available to older adults in the community and offer assistance for those unable to negotiate the system with information alone.
- Provide volunteer opportunities for older adults whether it be service to the Center itself or to the community.
- Act as a non-partisan advocate for the rights of seniors, individually or as a group, helping adults advocate for themselves.
- Continue to provide many of our trips, events and activities free of charge or very low cost.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Input	Two-way trips	4,512	5,000	5,500	6,000
	Bus Miles Traveled	20,308	22,000	25,000	25,000
Output	Number of programs offered for seniors	1,054	1,200	1,550	1,550
	Day trips	19	20	40	40
	Newsletter subscriptions	400	400	400	400
	Department Expenditures as a % of the General Fund	1.5%	1.1%	1.3%	1.1%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ 204,660	\$ 215,782	\$ 237,754	\$ 21,972	\$ 246,595
Supplies	62,799	129,567	130,592	1,025	130,592
Other Services and Charges	63,973	121,429	71,040	(50,389)	70,129
Capital Outlay	139,900	32,000	75,000	43,000	-
Total	\$ 471,332	\$ 498,778	\$ 514,386	\$ 15,608	\$ 447,316
Indirect Costs	157,000	158,550	158,550	-	158,550
Resources:					
Senior Non-Program	\$ 4,793	\$ 4,500	\$ 4,500	\$ -	\$ 4,500
Active Adult Center Rental	3,469	4,500	4,500	-	4,500
Senior Citizens Activities	50,856	85,000	100,000	15,000	100,000
Senior Center Millage	409,001	428,598	405,632	(22,966)	480,451
SMART	80,667	70,019	70,019	-	70,019
General Fund	79,546	64,711	88,285	23,574	(53,604)
Total	\$ 628,332	\$ 657,328	\$ 672,936	\$ 15,608	\$ 605,866

## Key Issues

- This budget is supported at current levels

# Library

The Library is staffed by four full-time positions, a Library Director, a Library Coordinator, Librarian and a Library Technician. The operation is also supported by 14 part-time positions including: an Adult Reference Librarian, a Community Service Librarian, a Youth Service Assistant, Circulation Assistant, 6 Library Assistants and 4 Substitute Librarians. The Department is responsible for:

- Meeting the community's needs for information in a variety of formats, including educational, recreational and cultural materials;
- Providing information enhanced by membership in The Library Network (TLN), which allows for the electronic inter-loan of items from other TLN members;
- Offering home delivery of books to home bound patrons and a myriad of additional services to serve the City's significant and varied immigrant population;
- Public access to the Internet and personal computers for word processing;
- Supporting the operations of the Heritage Rooms; and
- Providing staff support for the Historical Commission and Multi-Cultural Relations Advisory Board.

## Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Library Director	1	1	1	1
Librarian	1	1	1	1
Library Coordinator	0	0	1	1
Library Technician	1	1	1	1
Total Full-Time	3	3	4	4
Adult Reference Librarian	1	1	1	1
Community Service Librarian	1	1	1	1
Youth Service Assistant	1	1	1	1
Circulation Assistant	1	1	1	1
Library Assistants	7	7	7	7
Total Part-Time	11	11	11	11
Total Employees	14	14	15	15

## Accomplishments

### Quality of Life:

- Received five new Chromebooks from the MI-83 TLC Kits subgrant.
- Welcomed 35,125 visitors, who used 16,175 internet sessions and 723 study room sessions.
- Added study carrels with power strips and USB charging stations in the library's adult and teen areas.
- Transferred two online catalog stations from desktops to user friendly touchscreen iPads that also allow study room booking.
- Library Coordinator Heather Hames acted as the sole collection developer for \$121,999.17 of shared electronic materials for MI-83 Digital Library Connection for The Library Network's Download Destination ARPA grant, which benefitted 56 area libraries.
- Revised renovation plans to include a Creative Technology makerspace area and Exhibit area.
- Introduced study room reservation software allowing users to view room availability before making their reservation request.
- Received an Online Programming Kit, including a Laptop, Camera, and Microphone, from the MI-83 TLC Kits subgrant.
- Introduced a Diverse Voices Book Club, in partnership with the Human Relations and Equity Commission.
- Converted most staff workstations from desktop to laptop computers to allow greater mobility within the library and increase technology available during outreach events.
- Added toy sorter bins in the youth area to tidy up the play area.
- Distributed over 1150 kits of 70 different Take & Make crafts for youth.
- Evaluated usage patterns using SenSource Vea to determine Wednesday evening hours needed prioritization over Sunday hours.
- Partnered with Four Corners Montessori Academy to host a student intern for one week.
- Continued partnership with Lamphere Center Work-Site Based Learning program.
- Introduced weekly library-wide updates to improve internal communications.
- Created a promotional slide show that plays near the entrance to promote programs and services.
- 

## Objectives

### Quality of Life:

- Reopen library with improved services and educational programming.
- Introduce the Creative TechSpace with introductory training sessions and user-friendly training materials. (Strategic Plan 3.1.b)
- Recruit students to serve on the Library Advisory Board. (Strategic Plan 3.1.c)

## Performance Measures

	Performance Indicators	2022 Actual	2022-2023 Estimate	2023-2024 Budget	2024-2025 Budget
<i>Input</i>	Expenditures, Library: E-Materials acquisition	\$39,938	\$43,485	\$43,485	\$50,000
	Expenditures, Library: Hard-copy materials acquisition	\$54,828	\$63,463	\$65,114	\$65,000
	Number of Events	89	80	150	150
<i>Output</i>	Electronic Circulation	18,897	20,000	21,000	22,000
	Physical Circulation	37,621	38,000	50,000	52,000
	Event Participants	1,389	1,300	2,600	2,600
	Number of library visits	34,992	40,000	60,000	60,000
	Library: Total reference transactions	7,898	8,000	8,250	8,500
<i>Efficiency</i>	Libraries: Circulation per capita	1.99	2	2.5	2.6
	Library visit rate per capita	1.23	1.41	2.1	2.1
	Department Expenditures as a % of the General Fund	2.6%	2.1%	2.4%	2.6%

## Financial Summary

Requirements:	Actual	Estimate	Budget	Increase (Decrease)	Budget 2024-25
	2021-22	2022-23	2023-24	FY 2022-23 FY 2023-24	
Personnel Services	\$ 577,204	\$ 636,483	\$ 630,852	\$ (5,631)	\$ 647,507
Supplies	32,071	21,818	23,300	1,482	25,600
Other Services and Charges	123,005	142,985	154,195	11,210	154,020
Capital Outlay	94,766	119,598	129,599	10,001	204,000
<b>Total</b>	<b>\$ 827,046</b>	<b>\$ 920,884</b>	<b>\$ 937,946</b>	<b>\$ 17,062</b>	<b>\$ 1,031,127</b>
<b>Resources:</b>					
State Library Aid	\$ 27,979	\$ 25,772	\$ 25,772	\$ -	\$ 25,772
County Penal Fines	52,432	61,000	51,139	(9,861)	51,139
Book Fines	2,945	-	-	-	-
Copy/Print Fees	2,787	2,500	2,500	-	2,500
TLN USF E-Rate Rebate	6,132	4,363	4,363	-	4,363
General Fund	734,771	827,249	854,172	26,923	947,353
<b>Total</b>	<b>\$ 827,046</b>	<b>\$ 920,884</b>	<b>\$ 937,946</b>	<b>\$ 17,062</b>	<b>\$ 1,031,127</b>

## Key Issues

- The library reopening will need increased marketing to alert the public of new or improved services.
- Public use of the library may increase following renovation, requiring either more staff time to provide services, or reducing less-popular or less-used services to reallocate staff time.
- Unanticipated issues may occur due to the renovations, which will require staff time to troubleshoot.

# Insurance & Transfers

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Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) FY 2022-23 FY 2023-24	Budget 2024-25
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Other Services and Charges	262,627	266,800	267,590	790	275,620
Transfers	-	8,510,921	257,100	(8,253,821)	482,500
Total	\$ 262,627	\$ 8,777,721	\$ 524,690	\$ (8,253,031)	\$ 758,120
<b>Resources:</b>					
General Fund	\$ 262,627	\$ 8,777,721	\$ 524,690	\$ (8,253,031)	\$ 758,120
Total	\$ 262,627	\$ 8,777,721	\$ 524,690	\$ (8,253,031)	\$ 758,120

## Key Issues

- For the last 30 years, the City has been a member of the Michigan Municipal Risk Management Authority's (MMRMA) Liability and Casualty Insurance Pool. Given the absence of the need to generate a profit and the efforts of members to reduce risk, the Authority provides the City with coverage at reduced rates over the private sector and coverage in some areas that are not available through private insurance. MMRMA buys re-insurance from international firms for higher claims and self-insurance for lower ones. Based on the City's solid history the decision was made to increase the Stop Loss from \$400,000 to \$900,000 at the beginning of FY 2017 resulting in annual premiums being \$366,382 under budget for FY 2017. \$250,000 of this savings was required to be deposited into the City's loss fund with the MMRMA. The budget for FY 2024 insurance rates has not been finalized; but the budget includes a modest increase of 3%, over FY 2023 actual.
- Transfers in FY 2024 included \$ 257,100 for municipal debt of the Civic Center Plaza Projects.

# Pension Obligation Debt Service

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The Pension Obligation Debt Services Department is a new budgeted department within the General Fund. This department accounts for the debt obligation for the bonds issued in September 2016 specifically for the General Employees Pension Obligations. These bonds were issued for 16 years. For more details regarding this debt please see the Debt Administration section in the Expenditures Chapter.

## Financial Summary

<b>Requirements:</b>	Actual	Estimate	Budget	Increase (Decrease)	Budget
	2021-22	2022-23	2023-24	FY 2022-23 FY 2023-24	2024-25
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Other Services and Charges	1,190	880	440	(440)	880
Issuance of Debt	-	-	-	-	-
Debt Service	1,026,618	1,027,399	901,512	(125,887)	1,027,228
Transfers	-	-	-	-	-
Total	\$ 1,027,808	\$ 1,028,279	\$ 901,952	\$ (126,327)	\$ 1,028,108
<b>Resources:</b>					
	General Fund	\$ 1,027,808	\$ 1,028,279	\$ 901,952	\$ (126,327)
Total	\$ 1,027,808	\$ 1,028,279	\$ 901,952	\$ (126,327)	\$ 1,028,108

## Key Issues

- This fund was new as of FY 2018. As part of the FY 2016-17 City Goal plan, Council adopted the resource-related goal to develop and implement a plan and policy to fully address the City's unfunded liabilities for pension and other post-employment benefits (i.e. retiree health care). Retiree Health careliabilities are now fully funded.

The State has authorized, through Public Act 329 of 2012, municipalities to bond to pay the cost for pension and post-employment benefit liability, upon the satisfaction of certain conditions including issuance on or before December 31, 2018, a municipal credit rating in the AA category or higher, plans being closed to new hires, the preparation of a comprehensive financial plan, and approval from the Michigan Department of Treasury.

In FY 2017, the City successfully issued Pension Obligation Bonds (POBs) for the General Employees pension pursuant to Public Act 34 of 2001 and a resolution adopted by City Council on March 28, 2016. When analysis was completed on issuing POBs it was determined that the City would experience savings of approximately \$4 million over a 16 year period if the bonds sold with a true interest cost of 4.2% and investment earnings average 5.2%. These bonds sold in September 2016 with a true interest cost of 3.12% well below the City's expectations of 4.2%, this will lead to greater savings than expected over the long-term. Debt payments budgeted in FY 2024 for POB principal and interest are \$1.18 million. With this contribution the City's General Employees pension is considered 102% funded on an actuarial value basis.



## **OTHER FUNDS**

These funds are categorized to distinguish the specific reason for the expenditure of funds. Included in this segment are the following funds:

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# Major Street Fund

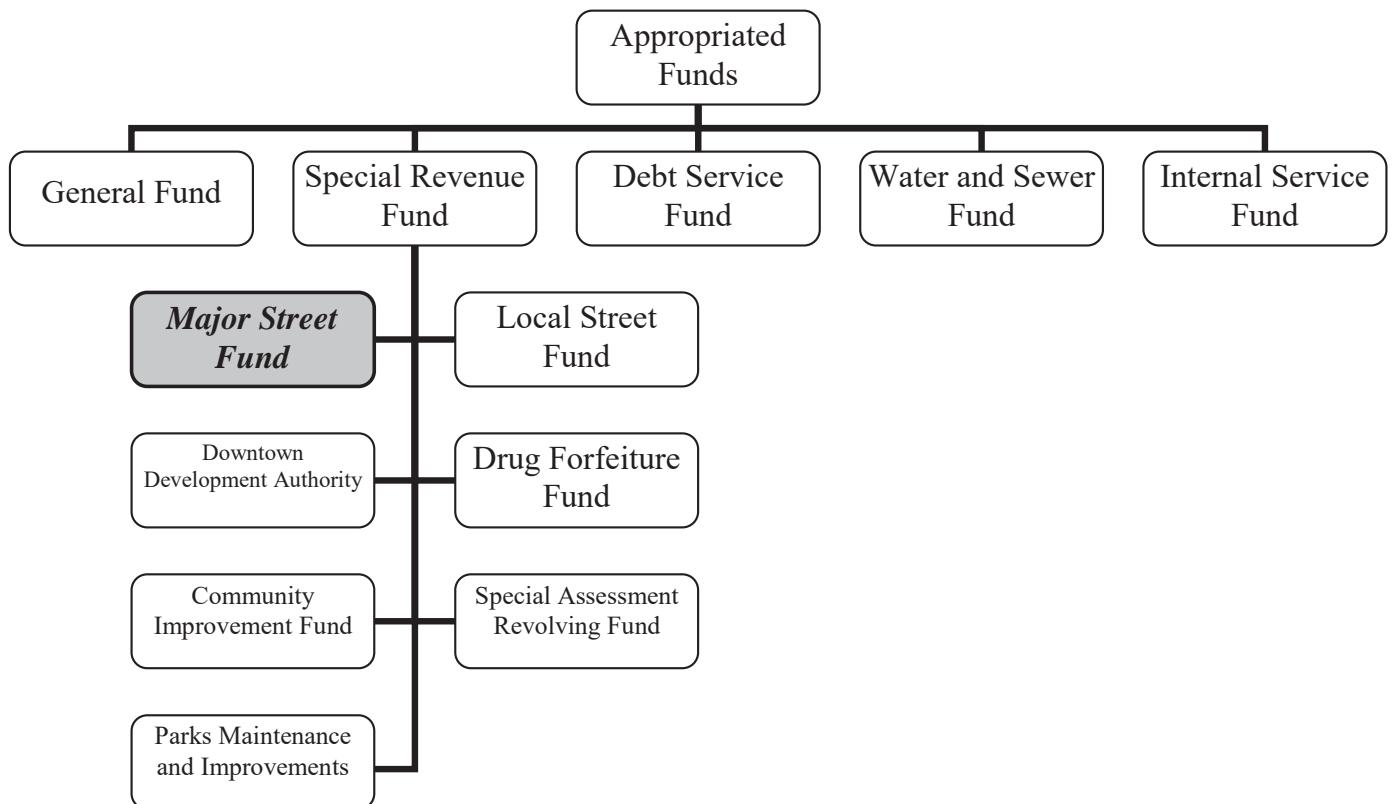
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## Statement of Services

The Major Street Fund maintenance activity is supported by the Department of Public Services.

The Major Street Fund accounts for expenditures associated with the maintenance needs of the major street portion of the City's street network. This Fund is financed directly from the State gas and weight taxes, interest on investments and maintenance reimbursements from the Oakland and Macomb County Road Commissions.

## Organizational Fund Structure



## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) 2022-23 to FY 2023-24	Budget 2024-25
Construction	\$ 395,800	\$ 1,324,209	\$ 1,425,000	\$ 100,791	\$ 1,325,000
Maintenance	84,564	175,332	202,116	26,784	153,513
Traffic Services	121,200	158,769	522,925	364,156	185,703
Winter Maintenance	124,220	339,468	200,837	(138,631)	201,314
Administration	9,899	10,424	11,333	909	11,631
County Roads	75,690	98,206	94,171	(4,035)	94,533
Transfers	300,000	300,000	300,000	-	300,000
Total	\$ 1,111,373	\$ 2,406,408	\$ 2,756,382	\$ 349,974	\$ 2,271,694
<b>Resources:</b>					
Federal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State	2,380,989	2,425,224	2,491,266	66,042	2,491,266
County	163,135	78,919	78,919	-	78,919
Transfers	0	0	0	-	0
Fund Balance	(1,432,751)	(97,675)	186,197	283,872	(298,491)
Total	\$ 1,111,373	\$ 2,406,468	\$ 2,756,382	\$ 349,914	\$ 2,271,694
Fund Balance	\$ 2,745,145	\$ 2,842,760	\$ 2,656,563	\$ (186,197)	\$ 2,955,054

### Key Issues

- State revenues are projected to Increase by \$66,042. This is based on MDOT's projections of revenues from fuel tax increases and vehicle registration fees in the State Restricted Revenue package. For more details, see the Budget Overview Chapter.
- Rehabilitation work is budgeted at \$1,025,000 for sectional concrete replacement on the following streets: Phase funding for John R overlay, 11 Mile, Ajax to 801 Ajax, and Stephenson Hwy turnaround.

# Local Street Fund

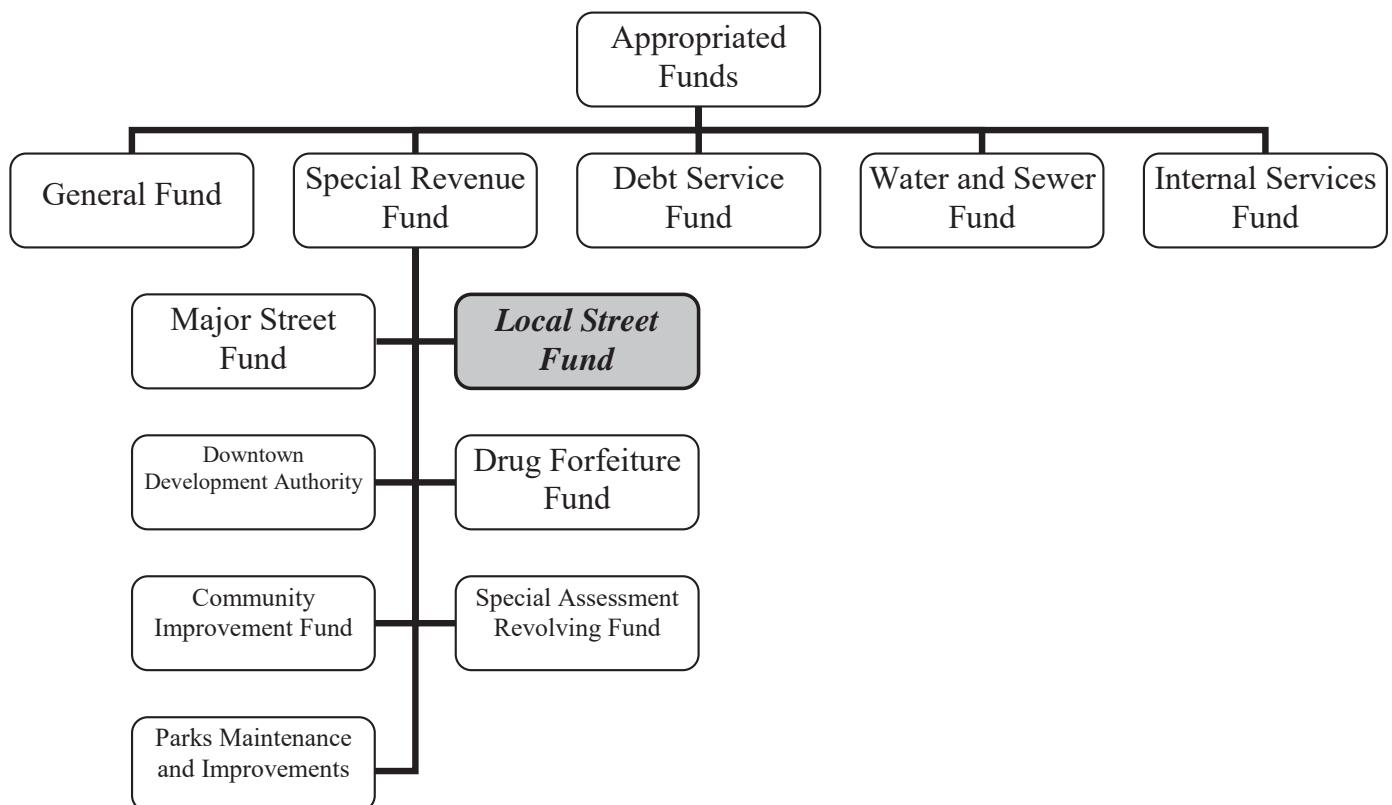
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## Statement of Services

The Local Street Fund maintenance activity is supported by the Department of Public Services.

The Local Street Fund accounts for expenditures associated with construction and maintenance needs of the local street portion of the City's street network. This Fund is financed directly from the City's share of State gas and weight taxes, transfers from the General Fund and interest income.

## Organizational Fund Structure



## Financial Summary

<b>Requirements:</b>	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) 2022-23 to FY 2023-24
Construction	1,455,964	2,321,000	2,724,000	403,000
Maintenance	209,508	306,921	313,760	6,839
Traffic Services	105,663	155,775	147,555	(8,220)
Winter Maintenance	30,244	66,413	63,209	(3,204)
Administration	6,521	8,988	10,263	1,275
Transfers	0	0	0	0
<b>Total</b>	<b>\$ 1,807,900</b>	<b>\$ 2,859,097</b>	<b>\$ 3,258,787</b>	<b>\$ 399,690</b>
<b>Resources:</b>				
Property Taxes	\$ 1,722,227	\$ 1,718,796	\$ 1,967,018	\$ 248,222
Intergovernmental	1,170,458	1,138,232	1,243,510	105,278
Miscellaneous	(44,048)	5,000	5,000	-
Transfers	300,000	300,000	300,000	-
Fund Balance	(1,340,737)	(302,931)	(256,741)	46,190
<b>Total</b>	<b>\$ 1,807,900</b>	<b>\$ 2,859,097</b>	<b>\$ 3,258,787</b>	<b>\$ 399,690</b>
Non-Proposal "R" Fund Balance	\$ 384,719	\$ 842,206	\$ 1,195,929	353,723
Proposal "R" Fund Balance	\$ 3,345,453	\$ 2,253,249	\$ 1,256,267	(996,982)

## Key Issues

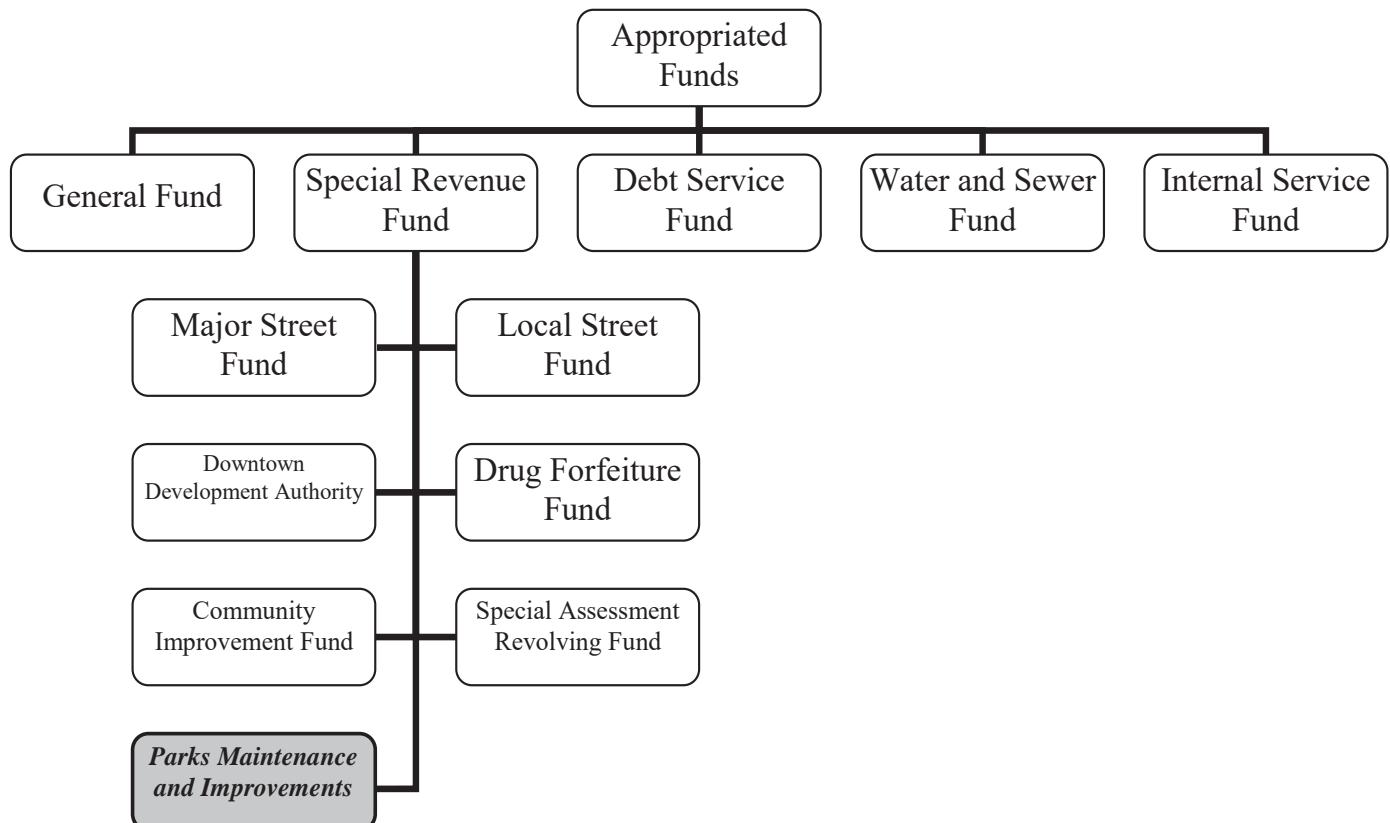
- Public Act 51 revenues are projected to increase by \$25,278 based on MDOT's projections of revenues from fuel tax and registration fee increases in the State Restricted Revenue package. For more details, see the Budget Overview.
- The Local Street Fund accounts for expenditures associated with the construction and maintenance needs of our local street network and can be divided into the Proposal "R" road construction and the non-"R" related expenditures.
- The Proposal R-3 road construction scheduled for FY 2024 include portions of: Hampden, Brettonwoods, Dartmouth, Barrington, Palmer, and Alger.

# Parks Maintenance and Improvements

## Statement of Services

The Parks Maintenance and Improvements Fund was created as a result of a negotiated agreement between the George W. Kuhn (GWK) Drainage District and the Madison Heights City Manager. Under the agreement, the City in November 2007 received a one time payment of \$850,000 in exchange for the commitment to operate and maintain a 10-acre soccer complex for a 25 year period. The “Red Oaks Soccer Complex” includes nine youth soccer fields, a concession/meeting building, picnic pavilion, 245 space parking lot and playground. The \$2.1 million soccer complex was built by the GWK Drainage District with contributions of \$150,000 from the adjoining Lowe’s and \$200,000 from the Oakland County Parks and Recreation Commission. The original payment and investment interest will be used for the Red Oaks Soccer Complex and other Madison Heights park system improvements.

## Organizational Fund Structure



## Financial Summary

<b>Requirements:</b>	Actual	Estimate	Budget	Increase (Decrease) 2022-23 to FY 2023-24	Budget 2024-25
	2021-22	2022-23	2023-24		
Maintenance	\$ 35,354	\$ 43,246	\$ 52,977	\$ 9,731	\$ 53,391
Transfers	-	-	-	-	-
<b>Total</b>	<b>\$ 35,354</b>	<b>\$ 43,246</b>	<b>\$ 52,977</b>	<b>\$ 9,731</b>	<b>\$ 53,391</b>
<b>Resources:</b>					
Interest/Miscellaneous	\$ 149,325	\$ 43,246	\$ 52,977	\$ 9,731	\$ 53,391
County Shared Revenues	-	-	-	-	-
Fund Balance	(113,971)	-	-	-	-
<b>Total</b>	<b>\$ 35,354</b>	<b>\$ 43,246</b>	<b>\$ 52,977</b>	<b>\$ 9,731</b>	<b>\$ 53,391</b>

## Key Issues

- The Red Oaks Youth Soccer Complex was first opened in the fall of 2008, but closed for drain construction in 2009. The 10-acre site includes nine soccer fields, a concession/restroom/meeting building and attached picnic pavilion. In 2009, new playscape equipment funded by the Oakland County Parks and Recreation Commission was installed. The complex re-opened for the Fall 2010 soccer season.
- On January 5, 2009, the Governor signed Public Act 404 of 2008. This legislation allows the City to invest the one-time George W. Kuhn Drainage District payment of \$850,000 in a long-term portfolio to maximize investment returns generating additional income over the term of the 25-year agreement. The revenue generated from these investments will support the maintenance and improvement of not only the Red Oaks Youth Soccer Complex, but also the City's entire 13 park system.
- On January 24, 2011, the City entered into an agreement with Oakland County Parks and Recreation (OCPR), who will provide soccer complex grounds maintenance including lawn, sod, fertilization and weed control services, as well as snow and ice control, on the parking lots and sidewalks. The Budget also includes the City's payments for utilities for the Concession/Training building.

# Downtown Development Authority

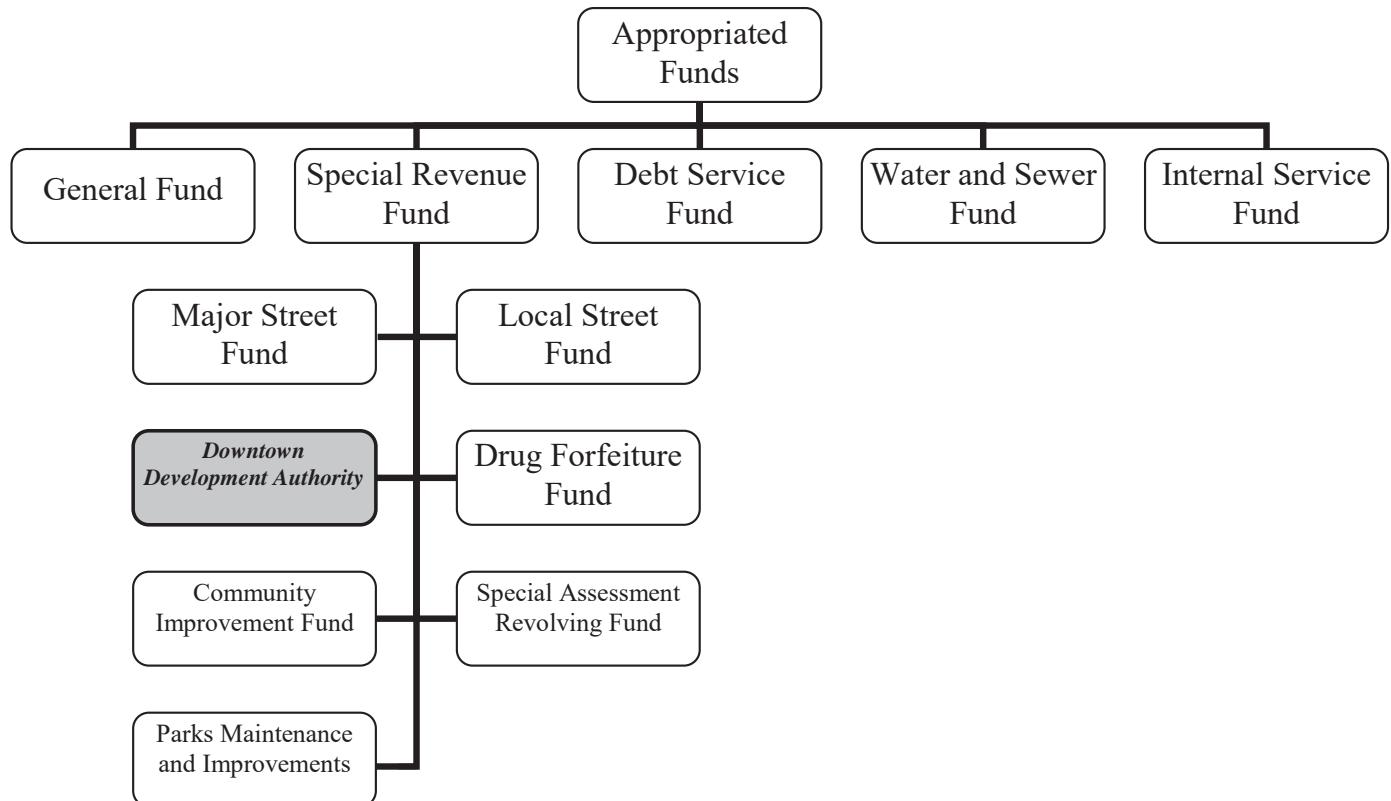
## Statement of Services

The Downtown Development Authority (DDA) is supported by the Community Development Department and was established to correct and prevent stagnation and deterioration within the south end commercial business district.

The boundaries of the District include properties abutting John R Road from Gardenia to Ten Mile Road and Eleven Mile Road from I-75 to Lorenz. These properties are primarily zoned and used for commercial and industrial purposes.

This Fund is financed from the capture of incremental property taxes on properties within the District.

## Organizational Fund Structure



### Accomplishments

#### **Resource Management:**

- Business retention, new business welcome programs ongoing.
- Established subcommittees to include: Design, Economic Vitality, Promotions
- Completed PA 57 DDA Tax Increment Financing Plan (TIF) reporting to State of Michigan. Completed Brownfield TIF reporting to State of Michigan.

### Objectives

#### **Resource Management:**

- Continue the Right-of-Way (ROW) maintenance program (lawn care and trash pickup).
- Complete a streetscape and design for selected areas of the DDA
- Select planning/engineering consultant for a Downtown Placemaking Plan

## Financial Summary

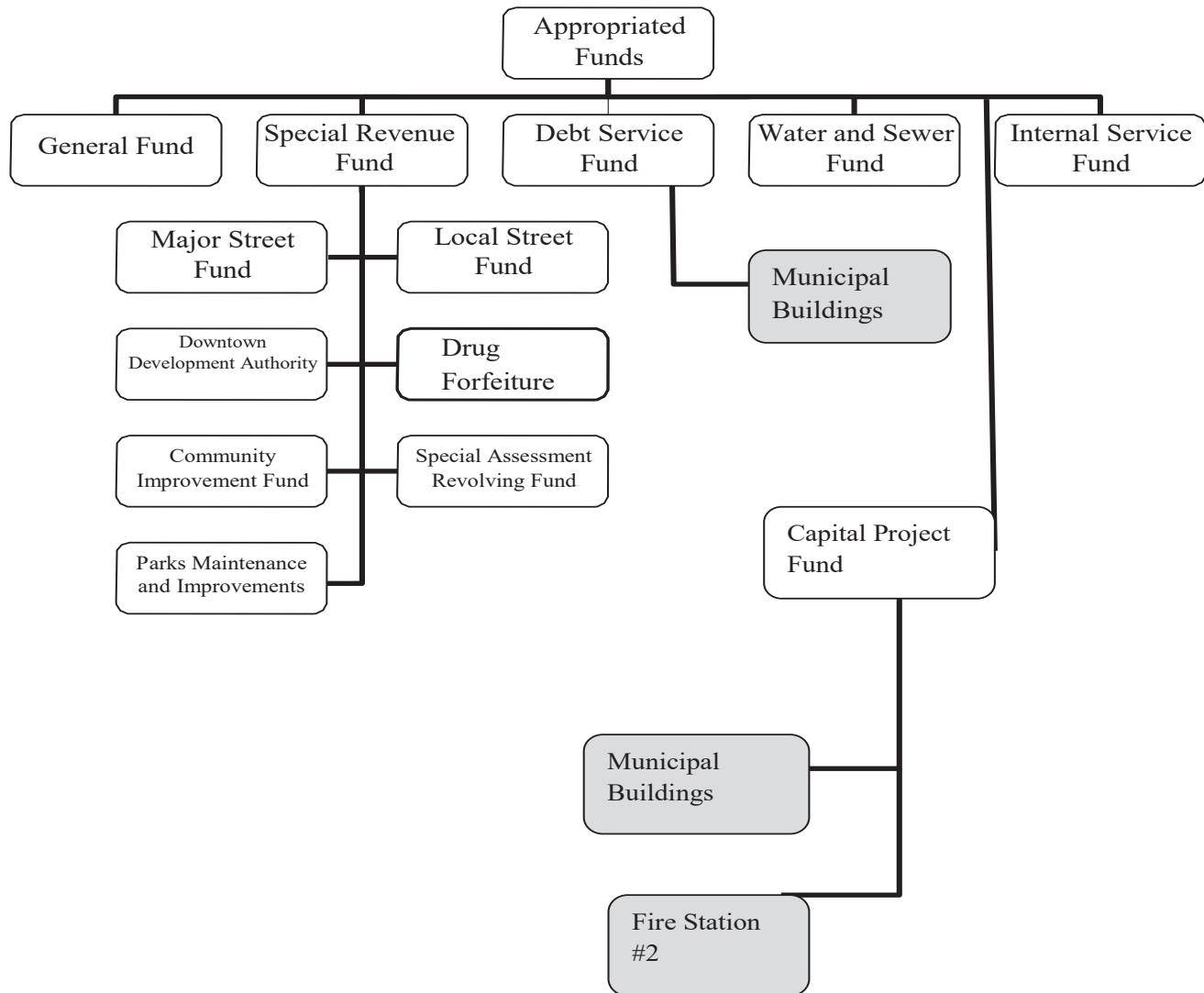
<b>Requirements:</b>	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease)	Budget 2024-25
				2022-23 to FY 2023-24	
Other Services and Charges	\$ 67,510	\$ 52,390	\$ 112,928	\$ 60,538	\$ 63,073
Capital Outlay	0	55,000	55,000	-	55,000
Transfers	22,053	21,869	23,677	1,808	24,289
<b>Total</b>	<b>\$ 89,563</b>	<b>\$ 129,259</b>	<b>\$ 191,605</b>	<b>\$ 62,346</b>	<b>\$ 142,362</b>
<b>Resources:</b>					
Property Taxes	\$ 107,198	\$ 60,621	\$ 174,548	\$ 113,927	\$ 179,784
State Shared Revenues	33,662	35,213	39,077	3,864	40,249
Interest/Miscellaneous	6,600	250	250	-	250
Fund Balance	(57,897)	33,172	(22,270)	(55,442)	(77,921)
<b>Total</b>	<b>\$ 89,563</b>	<b>\$ 129,256</b>	<b>\$ 191,605</b>	<b>\$ 62,349</b>	<b>\$ 142,362</b>
Fund Balance	\$ 335,602	\$ 302,430	\$ 324,700	\$ 22,270	\$ 402,621

## Key Issues

- The FY 2023-24 Budget includes the following major expenditures:
  - \$35,000 Acquisition
  - \$5,000 Sign Grant
  - \$5,000 Tree Program (\$5,000 grant match)
  - \$10,000 Facade Improvement
  - \$20,000 Area improvements (Banners, Gateway Signage)
  - \$50,000 Streetscape Plan
  - \$5,000 Clocktower Maintenance

# Municipal Buildings Construction and Bond Fund

## Organizational Fund Structure



- The Municipal Bond and Capital Improvement funds were new funds in FY 2023. Municipal Bonds were issued in April 2022 for the construction project at the Civic Center Complex and Fire Station #2.

## Financial Summary

<b>Requirements:</b>	<b>Actual 2021-22</b>	<b>Estimate 2022-23</b>	<b>Budget 2023-24</b>	<b>Increase (Decrease) 2022-23 to FY 2023-24</b>	<b>Budget 2024-25</b>
Other Services and Charges	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	-	275,000	275,000	-	482,500
Capital Outlay	-	14,556,921	-	-	-
Transfers	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 14,831,921</b>	<b>\$ 275,000</b>	<b>\$ -</b>	<b>\$ 482,500</b>
<b>Resources:</b>					
Bond Proceeds	\$ -	\$ 6,321,000	\$ -	\$ (6,321,000)	\$ -
Transfer In (General Fund)	-	8,510,921	275,000	(8,235,921)	482,500
Interest Earned	-	-	-	-	-
Fund Balance	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 14,831,921</b>	<b>\$ 275,000</b>	<b>\$ (14,556,921)</b>	<b>\$ 482,500</b>

## Key Issues

- The budget includes funding for the Civic Center Plaza and Fire Station #2 Project and debt repayment.

# Community Improvement Fund

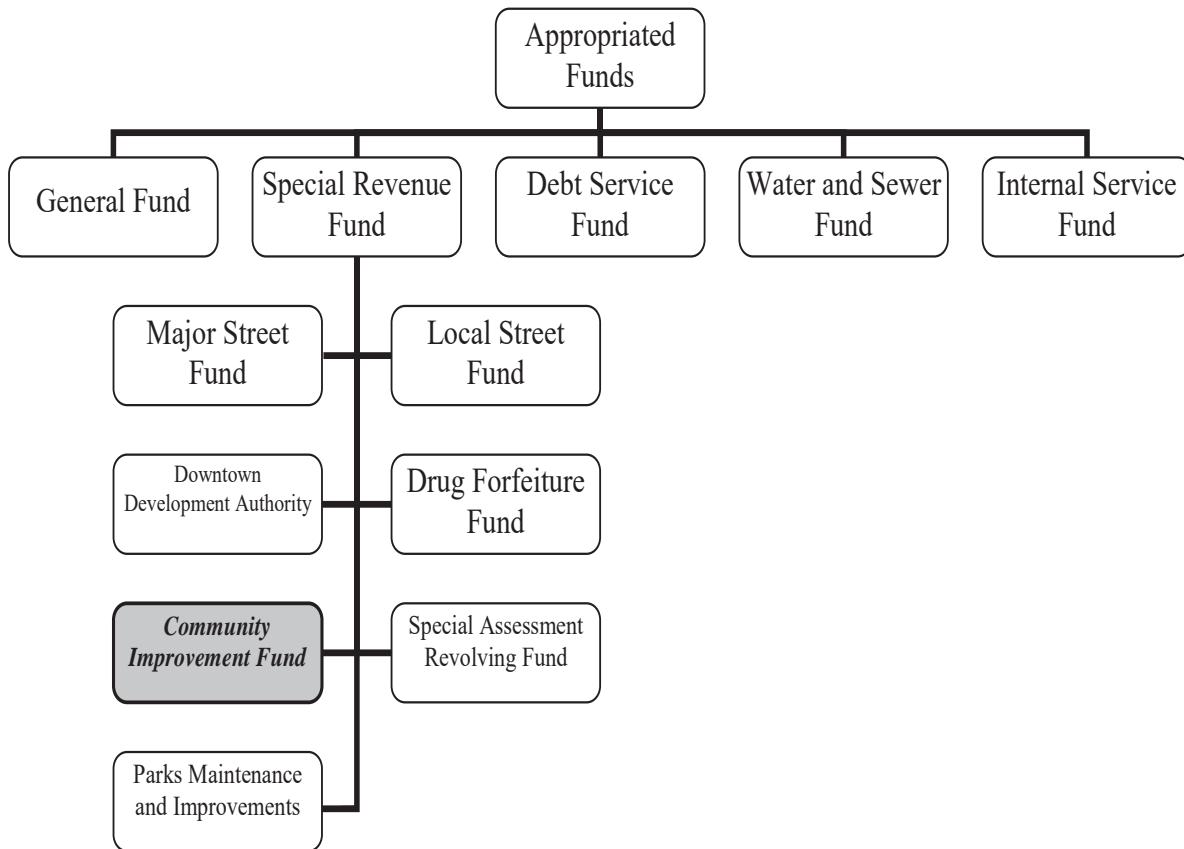
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## Statement of Services

The Community Improvement Program is a federally funded Division of the Community Development Department that administers the City's Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program. The Community Improvement Program funds one full-time Code Enforcement Officer.

Block Grant funds are used for the yard services program (lawn mowing and snow removal) and code enforcement, which primarily benefit low and moderate-income residents.

## Organizational Fund Structure



### Accomplishments

#### Quality of Life:

- Maintained a spending ratio of less than 1.5% of the Community Development Block Grant (CDBG) allocations, as requested by Oakland County Community and Home Improvement.

### Objectives

#### Quality of Life:

- Maintain a spending ratio of less than 1.5% of the CDBG allocations.
- Provide lawn and snow services to 75 low income or disabled residents.

## Performance Measures

<b>Performance Measures:</b>	Actual 2021-22	Estimate 2022-2023	Budget 2023-24	Increase (Decrease) FY 2022-23 to FY 2023-24	Budget 2024-2025
<b>Workload Indicators</b>					
Participant Application	54	75	75	4	75
Home Chore Assignments	1,108	1,100	1,000	(100)	(9.1)

## Financial Summary

<b>Requirements:</b>	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) 2022-23 to FY 2023-24	Budget 2024-25
Personnel Services	\$ 70,381	\$ 66,622	\$ 71,566	\$ 4,944	\$ 74,685
Supplies	-	-	-	-	-
Other Services and Charges	21,135	78,985	74,239	(4,746)	74,239
Capital Outlay	-	-	-	-	-
Total	\$ 91,516	\$ 145,607	\$ 145,805	\$ 198	\$ 148,924
<b>Resources:</b>					
Community Develop. Grant	\$ 91,516	\$ 145,607	\$ 145,805	\$ 198	\$ 148,924
Fund Balance	-	-	-	-	-
Total	\$ 91,516	\$ 145,607	\$ 145,805	\$ 198	\$ 148,924

## Key Issues

- The CDBG operation includes the following major expenditures: funding for one Code Enforcement Officer and a Home Chore Program, including mowing and limited fall clean up for seniors.
- FY 2024 services provided include lawn mowing and weed cutting and limited fall cleanup services, home and mobile home improvements.

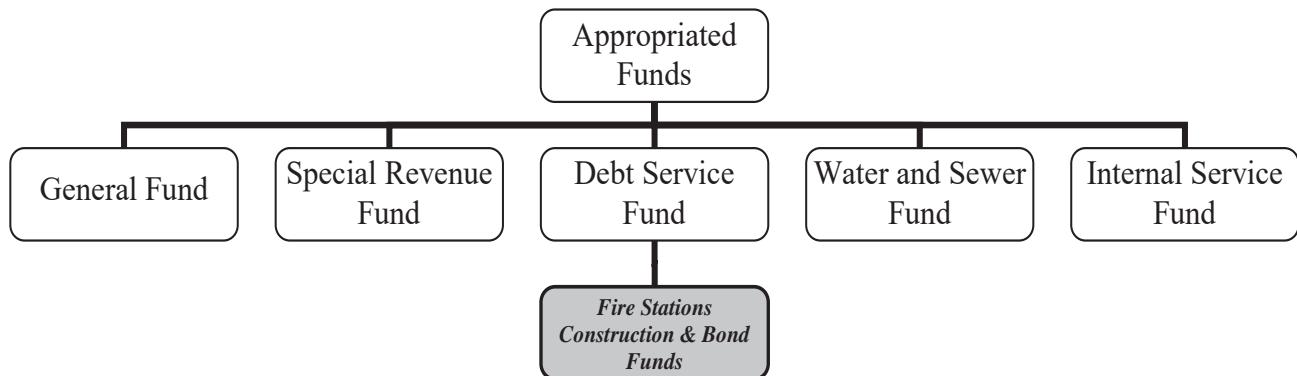
# Fire Stations Construction and Bond Funds

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## Statement of Services

The Fire Stations Bond Fund accounts for principal and interest payments on General Obligation Bonds issued in May 2003, to construct the new Fire Station Headquarters, demolish and redevelopment of the old building site and make renovations to Fire Station #2. Revenues are generated by an ad valorem property tax. The City also maintains a Fire Station Construction Fund to account for all expenditures associated with this project and related equipment purchases. Once the existing fund balance is exhausted, this fund will be eliminated.

## Organizational Fund Structure



## Financial Summary

<b>Requirements:</b>	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) 2022-23 to FY 2023-24	Budget 2024-25
Other Services and Charges	\$ 1,164	\$ 1,164	\$ -	\$ (1,164)	\$ -
Debt Service	446,630	458,550	-	(458,550)	-
Capital Outlay	-	-	-	-	-
Transfers	-	-	-	-	-
<b>Total</b>	<b>\$ 447,794</b>	<b>\$ 459,714</b>	<b>\$ -</b>	<b>\$ (459,714)</b>	<b>\$ -</b>
<b>Resources:</b>					
Property Taxes	\$ 453,076	\$ 409,886	\$ -	\$ (409,886)	\$ -
State Shared Revenues	27,549	25,000	-	(25,000)	-
Interest Earned	-	-	-	-	-
Fund Balance	(32,831)	24,828	-	(24,828)	-
<b>Total</b>	<b>\$ 447,794</b>	<b>\$ 459,714</b>	<b>\$ -</b>	<b>\$ (459,714)</b>	<b>\$ -</b>
<b>Fund Balance</b>	<b>\$ 36,288</b>	<b>\$ 11,460</b>	<b>\$ 11,460</b>	<b>\$ -</b>	<b>\$ 11,460</b>

## Key Issues

- On August 6, 2002, Madison Heights voters approved a proposal for the City to borrow \$5,926,000 and issue General Obligation Unlimited Tax Bonds, payable over the next 20 years for the cost of acquiring, constructing, furnishing and equipping a new fire station and related training tower, construction of a draft pit, demolition of the old Fire Station Headquarters, redevelopment of the Thirteen Mile frontage and rehabilitation of Station #2. Separate Construction and Debt Service Funds have been set up to record the actual project costs and the servicing of the bonds. The new Headquarters Fire Station opened in June 2004. The demolition of the old Fire Station and redevelopment of the Thirteen Mile Road frontage was completed in the Fall of 2004.
- In November of 2012, Council approved refinancing the Fire Station Bonds. This refinancing process allowed the City the ability to reduce the coupon interest rate, which was scheduled to increase from 3.0% to 4.0% over the next ten years, to a fixed 1.9%. This refinancing will save the taxpayers over \$321,000.
- The Fire Station Bond millage, was paid in full in fiscal year 2023 and is shown for historical purposes.

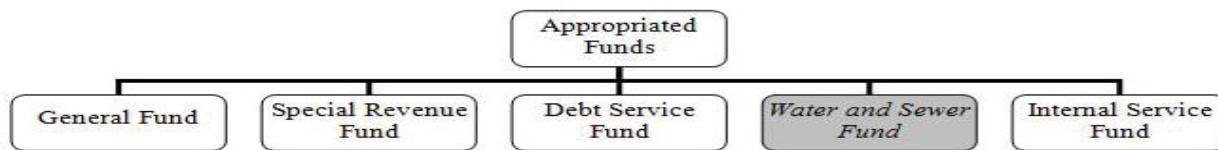
# Water and Sewer Division

## Statement of Services

The Water and Sewer Division of the Department of Public Services is responsible for:

- Providing water distribution to and sewage collection for the City's citizens and businesses. This process begins with the purchase of water from the Great Lakes Water Authority and ends with the City paying the Oakland County Water Resources Commission for the treatment of sewage that enters its facilities; and
- Handling all installation, repair and reading of all water meters; all repair work on water and sewer mains; gatewells; maintenance of catch basin structures; all cleaning of sewer mains, catch basins, gatewells and culverts; repair work including pavement and landscape repairs arising from water main breaks and/or sewer trench settlement; maintenance of municipal sprinklers; and providing and reporting on storm water management under Federal permits.

## Organizational Fund Structure



### Accomplishments

Public Health:

- Repaired or replaced 57 curb boxes and installed 7 new water services (new construction).
- Repaired and/or assisted on 46 water main breaks.
- Applied larvicide to over 2,000 residential catch basins to help fight West Nile Virus.
- Replaced 8 fire hydrants and repaired 11 fire hydrants.
- Continued federally mandated Disinfectant and Disinfection By-Product testing (Quarterly).
- Continued to monitor high-volume commercial water accounts for meter repair or replacement based on consumption.
- Continued Lead Service replacement program at no cost to residents or business owners.
- Replaced 2,709 feet of water main on R-3 and stand-alone projects.
- Cleaned catch basins on major roads and all catch basins on Year 4 thru Year 1 sanded only roads and prior water main project roads.
- Upon obtaining additional funding in the prior year's Budget process, established a more rigorous commercial cross-connection monitoring program.

### Objectives

Public Health:

- Continue to cross-train employees on all job-related issues.
- Repeat City-wide leak detection study on all water mains to help eliminate water loss.
- Continue to monitor and test large commercial meters for accuracy.
- Continue with a fire hydrant painting and maintenance program.
- Implement a more robust hydrant flushing and gate valve exercising program.
- Continue catch basin cleaning on major and local roads.
- Install water main in conjunction with 2023-24 "R-3" projects and identified stand-alone projects.
- Larvicide all residential City catch basins for West Nile prevention.
- Complete replacement of all identified lead water service lines in the City.
- Implement a resident/business owner Utility Bill Portal.
- Continue working with GLWA to address the "hydraulic transient" issue. The resulting pressure spikes are responsible for multiple simultaneous water main breaks in our distribution system.
- Continue prioritization and replacement of aging infrastructure at the Department of Public Services facility.
- Perform repairs and maintenance on the sanitary sewer system as identified through the SAW Grant.
- Continue separation of combined sanitary sewer areas through the road replacement program.
- Implement an asset management software to plan and prioritize maintenance and replacement of aging infrastructure.

## Performance Measures

	<b>Performance Indicators</b>	<b>2022 Actual</b>	<b>2023 Estimate</b>	<b>2023-2024 Budget</b>	<b>2024-2025 Budget</b>
<i>Input</i>	Curb boxes replaced	57	60	60	60
	Main break repairs	36	35	30	30
<i>Output</i>	New water main installed (in feet)	2,826	4,245	5,590	3,850
	New water main installed (per lineal foot cost)	\$ 221	\$ 220	\$ 225	\$ 230

## Key Issues

- The FY 2024 Budget includes a continuation of water main replacement associated with the Proposal “R-3” road projects at \$315,000 and non-R3 at \$520,800 for FY 2024.
- The Water and Sewer department budget required a rate increase. Rates have not been increased since July 2019. Rates are budget to increase water per unit from \$3.27 to \$4.26; sewer per unit from \$3.69 to \$6.30. The stormwater rate is being eliminated as a separate billing item.

## Financial Summary

	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) 2022-23 to FY 2023-24	Budget 2024-25
<b>Requirements:</b>					
Water Charges	\$ 2,332,408	\$ 2,421,155	\$ 2,490,593	\$ 69,438	\$ 2,560,724
Water System Maintenance	226,669	836,569	863,136	26,567	898,847
Water Tapping & Installation	24,872	43,500	43,500	-	43,500
Water Depreciation	716,915	-	-	-	-
Sewage Disposal Charges	4,370,078	4,813,502	4,952,294	138,792	5,100,863
Sewer System Maintenance	547,679	597,053	623,741	26,688	659,182
Sewer Depreciation	715,699	-	-	-	-
General Service Building	246,883	194,992	206,037	11,045	209,667
General Administration	1,757,202	1,405,325	1,426,984	21,659	1,454,791
Capital Outlay	262,224	1,512,581	1,415,159	(97,422)	2,810,812
Debt Service	102,365	151,787	151,605	151,762	151,762
<b>Total</b>	<b>\$ 11,302,994</b>	<b>\$ 11,976,464</b>	<b>\$ 12,173,049</b>	<b>\$ 348,529</b>	<b>\$ 13,890,148</b>
<b>Resources:</b>					
Sales: Water	\$ 4,608,236	\$ 4,655,870	\$ 5,395,832	\$ 739,962	\$ 5,567,491
Property Taxes	891,858	-	-	-	-
Sales: Sewer	6,823,898	6,547,212	7,215,000	667,788	7,466,761
State Shared Revenues	-	-	-	-	-
Interest/Miscellaneous	136,136	205,800	200,800	(5,000)	235,800
Departmental Charges	89,678	115,000	115,000	-	115,000
Fund Balance	(1,246,812)	452,582	(753,583)	(1,206,165)	505,096
Transfers In	-	-	-	-	-
<b>Total</b>	<b>\$ 11,302,994</b>	<b>\$ 11,976,464</b>	<b>\$ 12,173,049</b>	<b>\$ 196,585</b>	<b>\$ 13,890,148</b>
Unrestricted Net Assets	\$ 2,923,616	\$ 2,471,034	\$ 3,224,617	\$ 753,583	\$ 2,719,521
Cash	\$ 3,127,334	\$ 2,674,752	\$ 3,428,335	\$ 753,583	\$ 2,923,239

- The Water and Sewer Fund's retained earnings is not representative of cash in this business-type fund and includes accounts receivable, depreciation and inventory. At June 30, 2022, unrestricted retained position was \$2,923,616 and the cash balance was \$3.1 million.

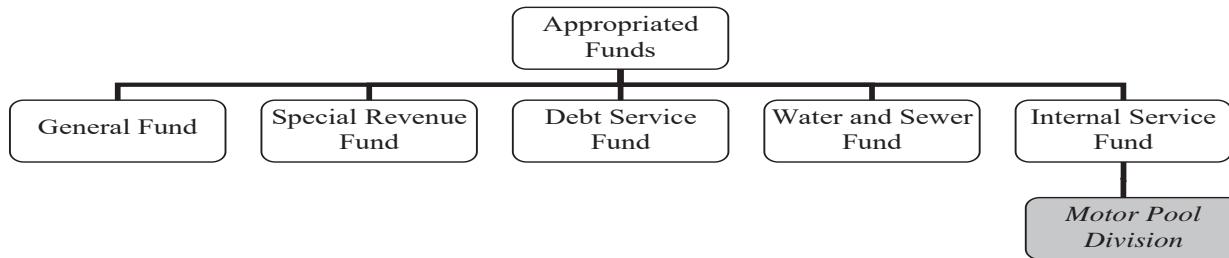
# Motor Pool Division

## Statement of Services

The Motor Pool Division of the Department of Public Services is responsible for:

- Maintaining all City vehicles and related equipment, including keeping records on each vehicle and piece of equipment to help determine whether the cost of repair is justified;
- Inspecting for safety problems, protecting the employees and the general public, as well as keeping adequate vehicle and equipment parts in stock and updated;
- Ordering gasoline and diesel fuel, and overseeing the work done on all emergency backup generators;
- Overseeing State compliance programs for the DPS underground storage tanks and liquid industrial waste generation; and
- Providing support information to assist with internal motor pool cost allocation and vehicle replacement scheduling.

## Organizational Fund Structure



## Accomplishments

### Resource Management:

- Brought in a previous vendor, Kimball Midwest, to organize and properly stock existing hardware and small parts bins. We were also able to add a broader supply to those items we may have not previously had available.
- Continuation of Enterprise leasing program evaluation, allowing us to see any benefits or negatives to leasing our city vehicles.
- We were able to source a used bus to replace unit 471, which halved the cost and we were able to take delivery of two years early over ordering new.
- We were able to react quickly and pick up two additional police Durangos, and a police Ram 1500 from other municipalities' cancelled orders with Van Dyke Dodge – all orders for new FCA vehicles had been cancelled at that point.
- Sourced, implemented, and are continuing to build an entirely new fleet management software from the vendor Fleetio.

## Objectives

### Resource Management:

- Continue to review, record, and purge obsolete parts room inventory to ensure an accurate count of items for our new fleet management software.
- Build a more accurate spare parts stock for our current equipment. This will aid in reducing downtime.
- Continue using online auction sites to receive maximum audience and price from our end-of-life equipment.
- Research alternative fuel solutions for items that are nearing end of service life.
- Develop training program to build technician skill sets, and to stay ahead of new technologies we will be seeing soon. We will use vendor provided training when available.
- Review spare and maintenance parts to see if there are opportunities for better quality items, i.e. Synthetic oils and lubricants, that may benefit us long term.

## Performance Measures

	Performance Indicators	2022 Actual	2023 Estimate	2023-2024 Budget	2024-2025 Budget
Input	Total gasoline purchased (gallons)	54,754	55,000	54,000	55,000
	Total diesel purchased (gallons)	28,751	30,000	30,000	30,000
Efficiency	Motorpool work orders	608	612	600	625
	Avg. cost - gallon of gasoline	\$ 2.96	\$ 2.75	\$ 2.50	\$ 2.75
	Avg. cost - gallon of diesel	\$ 3.71	\$ 3.25	\$ 2.75	\$ 3.00
	Department Expenditures as a percentage of the total budget	2.2%	0.1%	1.7%	1.7%

## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) 2022-23 to FY 2023-24	Budget 2024-25
Personnel Services	\$ 367,286	\$ 339,176	\$ 346,364	\$ 7,188	\$ 363,704
Supplies	247,762	238,800	250,700	11,900	250,700
Other Services and Charges	512,623	416,235	437,130	20,895	452,486
Capital Outlay	-	-	-	-	-
<b>Total</b>	<b>\$ 1,127,671</b>	<b>\$ 994,211</b>	<b>\$ 1,034,194</b>	<b>\$ 39,983</b>	<b>\$ 1,066,890</b>
Resources:					
Department Transfers	\$ 1,120,921	\$ 994,211	\$ 1,034,194	\$ 39,983	\$ 1,066,890
Transfers-General Fund	-	-	-	-	-
Transfers-Water and Sewer	-	-	-	-	-
Fund Balance	(6,750)	-	-	-	-
<b>Total</b>	<b>\$ 1,114,171</b>	<b>\$ 994,211</b>	<b>\$ 1,034,194</b>	<b>\$ 39,983</b>	<b>\$ 1,066,890</b>

# Department of Public Services

## Statement of Services

The Department of Public Services Fund is an Internal Services Fund new in FY 2017. This fund consists of the personnel cost for the positions listed below and is charged back to the departments as work is completed based on the City's work order system.

### Organizational Structure and Staff

Personnel Summary	2021-22	2022-23	2023-24	2024-25
Supervisor	3	3	3	3
Leader	2	2	2	2
Equipment Operator III	3	3	3	3
Equipment Operator II	6	6	6	6
Equipment Operator I	7	7	7	7
Administrative Secretary	1	1	1	1
Total Full-Time	22	22	22	22
Seasonal Laborer	4	1	1	1
Office Assistant	0	1	0	0
Total Part-Time	4	1	1	1
Total Employees	24	24	24	24

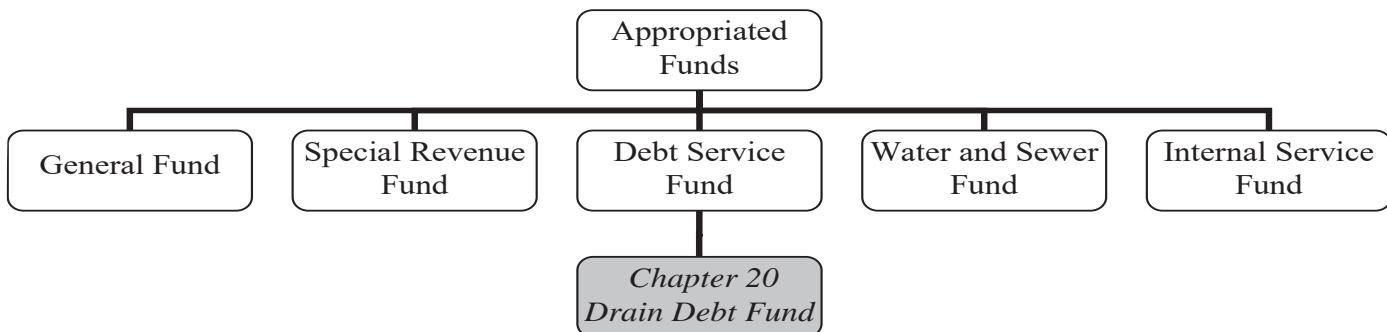
### Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) 2022-23 to FY 2023-24	Budget 2024-25
Personnel Services	\$ 1,991,921	\$ 2,240,215	\$ 2,319,620	\$ 79,405	\$ 2,470,607
Supplies	12,979	-	-	-	-
Other Services and Charges	2,834	4,044	9,230	5,186	9,294
Capital Outlay	-	-	-	-	-
Total	\$ 2,007,734	\$ 2,244,259	\$ 2,328,850	\$ 84,591	\$ 2,479,901
Resources:					
Transfers - General Fund	\$ 636,211	\$ 681,392	\$ 723,149	\$ 41,757	\$ 774,769
Transfers - Major Street	59,243	137,762	119,731	(18,031)	122,126
Transfers - Local Street	125,667	190,658	175,872	(14,786)	179,389
Transfers - Water and Sewer	1,152,601	1,234,447	1,310,098	75,651	1,403,617
Fund Balance	34,012	-	-	-	-
Total	\$ 2,007,734	\$ 2,244,259	\$ 2,328,850	\$ 84,591	\$ 2,479,901

# Chapter 20 Drain Debt Service

The Chapter 20 Drain Debt Service Fund is a new budgeted fund for FY 2018. Revenues to pay this debt service are generated from a new tax levy sufficient to allow for principal and interest payment. For FY 2024, Council is being requested to approve a levy of 0.8200 mills.

## Organizational Fund Structure



## Financial Summary

Requirements:	Actual 2021-22	Estimate 2022-23	Budget 2023-24	Increase (Decrease) 2022-23 to FY 2023-24	Budget 2024-25
Debt Service	\$ -	\$ 899,454	\$ 850,187	\$ 16,460	\$ 223,440
Total	\$ -	\$ 899,454	\$ 850,187	\$ 16,460	\$ 223,440
<b>Resources:</b>					
Property Taxes	\$ -	\$ 899,454	\$ 850,187	\$ 16,460	\$ 223,440
Miscellaneous	-	-	-	-	-
Fund Balance	-	-	-	-	-
State Shared Revenue	-	-	-	-	-
Total	\$ -	\$ 899,454	\$ 850,187	\$ 16,460	\$ 223,440

## Key Issues

- This Budget is utilized to account for the collection of tax levy through Chapter 20 drain debt service and the expenses related to that debt insurance. Each year this fund is closed out into water and sewer for accounting purposes.

## **FY 2023-28 CAPITAL IMPROVEMENT PLAN**

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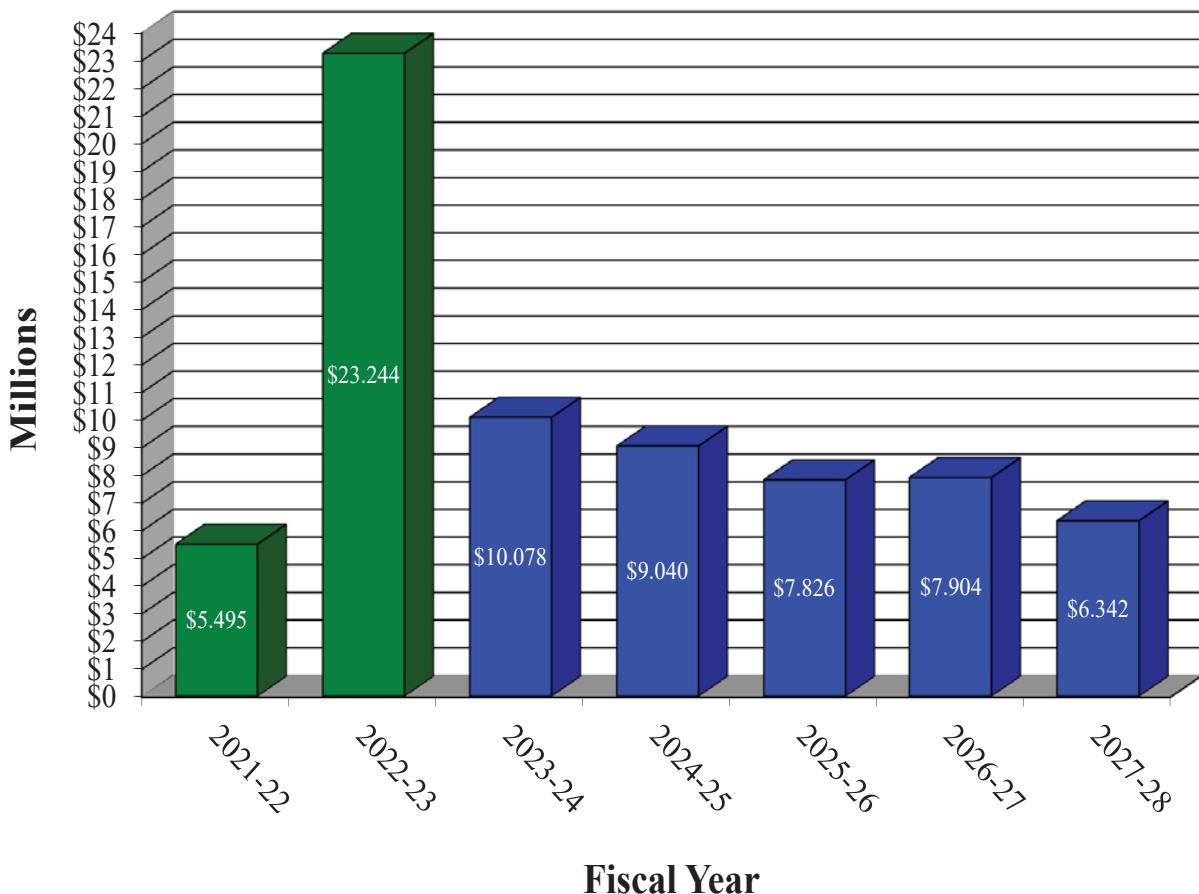
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## CAPITAL IMPROVEMENT PLAN

FY 2023-28

FY 2022-23 ESTIMATED



The largest category programmed during the Capital Improvement Plan is Road Improvements including non-"R-3" road projects and equipment. This category has annual programmed expenditures from \$1.0 million to \$3.5 million over the current and next five year period. The plan includes \$13.9 million in Proposal "R-3" Neighborhood Road Projects and \$7.3 million for Collection and Distribution Systems. FY 2023 included the City's largest capital investment of \$14.2 million for the rehabilitation of City Hall, Library, Active Adult Center, and Fire Station #2.

## **PLAN OVERVIEW**

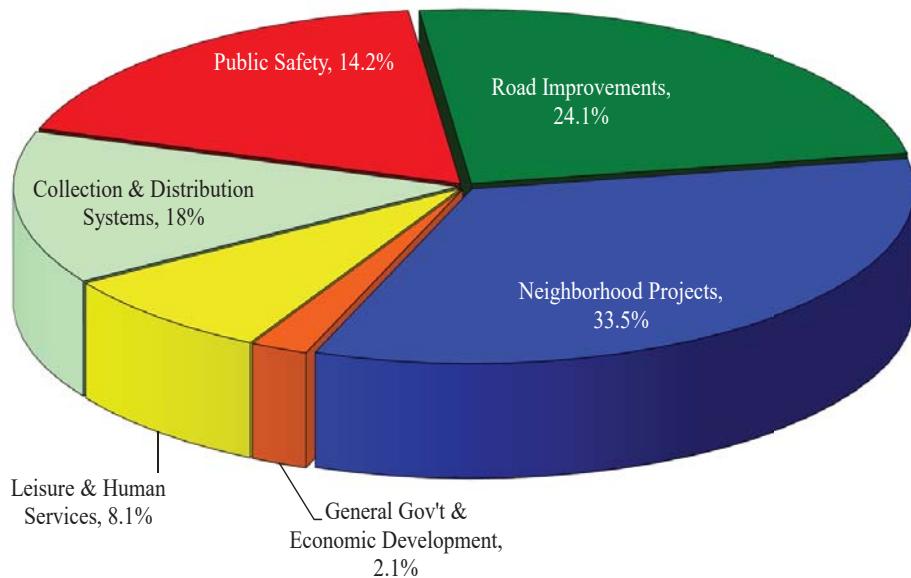
The FY 2023-28 Capital Improvement Plan (CIP) totals \$40.5 million. The previous page's bar graph shows the scheduled appropriations by year. The Capital Improvement Plan, which is a consolidation of current-year and projects planned over the next five years, represents future capital improvement commitments consistent with the City's capital improvement policies. (See Table I - Financial Overview.)

The CIP is being generated in response to the financial policies first adopted with the FY 1992-93 Budget. The plan is amended as needed and readopted each year. The capital improvement policies include:

1. The City will develop a multi-year plan for capital improvements, update it annually, and make all capital improvements in accordance with the plan.
2. The City's plan will include large capital purchases and construction projects costing more than \$5,000.
3. When financially feasible, the City will maintain its physical assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs. The budget will provide for adequate maintenance and the orderly replacement of the capital infrastructure and equipment from current revenues where possible.
4. The City will try to ensure that prime commercial/industrial acreage is provided with the necessary infrastructure to meet the market demand for this property.
5. The City will use the following criteria to evaluate the relative merit of each capital project:
  - a. Projects that implement a component of an approved strategic plan will be a priority when establishing funding.
  - b. Projects specifically included in an approved replacement schedule will receive priority consideration.
  - c. Projects that reduce the cost of operations or energy consumption will receive priority consideration.
  - d. Projects that duplicate other public and/or private services will not be considered.
  - e. Priority will be given to those projects that directly support development efforts in areas with a majority of low to moderate-income households, or CDBG or MSHDA designated areas.

## USE OF FUNDS

FY 2023-2028



**Over fifty-seven percent of the Capital Improvement Plan is programmed for Road Improvements and Neighborhood Projects**

**TABLE I**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**FINANCIAL OVERVIEW**  
**USE OF FUNDS**  
**(IN THOUSANDS)**

### APPROPRIATIONS:

PROJECT DESCRIPTION	TABLE	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	TOTAL APPROP.
Neighborhood Projects	III	\$ 1,712	\$ 2,374	\$ 2,564	\$ 2,427	\$ 2,459	\$ 3,705	\$ 2,720	\$ 13,875
Road Improvements	V	1,216	2,924	3,955	2,196	1,120	1,630	1,094	9,995
Collection & Distribution Sys.	VI	1,145	837	831	1,741	1,999	1,250	1,621	7,442
Public Safety	VIII	634	3,932	1,696	1,494	1,255	784	637	5,866
General Govt & Economic Dev.	IX	226	12,104	282	384	165	40	40	911
Leisure & Human Services	X	562	1,073	750	798	828	495	230	3,101
<b>TOTAL</b>		<b>\$ 5,495</b>	<b>\$ 23,244</b>	<b>\$ 10,078</b>	<b>\$ 9,040</b>	<b>\$ 7,826</b>	<b>\$ 7,904</b>	<b>\$ 6,342</b>	<b>\$ 41,190</b>

## **Summary of Appropriations by Program**

In calculating the projected cost of future capital improvement projects and major equipment purchases, assumptions need to be made regarding what inflationary increases should apply to these items. This year's estimates have been adjusted to include some assumed inflationary rates of up to 5 percent per year for vehicles and 3 percent for construction projects (unless set by predetermined financial targets).

In estimating the cost of future local improvement projects, construction costs have been increased to reflect an additional 20 percent above actual construction estimates. The 20 percent has been added to these projects to cover construction design, contract administration, construction staking, engineering, as-built drawings preparation, material testing, field inspections, right-of-way acquisition and contingency expenses. These expenses vary considerably from project to project but do not normally exceed 20 percent.

The format for the Capital Improvement Plan has been established to emphasize major functional areas. All capital improvement proposals have been classified into six functional areas: Neighborhood Projects, Road Improvements, Collection & Distribution Systems, Public Safety, General Government & Economic Development, and Leisure & Human Services. A separate chapter has been included in this plan for each functional area outlining the justification and funding for each proposal.

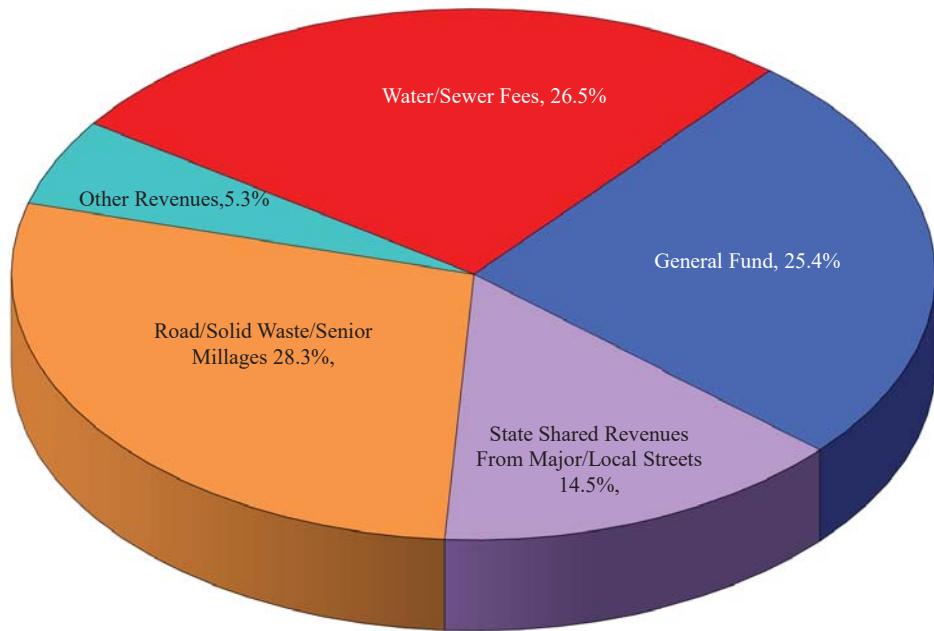
The planned Capital Improvement Plan expenditures for the six functional areas are expressed as a share of the total planned expenditures below:

<u>Expenditure Program</u>	<u>Percent of Plan</u>
Neighborhood Projects	33.5
Road Improvements	24.1
Collection & Distribution Systems	18.0
Public Safety	14.2
Leisure & Human Services	8.1
General Government & Economic Development	<u>2.1</u>
	100.0

The following pages illustrate the plan and those projects included within it. It is an ambitious program focusing on major capital needs throughout Madison Heights.

## SOURCE OF FUNDS

FY 2023-28



**The Road, Solid Waste, Senior millages, and Water and Sewer fees provide over fifty-five percent of the funding for the Capital Improvement Plan.**

**TABLE II**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**FINANCIAL OVERVIEW**  
**SOURCE OF FUNDS**  
**(IN THOUSANDS)**

**REVENUES:**

	TABLE III NEIGHBOR. PROJECTS	TABLE V ROAD IMPROV.	TABLE VI COLLECTION & DIST. SYSTEMS	TABLE VIII PUBLIC SAFETY	TABLE IX GENERAL GOV'T & ECON. DEV.	TABLE X LEISURE & HUMAN SERVICES	
Road/Solid Waste/Senior Millage	\$ 10,521	\$ 1,055	\$ 0	\$ 0	\$ 0	\$ 132	\$ 11,708
Water/Sewer Fees	3,354	0	7,442	0	193	0	10,989
General Fund	0	1,520	0	5,618	718	2,430	10,286
State Shared Revenues from Major/Local Streets	0	5,990	0	0	0	0	5,990
General Obligation Bonds	0	0	0	0	0	0	0
Federal Transportation Grant	0	0	0	0	0	0	0
Other Revenues							
Oakland County Grants/Funding	0	1,080	0	0	0	294	1,374
Grants/Federal/State of Michigan	0	200	0	39	0	245	484
Special Assessment	0	150	0	0	0	0	150
Drug Forfeiture Fund	0	0	0	209	0	0	209
<b>TOTAL</b>	<b>\$ 13,875</b>	<b>\$ 9,995</b>	<b>\$ 7,442</b>	<b>\$ 5,866</b>	<b>\$ 911</b>	<b>\$ 3,101</b>	<b>\$ 41,190</b>

### **Summary of Revenues by Source**

The Capital Improvement Program is financed through a combination of tax and fee supported funds, State and Federal grants, pay-as-you-go projects, and long-term borrowing. The program's most significant revenue local sources are Roads, Solid Waste, and Senior Property Tax Millages, Water and Sewer Fees, the General Fund, and State Shared Revenues from Major and Local Streets, totaling \$38.4 million or 94.9 percent of the plan. Most of these funds will be needed for scheduled neighborhood road improvement projects and major road work. The FY 2024 Capital Improvement Plan totals \$10.1 million (Table I). A breakdown of revenues programmed in the FY 2023-28 Capital Improvement Plan is as follows:

<u>Revenue Source</u>	<u>Percent of Plan</u>
Road/Solid Waste/ Senior Millage	28.3
Water and Sewer Fees	26.5
General Fund	25.4
State Shared Revenues from Major/Local Streets	14.5
Other Revenues	<u>5.3</u>
	100.0

Revenue estimates are based on history or known estimates from other agencies such as Federal and State participation.

## **NEIGHBORHOOD PROJECTS**

Staff annually reviews the current road conditions and updates projections regarding proposed neighborhood roadway improvements. To coordinate this process, staff has developed a multi-year neighborhood road improvement plan primarily funded by the Proposal "R-3" two-mill property tax levy.

Following completion of an initial Proposal "R-1" a 10-year neighborhood road reconstruction funded by a 2-mill property tax levy, Proposal "R-2" was adopted by Madison Heights voters on August 8, 2006 and provided continued funding at the initial annual level of two mills for ten years to carry out the City's second comprehensive residential street repair and reconstruction program. The Proposal "R-2" was completed with the 2017 residential construction projects. On August 2, 2016, Madison Heights voters again approved a ten-year continuation of the residential street program and reconstruction program called Proposal "R-3" funded at the initial annual level of two mills. The road improvement projects include new concrete streets, approaches, necessary sidewalk repairs and installations, and connections to the storm water drainage system. In developing these plans, pavement conditions and other infrastructure components such as storm water drains, water main lines and sanitary sewers have also been evaluated. The table at the end of this section outlines each of these neighborhood projects and the scope of work that is planned to be completed for each project. When the City is financially able to replace older, deteriorating water main lines at the same time as the neighborhood road improvements, we do so. This allows the City to avoid future costs to repair broken water mains and disrupt new road surfaces, and related disruption in water service to residents.

### **First Roads Millage Program Proposal R-1(1997-2006)**

On August 6, 1996, the voters in Madison Heights approved ballot proposals "R-1" and "V-1." Proposal "R-1" provided the City with a two-mill ten-year property tax levy (rolled back by State imposed millage limits) to support an extensive neighborhood road improvement plan.

The Proposal "R-1" millage generated \$19.6 million in revenue from 1997 to 2006 to support this program. The Neighborhood Road Plan mirrored the information provided to the residents as part of the public information campaign during the summer of 1996 plus the City Council approved amendments.

Funding for the multi-year Neighborhood Road Improvement Program came from different sources including:

1. Neighborhood Road Improvement Millage (\$19.6 million);
2. Water and Sewer Fund Revenues (\$4.0 million) - Generated from system user fees and financed through user rates
3. Property Owner Special Assessments (\$2.2 million) - In accordance with the City Council Special Assessment District Policy for road improvements as amended;
4. Community Development Block Grant Funds (\$655,000) - Used to support four road projects. In FY 1997-98, Harwood from Tawas to Truman; FY 2001-02, Brockton from Couzens to Dei; FY 2002-03, Miracle from Harwood to Barrett; and FY 2003-04, Greig from Dequindre to Delton; and,

5. Chapter 20 Drain Refund (\$136,000) - Historically, the Oakland County Water Resources Commissioner had retained funds previously assessed to residents of the City of Madison Heights to address future storm water needs. These funds were used in year one of the plan to support the storm drain portions of the road improvements. In addition, retained funds from the completed Henry Graham Drain were used to support payment for the George W. Kuhn Drain construction project.

In allocating funds, the Neighborhood Road Improvement Millage has been dedicated to the street improvement and integrated storm sewer portion of the neighborhood projects. Water and Sewer Fund Revenues are used for the water main portion of the projects. Special Assessment Funds and Community Development Block Grant Funds were used both for roadway and storm water drain improvements. Finally, Chapter 20 Drain Refund Revenues were used exclusively for the neighborhood projects' storm water drain improvement portions. In January 1997, the staff proposed and the City Council adopted a Residential Road Improvement Policy to provide guidelines on how the Neighborhood Road Program would be administered. This Policy specifies the order in which road projects would be undertaken, the percent of Proposal "R-1" contributions that would be made to each project, specifics on how the project would address a special assessment district project, what would happen if a proposed special assessment project should be turned down, and the process to be followed if all the scheduled projects were completed and additional funds became available.

The Policy indicates that approximately one year in advance of the year that the Proposal "R-1" funds are to be made available for a special assessment designated road project, an advisory survey shall be taken by the City of the benefiting property owners as to their willingness to be specially assessed for the private benefit portion of the total cost of a road improvement. The City will conduct this survey through the mail utilizing a postcard return system. Results of this advisory survey shall be presented to Council, and the project only proceeds with the establishment of the special assessment district when the project is supported by a majority of property owners.

On December 15, 2003, the Council adopted the 2004-05 Goal Plan, a proposal to modify the existing Ten Year Residential Road Improvement Program to utilize program savings to expedite critical road reconstruction projects.

Given program savings, the City's Proposal "R-1" program was able to program additional roadwork as part of the ten-year plan. According to the Council Policy, if there are still monies available to fund additional projects, citizens who own property abutting a road could petition Council to have their street added to the Proposal "R-1" listing.

The following streets were considered on a first-come first-served basis, based on need, and projects were also considered only to the extent that funds remain to offset construction costs. Per the Policy, no additional projects were undertaken until all scheduled Proposal "R-1" projects were programmed: Woodside from I-75 to Barrington (completed in 2004), Dorchester from Donna to Browning (completed in 2005), Delton from Greig to Cowan (completed in 2005), Battelle from Lincoln to Guthrie, Alger from Lincoln to Guthrie and Guthrie from Alger to John R (all completed in 2006). Parker District (2007), Middlesex (2007), Spoon from Huntington to Twelve Mile and Sherry from Parkdale to Fournier (2008 - sectional), and sectional concrete repair (\$945,000) of any "R-1" programmed street exhibiting signs of deterioration.

At the conclusion of the “R-1” program, the remaining funds of \$4.3 million were reprogrammed to supplement the “R-2” program which started in 2008.

#### Second Roads Millage Program - Proposal R-2 (2007-2016)

On December 12, 2005, as part of the 2006-07 Goal Plan, the City Council adopted a goal to “evaluate, identify, prioritize and create a new long-range millage-based comprehensive infrastructure replacement plan including roads, sewers and sidewalks to take before voters in 2006.”

On August 8, 2006, the voters in Madison Heights approved millage Proposal “R-2”. The “R-2” program continued to provide funding at an initial annual level of two mills for ten years to carry out the City’s second comprehensive residential street repair and reconstruction program. The road improvement projects included new concrete streets, approaches, necessary sidewalk repairs and installations, and connections to the storm water drainage system.

Proposal “R-2” generated \$21.8 million in revenue to support the ten year program presented in the Capital Improvement Plan. Due to the economic recession causing declining property values, this program’s funding is down \$5.8 million or 20.9% from the original April 2006 estimate. To close this funding gap, \$4.3 million in savings from the “R-1” was used to supplement the “R-2” program, and \$800,000 in sidewalk and sectional concrete replacements were dropped. In June 2006, the elements of this millage program were outlined to the residents as part of the public information campaign through the City newsletter.

Of the 74.01 miles of local roads in Madison Heights, the original Proposal “R-1” millage funded repair of 11.6 miles or 15.8% of the worst roads in the City with Proposal “R-2” funding an additional 11.1 miles (65 neighborhood roads). In August of 2005, an independent professional transportation planning engineering firm completed a comprehensive analysis of all streets in Madison Heights. This study identified over 20 miles of poor residential roads that needed to be addressed. Even after the Proposal “R-2” program, the City was estimated, at that point in time, to have 9 miles of poorly-rated streets still needing attention.

All road reconstruction work was funded through the "R-2" millage except for the 13 seal coat roads, which required the residents with frontage on these streets to contribute a 25 percent special assessment. The rationale behind this proposal is that those property owners living on an existing concrete road with curb and gutter (i.e. not a seal coat road) have already paid for their road once in the price of the home or in the form of a prior special assessment district project.

Property owners on a seal coat road have not paid an assessment in the past, and prior to the “R-1” program, they were responsible for 100 percent of the project cost. Under the original “R-1” program, they were only responsible for 50 percent of the project cost. The City reduced the "R-2" special assessment by one-half to twenty-five percent to make the projects more affordable for the average property owner. The special assessment program was eliminated with the passing of Proposal "R-3" millage proposal. The "R-2" road millage expired in FY 2017.

### Third Roads Millage Program - Proposal R-3 (2017-2026)

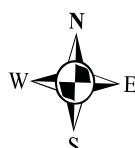
In August 2016, Madison Heights voters approved a new 2-mill "R-3" Road Millage for ten years, beginning in the summer of 2017 construction season (fiscal year 2018) . The new millage program was included in the City's Adopted 2016-17 Goal Plan to evaluate, identify, prioritize, and create a new long-range, millage-based comprehensive "Proposal R-3" infrastructure replacement plan including roads, sewers, and sidewalks to take before the voters in 2016. Road projects scheduled under the new "R-3" Program began with the 2018 construction season and will run through the 2027 construction season (fiscal year 2028).

This CIP section contains a map depicting "R-3" neighborhood road programs, appropriations and revenues for the recent and scheduled neighborhood road projects (Table III), a detailed history of "R-1", "R-2" and "R-3" projects (Table IV-A, IV-B, IV-C) , and a map depicting the historical projects of "R-1" and "R-2".

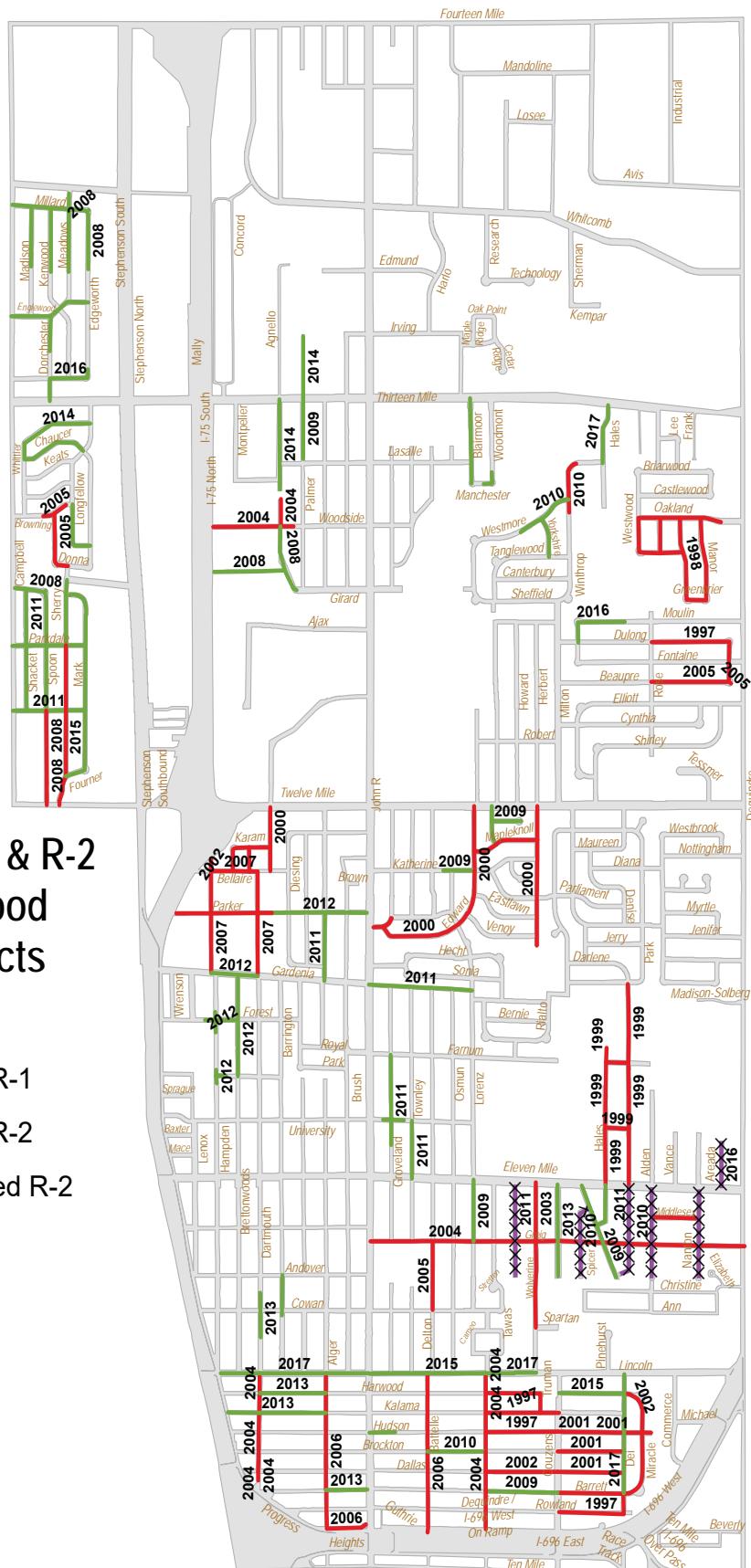


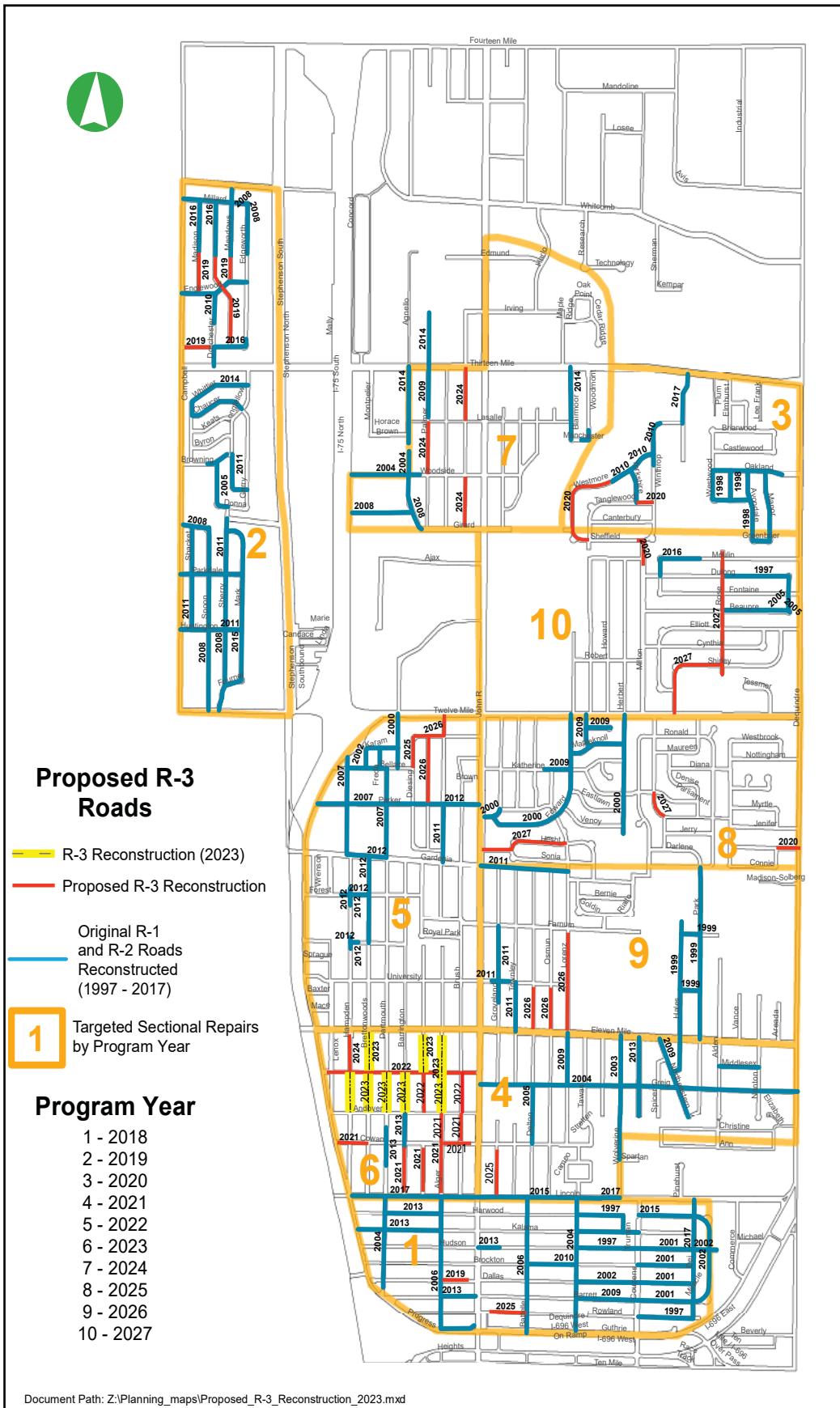
# Proposals R-1 & R-2 Neighborhood Road Projects

- Completed R-1
- Completed R-2
- xxxxxx SAD Rejected R-2



1 inch = 2,200 feet





**TABLE III**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**NEIGHBORHOOD PROJECTS**  
**(IN THOUSANDS)**

**APPROPRIATIONS:**

NEIGHBORHOOD PROJECTS	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	TOTAL APPROP.
<b>YEAR 4 ROADS (R-3) 2021</b>								
Alger Street (W Cowan Avenue to Andover Avenue)	247	0	0	0	0	0	0	0
Barrington Street (Mid Block Barrington St-Lincoln to Cowan)	132	0	0	0	0	0	0	0
Alger Street (Mid Block Alger Street - Lincoln to Cowan)	142	0	0	0	0	0	0	0
Barrington Street (W Lincoln Avenue to W. Cowan Avenue)	181	0	0	0	0	0	0	0
Alger Street (W. Lincoln Avenue to W Cowan Avenue)	234	0	0	0	0	0	0	0
Brush Street (W Cowan Avenue to Andover Avenue)	157	0	0	0	0	0	0	0
W Cowan Avenue (Stephenson Highway to Brettonwoods Street)	120	0	0	0	0	0	0	0
W Cowan Avenue (Alger Street to John R Road)	119	0	0	0	0	0	0	0
Palmer Street (W Lincoln Avenue to W Cowan Avenue)	274	0	0	0	0	0	0	0
Sectional	106	0	0	0	0	0	0	0
<b>YEAR 5 ROADS (R-3) 2022</b>								
W. Greig Avenue (W. Terminus to Hampden Street)	0	228	0	0	0	0	0	0
W. Greig Avenue (Brettonwood Street to Dartmouth Street)	0	206	0	0	0	0	0	0
W. Greig Avenue (Brush Street to John R Road)	0	167	0	0	0	0	0	0
Palmer Street (Andover Avenue to W. Greig Avenue)	0	337	0	0	0	0	0	0
Brush Street (Andover Avenue to W. Greig Avenue)	0	190	0	0	0	0	0	0
W. Greig Avenue (Hampden Street to Brettonwoods Street)	0	140	0	0	0	0	0	0
W. Greig Avenue (Dartmouth Street to Barrington Street)	0	155	0	0	0	0	0	0
W. Greig Avenue (Barrington Street to Palmer Street)	0	117	0	0	0	0	0	0
W. Greig Avenue (Palmer Street to Alger Street)	0	117	0	0	0	0	0	0
W. Greig Avenue (Alger to Brush Street)	0	117	0	0	0	0	0	0
Sectional	0	78	0	0	0	0	0	0
<b>YEAR 6 ROADS (R-3) 2023</b>								
Hampden Street (Andover Ave to W Greig Ave)	0	0	273	0	0	0	0	273
Brettonwoods Street (Andover Ave to W Greig Ave)	0	133	273	0	0	0	0	273
Brettonwoods Street (W. Greig Ave to Eleven Mile Road)	0	133	292	0	0	0	0	292
Dartmouth Street (Andover Ave to W. Greig Ave)	0	0	275	0	0	0	0	275
Barrington Street (Andover Ave to W. Greig Ave)	0	0	275	0	0	0	0	275
Palmer Street (W. Greig Ave to Eleven Mile Road)	0	0	293	0	0	0	0	293
Alger Street (W. Greig Ave to Eleven Mile Road)	0	138	293	0	0	0	0	293
Alger Street (Andover Ave to W. Greig Ave)	0	118	275	0	0	0	0	275
<b>YEAR 7 ROADS (R-3) 2024</b>								
Brush Street (W. LaSalle to 13 Mile)	0	0	153	445	0	0	0	598
Palmer Street (W. Woodside to W. LaSalle)	0	0	0	434	0	0	0	434
Brush Street (W. Girard to W. Woodside)	0	0	162	440	0	0	0	602
Hampden Street (W Grieg to 11 Mile)	0	0	0	349	0	0	0	349
<b>YEAR 8 ROADS (R-3) 2025</b>								
Diesing Drive (Bellaire Avenue to Alger Street)	0	0	0	253	615	0	0	868
Groveland Street (E. Lincoln Avenue to E. Cowan Avenue)	0	0	0	302	459	0	0	761
E. Rowland Avenue (John R Road to Battelle Avenue)	0	0	0	204	457	0	0	661
<b>YEAR 9 ROADS (R-3) 2026</b>								
Palmer Street (W. Palmer Street to Diesing Drive)	0	0	0	0	277	546	0	823
Alger Street (Diesing Drive to Twelve Mile Road)	0	0	0	0	95	180	0	275
Delton Street (Eleven Mile to E. University Avenue)	0	0	0	0	189	390	0	579
Osmun Street (Eleven Mile to E. University Avenue)	0	0	0	0	0	393	0	393
Lorenz Street (Eleven Mile to E. University Avenue)	0	0	0	0	173	393	0	566
Lorenz Street (Eleven Mile to E. University Avenue)	0	0	0	0	194	451	0	645
<b>YEAR 10 (R-3) 2027</b>								
Shirley Avenue (Tweleve Mile Road to Rose Street)	0	0	0	0	0	393	610	1,003
Rose Street (South Terminus to Elliot Avenue)	0	0	0	0	0	215	383	598
Rose Street (Elliott Avenue to North Terminus)	0	0	0	0	0	216	665	881
Hales Street (Jenifer Avenue to Parliament Avenue)	0	0	0	0	0	127	233	360
Hecht Drive (John R Road to Sonia/Hecht Avenue)	0	0	0	0	0	132	280	412
Hecht Drive (Sonia/Lorenz Street)	0	0	0	0	0	269	549	818
<b>TOTALS</b>	<b>\$ 1,712</b>	<b>\$ 2,374</b>	<b>\$ 2,564</b>	<b>\$ 2,427</b>	<b>\$ 2,459</b>	<b>\$ 3,705</b>	<b>\$ 2,720</b>	<b>13,875</b>
Total Projects	10	15	10	7	8	12	6	43
Total Equipment	0	0	0	0	0	0	0	0

**TABLE III**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**NEIGHBORHOOD PROJECTS**  
**(IN THOUSANDS)**

**REVENUES:**

NEIGHBORHOOD PROJECTS	GENERAL FUND	MAJOR/ LOCAL FUND	SPECIAL ASSESS.	ROAD MILLAGE	WATER & SEWER FUND	OTHER REVENUES	TOTAL REVENUE
<b>YEAR 6 ROADS (R-3) 2023</b>							
Hampden Street (Andover Ave to W Greig Ave)	0	0	0	273	0	0	273
Brettonwoods Street (Andover Ave to W Greig Ave)	0	0	0	273	0	0	273
Brettonwoods Street (W Greig Ave to Eleven Mile Road)	0	0	0	292	0	0	292
Dartmouth Street (Andover Ave to W Greig Ave)	0	0	0	275	0	0	275
Barrington Street (Andover Ave to W Greig Ave)	0	0	0	275	0	0	275
Palmer Street (W Greig Ave to Eleven Mile Road)	0	0	0	293	0	0	293
Alger Street (W Greig Ave to Eleven Mile Road)	0	0	0	293	0	0	293
Alger Street (Andover Ave to W Greig Ave)	0	0	0	275	0	0	275
<b>YEAR 7 ROADS (R-3) 2024</b>							
Brush Street (W. LaSalle to 13 Mile)	0	0	0	445	153	0	598
Palmer Street (W. Woodside to W. LaSalle)	0	0	0	434	0	0	434
Brush Street (W. Girard to W. Woodside)	0	0	0	440	162	0	602
Hampden Street (W Grieg to 11 Mile)	0	0	0	349	0	0	349
<b>YEAR 8 ROADS (R-3) 2025</b>							
Diesing Drive (Bellaire Avenue to Alger Street)	0	0	0	615	253	0	868
Groveland Street (E. Lincoln Avenue to E. Cowan Avenue)	0	0	0	459	302	0	761
E. Rowland Avenue (John R Road to Battelle Avenue)	0	0	0	457	204	0	661
<b>YEAR 9 ROADS (R-3) 2026</b>							
Palmer Street (W. Palmer Street to Diesing Drive)	0	0	0	546	277	0	823
Alger Street (Diesing Drive to Twelve Mile Road)	0	0	0	180	95	0	275
Delton Street (Eleven Mile to E. University Avenue)	0	0	0	390	189	0	579
Osmun Street (Eleven Mile to E. University Avenue)	0	0	0	393	0	0	393
Lorenz Street (Eleven Mile to E. University Avenue)	0	0	0	393	173	0	566
Lorenz Street (Eleven Mile to E. University Avenue)	0	0	0	451	194	0	645
<b>YEAR 10 (R-3) 2027</b>							
Shirley Avenue (Tweleve Mile Road to Rose Street)	0	0	0	610	393	0	1,003
Rose Street (South Terminus to Elliot Avenue)	0	0	0	383	215	0	598
Rose Street (Elliot Avenue to North Terminus)	0	0	0	665	216	0	881
Hales Street (Jenifer Avenue to Parliament Avenue)	0	0	0	233	127	0	360
Hecht Drive (John R Road to Sonia/Hecht Avenue)	0	0	0	280	132	0	412
Hecht Drive (Sonia/Lorenz Street)	0	0	0	549	269	0	818
<b>Total</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 10,521</b>	<b>\$ 3,354</b>	<b>\$ 0</b>	<b>\$ 13,875</b>

**TABLE IV-A**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**R-1 NEIGHBORHOOD PROJECTS**  
**(IN THOUSANDS)**

STATUS	YEAR	NEIGHBORHOOD PROJECTS	STORM DRAIN	SANITARY SEWER	STREET PAVING	WATER MAIN	ESTIMATED COST
		YEAR 1	\$ 136	\$ 76	\$ 958	\$ 227 *	\$ 1,397
DONE	1997	Harwood -Tawas to Truman					
DONE	1997	Truman - Harwood to Kalama					
DONE	1997	Kalama -Tawas to Couzens					
DONE	1997	Hudson -Tawas to Couzens					
DONE	1997	Rowland from Couzens to Dei					
DONE	1997	Dulong from Rose East to Fontaine					
		YEAR 2	24	0	1,002	72 *	1,098
DONE	1998	Oakland, Greenbrier & Westwood					
DONE	1998	Elmhurst - Oakland to Westwood					
DONE	1998	Avondale & Manor - Oakland to Greenbrier					
		YEAR 3	52	17	1,275	206 *	1,550
DONE	1999	Park Court - 11 Mile to Connie SAD 255					
DONE	1999	Hales - 11 Mile to Rosies Park SAD 255					
DONE	1999	Farnum & University from Hales to Park Court SAD 255					
		YEAR 4	935	83 *	1,430	489 *	2,937
DONE	2000	Dartmouth - Bellaire to 12 Mile					
DONE	2000	Herbert - 12 Mile to Venoy					
DONE	2000	Edward - 12 Mile to Parker					
DONE	2000	Mapleknot - Edward to Herbert					
DONE	2000	Parker - John R to Groveland					
		YEAR 5	105	0	895	264 *	1,264
DONE	2001	Hudson - Couzens to Miracle					
DONE	2001	Brockton - Couzens to Dei					
DONE	2001	Dallas - Couzens to Dei					
DONE	2001	Barrett - Couzens to Dei					
		YEAR 6	209	0	857	325 *	1,391
DONE	2002	Karam - Dartmouth to Bellaire					
DONE	2002	Freda Ct.- Karam to Bellaire					
DONE	2002	Full length of Miracle Drive					
		Harwood to Barrett					
DONE	2002	Dallas - Tawas to Couzens					
		YEAR 7	172	5 *	523	171 *	871
DONE	2003	Wolverine - Spartan to 11 MILE SAD 263					
		YEAR 8					
DONE	2004	Greig - John R to Dequindre SAD 265 /SAD 266	40	0	1,384	210 *	1,634
DONE	2004	Dartmouth - Lincoln to Dallas	200	12	266	25 *	503
DONE	2004	Tawas - Lincoln to Guthrie	57	12	318	40 *	427
DONE	2004	Woodside - I-75 to Barrington SAD 267	70	0	342	110 *	522
DONE	2004	Barrington - Gravel Park to Woodside	0	0	90	21 *	111
		YEAR 9					
DONE	2005	Dorchester - Donna to Browning SAD 268	0	0	305	253 *	558
DONE	2005	Delton - Greig to Cowan SAD 269	0	0	210	76 *	286
DONE	2005	Beaupre - Rose to Fontaine	0	258 *	234	0	492
DONE	2005	Proposal "R" Maintenance & Repair - Park Court/Hales	0	0	213	0	213
DONE	2005	Winthrop Sectional Concrete Repair Phase I	0	0	139	0	139
		YEAR 10					
DONE	2006	Battelle - Lincoln to Guthrie	65	5	557	100 *	727
DONE	2006	Alger - Lincoln to Guthrie	240	5	734	130 *	1,109
DONE	2006	Guthrie (north half) - Alger to Cul De Sac	20	5	131	36 *	192
		YEAR 11					
DONE	2007	Parker District SAD 272	375	15	1,993	495 *	2,878
DONE	2007	Watermain Restoration -Middlesex-Alden to Nanton	0	0	190	87 *	277
		YEAR 12					
DONE	2008	Spoon Sectional	0	0	200	130 *	330
DONE	2008	Sherry Sectional	0	0	323	210 *	533
		YEAR 13					
DONE	2009	Proposal "R" Concrete Repair	0	0	957	0	957
		FUTURE YEARS					
DONE	2010-17	Proposal "R-2" Project Supplement	0	0	4,260	0	4,260
		TOTALS	\$ 2,700	\$ 493	\$ 19,786	\$ 3,677	\$ 26,656

\* \$3,677,000 Funded by the Water Sewer Fund

**TABLE IV-B**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**R-2 NEIGHBORHOOD PROJECTS**  
**(IN THOUSANDS)**

STATUS	FISCAL YEAR	NEIGHBORHOOD PROJECTS	STORM	SANITARY	STREET	WATER	ESTIMATED
			DRAIN	SEWER	PAVING	MAIN	COST
YEAR 1 ROADS							
DONE	2009	Spoon - Huntington North to Campbell	\$ 55	\$ 15	\$ 712	\$ 177	\$ 959
DONE	2009	Parkdale - Campbell to Mark	15	10	353	81	459
DONE	2009	Millard - Campbell to Edgeworth South to 31601 Millard	11	0	612	149	772
DONE	2009	Barrington/Northeastern - Woodside to Girard	27	5	540	88	660
DONE	2009	Girard - I-75 to Palmer	85	0	429	94	608
DONE	2009	Sidewalk Replacement	0	0	20	0	20
YEAR 2 ROADS							
DONE	2010	Palmer - 13 Mile to LaSalle	42	0	342	83	467
DONE	2010	Tawas - 12 Mile Road to Mapleknoll and Tawas Court	95	10	333	98	536
DONE	2010	E. Barrett - Tawas to Couzens	40	15	534	99	688
DONE	2010	Lorenz - 11 Mile to Greig	0	0	291	77	368
DONE	2010	Hales - 11 Mile to Northeastern	25	0	211	58	294
DONE	2010	Northeastern - 11 Mile to South End	40	5	451	123	619
DONE	2010	Katherine - Lorenz to Edward	30	0	128	0	158
YEAR 3 ROADS							
DONE	2011	Brockton - Battelle to Tawas	0	0	272	0	272
DONE	2011	Dorchester - Englewood to 31272 Dorchester	19	0	137	0	156
DONE	2011	Yorkshire - Westmore to Tanglewood	55	5	92	0	152
DONE	2011	Westmore - Winthrop to W. of Yorkshire Inc. 30459 Westmore	0	0	263	0	263
DONE	2011	Englewood - Campbell to Edgeworth	5	0	389	0	394
DONE	2011	Sidewalk Replacement	0	0	20	0	20
DONE	2011	Winthrop Sectional Concrete Repair Phase II	0	0	101	0	101
YEAR 4 ROADS							
DONE	2012	Gardenia - John R to Lorenz	2	0	523	25	550
DONE	2012	Alger - Parker South to Gardenia	82	16	325	0	423
DONE	2012	Townley - 11 Mile to University	0	0	280	0	280
DONE	2012	Winthrop Sectional Concrete Repair Phase III	0	0	203	0	203
DONE	2012	Sidewalk Replacement	0	0	20	0	20
DONE	2012	Shacket - Huntington to Spoon	60	15	354	8	437
DONE	2012	Huntington - Campbell to Mark	5	0	250	0	255
DONE	2012	Sherry - Girard to S. of Parkdale	28	5	307	8	348
DONE	2012	Longfellow - Garry to 30290 Longfellow	2	0	260	0	262
DONE	2012	Groveland and University Intersection - (Watermain to 11 Mile)	0	0	391	8	399
		and 21700 Groveland to Farnum					
YEAR 5 ROADS							
DONE	2013	Lenox - Baxter to Sprague	2	0	228	0	230
DONE	2013	Hampden - Farnum Intersection	10	5	112	0	127
DONE	2013	University - Lenox to Hampden	0	0	127	0	127
DONE	2013	Brettonwoods - Gardenia to Farnum	0	0	565	0	565
DONE	2013	Forest - Hampden to Brettonwoods & Hampden Intersection	25	0	227	0	252
DONE	2013	Gardenia - Hampden to Dartmouth	0	0	207	0	207
DONE	2013	Parker - E of Sealcoat to John R - (Watermain Cross-Over)	150	0	459	0	609
DONE	2013	Concrete Replacement	0	0	100	0	100
DONE	2013	Sidewalk Replacement	0	0	20	0	20

**TABLE IV-B**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**R-2 NEIGHBORHOOD PROJECTS**  
**(IN THOUSANDS)**

STATUS	FISCAL YEAR	NEIGHBORHOOD PROJECTS	STORM	SANITARY	STREET	WATER	ESTIMATED
			DRAIN	SEWER	PAVING	MAIN	COST
YEAR 7 ROADS							
DONE	2015	Whittier - Longfellow to Chaucer (Sectional)	25	0	240	215	480
DONE	2015	Chaucer - Whittier to Longfellow (Sectional)	11	0	149	74	234
DONE	2015	Barrington - S. of Horace Brown to 13 Mile NB	0	0	518	223	741
DONE	2015	Barrington - S. of Horace Brown to 13 Mile SB	0	0	465	182	647
DONE	2015	Blairmoor - Manchester to Thirteen Mile Road	50	15	478	182	725
DONE	2015	Manchester & Woodmont Intersection	0	0	102	17	119
DONE	2015	Concrete Replacement	0	0	200	0	200
DONE	2015	Sidewalk Replacement	0	0	20	0	20
DONE	2015	Palmer - 13 Mile N. to end	0	0	366	128	494
YEAR 8 ROADS							
DONE	2016	Fournier - Sherry to Mark and Mark - Fournier to Sherry	140	30	1,185	393	1,748
DONE	2016	E. Harwood - Couzens to Dei	46	15	353	168	582
DONE	2016	Lincoln - John R to 104 E. Lincoln - (Watermain to Osmun)	0	0	165	272	437
DONE	2016	Lincoln - 504 E. Lincoln to 583 E. Lincoln	0	0	457	0	457
DONE	2016	Sidewalk Replacement	0	0	20	0	20
YEAR 9 ROADS							
DONE	2017	Madison - Millard to 31605 Madison - (Watermain Whole Street)	0	0	316	230	546
DONE	2017	Meadows - Whitcomb to 31608 Meadows - (Full Watermain)	24	5	282	199	510
DONE	2017	Dorchester - 13 Mile to Windemere	0	0	87	61	148
DONE	2017	Windemere - Dorchester to Edgeworth	0	0	283	115	398
DONE	2017	Kenwood - Millard to 31601 Kenwood - (Watermain to Englewood)	0	0	278	230	508
DONE	2017	Moulin - Dulong to 1353 Moulin - (Watermain to Rose)	34	14	398	308	754
DONE	2017	Sidewalk Replacement	0	0	20	0	20
DONE	2017	Areada - N. of 11 Mile Road (SAD) Failed	0	0	0	0	0
YEAR 10 ROADS							
DONE	2018	Dei - Lincoln to South end (Full Watermain)	190	0	840	258	1,288
DONE	2018	Hales - 13 Mile to Winthrop (Full Watermain)	0	0	501	157	658
DONE	2018	Lincoln Sectional	0	0	314	0	314
FUTURE YEARS							
DONE	2018	Sectional Proposal "R-2" Maintenance and Repair	0	0	450	0	450
		TOTALS	\$ 1,430	\$ 185	\$ 19,675	\$ 4,588	\$ 25,878

**TABLE IV-C**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**R-3 NEIGHBORHOOD PROJECTS**  
**(IN THOUSANDS)**

STATUS	FISCAL YEAR	NEIGHBORHOOD PROJECTS	STORM * DRAIN	SANITARY * SEWER	STREET PAVING	WATER MAIN	ESTIMATED COST
		YEAR 1 ROADS					
DONE	2019	Brettonwoods Street (Eleven Mile to W. Farnum Avenue)	\$ 0	\$ 0	\$ 529	\$ 247	\$ 776
DONE	2019	Harwood Avenue (Battelle Ave to Tawas Street)	0	0	345	162	507
DONE	2019	Brush Street (W. University Avenue to W. Farnum Avenue & Eleven Mile)	0	0	453	298	751
DONE	2019	Sectional	0	0	965	0	965
		YEAR 2 ROADS					
DONE	2020	Meadows Avenue (Englewood Ave to Meadows)	0	0	171	0	171
DONE	2020	W. Dallas Avenue (Alger Street to John R. Road)	0	0	211	0	211
DONE	2020	Kenwood Avenue (Windemere Avenue to Englewood Avenue & Kenwood)	0	0	346	215	561
DONE	2020	Madison Avenue (Englewood Avenue to Madison)	0	0	163	0	163
DONE	2020	Windemere Avenue (Campbell Road to Dorchester Avenue)	0	0	136	0	136
DONE	2020	Sectional	0	0	951	0	951
		YEAR 3 ROADS					
DONE	2021	Westmore Drive (30452 Westmore Drive to Tanglewood Drive)	0	0	829	421	1,250
DONE	2021	Milton Avenue (Moulin to Sheffield Drive)	0	0	277	142	419
DONE	2021	Tanglewood Drive (Winthrop Drive to Yorkshire Drive)	0	0	108	332	440
DONE	2021	Beverly Avenue (Connie Avenue to Dequindre Road)	0	0	125	364	489
DONE	2021	Sectional	0	0	61	0	61
		YEAR 4 ROADS					
DONE	2022	Alger Street (W. Cowan Avenue to Andover Avenue)	0	0	247	0	247
DONE	2022	Barrington Street (Mid Block Barrington St-Lincoln to Cowan)	0	0	132	194	326
DONE	2022	Alger Street (Mid Block Alger Street - Lincoln to Cowan)	0	0	142	0	142
DONE	2022	Barrington Street (W. Lincoln Avenue to W. Cowan Avenue)	0	0	181	0	181
DONE	2022	Alger Street (W. Lincoln Avenue to W. Cowan Avenue)	0	0	234	0	234
DONE	2022	Brush Street (W. Cowan Avenue to Andover Avenue)	0	0	157	138	295
DONE	2022	W. Cowan Avenue (Stephenson Highway to Brettonwoods Street)	0	0	120	0	120
DONE	2022	W. Cowan Avenue (Alger Street to John R Road)	0	0	119	0	119
DONE	2022	Palmer Street (W. Lincoln Avenue to W. Cowan Avenue)	0	0	274	195	469
DONE	2022	Sectional	0	0	106	0	106
		YEAR 5 ROADS					
DONE	2023	W. Greig Avenue (W. Terminus to Hampden Street)	0	0	228	0	228
DONE	2023	W. Greig Avenue (Brettonwood Street to Dartmouth Street)	0	0	206	0	206
DONE	2023	W. Greig Avenue ( Brush Street to John R Road)	0	0	167	0	167
DONE	2023	Palmer Street (Andover Avenue to W. Greig Avenue)	0	0	337	0	337
DONE	2023	Brush Street (Andover Avenue to W. Greig Avenue)	0	0	190	0	190
DONE	2023	W. Greig Avenue ( Hampden Street to Brettonwoods Street)	0	0	140	0	140
DONE	2023	W. Greig Avenue (Dartmouth Street to Barrington Street)	0	0	155	0	155
DONE	2023	W. Greig Avenue (Barrington Street to Palmer Street)	0	0	117	0	117
DONE	2023	W. Greig Avenue (Palmer Street to Alger Street)	0	0	117	0	117
DONE	2023	W. Greig Avenue (Alger to Brush Street)	0	0	117	0	117
		YEAR 6 ROADS					
2024		Hampden Street (Andover Avenue to Greig Avenue)	0	0	273	0	273
2024		Brettonwoods Street (Andover Avenue to W. Greig Avenue)	0	0	273	133	406
2024		Brettonwoods Street (W. Greig Avenue to Eleven Mile Road)	0	0	292	133	425
2024		Dartmouth Street (Andover Avenue to W. Greig Avenue)	0	0	275	0	275
2024		Barrington Street (Andover Avenue to W. Greig Avenue)	0	0	275	0	275
2024		Palmer Street (W. Greig Avenue to Eleven Mile Road)	0	0	293	0	293
2024		Alger Street (W. Greig Avenue to Eleven Mile Road)	0	0	293	138	431
2024		Alger Street (Andover Avenue to W. Greig Avenue)	0	0	275	118	393

**TABLE IV-C**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**R-3 NEIGHBORHOOD PROJECTS**  
**(IN THOUSANDS)**

STATUS	FISCAL YEAR	NEIGHBORHOOD PROJECTS	STORM * DRAIN	SANITARY * SEWER	STREET PAVING	WATER MAIN	ESTIMATED COST
		YEAR 7 ROADS					
	2025	Brush Street ( W. LaSalle Avenue to Thirteen Mile Road)	0	0	445	167	612
	2025	Palmer Street (W. Woodward to W. LaSalle Avenue)	0	0	434	0	434
	2025	Brush Street (W. Girard Avenue to W. Woodside Avenue)	0	0	440	177	617
	2025	Hampden Street (W. Greig Avenue to Eleven Mile Road)	0	0	349	0	349
		YEAR 8 ROADS					
	2026	Diesing Drive (Bellaire Avenue to Alger Street)	0	0	615	253	868
	2026	Groveland Street (E. Lincoln Avenue to E. Cowan Avenue)	0	0	459	302	761
	2026	E Rowland Avenue (John R. Road to Battelle Avenue)	0	0	457	204	661
		YEAR 9 ROADS					
	2027	Palmer Street (W. Parker Street to Diesing Drive)	0	0	546	277	823
	2027	Alger Street (Diesing Drive to Twelve Mile Road)	0	0	180	95	275
	2027	Delton Street ( Eleven Mile Road to E. University Avenue)	0	0	390	189	579
	2027	Osmun Street (Eleven Mile Road to E. University Avenue)	0	0	393	0	393
	2027	Lorenz Street (Eleven Mile Road to E. University Avenue)	0	0	393	173	566
	2027	Lorenz Street (E University Avenue to E. Farnum Avenue)	0	0	451	194	645
		YEAR 10 ROADS					
	2028	Shirley Avenue (Twelve Mile Road to Rose Street)	0	0	610	393	1,003
	2028	Rose Street (South Terminus to Elliot Avenue)	0	0	383	215	598
	2028	Rose Street (Elliott Avenue to North Terminus)	0	0	665	216	881
	2028	Hales Street ( Jenifer Avenue to Parliament Avenue)	0	0	233	127	360
	2028	Hecht Drive ( John R Road to Sonia/Hecht Avenue)	0	0	280	132	412
	2028	Hecht Drive ( Sonia Avenue to Sonia/Lorenz Street)	0	0	549	269	818
		TOTALS	\$ 0	\$ 0	\$ 19,677	\$ 6,613	\$ 26,290

\* Included in Street Paving cost estimate.

## ROAD IMPROVEMENTS

### Road Improvement Funding

- Historical State Funding Model

Act 51 of the Michigan Public Acts of 1951, as amended, outlines the tri-level responsibility for road jurisdiction in Michigan. It provides a continuous classification of all roads and streets into three separate categories/systems – state, county, and municipal, and into sub-classifications within each system. The State has assigned roads to either Major or Local Street categories in each municipality's jurisdiction. As a result, in Madison Heights we have 21.5 miles of City Major Streets with an additional 7.83 miles of adjusted state truckline and 74.1 miles of City Local Streets. Act 51 also established the Michigan Transportation Fund (MTF).

The actual and estimated (\*) increases received are detailed in the chart below.

<u>Year</u>	<u>Major Street</u>	<u>Local Street</u>	<u>Supplemental</u>	<u>Total</u>
2016	\$ 1,361,751	\$519,789	\$0	\$1,881,540
2017	1,565,978	597,839	0	2,163,817
2018	1,876,457	716,396	189,495	2,782,347
2019	2,001,779	763,867	0	2,765,646
2020	2,091,160	797,772	0	2,888,932
2021	2,300,602	877,634	0	3,178,236
*2022	2,380,989	910,503	0	3,291,492
*2023	2,451,778	938,446	0	3,390,223
*2024	2,520,212	964,640	0	3,484,851

Historically, the MTF was supported through the collection of the nineteen cents-a-gallon gas tax, fifteen cents-a-gallon diesel tax, vehicle registration fees, and other taxes and license fees, not indexed or adjusted for inflation. However, on November 10, 2015, Governor Snyder signed nine bills into law that completely overhauled this funding mechanism and were projected to raise \$1.2 billion for the new transportation revenue package, major points of these new laws were the 2017 increase in gasoline and diesel taxes to 26.3 cents per gallon with indexing to inflation beginning in 2022. Vehicle registration fees were also increased by an average of 20 percent in 2017 and are based on a vehicle's age and estimated base price. The state also assesses a six percent sale tax on fuel purchases. In January 2019, Governor Whitmer was sworn into office with a plan to fix the roads presented within weeks. However, the plan, with an increase of \$0.45 to the gas tax, was not successful in being implemented.

## **A. County, State and Federal Highway Projects**

- John R - 14 Mile to Dartmouth (RCOC) FAC Funding

During the past two budget cycles, the City has worked with both the Road Commission of Oakland County (RCOC) and Suburban Mobility Authority for Regional Transportation (SMART) to submit John R ( 11 Mile to 14 Mile) for funding through the Federal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant program. Unfortunately, this grant application has failed on both attempts leaving the County and City to look for other funding sources for this project. This three-mile-long project extends from 11 Mile to 14 Mile Road. The jurisdiction of the road is shared by RCOC and the City of Madison Heights. RCOC jurisdiction includes the segment of John R Road from Dartmouth Street (just north of 12 Mile Road) to 14 Mile Road, with the City of Madison Heights jurisdiction extending from Dartmouth Street to 11 Mile Road.

RCOC is currently planning to utilize Local Road Improvement Program (LRIP) funding in 2024 to complete an overlay project on their section of John R from Dartmouth. While final cost estimates have not been received, we estimate the cost to be approximately \$1 million. Therefore, to complete the John R Road Overlay, the City of Madison Heights is budgeting to save \$500,000 in FY 2024 and 2025 in Act 51 Major Road funding until we have accumulated an additional \$1.5 million for the City section to be completed during the project.

John R is the main business corridor of the City of Madison Heights and also serves as a main north/south corridor for the region. This stretch of roadway was reconstructed in 2006 and the condition of the pavement is poor. John R is also currently experiencing higher-than-normal traffic as many motorists are using it as an alternative to the parallel I-75 freeway, which is being reconstructed (the project will last for the next several years). The condition and level of service along John R Road must be improved to meet the demands of the community and the region. The improvement would have a positive economic impact on the community by enhancing the commercial district in Madison Heights. Improvements to the John R Road corridor will also help to improve quality of life for the residents of Madison Heights and Oakland County.

## **B. Major Road Improvements**

- Ajax - John R to 801 Ajax

This section of Ajax Drive was last repaved in 1999, and is the sole industrial access road for several commercial businesses, the city Department of Public Services facilities and the Oakland County Drain Commission facility. This road is in poor condition and is being estimated for construction season 2024 (fiscal year 2025).

- Concrete/Joint Repairs - Sectional

Budgetary constraints limit the City's ability to repair designated commercial and industrial roads completely. The City's plan is to continue to address needed repairs through multi-year sectional work on commercial and industrial roads throughout the City. Table V highlights these projects annually through 2028.

- Dequindre Residential Corridor Streetlights

During the 2021 Strategic Planning process, an initiative was created to investigate the cost and feasibility of installing street lighting along the main residential corridor of Dequindre Road. There have been multiple pedestrian-vehicle accidents in this area and it is one of the only stretches of road in the City that is not illuminated at night. Therefore, this plan includes the most cost-effective option to contract with the DTE Community Lighting department to place 53 LED streetlights along this stretch of road for \$220,000. Following the installation of the lights there would be an ongoing expense of approximately \$50,000 in annual energy and maintenance costs.

## **C. Local Road Improvements**

In addition to the Proposal "R-1," "R-2," and "R-3" Ten Year Residential Road Improvement Programs outlined in the Neighborhood Roads Chapter, there have historically been additional local road improvements scheduled in the Capital Improvement Plan. The MFT Local Street Fund revenue supports operation and maintenance costs and limited sectional repairs for local commercial and industrial roads. Table V highlights these local road projects through 2028.

## **D. Traffic Signal Upgrades**

The City has undertaken a considerable effort to upgrade the existing traffic signals on major City thoroughfares to improve traffic safety and reduce congestion during peak travel times. At the request of the Road Commission for Oakland County (RCOC) and with considerable financial incentive to the City, the City Council authorized the installation of the SCATS system at a number of locations. This system is part of the RCOC's FAST-TRAC Intelligent Transportation System,

SCATS stands for the Sydney Coordinated Adaptive Traffic System and was first deployed in Sydney, Australia. SCATS is an area-wide traffic-controlled strategy designed to reduce overall system delay. Some drivers might experience slightly more delay, but most drivers will benefit. SCATS maximizes the use of available road capacity, thereby improving the efficiency of the overall system.

SCATS uses telephone lines to communicate between a regional computer and the traffic signal controller at each SCATS intersection. In addition, each intersection has vehicle detector cameras that let SCATS know when vehicles are present. The detectors allow SCATS to count vehicles and SCATS uses this information to decide how much green-time each approach to a signalized intersection should have. This is recomputed every cycle to determine what timing changes need to be made in order to move traffic most effectively. SCATS coordinates timing at adjacent intersections to provide for the best possible traffic flow.

The SCATS system is but one tool to be used to optimize traffic flow on existing roads. SCATS is not intended to replace road widening where extra capacity is required, but it has certainly proven to be the next best thing.

Since 1998, SCATS projects have been completed at John R and I-696, Twelve Mile from Stephenson to Milton, Eleven Mile and John R, Fourteen Mile from Stephenson to Industrial, John R and Dartmouth, Thirteen Mile from Stephenson to Hales, John R and Ajax, John R and Irving, Eleven Mile from I-75 to Hales and John R from Brockton to Madison Place.

In Fiscal Year 2023, RCOC will be rebuilding the traffic signal at 13 Mile and John R. The cost will be approximately \$300,000. City of Madison Heights owns 50% of the intersection therefore the City share will be 50% or \$150,000. RCOC will design and bid out this work for a contractor to install. It is expected that the project will be bid out in mid- 2022, with construction to start late spring 2023. The City of Madison Heights will be billed in summer 2023 therefore this cost is included in FY 2024.

An allocation of \$30,000 for the following five years has been included in the Capital Improvement Plan to provide funding for unanticipated signal upgrades.

#### **E. Rehabilitation Programs**

In FY 2020, the City completed the sidewalk program throughout the City. We now budget \$30,000 a year for general replacement throughout the City sidewalk network.

#### **F. General Fund Street Design & Signs**

Included in FY 2024 is the design and installation of city gateway signage at John R and 14 Mile, Stephenson Highway and 12 Mile, and Stephenson Highway and 14 Mile. During this same period, the Downtown Development Authority will also be upgrading the gateway signage at John R and 10 Mile. Due to the \$250,000 projected cost of this entire project from design to installation, the City looked for unique ways to fund two of the four Gateway signage under this project.

- Stephenson Highway and 12 Mile

In November 2022, when the City entered a consent judgement to allow the development of a car wash on the existing Cols Place restaurant site, the City demanded the development enhance the area with a gateway sign at 12 Mile and Stephenson Highway. The City believes this intersection of Stephenson Highway and 12 Mile Road is a significant entrance to the City, and as the development property is located at this intersection, the City deems the property, and/or the City right-of-way adjacent to the property as an appropriate location for such a sign. The City further estimates the sign's installation, landscaping, and other ancillary improvements to be approximately \$60,000. Therefore, EWM Wash, D.B.A. Cosmos's Car Wash, agreed to contribute to the City the sum of

\$60,000, and grant an easement to the City that may be necessary for the location, installation, operation, and maintenance of the sign in the southwestern corner of the property to install such sign, provided that the location of the sign does not interfere with the use and operation of the property as an express auto wash.

- John R and 14 Mile

In 2022, the City awarded a third marijuana development license to Quality Roots. As part of this application and award process, the applicant has to make enhancements to the surrounding area in the City. Quality Roots proposed repaving the surrounding streets of their property for an estimated cost of \$200,000. The City Department of Public Services and engineering consultant noted that these roads were not in need of repaving. Therefore, the City and Quality Roots reached an agreement for Quality Roots to fund another enhancement of a city gateway sign and beautification project for the intersection of 14 Mile and John R. The content and implementation will be at the sole discretion of the City. Therefore, this project has been included in the capital improvement plan starting in FY 2024.

#### **F. Equipment Replacement**

Various Street Maintenance and Solid Waste vehicles are programmed for purchase to correspond with the CIP Equipment Replacement Plan. Street Maintenance vehicles totaling \$1.1 Million will be programmed through the General Fund with an additional \$1 million programmed to be funded through the Solid Waste Millage.

Note \*The lettered sections of this Road Improvement Chapter corresponds with the following table sections on the next page.

**TABLE V**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**ROAD IMPROVEMENTS**  
**(IN THOUSANDS)**

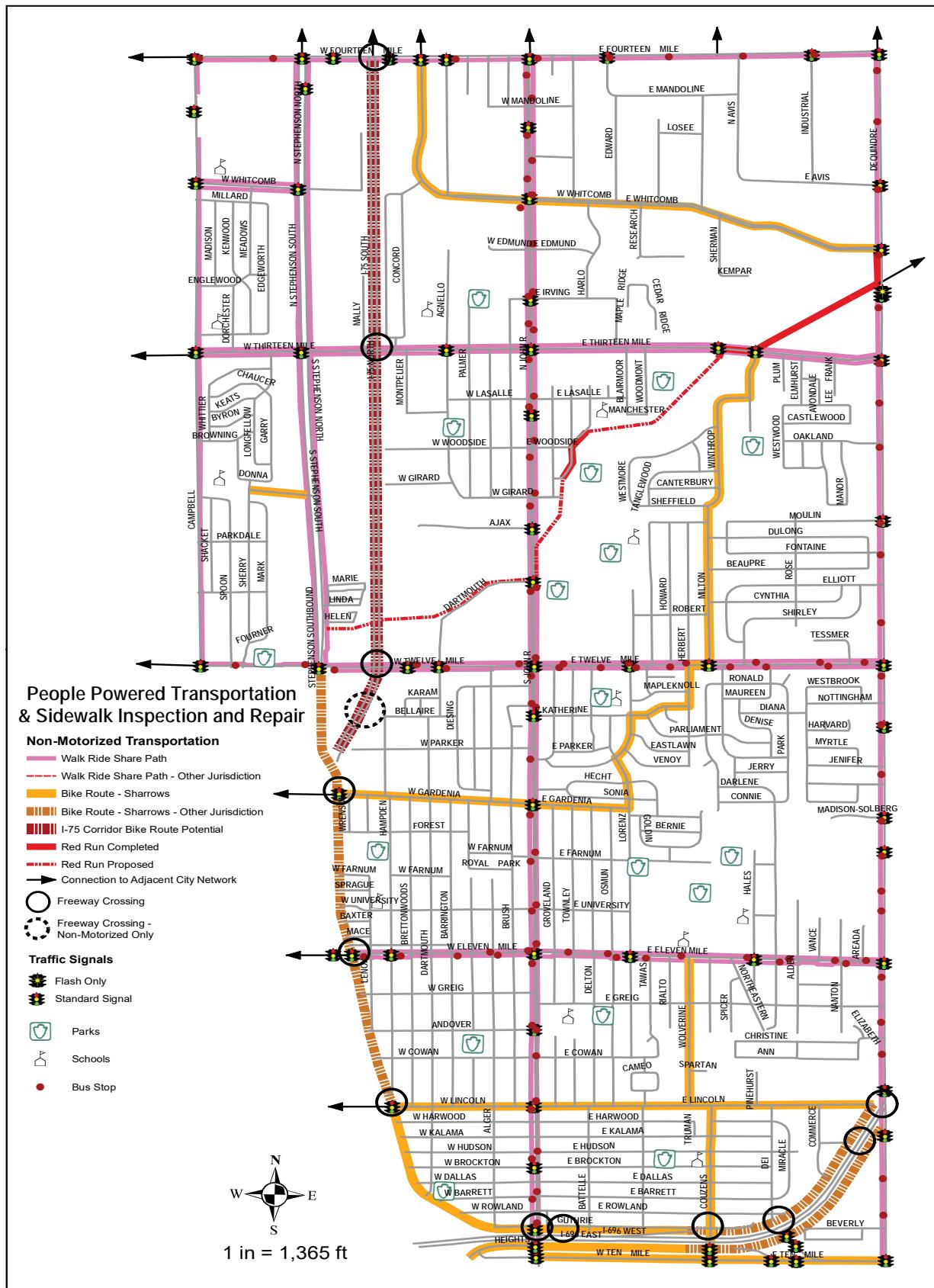
**APPROPRIATIONS:**

ROAD IMPROVEMENTS (EXCLUDING R-1/R-2/R-3)	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	TOTAL APPROP.
<b>A. COUNTY/STATE/FEDERAL PROJECTS</b>								
John R - 14 Mile to Dartmouth (RCOC) FAC Funding	0	0	1,000	0	0	0	0	1,000
<b>B. MAJOR ROAD IMPROVEMENTS</b>								
Joint & Crack Sealing - City Wide Major	0	0	75	75	75	75	75	375
Ajax - John R to 801 Ajax	0	0	0	250	0	0	0	250
Overlay Campbell (13 Mile to 14 Mile)	0	0	0	0	0	400	0	400
Overlay Edward/Mandoline (E. 14 Mile to North Avis)	0	0	0	0	0	350	0	350
Overlay John R - Dartmouth to 11 Mile (Funding 5 Phases)	0	497	500	500	0	0	0	1,000
Overlay North Avis/East Avis (E. 14 Mile to Dequindre)	0	0	0	0	0	450	0	450
Park Court (11 Mile to Connie)	0	775	0	0	0	0	0	0
Sectional - 11 Mile Road (I-75 to Dequindre) NON-NHPP	0	0	250	250	250	0	0	750
Sectional - Campbell (12 Mile to 13 Mile)	0	0	0	0	0	50	0	50
Sectional - John R (10 Mile to 11 Mile)	0	0	0	0	250	0	0	250
Sectional - Stephenson Hwy - Girard to 12 Mile	0	0	350	0	0	0	0	350
Stephenson Hwy Turnarounds	0	0	250	250	0	0	0	500
Dequindre Road Streetlights - Residential Corridor west side	0	0	220	50	50	50	50	420
<b>C. LOCAL ROAD IMPROVEMENTS</b>								
Joint Seal - City-Wide Local	0	0	25	25	25	25	25	125
Sectional - Brush (13 Mile to Irving)	180	0	0	0	0	0	0	0
Sectional - Castlewood (Weston to Manor)	269	0	0	0	0	0	0	0
Sectional - Mandoline - Alger/Townley	0	216	0	0	0	0	0	0
Sectional - Commerce - Michael to E. Progress	0	0	150	0	0	0	0	150
Sectional - Brush - 14 Mile to Mandoline	0	80	0	0	0	0	0	0
Sectional - Alger - South of 14 Mile	0	168	0	0	0	0	0	0
Sectional - Dartmouth (12 Mile to Bellaire)	0	0	200	0	0	0	0	200
Non-R Residential Sectional	700	100	100	100	100	100	100	500
<b>D. TRAFFIC SIGNAL UPGRADES</b>								
13 Mile and John R	0	150	30	30	30	30	30	150
<b>E. REHABILITATION PROGRAMS</b>								
Sidewalk Replacement, Sectional Repairs & Gap Installation	0	30	30	30	30	30	30	150
Gateway City Entrance Design and Signs	0	0	250	0	0	0	0	250
<b>F. EQUIPMENT REPLACEMENT</b>								
Street Sweeper #402	0	150	200	0	0	0	0	200
2006 Brush Bandit Chipper #406	0	0	0	0	60	0	0	60
2012 Street Sweeper #408	0	258	0	0	0	0	0	0
2003 CAT Loader 3 yd. with claw attachment#409	0	245	0	0	0	0	0	0
2003 Single Axle Dump Truck #425	0	255	0	0	0	0	0	0
2002 Stake Truck #415	0	0	175	0	0	0	0	175
2016 Tandem Dump Truck #417	0	0	0	0	0	0	250	250
2016 GMC 3/4 Ton Pickup #420	0	0	0	0	0	0	42	42
2003 Single Axle Dump #424	0	0	0	245	0	0	0	245
2016 Platform Truck #429	0	0	0	0	0	0	200	200
2003 Single Axle Dump Truck #426	0	0	0	0	250	0	0	250
One-Ton Dump Truck #431	0	0	0	0	0	70	0	70
2015 Ford 3/4 Ton Pickup/Plow #432	0	0	0	0	0	0	42	42
2013 Van Building Maintenance #435	0	0	0	35	0	0	0	35
2014 Single Axle Dump Truck #479	0	0	0	0	0	0	250	250
2006 Super Duty Dump Truck #481	67	0	0	0	0	0	0	0
2004 Brush Chipper Truck #525	0	0	150	150	0	0	0	300
Tool Cat (NEW)	0	0	0	80	0	0	0	80
Replacement Brine Making System	0	0	0	101	0	0	0	101
Portable Construction Message Board	0	0	0	25	0	0	0	25
<b>TOTALS</b>	\$ 1,216	\$ 2,924	\$ 3,955	\$ 2,196	\$ 1,120	\$ 1,630	\$ 1,094	\$ 9,995
Total Projects	3	8	13	10	8	10	6	61
Total Equipment	1	4	4	6	2	1	5	16

**TABLE V**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**ROAD IMPROVEMENTS**  
**(IN THOUSANDS)**

**REVENUES:**

ROAD IMPROVEMENTS (EXCLUDING R-1/R-2/R-3)	GENERAL FUND	LOCAL STREETS	MAJOR STREETS	SPECIAL ASSESS.	SOLID WASTE MILLAGE	OTHER REVENUES	FEDERAL TRANSPORT GRANT	OAKLAND CO. ROAD/ DRAIN	TOTAL REVENUES
<b>A. COUNTY/STATE/FEDERAL PROJECTS</b>									
John R - 14 Mile to Dartmouth (RCOC) FAC Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000
<b>B. MAJOR ROAD IMPROVEMENTS</b>									
Joint & Crack Sealing - City Wide Major	0	0	375	0	0	0	0	0	375
Ajax - John R to 801 Ajax	0	0	250	0	0	0	0	0	250
Overlay Campbell (13 Mile to 14 Mile)	0	0	400	0	0	0	0	0	400
Overlay Edward/Mandoline (E. 14 Mile to North Avis)	0	0	350	0	0	0	0	0	350
Overlay John R - Dartmouth to 11 Mile (Funding 5 Phases)	0	0	1,000	0	0	0	0	0	1,000
Overlay North Avis/East Avis (E. 14 Mile to Dequindre)	0	0	450	0	0	0	0	0	450
Park Court (11 Mile to Connie)	0	0	0	0	0	0	0	0	0
Sectional - 11 Mile Road (I-75 to Dequindre) NON-NHPP	0	0	750	0	0	0	0	0	750
Sectional - Campbell (12 Mile to 13 Mile)	0	0	50	0	0	0	0	0	50
Sectional - John R (10 Mile to 11 Mile)	0	0	250	0	0	0	0	0	250
Sectional - Stephenson Hwy - Girard to 12 Mile	0	0	350	0	0	0	0	0	350
Stephenson Hwy Turnarounds	0	0	500	0	0	0	0	0	500
Dequindre Road Streetlights - Residential Corridor west side	200	0	220	0	0	0	0	0	420
<b>C. LOCAL ROAD IMPROVEMENTS</b>									
Joint Seal - City-Wide Local	0	125	0	0	0	0	0	0	125
Sectional - Brush (13 Mile to Irving)	0	0	0	0	0	0	0	0	0
Sectional - Castlewood (Weston to Manor)	0	0	0	0	0	0	0	0	0
Sectional - Mandoline - Alger/Townley	0	0	0	0	0	0	0	0	0
Sectional - Commerce - Michael to E. Progress	0	0	70	0	0	0	0	80	150
Sectional - Brush - 14 Mile to Mandoline	0	0	0	0	0	0	0	0	0
Sectional - Alger - South of 14 Mile	0	0	0	0	0	0	0	0	0
Sectional - Dartmouth (12 Mile to Bellaire)	0	200	0	0	0	0	0	0	200
Non-R Residential Sectional	0	500	0	0	0	0	0	0	500
<b>D. TRAFFIC SIGNAL UPGRADES</b>									
13 Mile and John R	0	0	150	0	0	0	0	0	150
<b>E. REHABILITATION PROGRAMS</b>									
Sidewalk Replacement, Sectional Repairs & Gap Installation	0	0	0	150	0	0	0	0	150
Gateway City Entrance Design and Signs	50	0	0	0	0	200	0	0	250
<b>F. EQUIPMENT REPLACEMENT</b>									
Street Sweeper #402	0	0	0	0	200	0	0	0	200
2006 Brush Bandit Chipper #406	0	0	0	0	60	0	0	0	60
2012 Street Sweeper #408	0	0	0	0	0	0	0	0	0
2003 CAT Loader 3 yd. with claw attachment #409	0	0	0	0	0	0	0	0	0
2003 Single Axle Dump Truck #425	0	0	0	0	0	0	0	0	0
2002 Stake Truck #415	175	0	0	0	0	0	0	0	175
2016 Tandem Dump Truck #417	250	0	0	0	0	0	0	0	250
2016 GMC 3/4 Ton Pickup #420	42	0	0	0	0	0	0	0	42
2003 Single Axle Dump #424	0	0	0	0	245	0	0	0	245
2016 Platform Truck #429	200	0	0	0	0	0	0	0	200
2003 Single Axle Dump Truck #426	250	0	0	0	0	0	0	0	250
One-Ton Dump Truck #431	70	0	0	0	0	0	0	0	70
2015 Ford 3/4 Ton Pickup/Plow #432	42	0	0	0	0	0	0	0	42
2013 Van Building Maintenance #435	35	0	0	0	0	0	0	0	35
2014 Single Axle Dump Truck #479	0	0	0	0	250	0	0	0	250
2006 Super Duty Dump Truck #481	0	0	0	0	0	0	0	0	0
2004 Brush Chipper Truck #525	0	0	0	0	300	0	0	0	300
Tool Cat (NEW)	80	0	0	0	0	0	0	0	80
Replacement Brine Making System	101	0	0	0	0	0	0	0	101
Portable Construction Message Board	25	0	0	0	0	0	0	0	25
<b>TOTALS</b>	<b>\$ 1,520</b>	<b>\$ 825</b>	<b>\$ 5,165</b>	<b>\$ 150</b>	<b>\$ 1,055</b>	<b>\$ 200</b>	<b>\$ 0</b>	<b>\$ 1,080</b>	<b>\$ 9,995</b>



## COLLECTION & DISTRIBUTION SYSTEMS

### Local Water Improvements

- Water Main Replacement Program

Since the 2001-02 Goal Plan, the City Council has had the approved goal: Develop plans, schedule funding and implement a multi-year systematic water main replacement program aimed at reducing maintenance costs and water loss due to main breaks.

The Department of Public Services (DPS) annually reviews and identifies those areas needing extensive water main replacement and those requiring additional water mains to improve both water volume and pressure to customers. As a general strategy, the City is replacing six-inch cast iron water mains installed starting in the early 1940s with new eight-inch plastic pipe. Staff estimates that approximately 30% of the City's water main network is now comprised of plastic pipe. Through the extension of existing water main lines, the City loops existing service areas by connecting parallel lines, improving supply and distribution in various neighborhoods. By implementing the water main replacement program, our future operating budget for expensive emergency repairs will be reduced by decreasing the occurrence of water main breaks.

As recommended by staff, starting in 1997, the water mains in the Proposal "R-1" Neighborhood Road Improvement Program - Year Two were replaced with plastic pipe in order to avoid the future possibility of having to tear up newer roadway to repair broken mains. Beginning in FY 2011, City Council amended this program under "R-2" to fund replacement of only "crossover" mains or those areas where the water main typically runs under the roadway (e.g. intersections). This was due to the financial condition of the Water & Sewer Fund. Given the improved financial position of the Water and Sewer Fund, staff recommended, and City Council concurred, to reinstitute "R-2" related water main replacements, as detailed in the Neighborhood Projects chapter. Due to reduced cost, durability, easier handling and the success of the program, the City uses plastic pipe for all water main projects. This water main replacement program has been continued into the "R-3" Neighborhood Road Improvement Program.

The replacement of "non-R" or standalone water mains is undertaken when sufficient water and sewer funding is available. In FY 2015, the City deferred replacement of standalone water mains due to the potential for future additional wholesale rate increases charged to the City as a consequence of the restructuring of the Detroit Water and Sewerage Department (DWSD) and the outcome of the City of Detroit bankruptcy proceedings. Standalone water main replacement continued starting FY 2016, before being deferred again in FY 2022 when the water and sewer fund was required to utilize available to utilize available resources to settle a storm water rate complaint (see storm water later in this chapter for more details.)

Madison Heights, like most communities in the region, purchases water from the Great Lakes Water Authority (GLWA) in 2016, the counties of Wayne, Oakland, and Macomb Counties and the City of Detroit entered into an agreement to form the new GLWA, four percent (4%) annual wholesale revenue requirement over the next ten years, effective for the City's FY 2017 rates. In light of this positive development and because of a strong fund balance in the Water and Sewer Fund, FY 2023-28 CIP programs twelve standalone water main replacement projects, FY 2024 includes one standalone water mains on Garry from Longfellow to Sherry (\$520,000). Fiscal Year 2025 includes two standalone water mains, Park Court to Eleven Mile to Northeastern (\$344,844) and Edward from Twelve Mile to Page Middle School (\$342,034) These high-priority "non-R" water main projects have been identified in the Capital Improvement Plan. See Table VII for a complete listing of all programmed projects.

- Equipment Replacement

Eleven pieces of water and sewer related equipment are scheduled for replacement over the CIP period. FY 2024 includes the replacement of the Portable Vehicle Hoist System for (\$60,000). Facilities Needs The Water and Sewer Fund owns and is responsible for the operation of the 18.6 acre Department of Public Services site and the 54,000 square foot building located at 801 Ajax Drive.

This CIP include five (5) facility improvements, however, the phased funded repair to the DPS lot is included for FY 2024 for (\$100,000).

### **Local Sewer Improvements**

Many of our sewer lines in the City are over 50 years old and as a sewer system ages, the risk of deterioration, blockages and collapses become a major concern. Because sewers are not readily visible like roads and other public facilities, they are often not considered for repair or rehabilitation. As a result, sewer repairs are generally done in response to a major blockage or collapse that has caused basement backups or pavement failures. These are expensive repairs that may have been avoided by undertaking a routine cleaning and TV inspection program. The benefits of cleaning and TV inspecting public sewers include:

1. Identification of maintenance problems in the pipe such as roots, grease and deposits. These obstructions can reduce capacity in the pipe and lead to basement backups.
2. Identification of structural defects in the pipe including cracks, holes and collapsed sections. These structural defects can cause serious problems such as basement backups, sink holes and pavement undermining. Furthermore, costly emergency repairs on overtime can be avoided.
3. Identification of sources of ground water infiltration. Ground water infiltration can create voids around the pipe and weaken the pipe's integrity. Infiltration also reduces the capacity of the pipe.
4. Identification of sources of storm water inflow/illicit connections to the sewer. Storm water inflow severely restricts the capacity of the sewer pipe.
5. Television inspection of sewers can be utilized in the preparation of the Capital Improvement Program that would identify and prioritize cost-effective projects for repair and rehabilitation. Repair projects generally include excavating and replacing damaged pipe, and rehabilitation projects may include cured-in-place pipe sewer lining to extend the service life of a badly cracked pipe.
6. Television inspection records can be integrated with the City's GIS system and integrated into an asset management system.
7. The program allows the City to stage sewer repairs in advance of street repaving.

By utilizing proactive inspection to identify potential failures and for planning routine operations and maintenance and renovation programs, the City can make cost-effective repairs at its convenience before a major failure makes an expensive repair necessary.

Utilizing MDEQ's Stormwater, Asset Management and Wastewater (SAW grant program) The city was able to complete the cleaning and televising portion of the sewer system in 2019 the SAW grant program yielded favorable results as the integrity of the wastewater collection system was found to be in very good condition for its age. Based upon the 500,854 lineal feet of sanitary sewer pipe inspected and rated, approximately 4,518 lineal feet of pipe needs some type of rehabilitation or repairs. This amount represents a modest repair scenario of approximately 0.902% of the overall sanitary sewer system. The budget included \$ 236,000 in the

FY 2022 with an additional \$150,000 a year budgeted for years 2023 through 2025.

The following pages in this CIP section include appropriations and revenues (Table VI), priority non-R water main projects (Table VII), and a map depicting “Non-R” watermain projects by priority.

## **Regional Sewer System**

### **Brief History**

The Southeastern Oakland County Sewage Disposal Authority (also referred to as the Twelve Towns Drain District) was established in 1942 to address flooding problems in this region. The Twelve Towns Drain District includes the cities of Berkley, Birmingham, Clawson, Ferndale, Hazel Park, Huntington Woods, Madison Heights, Oak Park, Pleasant Ridge, Royal Oak, Southfield, Troy, Royal Oak Township and the Village of Beverly Hills.

In 1972, the Twelve Towns Drain District completed the construction of a Retention Treatment Facility (RTF), a 20 foot high by 65 foot wide structure in the bed of the former Red Run Drain. This RTF runs 2.2 miles from Twelve Mile and Stephenson Highway in a northeastern direction to Dequindre Road south of Whitcomb where it empties into the Red Run Drain.

During rain events, the RTF receives a combination of storm and sanitary flows from the 14 communities that make up the District. The RTF captures this storm water and sanitary sewage and drains gradually into the Dequindre Sewer Interceptor where flows travel south to the Detroit Water and Sewage Board Treatment Plant. In heavy storms, after retaining 35 million gallons of combined sewage, the basin overflows into the Red Run Drain, in Warren, after receiving primary treatment including skimming and chlorination.

As part of an Agreement with the Michigan Department of Environmental Quality (MDEQ), the Twelve Towns Communities were required to plan and construct \$144 million (original estimate) in improvements to the RTF aimed at reducing the volume and the frequency of the overflows, and providing adequate treatment of these overflows when they do occur.

### **Twelve Towns Contested Case Settlement**

On October 22, 1998, the Director of MDEQ issued the new National Pollutant Discharge Elimination System (NPDES) Operating Permit that allows the South Oakland County Sewerage Disposal System (SOCSDS) to discharge Combined Sewer Overflow (CSO) into the Red Run Drain until October 1, 2003. This Permit has been renewed several times since then.

In June 2005, the communities agreed to the change and renaming the permit to “George W. Kuhn Drainage Board on behalf of the George W. Kuhn Drainage District”.

- **Permit Key Features**

The NPDES Permit includes the following key features:

1. Limits and reporting standards for the treated combined sewer overflow to the Red Run Drain including procedures for monitoring this overflow;
2. In-stream testing for Escherichia coli (E-coli) per State statute;
3. Requirements for the development of new procedures and assessment of the operation of the RTF;

- 4. Discharge notification requirements;
- 5. The Combined Sewer Overflow control program including:
  - a. North Arm Relief project with 4.8 million-gallon increase in storage;
  - b. RTF storage capacity increase of 30 million gallons to a total of 64 million gallons;
  - c. Construction of a new inlet weir and related headworks including improved treatment features;
  - d. Elimination of the Madison Heights separated storm sewer inputs from the RTF by the construction of two new parallel storm sewers;
  - e. Elimination of the two Madison Heights combined sewer overflow interceptors to the RTF by rerouting of them upstream of the new inlet weir structure;
  - f. Elimination of the Hazel Park sanitary sewer discharge to the RTF by the construction of a new Ten Mile Road interceptor;
  - g. Construction of a new de-watering pump station to facilitate the removal of flows in the early stages of a storm event by increasing discharge to the Twelve Mile Road interceptor;
  - h. Downspout Disconnection Program; and
  - i. Storm Water Input Restriction Program.
- 6. A December 31, 2005 deadline for the construction (started in October 2000) of the proposed improvements;
- 7. Commitment by the MDEQ that the proposed CSO improvements would constitute “adequate treatment” capable of meeting water quality standards which means no additional improvements of the system will be required unless a problem is uncovered and can be traced solely to the RTF or unless evidence is found as a result of the Total Maximum Daily Load (TMDL) review of the Red Run Drain and the Lower Clinton River Watershed; and
- 8. A provision that would allow this permit to be reopened by the MDEQ or the Twelve Towns communities based on technical and/or financial problems that may arise in the future.

- George W. Kuhn Drain

In March 1999, the Drain Board accepted petitions from the Twelve Towns Communities and established a new drain district for this construction project named the George W. Kuhn Drain District (GKWD). The three major components of this construction project include Contract #1, construction of the 10-foot parallel storm sewers north and south of the existing RTF including the disconnect of the existing Madison Heights storm sewers and rerouting of two combined sewer interceptors; Contract #2, construction of a new Ten Mile Road interceptor in Hazel Park; and Contract #4, construction of a new inlet weir just east of Interstate Freeway 75 (I-75) and south of the City's Department of Public Services Building. The project was constructed on property owned by the GKWD and the City. The GKWD held a permanent easement over the City property. Contracts #1 and #2 were initiated in the fall of 2000 and were completed in 2002.

The GKWD approved Contract #4 on August 14, 2001 at a cost of \$79.5 million or \$6.1 million under engineering estimates.

Contract #4 includes the following additions:

1. Lowering and extending the existing inlet weir to eliminate the RTF bypass gates west of I-75.
2. Adding 30 million gallons of storage.
3. A new 2,000 foot intermediate weir to the existing RTF.
4. A new 100 cubic foot per second dewatering pump station and inlet to the combined sewer interceptor connection.
5. New disinfecting system utilizing diffusers and high-energy mixers.
6. Sodium hydrochloride feed and storage.
7. Self-cleaning fine screens with sluice conveyance to the outlet sewer.
8. Automatic full-coverage nozzle flushing system to convey screened solids to the proposed dewatering pumping station.
9. Extending a rerouted combined sewer outlet line to the proposed dewatering pump station and storage facility.
10. Electrical and instrumentation rehabilitation of the existing dewatering pump station.
11. A chemical odor control system.

### **Operations and Maintenance Agreement**

In February 2005, the City had a major breakthrough in efforts to secure a favorable modification to the Operation and Maintenance (O & M) Apportionment for the GWK Drain. The settlement provided the City \$3.4 million over five years in reduced charges and cash and an additional \$449,000 in savings annually from that point forward. The City Manager headed up the effort to have the GWK Drain Board revise the existing O & M Apportionments to reflect the implementation of the new parallel storm sewers and the rerouting of the City's storm water directly to the Red Run Drain. Key provisions of the agreement include:

1. A new O & M Apportionment adopted by the Drain District Board, which saved the City \$449,000 per year effective July 1, 2005.
2. The Drain District credited the communities as a whole \$1 million a year for five years and the credits were be spread in relationship to the apportionments (calculating the credits based on the old apportionment which benefits Madison Heights since the old rate will be dropped from 10.286% to 6.5409% with the adoption of the new apportionment). In addition, the Water Resources Commissioner reserves the right to charge the communities up to \$500,000 per year for five years based on the new O & M Apportionments to fund a capital replacement and repair reserve. Water Resources Commissioner indicated that it would not be necessary to impose this new charge if it is determined the \$18 million reserve is adequate. The net impact of the new credit and the new charge resulted in a net credit on Madison Heights' bill of an additional \$70,000 over five years or \$350,000.
3. The Drain District by agreement agreed to pay Madison Heights \$850,000 to maintain the new green open space being created west from John R to the new screen building. The new facility consolidates many of the Madison Heights' soccer fields in one complex at this location including 9 soccer fields, a 230 space parking lot, a support building (including concessions, rest rooms, storage and a small meeting room/office), a playground and a picnic shelter. The Drain District has agreed to fund all improvements except the playground (funded by Oakland County Parks and Recreation).

4. The City would be responsible for any future treatment of storm water that it contributes to the new parallel storm sewers to the extent of what is currently required under federal and state law. Madison Heights would also be apportioned 94.5% of the estimated \$20,000 annual cost for the O & M Apportionment for the parallel storm sewers.

In regard to the O & M Apportionment restriction (\$449,000 per year) and the net credit (\$70,000 per year), these monies benefited the Water and Sewer Fund. Some portion of the funds from the Soccer Field Agreement (\$850,000) will need to be used to maintain the new park over the term of the Agreement. As you add up the numbers, this is the largest financial settlement in the City's history and even though the funds generated will have some restrictions, the benefits to Madison Heights are considerable.

### **George W. Kuhn (GWK) Improvement Project**

Listed below is the status report of each of the major project elements undertaken as part of the GWK improvement project:

- Contract No. 4 - RTF Improvements

The project was bid July 17, 2001 and awarded to Walbridge Aldinger. The project consisted of RTF Improvements including the construction of a 30.7 million gallon concrete basin expansion, a 9,140 square foot Treatment Facility, modifications to existing concrete control structures, and various electrical and mechanical systems controls modifications.

The project was substantially completed on December 31, 2005. Following substantial completion, issues arose over continued failures in the disinfection system. A settlement was negotiated among contractor, subcontractor, and design engineer. The contracts final payment was approved by the Drainage Board in February 2009 in the amount of \$83.9 million.

- Contract No. 5 - Regulator Reconstruction and Improvements

The project was bid in July of 2005 and awarded to Weiss Construction Company. The goal of this project was to remove and/or abandon several combined sewage flow regulators that had deteriorated beyond repair and were no longer functioning, and replace them with new stainless steel regulators and slide gates, as well as new level sensors and programmable logic controllers to monitor and control sewage flows.

The project was substantially complete on December 29, 2006 and final payment was made to Weiss on November 18, 2008. After all adjustments and change orders, the final contract amount is \$1.2 million. The newly installed regulators and level sensors will be monitored and adjusted on a continual basis in order to optimize their effectiveness in controlling flood risks.

- Contract No. 6A - Structural Repairs and Access Gate Replacement

The project was bid in July of 2007 and awarded to Western Waterproofing. The GWK retention treatment basin was constructed in the early 1970's and was beginning to show signs of deterioration. The goal of this project was to restore the concrete inside of the GWK retention and treatment basin including resealing all of the construction and expansion joints and the replacement of the vehicle access roller gate at Dequindre Road.

The dates of substantial completion for the Structural Concrete Repairs and the Access Roller Gate were July 31, 2008 and September 30, 2008 respectively. The final contract amount is \$1.4 million.

- Contract No. 6B - Flushing System Rehabilitation

The project was bid in July of 2008 and awarded to Six-S for the amount of \$6.4 million. The contract consists of the construction of approximately 11,000 feet of 20 inch diameter ductile iron pipe, 3,000 flushing nozzle piping connections and Screening Building Water Services modifications at the Retention Treatment Facility. The date of substantial completion for the Flushing System Rehabilitation was October 15, 2009.

- Contract No. 7 - Confined Space Entry Training Facility

The project was bid in August of 2006 and awarded to Sorensen Gross Construction. This project consists of the construction of a confined space entry training facility, the grading and construction of nine youth soccer fields including the infrastructure and the construction of a building and pavilion to serve as a training/conference facility. The project was substantially complete on October 24, 2008. The final contract amount was \$1.9 million.

- Contract No. 8 - Chlorine System Rehabilitation Contract

The project was bid on February 26, 2008 and awarded to Process Piping and Equipment. The project consists of the replacement of approximately 66 1-inch valves and miscellaneous appurtenances in the disinfection system that were constructed in the Retention Treatment Facility by Walbridge Aldinger in Contract 4. The project was substantially completed on January 1, 2009. The final contract amount was \$508,000.

- U.S. Army Corps of Engineers Projects

- Project #1. Red Run Drain Improvements and Cross Connection Repair

This project consists of repairing the drain out falls and selected slope stabilization along the banks of the Red Run Inter-county Drain, as well as the removal of a 48 inch storm and 60 inch combined sewer cross connection located within the GWK drainage system beneath John R Road near 12 Mile.

The project was awarded to Site Development on September 21, 2010 for an amount of \$2.2 million and completed in summer 2011.

- Project #2. Southfield No. 2 Drain CIPP Rehab and 66 inch SOCSDS Cleaning

This project consists of cleaning the Southeast Oakland County Sewage Disposal System (SOCSDS) 66 inch interceptor in order to increase the maximum flows to the DWSD system, as well as rehabilitate the 90 year old combined drains located in the Southfield No. 2 drainage system. This project was awarded to Blaze Contracting on October 15, 2010 for an amount of \$1.3 million and completed in 2011.

## **GWK Maintenance Fund**

The George W. Kuhn Drain Project Segments 1 - 4 and Contract 8 - Establish Maintenance Fund and Transfer Construction Surplus

On June 15, 2010, the GWK Drain Board, pursuant to Chapter 20, Act 40 of the Public Acts of 1956, determined the George W. Kuhn Drain Project was complete with net construction surplus of \$10.8 million. The Water Resources Commission's staff requested that \$7.0 million of the surplus

reserve funds of the George W. Kuhn Drain Project be transferred to cover construction costs for other George W. Kuhn Drain Projects as listed:

<u>Project Name</u>	<u>Amount</u>
• GWK Segment 4	\$ 386,000
• GWK Contract 8	167,000
• GWK Contract 6A	218,000
• GWK Contract 6B with Golf Access	476,000
• SOCSDS Heavy Cleaning (ACOE Project)	147,000
• Southfield No. 2 Drain Rehabilitation (ACOE Project)	259,000
• Red Run E-Coli Reduction within GWKDD (ACOE Project)	307,000
• GWK RTB Entrance Weir Baffle Wall	500,000
• Remove/Replace Roof - Dequindre Booster Station	50,000
• Install additional GWK Regulator - early flow to SOCSDS	500,000
• Replace Generator - Stephenson Control Building	100,000
• Remove/Replace Driveway - Stephenson Control Building	25,000
• Install Rollup Doors and Interior Repairs - Stephenson Garage	150,000
• Southfield No. 6 Drain Rehabilitation Project	<u>963,000</u>
Total	\$7,048,000

Further, the Board determined there is a need to have funds in a maintenance fund for the inspection, repair and maintenance of the drain; and the amount needed is \$1.2 million. Finally, the Board determined, having provided sufficient funds to maintain the drain and to cover other drain projects, the remaining surplus of \$3.1, plus any additional interest earnings, be credited to the contributors (municipalities and State). Madison Heights' share of this credit was \$115,700.

- Illicit Sewer Connection at 12 Mile and John R Road

As part of storm drain monitoring done in June/July 2009, the Oakland County Water Resources Commissioner's (OCWRC) office found a cross connection of a 48-inch storm drain and a 60-inch combined sewer in the vicinity of the 12 Mile and John R intersection. The illicit connection impacted the South GWK storm drain which ultimately discharges to the Red Run Drain and Clinton River. Correction of the illicit discharge was required pursuant to the Federal NPDES Phase II Storm Water Permit.

Following further investigation and the completion of a consultant's report in October 2009, the OCWRC was able to successfully include this sewer separation as part of a US Army Corps of Engineers \$2.2 million project which also included repairs to the Red Run Drain in Macomb County. In addition to eliminating the illicit cross connection, the contractor also constructed 415 feet of new line ranging from 48 to 60 inches in diameter. This project, which was funded by the Federal American Recovery and Reinvestment Act, did not require a City contribution. Work was completed in early 2011.

## **Storm water Management**

Storm water management is important in Madison Heights and across the Southeast Oakland County region. The City has implemented methods to control the amount of storm water entering the City's sewer system to prevent basement back-ups caused by overloading of the sewers. In addition, the City has installed restricted catch basin covers to temporarily pond water on roadways and has recently started implementing green infrastructure projects throughout the City.

The City of Madison Heights bills property owners for costs paid to Oakland County Water Resources Commissioner and the Great Lakes Water Authority. These costs were included in water and sewer rates. After learning of several lawsuits from other municipalities in the area the city created a separate storm water charge similar to water, sewer, or electric fee. Property owners were charged this fee to collect, transport, and treat storm water that runs off their property entering the storm drains as charged by the Oakland County Water Resources Commissioner (OCWRC) and the Great Lakes Water Authority (GLWA)

In 2020, the City was sued in an Oakland County Circuit Court case titled Griffin V. the City of Madison Heights; the plaintiff challenged the mandatory storm water service charge the City imposes upon owners of real property to recover certain costs assessed upon the City by Oakland County. In this case, the plaintiffs claimed that: (a) the Storm water Charge is not a proper user fee but a tax wrongfully imposed by the City to raise revenue in violation of the Headlee Amendment to the Michigan constitution of 1963; (b) the Storm water Charge violates the Prohibited Taxes By Cities and Villages Act, MCL 141.91 because the Storm water Charge is not an ad valorem tax, but is a tax imposed, levied, or collected after January 1, 1964; (c) that Plaintiffs and those similarly situated have been harmed by the City's collection and retention of Storm water Charges.

The Plaintiffs sought a judgment from the Court against the City that would order and direct the City to refund all Storm water Charges to which Plaintiffs and the class are entitled and any other appropriate relief. The City maintains that the City's imposition of the Storm water Charge is proper and lawful. Thus, the City denies Plaintiffs' claims in their entirety. The City explicitly denies that the Storm water Charge is a tax, denies that it retains the Storm water Charge.

The City is in the process of again developing a methodology of charging water, sewer, and storm water as this is a direct cost charged to the City from Oakland County. This new methodology is scheduled to be implemented in calendar year 2023.

**TABLE VI**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**COLLECTION & DISTRIBUTION SYSTEMS**  
**(IN THOUSANDS)**

**APPROPRIATIONS:**

COLLECTION & DISTRIBUTION SYSTEMS	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	TOTAL APPROP.
<b>NON-"R" WATER MAINS</b>								
DPS Main (Girard to DPS Spill Pad)	124	0	0	0	0	0	0	0
Hampton (Lincoln to Cowan)	215	0	0	0	0	0	0	0
Longfellow - Garry to Browning	195	0	0	0	0	0	0	0
Garry - Longfellow to Sherry	0	0	521	0	0	0	0	521
Alger - Mandoline to Fourteen Mile	0	183	0	0	0	0	0	0
Fourteen Mile - John R to Palmer	229	0	0	0	0	0	0	0
Edward - Twelve Mile to Page Middle School	0	0	0	345	0	0	0	345
Lenox - Eleven Mile to University	0	0	0	0	216	0	0	216
Hampden - Eleven Mile to University	0	0	0	0	223	0	0	223
Lincoln (John R to Service Drive (2 mains) )	0	0	0	0	1,323	0	0	1,323
Park Court (11 Mile to Northeastern)	0	0	0	345	0	0	0	345
Park Court (E. 12 Mile to Darlene Avenue)	0	0	0	0	0	726	0	726
Ronald Avenue (Hales Street to Park Court)	0	0	0	0	0	229	0	229
Milton - Twelve Mile to Cynthia	0	0	0	0	0	0	408	408
Milton - Cynthia to Dulong	0	0	0	0	0	0	388	388
Bernie Lane - Goldin to Rialto	0	0	0	0	0	0	317	317
Beverly Drive - Dequindre to Heights Drive	0	0	0	0	0	0	412	412
<b>SEWER PROJECTS</b>								
Sanitary Sewer Projects	236	150	150	150	0	0	0	300
<b>FACILITIES</b>								
Epoxy Floor Coating Ajax Building	24	0	0	0	0	0	0	0
Window Replacement of DPS Ajax Building	0	20	0	0	0	0	0	0
Replacement/Repairs to DPS Lot	101	75	100	0	0	0	0	100
2006 Backup Generator #552 (DPS Building)	0	0	0	70	0	0	0	70
Dossier Fleet Management Software	6	0	0	0	0	0	0	0
Air Compressor for DPS Ajax Building	15	0	0	0	0	0	0	0
Concrete Pad inside the DPS Pole Barn	0	75	0	0	0	0	0	0
DPS Office Renovations	0	0	0	0	0	0	25	25
DPS Fiber Cabling	0	0	0	50	75	0	0	125
HVAC Ajax	0	0	0	300	0	0	0	300
<b>REPLACEMENTS</b>								
2003 3 Yard Loader #405	0	225	0	0	0	0	0	0
1997 Clark Forklift #320	0	49	0	0	0	0	0	0
2007 Chevy 3/4 Ton Pickup #434	0	0	0	36	0	0	0	36
2013 GMC Cargo Van #453	0	0	0	0	36	0	0	36
2006 John Deere Backhoe #455	0	0	0	0	90	0	0	90
2010 Ford 3/4 Ton Pickup #460	0	60	0	0	0	0	0	0
2013 GMC Cargo Van #461	0	0	0	0	36	0	0	36
2012 GMC 1-Ton Dump Truck #462	0	0	0	0	0	65	0	65
2014 Freightliner Tandem Axle Dump Truck #464	0	0	0	0	0	230	0	230
2003 Sterling Sewer Vactor #465	0	0	0	425	0	0	0	425
2015 Ford 3/4 Ton Pickup Dump Truck #463	0	0	0	0	0	0	42	42
2015 Chevy Impala #416	0	0	0	0	0	0	29	29
EnviroSight Quick-View Camera	0	0	0	20	0	0	0	20
Portable Vehicle Hoist System	0	0	60	0	0	0	0	60
<b>TOTALS</b>	<b>\$ 1,145</b>	<b>\$ 837</b>	<b>\$ 831</b>	<b>\$ 1,741</b>	<b>\$ 1,999</b>	<b>\$ 1,250</b>	<b>\$ 1,621</b>	<b>\$ 7,442</b>
Total Projects	9	5	3	6	4	2	5	20
Total Equipment	0	3	1	3	3	2	2	11

**TABLE VI**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**COLLECTION & DISTRIBUTION SYSTEMS**  
**(IN THOUSANDS)**

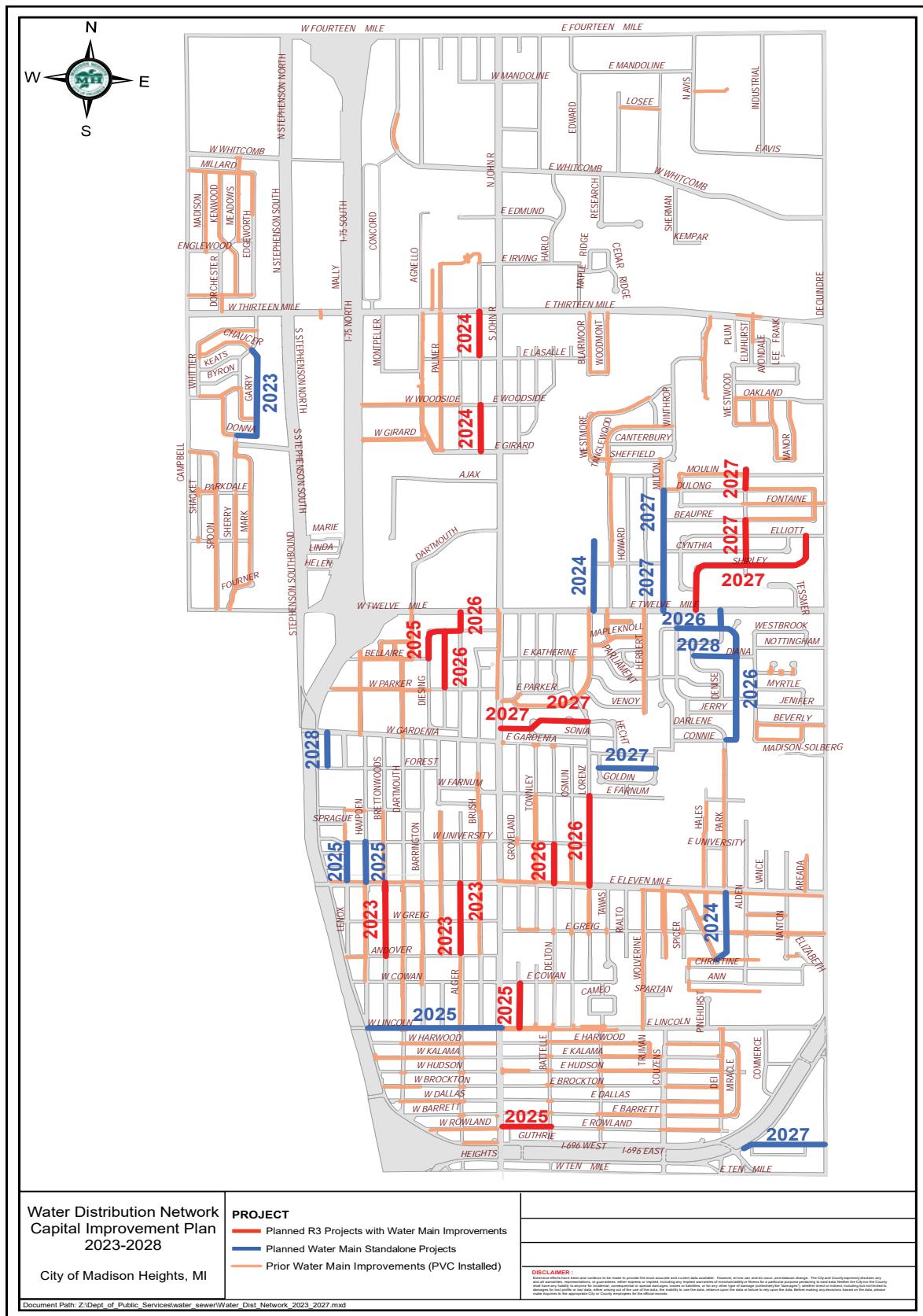
**REVENUES:**

COLLECTION & DISTRIBUTION SYSTEMS	GENERAL FUND	LOCAL/MAJOR STREETS	C.D.B.G.	SPECIAL ASSESS.	ROAD IMPROV. ACCOUNT	WATER & SEWER	OTHER REVENUES	TOTAL REVENUES
<b>WATER MAINS/METERS</b>								
Garry - Longfellow to Sherry	0	0	0	0	0	521	0	521
Edward - Twelve Mile to Page Middle School	0	0	0	0	0	345	0	345
Lenox - Eleven Mile to University	0	0	0	0	0	216	0	216
Hampden - Eleven Mile to University	0	0	0	0	0	223	0	223
Lincoln (John R to Service Drive (2 mains))	0	0	0	0	0	1,323	0	1,323
Park Court (11 Mile to Northeastern)	0	0	0	0	0	345	0	345
Park Court (E. 12 Mile to Darlene Avenue)	0	0	0	0	0	726	0	726
Ronald Avenue (Hales Street to Park Court)	0	0	0	0	0	229	0	229
Milton - Twelve Mile to Cynthia	0	0	0	0	0	408	0	408
Milton - Cynthia to Dulong	0	0	0	0	0	388	0	388
Bernie Lane - Goldin to Rialto	0	0	0	0	0	317	0	317
Beverly Drive - Dequindre to Heights Drive	0	0	0	0	0	412	0	412
<b>SEWER PROJECTS</b>								
Sanitary Sewer Projects	0	0	0	0	0	300	0	300
<b>FACILITIES</b>								
2006 Backup Generator #552 (DPS Building)	0	0	0	0	0	70	0	70
DPS Office Renovations	0	0	0	0	0	25	0	25
HVAC Ajax	0	0	0	0	0	300	0	300
Replacement/Repairs to DPS Lot	0	0	0	0	0	100	0	100
DPS Fiber Cabling	0	0	0	0	0	125	0	125
<b>REPLACEMENTS</b>								
2007 Chevy 3/4 Ton Pickup #434	0	0	0	0	0	36	0	36
2013 GMC Cargo Van #453	0	0	0	0	0	36	0	36
2006 John Deere Backhoe #455	0	0	0	0	0	90	0	90
2013 GMC Cargo Van #461	0	0	0	0	0	36	0	36
2012 GMC 1-Ton Dump Truck	0	0	0	0	0	65	0	65
2014 Freightliner Tandem Axle Dump Truck #464	0	0	0	0	0	230	0	230
2003 Sterling Sewer Vector #465	0	0	0	0	0	425	0	425
2015 Ford 3/4 Ton Pickup Dump Truck #463	0	0	0	0	0	42	0	42
2015 Chevy Impala #416	0	0	0	0	0	29	0	29
EnviroSight Quick-View Camera	0	0	0	0	0	20	0	20
Portable Vehicle Hoist System	0	0	0	0	0	60	0	60
<b>TOTALS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 7,442</b>	<b>\$ 0</b>	<b>\$ 7,442</b>

**TABLE VII**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**PRIORITY NON-R WATER MAIN PROJECTS**  
**(BASED ON CURRENT COSTS)**

<u>Location Number</u>	<u>Projected Fiscal Year</u>	<u>Watermain Location</u>	<u>Length (Feet)</u>	<u>Estimated Cost (in 2023)</u>
1	2023-24	Garry - Longfellow to Sherry	2,100	520,800
2	2024-25	Park Ct. - 11 Mile to Northeastern	1,350	344,844
3	2024-25	Edward - Twelve Mile to Page Middle School	1,300	342,034
4	2025-26	Lenox - Eleven Mile to University	800	216,797
5	2025-26	Hampden - Eleven Mile to University	800	223,301
6	2025-26	Lincoln - John R to Service Drive (2 mains)	4,600	1,322,500
7	2026-27	Park Ct. 12 Mile to Darlene	2,450	725,506
8	2026-27	Ronald - Hales to Park Ct.	750	228,757
9	2027-28	Milton - Twelve Mile to Cynthia	1,300	408,407
10	2027-28	Milton - Cynthia to Dulong	1,200	388,300
11	2027-28	Bernie Lane - Goldin to Rialto	950	316,627
12	2027-28	Beverly Drive - Dequindre to Heights Dr.	1,200	411,948
13	2028-29	Wrenson - Gardenia to Forest	650	229,833
14	2028-29	Diana - Park Ct. to Denise	750	273,147
		Totals	20,200	\$ 5,952,801

These costs assumes an estimated unit price of \$248 per linear foot cost for water main installation (plus 3% rate of inflation each year) including pipe, hydrants, valves, taps, hauling sand, contractual labor cost, City labor costs, and also includes landscape, ROW tree replacement, sidewalk and drive approach restoration relating to the water main installation. A 20% contingency is also included in the unit price for preliminary engineering and construction inspection.



## **PUBLIC SAFETY**

The 2023-28 CIP includes funding for twenty public safety projects and thirty-one pieces of equipment/vehicles. These improvements cover Police, Court, and Fire for a total of \$5.0 million.

- Vehicle Replacement - Police

The CIP includes replacement of twenty-four (24) marked patrol vehicles which now cost over \$37,000 exclusive of costs for changeover lights, radio, computer, and other equipment which cost approximately \$15,000 each vehicle detailed. The plan also includes five (5) other vehicles used throughout the department. Vehicle information may be found in Table XI, the Vehicle and Equipment Replacement Plan.

- Police Department – Body Cams and In-Car Cameras

Public Safety remains a top priority identified as part of the strategic plan. In August 2020, City Council approved the implementation of body cameras and replacement of in-car cameras with a five year contract with Axon, formerly TASER international, to purchase the new equipment and software for \$342,234. This contract included new officer worn cameras, replacement in car cameras, and cloud based digital evidence storage and maintenance system. The cost was split over the five years with the first year at \$100,000, year 2 at \$74,998 and the remaining 5 years \$ 65,106. This has been described as more of a subscription than an actual contract. Over the five year agreement the body cameras will be replaced twice and in car cameras replaced once. This CIP includes \$65,105 for the next two years with an upgrade budgeted in fiscal year 2027.

- Police Department Carpet and Flooring Replacement

Much of the carpeting in the building is original to the 1991 construction, and is in extremely poor condition with multiple holes and runs throughout. This plan includes replacing the carpeting in the building FY 2024 for \$65,000.

- Police Flooring in the Gun Range Armory and Property Room

The FY 2021 Budget originally included the replacement of vinyl composite tile in the gun range with an epoxy floor-coat system. The current tile is routinely breaking and popping up from the floor adhesive. Due to budget adjustments, this \$25,000 was postponed until FY 2024 and is included in the CIP.

- Replacement of Police Vehicle Printers

The warranties on the Police Department in-car traffic citation printers has been expired for three years. The FY 2024 budget includes \$19,000 for replacement for the printers. This includes three handheld citation printers for Code Enforcement and the Police Motorcycle unit.

- Renovation of the Police Reserve Station

The Police Reserve Station, housed at DPS, needs multiple upgrades, including flooring, paint, and furniture, which are above and beyond normal building maintenance. There is a renewed focus on promoting the Police Reserves, and the existing facilities are dated and inadequate for their needs, as well as the intended use of the facility as a backup 911 dispatch center in the event of a disaster or failure at the Police Department. Therefore, the Fiscal Year 2024 budget includes funding to perform these upgrades for \$10,000, with an additional \$9,000 budgeted to replace the existing lockers that are past their useful lifespan, many are broken and no longer usable. The total overall number of lockers will be reduced and replaced with larger units with the budget including funding for twenty lockers.

- Vinyl Composite Tile (VCT) Flooring Property Room/Gun Range

The Fiscal Year 2024 budget includes \$25,000 for the replacement of the Vinyl Composite Tile (VCT) flooring in the property room/Armory area of the Gun Range. The existing tile flooring is routinely popping up, breaking and is generally past its lifespan. This proposal is to replace the flooring in these areas with a long-lasting epoxy floor-coat system.

- Gas Mask Replacement

The Police Officers are required to have working gas masks in the event of a large protest where pepper spray or other chemical munitions are used for crowd control. Recently, all our existing gas masks failed the fit testing procedure which means they are non-functional and in need of replacement. Sixty gas masks need to be replaced for a budget of \$20,000 in fiscal year 2024.

- Court Recording Equipment

The Court is mandated to record all courtroom proceedings. The courtroom recording equipment in both courtrooms are antiquated and over 20 years old (purchased in 2000, upgrades done in 2010 & 2014). The components are unrepairable as parts are no longer available. The replacement is budgeted in two phases, FY 2023 for \$62,000 and FY 2024 for \$78,000.

- Court - Building Improvements

Budgeted Court building improvements included carpet replacement for \$32,000 which was last replaced in 2002 and has been duct-taped to prevent tripping in many areas. The court facility is in need of paint and wallpaper replacement and the clerks counter is in poor condition and requires refacing. These improvements are included in the budget for \$6,000. The existing lunchroom is lacking in space and is heavily utilized, resulting in cramped and inadequate conditions and the inability to social distance for the court staff during lunch hours. The lunchroom is adjacent to a seldom utilized library/conference room. This budget includes the removal of the common wall between the two rooms to make one large lunchroom/library area for \$7,000.

1. Fire Station #1 HVAC Upgrades

A recent evaluation of the Fire Station #1 heating and cooling system has revealed the current rooftop unit on the east side of the building is in good condition but will need to be replaced in 3-5 years. The CIP includes two office units at \$17,500 each in FY 2024. The radio room unit is currently running well but does get significant run time with an estimated replacement of 2 years. This has also been included in the CIP for \$17,000 in FY 2025. The rooftop units in the living quarters are in fair condition due to frequent use and failures and are suggested to be replaced in the next 3-4 years. These units are included in the CIP at \$18,000 in FY 2025 for the bunkhouse and day room units, and \$35,000 in FY 2026 for the Locker Room Unit.

- Fire Station #1 Carpet

In 2004 the carpet in Fire Station #1 was installed and is now in need of replacement in the administration and living areas in Fire Station #1. The carpet is worn, torn, and is lifting in multiple areas. This is being budgeted at \$20,000 in FY 2024.

- Fire - Self Contained Breathing Apparatus (SCBA) Compressor and Fill Station

The current SCBA air compressor is nearing 25 years of operation. The SCBA fill station was replaced with a used unit after the previous unit failed. The system is failing frequently, and maintenance costs have increased significantly. This equipment is necessary to refill the SCBA air cylinders, firefighters are required to wear in immediately dangerous to life and health atmospheres. The replacement compressor and fill station are budgeted in fiscal year 2024 for \$67,000.

### **Vehicle Replacement - Fire**

Four (4) pieces of equipment and/or vehicles are scheduled to be replaced during the CIP period, FY 2023-28: active shooter responder personal protection equipment \$20,000; and multi-gas detectors for \$19,000 that are needed to replace the fleets current detectors that are at end of life and have become unreliable. These multi-gas detectors are portable devices used to monitor gases in the air and alert firefighters when the air reaches dangerous conditions. The device measures carbon monoxide, hydrogen sulfide, flammable gases, and oxygen levels. This budget will also add five detectors to our EMS equipment to detect Carbon Monoxide levels while treating patients during emergency medical calls.

FY 2024 starts phase funding to replace pumper truck #723 with a quint for \$1.2 million. This quintuple combination pumper (quint) is a fire apparatus that will allow for use as an engine and a ladder truck. although the replacement of the engine is \$700,000; replacing with a quint for \$1.2 million will allow us to delay replacement of our ladder truck to an additional cost of \$1.6 million.

As stated earlier, Proposal MH was developed around funding public safety and quality life events. This millage has been instrumental in not only increasing staffing but maintaining equipment maintenance. The following tables show appropriations and revenues for Public Safety (Table VIII).

### **Equipment - Fire**

This budget includes regular fire hose replacement, at \$5,000 a year. Other equipment included in this plan is \$19,000 for multi-gas detector devices and active shooter response PPE for \$20,000.

**TABLE VIII**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**PUBLIC SAFETY**  
**(IN THOUSANDS)**

**APPROPRIATIONS:**

PUBLIC SAFETY	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	TOTAL APPROP.
<b>POLICE</b>								
Patrol and DB Vehicles (24)	213	190	164	211	211	211	211	1,008
Vehicle Upfitting (24)	22	78	66	83	83	83	83	398
Patrol Alternative Vehicle #112	0	39	0	0	0	0	0	0
Animal Control Van #119	0	35	0	0	0	0	0	0
Body Cams and In-Car Cameras	75	65	65	65	0	185	0	315
Building Video Camera System	0	0	0	0	29	0	0	29
Carpet Replacement - phased	0	0	65	0	0	0	0	65
Communications Conduit Reroute	25	0	0	0	0	0	0	0
Copy Machine in Dispatch Area	5	0	0	0	0	0	0	0
Police Personnel Locker Replacement	0	0	0	0	47	0	0	47
HVAC Upgrades - phased	0	450	200	200	200	0	0	600
Interior Sanitary Drain Pipe Replacement	0	15	0	0	0	0	0	0
LIDAR with Handheld Unit	5	0	0	0	0	0	0	0
Live-Scan Fingerprint Computer (CLEMIS)	22	0	0	0	0	0	0	0
Radio Equipment (CLEMIS)	6	0	0	0	0	0	0	0
In-Vehicle Radar Units	0	26	0	0	0	0	0	0
In-Vehicle Printers	0	0	19	0	0	0	0	19
In-Vehicle Modems	0	0	0	21	0	0	0	21
In-Vehicle Computers	0	0	0	0	70	0	0	70
Renovation of Reserve Station	0	0	10	0	0	0	0	10
Renovation of Reserve Station Lockers	0	0	9	0	0	0	0	9
Taser Replacement	0	0	18	0	0	0	0	18
Training Room video upgrades	5	0	0	0	0	0	0	0
VCT Flooring Property Room/Gun Range	0	0	25	0	0	0	0	25
Waterproofing of the South Basement Wall	0	10	0	0	0	0	0	0
Lockup Facility Video Camera Equipment	0	26	0	0	0	0	0	0
Gas Mask Replacements	0	20	0	0	0	0	0	0
<b>DISTRICT COURT</b>								
Carpet Replacement	0	6	32	0	0	0	0	32
Court Recording Equipment	0	62	78	0	0	0	0	78
Lunchroom/Library Updates	0	0	7	0	0	0	0	7
Court Building General Updates	0	0	6	0	0	0	0	6
Court Security Equipment	0	0	0	36	0	0	0	36
<b>FIRE</b>								
Fire Station #1 Thermostat Controls	15	0	0	0	0	0	0	0
Fire Station #1 HVAC Dehumidifier	11	0	0	0	0	0	0	0
Fire Station #1 HVAC Replacement	0	50	35	35	35	0	0	105
Fire Station #1 Roof Replacement	0	0	0	200	250	0	0	450
Fire Station #2 General Renovations	75	2,044	0	0	0	0	0	0
Fire Station #1 Carpet Replacement	0	0	20	0	0	0	0	20
Fire Station #1 Kitchen Renovation	0	60	0	0	0	0	0	0
Fire Hose	0	5	5	5	5	5	5	25
Technical Rescue Equipment	0	6	0	0	0	0	0	0
Self Contained Breathing Apparatus (SCBA)	0	220	78	0	0	0	0	78
2003 Generator Fire Station #1 #550	75	0	0	0	0	0	0	0
2004 Generator Fire Station #2 #553	0	70	0	0	0	0	0	0
2001 Chevrolet 3500 #704	36	0	0	0	0	0	0	0
2007 Ford F350 Pickup #702	44	0	0	0	0	0	0	0
2011 Ambulance Rescue #710	0	280	0	0	0	0	0	0
2015 Ambulance Rescue Truck (R71) #713	0	140	155	0	0	0	0	155
2007 Pumper Pierce (E7X) #723	0	0	600	600	0	0	0	1,200
1997 Aerial Ladder Truck #730	0	0	0	0	0	300	300	600
2016 Ford Interceptor Utility #700	0	0	0	38	0	0	0	38
Ambulance Stretcher Lift Device	0	35	0	0	0	0	0	0
Active Shooter Response PPE	0	0	20	0	0	0	0	20
Multi-Gas Detectors	0	0	19	0	0	0	0	19
2011 GMC 3/4 Ton Pick-Up #701	0	0	0	0	0	0	38	38
2019 Ambulance #711	0	0	0	0	325	0	0	325
<b>TOTALS</b>	<b>\$ 634</b>	<b>3,932</b>	<b>\$ 1,696</b>	<b>\$ 1,494</b>	<b>\$ 1,255</b>	<b>\$ 784</b>	<b>\$ 637</b>	<b>\$ 5,866</b>
Total Projects	9	13	14	5	6	3	2	30
Total Equipment	6	10	8	5	4	2	3	22

**TABLE VIII**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**PUBLIC SAFETY**  
**(IN THOUSANDS)**

**REVENUES:**

PUBLIC SAFETY	GENERAL FUND	LOCAL/MAJOR STREETS	GRANTS	SPECIAL ASSESS	WATER & SEWER	DRUG FORFEITURE	OTHER	TOTAL REVENUES
<b>POLICE</b>								
Patrol and DB Vehicles (24)	799	0	0	0	0	209	0	1,008
Vehicle Upfitting (24)	398	0	0	0	0	0	0	398
Body Cams and In-Car Cameras	283	0	32	0	0	0	0	315
Building Video Camera System	29	0	0	0	0	0	0	29
Carpet Replacement - phased	65	0	0	0	0	0	0	65
Police Personnel Locker Replacements	47	0	0	0	0	0	0	47
HVAC Upgrades - phased	600	0	0	0	0	0	0	600
In-Vehicle Printers	19	0	0	0	0	0	0	19
In-Vehicle Modems	21	0	0	0	0	0	0	21
In-Vehicle Computers	70	0	0	0	0	0	0	70
Renovation of Reserve Station	10	0	0	0	0	0	0	10
Renovation of Reserve Station Lockers	9	0	0	0	0	0	0	9
Taser Replacement	11	0	7	0	0	0	0	18
VCT Flooring Property Room/Gun Range	25	0	0	0	0	0	0	25
<b>DISTRICT COURT</b>								
Carpet Replacement	32	0	0	0	0	0	0	32
Court Recording Equipment	78	0	0	0	0	0	0	78
Lunchroom/Library Updates	7	0	0	0	0	0	0	7
Court Building General Updates	6	0	0	0	0	0	0	6
Court Security Equipment	36	0	0	0	0	0	0	36
<b>FIRE</b>								
Fire Station #1 HVAC Replacement	105	0	0	0	0	0	0	105
Fire Station #1 Roof Replacement	450	0	0	0	0	0	0	450
Fire Station #1 Carpet Replacement	20	0	0	0	0	0	0	20
Fire Hose	25	0	0	0	0	0	0	25
Self Contained Breathing Apparatus (SCBA)	78	0	0	0	0	0	0	78
2015 Ambulance Rescue Truck (R71) #713	155	0	0	0	0	0	0	155
2007 Pumper Pierce (E7X) #723	1,200	0	0	0	0	0	0	1,200
1997 Aerial Ladder Truck #730	600	0	0	0	0	0	0	600
2016 Ford Interceptor Utility #700	38	0	0	0	0	0	0	38
Active Shooter Response PPE	20	0	0	0	0	0	0	20
Multi-Gas Detectors	19	0	0	0	0	0	0	19
2011 GMC 3/4 Ton Pick-Up #701	38	0	0	0	0	0	0	38
2019 Ambulance #711	325	0	0	0	0	0	0	325
<b>TOTALS</b>	<b>\$ 5,618</b>	<b>0</b>	<b>\$ 39</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 209</b>	<b>\$ 0</b>	<b>\$ 5,866</b>

## **GENERAL GOVERNMENT AND ECONOMIC DEVELOPMENT**

The projects planned under this chapter are broken down into four categories: Civic Center/Citywide, Information Technology, Library, and Economic Development.

### **Civic Center/Citywide Projects**

Starting with budget discussions in late 2018, staff began to look for creative ways to address many strategic planning action items and capital improvement needs involving the City's buildings, including City Hall, Library, and Active Adult Center. The Library facility and service levels have also been a subject of much public engagement over the past two years. The public has made it clear that this facility needs to be updated to handle current service and program demands. With the passing of Proposal MH and the 2023 expiration of the voted Fire Station Bond, the City saw a financial opportunity to think outside the box and resolve many of these issues with a comprehensive Civic Center Plaza Project.

In preparation for the budget process, the city set into motion a detailed study to provide a better understanding of whether the Madison Heights Active Adult Center (AAC) should be relocated to Civic Center Campus and connected to City Hall and Library, or if each department building should remain separate and be improved using the Capital Improvement Plan. In this CIP approach, each building would remain separate, and the next 10 years would be dedicated to fixing, retrofitting, and maintaining/preserving the existing facilities to meet the needs of the staff and public. City Hall has numerous mechanical issues that need to be addressed with much of the existing equipment beyond their life expectancies. Both the Library and City Hall have issues around the exterior, including; waterproofing around the foundation, exposed exterior insulation, and deterioration of brick mortar that need to be addressed sooner than later. Programmatically, both City Hall and the Library do not currently meet the departments' or the public's needs. City Hall is oversized and operationally inefficient; the library is too small for the services it wishes to provide and would require an additional space to meet the needs. The library's atmosphere is lacking and not as inviting as it could be considering the current layout and tall stacks. If the AAC remained on John R, both the building and site would need significant repairs and major overhauls to meet the needs, provide safer and user-friendly, and appropriate program spaces. Initially, a few upgrades could be sufficient for each building, as the spaces and current layout do not provide services safely or efficiently. Overall, this renovation of current facilities approach was estimated to cost approximately \$15,500,000.

By comparison, a comprehensive project was evaluated to renovate the City Hall and Library and build an addition between the two buildings to incorporate a larger AAC onto the Civic Center Campus. In this solution, the majority of the maintenance, programmatic, and operational items identified in the CIP would be included in the base project budget, and the needs of each department would be met in significantly less time and more efficiently in terms of contractibility, therefore being less costly. The excess square footage in the City Hall would be dedicated to the new AAC. The City Hall staff area would be right sized and reconfigured to be more efficient and secure. The Library would gain the space it needs by sharing its gathering space with the AAC, and the AAC would have a space built specifically for its programming. The budget for the project budget is \$12.1 million.

Based on this evaluation, the Mayor and City Council directed staff to move forward with the comprehensive project to renovate City Hall and Library and to build an addition between the two buildings to incorporate the AAC into the Civic Center Campus. Funding was budgeted by utilizing a \$6.5 General Obligation Bond, \$1.8 million sale of the AAC current site, and the

balance from use of fund balance which is possible due to the American Rescue Act funding of approximately \$3 million that will offset our revenue losses since March 2020. This project will be the largest facilities project in the City's history and will address many operational and programming needs throughout the City.

Project construction is currently underway with the City Hall renovations substantially completed by January 2023, library completion April 2023, and the Active Adult Center completion in August 2023. This project is not only providing updated and more efficient work spaces but has offered the opportunity to completely update the mechanical systems of the buildings, to bring energy savings that were not anticipated in the budgeting of the overall project.

### **Information Technology (IT)**

In June 2014, the City and consultant Plante Moran completed the IT Assessment & Strategic Plan, which resulted in the outsourcing of the IT function, as of January 2015. As part of this plan, the contractor assesses the City's IT systems annually with the most critical needs included in the capital plan and detailed below:

- City-Wide Microcomputer Replacements

Technology is critical for the operation of most City Departments. Therefore, as part of the annual Capital Improvement Plan, we recommend the continued updating of computers on a five-year rotating schedule as outlined in the Table XII (Computer Replacement Plan). In FY 2023-2028, replacements for 28 computers are scheduled for a total of \$30,000, with \$30,000 planned each year thereafter for computer replacements.

- Wireless Network Upgrade

Included in the CIP for \$35,000 in FY 2024, this upgrade will allow for the migration to one singular platform hosted by the cloud and improve wireless capability across the city.

- Storage Area Network and Host Servers Replacement

FY 2024 includes \$81,000 to be combined with the current year allocation of \$59,000 for these replacements. This is the main infrastructure that runs all business applications and day-to-day storage for files.

- Mobile Device Management and Policy

Data and device security are extremely important in the business world and even more so in matters regarding government and law enforcement. Mobile devices are susceptible to a number of threats, therefore, the Information Technology Advisory Committee recommended that mobile device security be installed for the protection of the City technology systems. FY 2024 includes \$10,000 being budgeted for implementation of mobile device management. IT staff will be following Criminal Justice Information Security (CJIS) policy guidelines for compliance as well as developing a written policy for support of the management of mobile devices.

- VEEAM 365 & Server Backups

The VEEAM Backup for Microsoft 365 server is the central configuration and control component for backing up the City's core operating data. This component is responsible for setting up and managing other components, job scheduling, task coordination and more. The server can be installed on a physical or virtual Windows-based machine. Therefore, the FY 2024 budget includes \$14,000 for this implementation.

#### Phone System Upgrade (City-Wide)

This CIP includes the phase funding of \$500,000 over two (2) years to replace our city-wide phone system.

#### Library

The Library renovation is a major part of the Civic Center Plaza project. As part of this plan the Library will be completely renovated with the addition of a teen and makerspace. There will also be shared space with the Active Adult Center for areas such as the existing Breckenridge Room meeting space. This renovation brings about the opportunity to update and expand services including the following projects that are included in the CIP:

- Makerspace, Maintenance and Expansion

A makerspace is a collaborative workspace being planned as part of the renovation project. This space contains tools, components, and resources that the library will promote as hands-on collaborative learning. This focus on creative items includes activities such as electronics, sewing, laser cutting, and program woodworking. Tools will range from LEGO'S to power tools, 3-D printers to laser cutters. A grant of \$15,000 from the Community Advisory Board is being utilized in FY 2023 to initially set up this space. However, to stay relevant in today's environment this space will require regular upgrading, expansion, or revision of offerings. Therefore, in addition to this initial investment, the CIP includes an ongoing annual expense of \$10,000 to \$11,000 annually.

- Acoustic Art

Currently, library acoustics cause conversations to amplify throughout public areas of the building. We are hopeful that the renovation resolves much of this noise distraction. However, if not we are budgeting the installation of acoustic art which ranges from approximately \$1,000 per 48" X 96" custom wall or ceiling panel for FY 2024. Sound reduction in the study rooms would be the top priority.

- Storywalk

In order to promote and improve early literacy staff has proposed the installation of Story Walks in neighborhood parks. Library staff would annually change stories. The CIP currently includes funding in FY 2025; however, before any expenditures are made staff will seek outside funding or sponsorship for this expenditure.

- Self-Check Out

The self check out system is past its useful life. Originally purchased in 2007 this system is in need of replacement. This is included in the Capital Improvement Plan FY 2025 at \$14,000

- Remote Pickup Lockers

These lockers are designed to extend the coverage and accessibility of the library. Remote pickup lockers offer convenient self-service holds pick-up, browsing and returns. The modular system is customizable for any library or community space, including outdoors and has been identified as a great solution to better service our patrons after hours. An exact location is yet to be determined; and this purchase is being planned for FY 2025 at \$50,000.

### **Economic Development**

- Downtown Development Authority

In June 1997, the Madison Heights City Council adopted Ordinance 948 which created the Madison Heights Downtown Development Authority (DDA), pursuant to Act 197 of Public Acts of 1975 of the State of Michigan. A thirteen member DDA Board was appointed to represent the City's south commercial district business interests. The City Council also designated the boundaries (see map) of the downtown district within which the Authority may legally operate. This DDA District boundary was amended in the spring of 1998 to include seven additional lots at the northwest and southeast corners of John R and Eleven Mile Roads.

Since its formation, the DDA has scheduled and conducted regular public meetings to establish the procedures under which it operates, to discuss Business District issues, priorities and objectives to be addressed, to consider initial program strategies and approaches to downtown development, and to review ongoing and planned public and private development projects within the Business District.

The DDA concentrates its efforts to correct and prevent stagnation and/or deterioration within the existing business district, to eliminate blighting influences, and to undertake projects which will encourage businesses to remain or locate, and people to shop in the District. The DDA focuses on the identification and implementation of public improvements to enhance the areas that are needed to strengthen the quality of the District. Attention to maintenance, property upkeep, code enforcement and regular reinvestment in public features is essential. In addition, the DDA develops programs to solicit commitment and investment from business owners to make improvements on private property that serve the public purpose of enhancing the District.

In March 1998, the Tax Increment Financing and Development Plan was adopted by City Council to establish the legal basis and procedure for the capture and expenditure of tax increment revenues in accordance with Public Act 197 of 1975 as amended, for the purpose of stimulating and encouraging private investment in the south commercial district through the provision of public improvements.

The Downtown Development Authority's Tax Increment Financing and Development Plan, was reviewed and updated. This plan serves as a guide for the continued development of the downtown development district. In September of 2016, the DDA Board and City Council held a Joint Town Hall meeting to solicit input from stakeholders and the public. Following the Town Hall meeting, the DDA completed an online public survey for additional feedback. The DDA Board approved the TIF plan.

## Downtown Development Planned Expenditures

Description	Total Project Cost	Fiscal Year(s)
<b><u>Marketing/Branding</u></b>		
Streetscape Improvements & Permanent ID Elements	\$59,100	2018-2038, 20 yrs
11 Mile and John R Center	\$10,000	2018-2020, 3 yrs.
Dedicated Website/Social Media Site for DDA Businesses	\$3,000	2018, 1 yr.
Bike Rack Program	\$1,500	2018, 1 yr.
	<b>\$73,600</b>	
<b><u>Beautification</u></b>		
Façade Improvement Program	\$100,000	2018-2038, 20 yrs.
Plant Trees in the ROW	\$60,000	2018-2038, 20 yrs.
Acquisition/demolition of DDA Parcels	\$222,500	2021-2038, 18 yrs.
Sign Grant Program	\$50,000	2018-2038, 20 yrs.
	<b>\$432,500</b>	
<b><u>Maintenance</u></b>		
Right of Way Grass Cutting	\$189,000	2018-2038, 20 yrs.
Clock Tower at 11 Mile and John R	\$35,000	2019-2025, 7 yrs.
Right of Way Weed Application/trash pick-up in greenbelt	\$49,000	2018-2038, 20 yrs.
Trash Receptacles	\$89,000	2018-2038, 20 yrs.
Other Right of Way Improvements	\$124,000	2018-2038, 20 yrs.
Traffic Calming Study	\$35,000	2022-2026, 4 yrs.
	<b>\$521,000</b>	
<b><u>Planning</u></b>		
Streetscape Planning	\$50,000	2024-2026, 2 yrs
Streetscape Project Implementation	TBD	2025-2030, 5 yrs
	<b>\$50,000</b>	

Starting with the FY 2021 proposed budget, the Downtown Development Board has decided to focus on economic development and revitalization projects instead of funding events. These funds will be used on future traffic studies, business attraction and walkability.

**TABLE IX**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**GENERAL GOVERNMENT & ECONOMIC DEVELOPMENT**  
**(IN THOUSANDS)**

**APPROPRIATIONS:**

GENERAL GOVERNMENT & ECONOMIC DEV.	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	TOTAL APPROP.
<b>CIVIC CENTER / CITY WIDE</b>								
Civic Center Plaza (City Hall, AAC, Library Renovation	198	12,000	0	0	0	0	0	0
<b>INFORMATION TECHNOLOGY</b>								
City Wide Microcomputer Replacements	23	30	33	47	30	30	30	170
Storage Area Networks	0	35	81	0	0	0	0	81
Wireless Network Equipment Upgrade	0	0	123	123	0	0	0	246
VEEAM 365 & Server Backup	0	0	14	0	0	0	0	14
Mobile Device Management	0	0	10	0	0	0	0	10
Phone System Upgrade City-wide	0	0	0	125	125	0	0	250
Host Servers	0	24	0	0	0	0	0	0
<b>LIBRARY</b>								
Makerspace Maintenance and Expansion	5	15	11	10	10	10	10	51
Acoustic Art	0	0	10	0	0	0	0	10
Storywalk Installation	0	0	0	15	0	0	0	15
Self-Check Out	0	0	0	14	0	0	0	14
Remote Pickup Lockers	0	0	0	50	0	0	0	50
<b>TOTALS</b>	<b>\$ 226</b>	<b>\$ 12,104</b>	<b>\$ 282</b>	<b>\$ 384</b>	<b>\$ 165</b>	<b>\$ 40</b>	<b>\$ 40</b>	<b>\$ 911</b>
Total Projects	1	1	0	0	0	0	0	0
Total Equipment	2	4	7	4	2	2	2	17

**REVENUES:**

	GENERAL FUND	LOCAL/ MAJOR STREETS	GRANTS	SPECIAL ASSESS	WATER & SEWER	DRUG FORFEITURE	OTHER	TOTAL REVENUES
<b>CIVIC CENTER / CITY WIDE</b>								
<b>INFORMATION TECHNOLOGY</b>								
City Wide Microcomputer Replacements	128	0	0	0	42	0	0	170
Storage Area Networks	61	0	0	0	20	0	0	81
Wireless Network Equipment Upgrade	185	0	0	0	61	0	0	246
VEEAM 365 & Server Backup	10	0	0	0	4	0	0	14
Mobile Device Management	7	0	0	0	3	0	0	10
Phone System Upgrade City-wide	188	0	0	0	63	0	0	250
<b>LIBRARY</b>								
Makerspace Maintenance and Expansion	51	0	0	0	0	0	0	51
Acoustic Art	10	0	0	0	0	0	0	10
Storywalk Installation	15	0	0	0	0	0	0	15
Self-Check Out	14	0	0	0	0	0	0	14
Remote Pickup Lockers	50	0	0	0	0	0	0	50
<b>TOTALS</b>	<b>\$ 718</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 193</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 911</b>

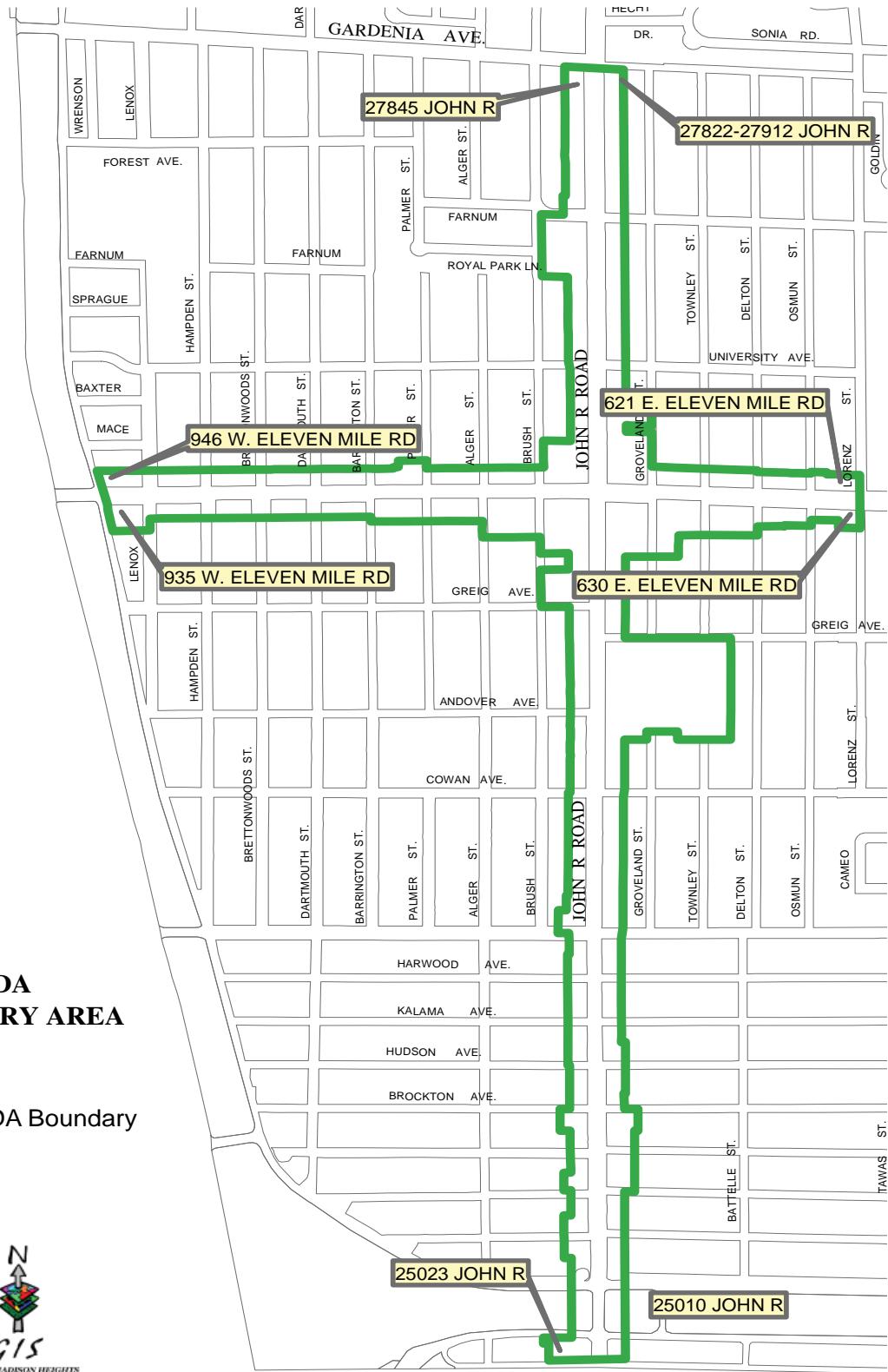
**DDA  
BOUNDARY AREA**

 **DDA Boundary**



CITY OF MADISON HEIGHTS  
COMMUNITY DEVELOPMENT DEPARTMENT  
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## **LEISURE AND HUMAN SERVICES**

The improvements programmed in this chapter can be divided into two categories: Parks and Recreation, and Active Adults.

In November 2019, residents passed Proposal MH which focused on public safety and quality of life within the city. A major portion of this millage is now being utilized for Parks and Recreation improvements and major maintenance projects. Prior to the passage of Proposal MH, the City has had to defer both planned improvements and major maintenance projects for our parks system as well as much-needed improvements to the Active Adult Center.

For planning purposes, the staff has identified four categories of park projects:

1. Red Oaks Nature Center Projects
2. Ambassador Park
3. Individual Park Projects
4. Walking and Bike Trails

· Red Oaks Nature Center Projects

Based on the fall 2009 Financial Forecast, and on the heels of the first round of Budget Gap Reduction Measures, the City initiated a dialog with the Oakland County Parks and Recreation Commission (OCPR) regarding a potential partnership arrangement at Friendship Woods. These discussions resulted in a 25-year lease agreement for the Red Oaks Nature Center at Friendship Woods, which was approved on August 23, 2012 by the Oakland County Board of Commissioners.

In exchange for the use of our property for the next 25 years, the City received the following: \$1 annual rent, plus; year-round programming services including personnel, contractors and supplies; most of the maintenance expense; a majority of capital improvement expenditures; and annual utility costs above the current City budget, plus a small inflation factor. OCPR was obligated to fund the first \$5,000 of all capital and maintenance project expenses plus 50 percent of the amounts above the first \$5,000 in major maintenance and capital improvement projects.

In 2020, OCPR asked the voters in Oakland County to approve an increase in the Oakland County Parks and Recreation Millage. With the passing of this millage, OCPR planed to invest in the upgrade and maintenance of all OCPR facilities. This included the following projects for the Nature Center under the terms described above:

<u>Project</u>	<u>Total Project Cost</u>
HVAC Replacement	\$348,000
Office Space Remodeling	165,000
Site Landscaping	40,000
Parking Lot	300,000
 Total Cost	 <u>\$853,000</u>

This project plan list required the City of Madison Heights to contribute \$416,500. Based on this large contribution requirement staff met with OCPR to discuss a change in the current lease agreement. This resulted in an amendment to the existing agreement resetting the twenty five year duration and capping the City's contribution at \$50,000 a year. In October 2022 OCPR approached the City About a lease agreement for Ambassador Park (See Below). As part of this request, OCPR requested an amendment to the Nature Center agreement removing the \$50,000 obligation, in anticipation of this change the \$50,000 has been removed from the line item and CIP.

- Ambassador Park

In October 2022, OCPR approached the City about a possible lease agreement for Ambassador Park which is located adjacent to the OCPR Red Oaks Golf Course and Red Oaks Nature Center. Based on the successful agreement the City has with OCPR for the Red Oaks Nature Center described above, the City Council approved a letter of intent for this lease. This approval paved the way for allocation of \$20 million in parks and recreation facilities county-wide with \$3 million planned for improvements in Madison Heights including Ambassador Park.

Under this agreement, OCPR will assume the management and maintenance responsibilities of Ambassador Park and provide improvements of pickleball courts, updated play structure, and "green" bathrooms. Based on this agreement the planned improvements to Ambassador Park that were previously programmed in the CIP have been removed as it will no longer the responsibility of the City of Madison Heights to maintain.

- Individual Parks Projects

During this Master Planning process, specific questions were asked about how the City should spend available funding. The residents ranked the following amenities as most important: Community Center 24% New Playgrounds 21%, Adult Outdoor Fitness Equipment 15%, Programming 12%, Park Maintenance 12% Splash pad 10%, Active Adult Center 7%, and Nature Center 4% . The City's Parks and Recreation Master Plan is in place for FY 2021-2025 with the first year of implementation being FY 2022. This plan used the resident feedback, surveys, and analysis of nearby facilities to create a "master" plan for parks and recreation projects for the next five years. This master plan is then relied upon to create the budget request and to support grant applications. Fiscal Year 2024 implements year three of this plan. Many of these projects outlined in the Master Plan were completed in FY 2022 or 2023 with a combination of grants and budgeted funds. The Master Plan items with completion status are included on the following page.

In addition to the projects outlined in the Master Plan details, the plan includes Basketball Court rehabilitation in Civic Center Park (\$88,000), Edison Park parking lot paving (\$67,000), Huffman Park irrigation of the fields (\$20,000) Rosie's Park Parking lot (\$50,000) Rosie's Park Magic Square refurbishment (\$75,000); park shelter building roof replacement (\$20,000) and a special projects allocation that is not specifically designated to one projected budget, this is budgeted to allow staff to take advantage of grant opportunities budgeted annually at \$50,000.

## Parks and Recreation Master Plan 2021-25

### Project List Stats

<u>Park</u>	<u>Proposed Improvement</u>	<u>Year</u>	<u>Cost/Est. Cost</u>
Civic Center	Rehabilitation Park Pavilions A&B	Completed 2022	\$7,500
Rosie's	Upgrade Lighting	Completed 2022	\$75,000
Edison	Replace Playscape and softfall surfacing	Completed May 2021	\$186,500
Huffman	Add Pavilion		\$30,000
System-wide	Landscaping and tree planting	On-Going Annually	\$10,000
Civic Center	Develop skate park re-use plan only not construction	FY 2027	\$100,000
Greenleaf	Replace Baseball Backstops	Completed August 2021	\$25,558
Edison	Rehabilitate Parking Lot	FY 2024	\$25,000
Ambassador	Add small pavilion with Restroom	Removed Oakland Co. Lease to be Completed FY 2023 and 2024	\$100,000
Ambassador	Resurface tennis courts	Removed Oakland Co. Lease to be Completed FY 2023 and 2024	\$30,000
Rosie's	Add covered awning over concession stand services area		\$50,000
Twelve/Sherry	Replace 12 Mile fence around Magic Square	Completed August 2021	\$16,886
Civic Center	Add Totscape and soft fall surface	Completed August 2021	\$73,500
System-wide	Upgrade Lighting	Budgeted FY 2023,2024, 2025	\$200,000
System-wide	Bike trail system (see complete streets plan)	Budgeted FY 2025	\$100,000
System-wide	Various park property purchases		\$100,000
George W. Suarez Friendship Woods	Tree Cutting – 15 year cycle	On-going Annually	\$25,000
George W. Suarez Friendship Woods	Nature Center parking lot resurfacing	FY 23-27	\$30,000
Rosie's	Purchase and install new pavilion	Budgeted FY 2023 and FY 2024	\$75,000
Rosie's	Add 9-hole disc golf course	Completed 2022	\$10,000 *
<b>Projects Completed in Addition to the Master Plan with Grant Funding</b>			
Exchange	Small Playscape (MSHDA Grant)	Completed August 2021	\$12,500 *
Edison	Replace Baseball Backstop (Progress Forward Grant)	Completed August 2021	\$15,000 *
Huffman	Fitness Court (NFC and Priority Health Grant)	Completed April 2021	\$150,000*
Rosie's	Large Playscape w/swings (GameTime Grant)	Completed October 2021	\$221,967
		<b>Total</b>	
			\$1,481,911

## Ambassador Park OCPR Improvement Plan

**Madison Heights / Ambassador Park**  
7 acres

**ARPA Proposal**

**Red Oaks County Park and Ambassador Park**

- ◆ Proposed donation of property to OCPR; value is match for ARPA funded improvements to park
- A** Tennis courts – convert to pickle ball; operational model to be determined
- B** Play structure and swing set – evaluate condition; plan for future replacement with destination play structure
- C** Soccer practice fields – develop agreement to continue present use for a time, with Madison Heights managing irrigation, striping, and scheduling. Plan to relocate teams in the future for a second phase of park development – potentially a pavilion/event/farmers market structure
- D** Open space – develop concepts for active use of this area
- E** Paved trail loop – maintain trails and connect with converted golf course trails

Oakland County Parks and Recreation site evaluation and preliminary concepts

- Walking and Bike Trails

High-priority recreational items in Madison Heights are the replacement and improvements of our current park features and amenities. Once our current facilities are brought up to an acceptable level we will be turning our focus on the development of a bike trail system. In the future, the proposed trails will connect with trails developed by Oakland County and Macomb County. Trail budgeted replacements are \$294,000 in FY 2025 and \$292,000 in FY 2026.

### **Active Adult Center Improvements**

The Active Adult Center is being rebuilt on the Civic Center Plaza as part of the overall project briefly described above in the General Government section. The current Active Adult Center has extensive maintenance issues required to the current facilities necessitating that this building be rebuilt. This rebuilding was designed around the needs of the Active Adults with separate dedicated space for programming and classes.

- Vehicle Replacements

One vehicle is included in the CIP for replacement for Active Adult Center activities. In FY 2024 a replacement SMART bus van inFY 2024.

The following pages include appropriations and revenues for Leisure and Human Services, the computer replacement plan, and 5-Year vehicle replacement plan.

**TABLE X**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**LEISURE & HUMAN SERVICES**  
**(IN THOUSANDS)**

**APPROPRIATIONS:**

LEISURE & HUMAN SERVICES	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	TOTAL APPROP.
<b>PARKS AND RECREATION</b>								
12-Sherry Park - Fence Replacement	17	0	0	0	0	0	0	0
12-Sherry Park - Playscape Replacement	0	0	0	175	0	0	0	175
12-Sherry Park - Magic Square Replacement	0	0	0	70	0	0	0	70
Civic Center Park - Pavilions A&B Improvements	8	0	0	0	0	0	0	0
Civic Center Park - Totscape, New Swings & Soft Fall Surfacing	74	0	0	0	0	0	0	0
Civic Center Park - Develop Reuse of former Skate Park Site	0	0	0	0	0	300	0	300
Civic Center Park - Playscape Replacement	0	246	0	0	0	0	0	0
Civic Center Park - Basketball Court Rehabilitation	0	0	88	0	0	0	0	88
Civic Center Park - Baseball Field Rehabilitation	0	0	0	0	0	20	0	20
Civic Center Park - Parking Lot Rehabilitation	0	0	0	0	150	0	0	150
Edison Park - Backstop Fence	15	0	0	0	0	0	0	0
Edison Park - Playscape Replacements	187	0	0	0	0	0	0	0
Edison Park - Paving Parking Lot	0	0	67	0	0	0	0	67
Exchange - Small Playscape	13	0	0	0	0	0	0	0
Gravel Park - Playscape Installation	0	0	0	0	0	125	0	125
Greenleaf Park - Backstop Fence	26	0	0	0	0	0	0	0
Huffman Park - Irrigation system for Football Field	0	0	20	0	0	0	0	20
Huffman Park - Shelter Building Furnace	0	9	0	0	0	0	0	0
Rosie's Park - North Playscape	0	223	0	0	0	0	0	0
Rosie's Park - 9-Hole Disk Golf Course	0	10	0	0	0	0	0	0
Rosie's Park - Gardenia Parking Lot	0	75	50	0	0	0	0	50
Rosie's Park - Irrigation system for Soccer Field	0	20	0	0	0	0	0	0
Rosie's Park - Pavilion	0	100	0	0	0	0	0	0
Rosie's Park - Backstop Fence	0	0	75	0	0	0	0	75
Rosie's Park - Field Rehabilitation	0	0	30	0	0	0	0	30
Rosie's Park - Magic Square Refurbishment	0	0	75	0	0	0	0	75
Park Shelter Building Roofs - Multiple Parks	0	0	20	9	12	0	0	41
Athletic Fields - Lighting Analysis and Replacement	25	200	200	200	0	0	0	400
Nature Center - Share of Capital Projects	50	50	0	0	0	0	0	0
General - Special Project Funding	0	50	50	50	50	50	50	250
Walk/Bike Path Construction	0	0	0	294	292	0	0	586
Wildwood Park - Parking Lot Rehabilitation	24	0	0	0	0	0	0	0
Events Trailer	0	25	0	0	0	0	0	0
Vehicle #474 - 2015 Ford 3/4 Ton Pick-Up with Plow	0	0	0	0	0	0	42	42
Vehicle #477 - GMC 3/4 Ton Pick-Up with Plow	0	0	0	0	0	0	42	42
Vehicle #483 - Ford F-150	0	0	0	0	0	0	32	32
Vehicle #484 - 2009 Chevy Colorado Pick-Up Truck	0	33	0	0	0	0	0	0
Vehicle #485 - 4x4 Quad-Cab Pickup Truck with Plow	0	0	0	0	42	0	0	42
Vehicle #488 - 2009 Volvo Loader	0	0	0	0	225	0	0	225
Vehicle #492 - 2015 Ford F-150	0	0	0	0	0	0	32	32
Vehicle #496 - 2015 Ford F-150	0	0	0	0	0	0	32	32
<b>ACTIVE ADULT CENTER</b>								
Vehicle #482 - Senior Van	0	0	0	0	57	0	0	57
Vehicle #480 - SMART Bus	0	0	75	0	0	0	0	75
Vehicle #471 - 2002 Blue Bird Bus	140	0	0	0	0	0	0	0
Vehicle #469 - 2010 Senior Van	0	32	0	0	0	0	0	0
<b>TOTALS</b>	\$ 562	\$ 1,073	\$ 750	\$ 798	\$ 828	\$ 495	\$ 230	\$ 3,101
Total Projects	10	10	10	6	4	4	1	25
Total Equipment	1	2	1	0	3	0	5	9

**TABLE X**  
**FY 2023-28 CAPITAL IMPROVEMENT PLAN**  
**LEISURE & HUMAN SERVICES**  
**(IN THOUSANDS)**

**REVENUES:**

LEISURE & HUMAN SERVICES	GENERAL FUND	LOCAL / MAJOR STREETS	SENIOR MILLAGE	SPECIAL ASSESS.	WATER & SEWER	OAKLAND COUNTY PARKS	OTHER REVENUES	TOTAL REVENUES
<b>PARKS AND RECREATION</b>								
12-Sherry Park - Fence Replacement	0	0	0	0	0	0	0	0
12-Sherry Park - Playscape Replacement	0	0	0	0	0	0	175	175
12-Sherry Park - Magic Square Replacement	0	0	0	0	0	0	70	70
Civic Center Park - Pavilions A&B Improvements	0	0	0	0	0	0	0	0
Civic Center Park - Totscape, New Swings & Soft Fall Surfacing	0	0	0	0	0	0	0	0
Civic Center Park - Develop Reuse of former Skate Park Site	300	0	0	0	0	0	0	300
Civic Center Park - Playscape Replacement	0	0	0	0	0	0	0	0
Civic Center Park - Basketball Court Rehabilitation	88	0	0	0	0	0	0	88
Civic Center Park - Baseball Field Rehabilitation	20	0	0	0	0	0	0	20
Civic Center Park - Parking Lot Rehabilitation	150	0	0	0	0	0	0	150
Edison Park - Backstop Fence	0	0	0	0	0	0	0	0
Edison Park - Playscape Replacements	0	0	0	0	0	0	0	0
Edison Park - Paving Parking Lot	67	0	0	0	0	0	0	67
Exchange - Small Playscape	0	0	0	0	0	0	0	0
Gravel Park - Playscape Installation	125	0	0	0	0	0	0	125
Greenleaf Park - Backstop Fence	0	0	0	0	0	0	0	0
Huffman Park - Irrigation system for Football Field	20	0	0	0	0	0	0	20
Huffman Park - Shelter Building Furnace	0	0	0	0	0	0	0	0
Rosie's Park - North Playscape	0	0	0	0	0	0	0	0
Rosie's Park - 9-Hole Disk Golf Course	0	0	0	0	0	0	0	0
Rosie's Park - Gardenia Parking Lot	50	0	0	0	0	0	0	50
Rosie's Park - Irrigation system for Soccer Field	0	0	0	0	0	0	0	0
Rosie's Park - Backstop Fence	75	0	0	0	0	0	0	75
Rosie's Park - Field Rehabilitation	30	0	0	0	0	0	0	30
Rosie's Park - Magic Square Refurbishment	75	0	0	0	0	0	0	75
Park Shelter Building Roofs - Multiple Parks	41	0	0	0	0	0	0	41
Athletic Fields - Lighting Analysis and Replacement	400	0	0	0	0	0	0	400
Nature Center - Share of Capital Projects	0	0	0	0	0	0	0	0
General - Special Project Funding	250	0	0	0	0	0	0	250
Walk/Bike Path Construction	292	0	0	0	0	0	294	0
Vehicle #474 - 2015 Ford 3/4 Ton Pick-Up with Plow	42	0	0	0	0	0	0	42
Vehicle #477 - GMC 3/4 Ton Pick-Up with Plow	42	0	0	0	0	0	0	42
Vehicle #483 - Ford F-150	32	0	0	0	0	0	0	32
Vehicle #484 - 2009 Chevy Colorado Pick-Up Truck	0	0	0	0	0	0	0	0
Vehicle #485 - 4x4 Quad-Cab Pickup Truck with Plow	42	0	0	0	0	0	0	42
Vehicle #488 - 2009 Volvo Loader	225	0	0	0	0	0	0	225
Vehicle #492 - 2015 Ford F-150	32	0	0	0	0	0	0	32
Vehicle #496 - 2015 Ford F-150	32	0	0	0	0	0	0	32
<b>ACTIVE ADULT CENTER</b>								
Vehicle #482 - Senior Van	0	0	57	0	0	0	0	57
Vehicle #480 - SMART Bus	0	0	75	0	0	0	0	75
<b>Totals</b>	<b>\$ 2,430</b>	<b>\$ 0</b>	<b>\$ 132</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 294</b>	<b>\$ 245</b>	<b>\$ 3,101</b>

**TABLE XI**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**CAPITAL IMPROVEMENT IMPACTS ON ANNUAL OPERATING COSTS**

Utilization Legend:									Condition
	= Miles/Hours 67% or More of Group Average								Excellent (0 -17)
	= Miles/Hours Between 33% and 67% of Group Average								Good (18 - 22)
	= Miles/Hours Less than 33% of Group Average								Fair (23 - 27)
									Poor (28+)
Vehicle	Department / Division	Make / Model	Model Year	Vehicle Group	Oct. 2021 Miles/Hrs.	Miles/Hrs. as % of Group Avg.	Years of Service	Avg. Miles/Hrs. per Year	As of 10/1/2021
100	PD-Detective	Ford Fusion	2014	Sedan	64,631	206%	9.4	6,878	19
101	PD-Admin	GMC Terrain	2018	Sedan	29,819	95%	4.4	6,723	11
102	PD-Radar	Ford Interceptor Utility	2019	Patrol Car	38,763	105%	3.5	11,044	19
103	PD-Radar	Dodge Durango Pursuit	2021	Patrol Car	8,933	24%	1.8	4,892	11
104	PD-Patrol	Ford Interceptor Utility	2018	Patrol Car	60,074	163%	4.4	13,544	24
105	PD-Patrol	Dodge Durango Pursuit	2021	Patrol Car	4,679	13%	1.7	2,730	17
106	PD-Patrol	Dodge Durango Pursuit	2021	Patrol Car	12,645	34%	1.8	7,030	16
107	PD-Patrol	Ford Interceptor Utility	2018	Patrol Car	63,124	171%	4.4	14,232	27
108	PD-Patrol	Ford Interceptor Utility	2020	Patrol Car	24,426	66%	2.6	9,521	15
109	PD-Patrol	Ford Interceptor	2016	Patrol Car	76,447	207%	6.2	12,366	30
110	PD-Patrol	Ford Interceptor Utility	2020	Patrol Car	27,483	75%	2.6	10,402	15
111	PD-Patrol	Ford Interceptor Utility	2017	Patrol Car	5,459	15%	6.1	892	10
112	PD-A.I.T.	Ford SSV Pickup Truck	2016	Patrol Car	83,103	225%	6.4	12,916	33
113	PD-A.I.T.	Dodge Durango Pursuit	2021	Patrol Car	9,893	27%	1.9	5,192	12
114	PD-Patrol Sup.	Ford Interceptor Utility	2019	Patrol Car	65,477	178%	4.4	14,763	26
116	PD-Canine Unit	Ford Interceptor Utility	2017	Patrol Car	52,756	143%	5.6	9,418	25
117	PD-Mtr. Carrier	Ford Interceptor Utility	2020	Patrol Car	19,739	54%	2.7	7,195	14
119	PD-Animal CTL	Chevy G20 Van	2012	Unique or Non-Metered	55,494	N/A	11.2	4,962	29
121	PD-Admin	Ford Interceptor Utility	2015	Sedan	76,142	242%	8.3	9,209	25
122	PD-Admin	Chrysler 200	2016	Sedan	13,478	43%	7.3	1,854	16
123	PD-Detective	Dodge Journey	2015	Sedan	46,093	147%	8.3	5,575	21
125	PD-Detective	Ford Escape	2021	Sedan	440	1%	1.7	254	9
126	PD-Detective	Dodge Durango	2019	Sedan	43,511	138%	4.4	9,810	16
133	PD-Detective	Ford Edge	2020	Sedan	4,500	14%	2.8	1,588	10
138	PD-SIU	Undercover	2016	Sedan	42,439	135%	6.4	6,582	19
140	PD-Reserves Sgt.	Ford Interceptor Utility	2018	Reserves Patrol Car	100,000	98%	20.0	4,998	24
141	PD-Reserves	Ford Interceptor	2013	Reserves Patrol Car	82,839	81%	10.3	8,069	27
142	PD-Reserves	Ford Crown Victoria	2010	Reserves Patrol Car	127,134	125%	13.3	9,582	36
143	PD-Reserves	Ford Interceptor Utility	2014	Reserves Patrol Car	112,770	111%	19.8	5,696	31
144	PD-Reserves	Ford Crown Victoria	2008	Reserves Patrol Car	105,373	103%	14.9	7,089	34
145	PD-Reserves	Ford Crown Victoria	2011	Reserves Patrol Car	100,000	98%	12.3	8,151	32
146	PD-Reserves	Dodge Diplomat (Historical)	1989	Reserves Patrol Car	82,263	81%	34.3	2,399	49
147	PD-Reserves	Ford Interceptor Utility	2015	Reserves Patrol Car	105,373	103%	16.8	6,289	29
160	PD-Patrol	Harley Davidson	2007	Motorcycle	3,102	53%	15.9	196	24
161	PD-Patrol	Harley Davidson	2007	Motorcycle	8,622	147%	15.9	544	26
170	PD-Patrol	Peace Keeper A.P.C.	1983	Unique or Non-Metered	26,581	N/A	22.5	1,181	35
261	Streets	Concrete Drop Hammer	1999	Unique or Non-Metered	662	N/A	23.5	28	29
300	Sewer	Doosan Trailer Air Compressor	2017	Unique or Non-Metered	40	N/A	5.7	7	8
320	Motorpool	Clark Fork Lift	1997	Unique or Non-Metered	3,332	N/A	25.5	130	45
330	Streets	175 CFM Compressor	2004	Unique or Non-Metered	939	N/A	19.1	49	27
339	Streets	Cement Saw Dimas	2006	Unique or Non-Metered	134	N/A	16.8	8	21
351	Solid Waste	Leaf Loader Trailer	2007	Leaf Loader	2,294	119%	15.6	147	28
352	Solid Waste	Leaf Loader Trailer	1999	Leaf Loader	2,035	105%	23.4	87	36
353	Solid Waste	Leaf Loader Trailer	2021	Leaf Loader	4	0%	1.4	3	4
354	Solid Waste	Leaf Loader Trailer	2001	Leaf Loader	3,108	161%	21.5	145	36
355	Solid Waste	Leaf Loader Trailer	2001	Leaf Loader	2,296	119%	21.7	106	34
357	Solid Waste	Leaf Loader Trailer	2007	Leaf Loader	1,859	96%	15.6	119	26
364	Parks	Polaris ATV	2011	Unique or Non-Metered	193	N/A	12.3	16	17
369	Streets	Asphalt Roller Vibrator	1999	Unique or Non-Metered	252	N/A	23.5	11	27
377	Water	Doosan Light Tower/Generator	2021	Unique or Non-Metered	6	N/A	1.9	3	5
402	Solid Waste	Street Sweeper Crosswind	2017	Sweeper	2,831	84%	5.4	525	24
404	Water	4 YD. Volvo Loader	2019	Wheel Loader / Hours	2,133	99%	4.4	481	20
405	Water	3 YD. Volvo Loader	2021	Wheel Loader / Hours	10	0%	1.6	6	8
406	Solid Waste	Brush Bandit Chipper	2006	Chipper	2,000	140%	16.9	118	36
407	Streets	CAT Backhoe	2003	Backhoe / Hours	3,125	151%	19.6	160	41
408	Solid Waste	Street Sweeper Whirlwind	2012	Sweeper	3,935	116%	10.7	367	37
409	Streets	CAT Loader 3 Yrd	2003	Wheel Loader / Hours	3,819	176%	19.6	195	44
410	Solid Waste	Morbark Brush Chipper	2019	Chipper	852	60%	3.9	218	14
415	Streets	GMC Stake Truck	2002	Single Axle Dump	27,349	100%	19.4	1,410	32
416	Motor Pool	Chevy Impala	2015	Sedan	35,228	112%	8.3	4,261	15
417	Streets	Tandem Dump Truck	2016	Tandem Axle Dump	14,734	74%	6.9	2,150	18
418	Streets	Tandem Dump Truck	2017	Tandem Axle Dump	14,333	72%	5.9	2,436	17
419	Streets	Tandem Dump Truck	2021	Tandem Axle Dump	3,174	16%	2.9	1,113	11
420	Streets	GMC 3/4 Ton Pickup	2016	4wd Pick-Up	18,511	59%	7.3	2,531	15
422	Water	Tandem Dump Truck	2019	Tandem Axle Dump	5,276	27%	3.6	1,461	12
423	Water	Chevy 3/4 Ton Pickup	2017	4wd Pick-Up	26,839	85%	6.1	4,402	17

**TABLE XI**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**CAPITAL IMPROVEMENT IMPACTS ON ANNUAL OPERATING COSTS**

Utilization Legend:									Condition
	= Miles/Hours 67% or More of Group Average								Excellent (0 - 17)
	= Miles/Hours Between 33% and 67% of Group Average								Good (18 - 22)
	= Miles/Hours Less than 33% of Group Average								Fair (23 - 27)
									Poor (28+)
Vehicle	Department / Division	Make / Model	Model Year	Vehicle Group	Oct. 2021 Miles/Hrs.	Miles/Hrs. as % of Group Avg.	Years of Service	Avg. Miles/Hrs. per Year	As of 10/1/2021
424	Solid Waste	Single Axle Dump	2003	Single Axle Dump	31,549	116%	19.2	1,642	34
425	Streets	Single Axle Dump	2003	Single Axle Dump	27,268	100%	19.1	1,427	34
426	Streets	Single Axle Dump	2003	Single Axle Dump	16,435	60%	19.0	864	31
429	Streets	Platform Truck	2016	Unique or Non-Metered	6,276	N/A	6.7	933	14
430	Motorpool	Chevy 3/4 Ton Pickup	2021	4wd Pick-Up	10	0%	1.7	6	6
431	Streets	GMC One Ton Dump Truck	2013	1 Ton Dump	27,082	99%	10.1	2,692	23
432	Streets	Ford 3/4 Ton Pickup/Plow	2015	4wd Pick-Up	24,780	79%	8.6	2,879	17
433	Streets	Tandem Dump Truck	2003	Tandem Axle Dump	52,003	261%	19.3	2,690	40
434	Motorpool	Chevy Pickup	2007	2wd Pick-Up	64,004	160%	15.8	4,049	27
435	Streets	Van Building Mnt.	2013	Van	64,007	175%	9.8	6,552	21
436	Streets	Chevy 3/4 Ton Pickup/Plow	2004	4wd Pick-Up	84,016	211%	19.5	4,317	39
438	Streets	2017 Toolcat Utility Vehicle	2017	Unique or Non-Metered	519	N/A	5.4	95	13
443	Senior Citizn.	25 Passenger Bus Ford	2020	Bus	1,095	4%	2.5	436	5
444	Recreation	GMC Van	2015	Van	7,532	21%	8.3	911	12
453	Water	GMC Cargo Van	2013	Van	40,094	109%	10.2	3,926	18
455	Water	John Deere Backhoe	2006	Backhoe / Hours	1,013	49%	17.1	59	29
457	Water	Chevy 3/4 Ton Pickup/Plow	2021	4wd Pick-Up	592	2%	1.7	351	7
458	Water	Ram ProMaster	2018	Cube Van	4,173	100%	4.4	941	10
460	Sewer	Ford F250 3/4 Ton Pickup	2010	4wd Pick-Up	54,179	172%	13.5	4,011	27
461	Sewer	GMC Cargo Van	2013	Van	39,731	108%	10.2	3,891	17
462	Sewer	GMC One Ton Dump Truck	2012	1 Ton Dump	18,535	67%	11.0	1,691	22
463	Sewer	Ford 3/4 Ton Pickup/Plow	2015	4wd Pick-Up	44,940	113%	8.6	5,221	20
464	Water	Tandem Axle Dump	2014	Tandem Axle Dump	29,929	150%	8.4	3,548	22
465	Sewer	Sterling Vactor	2003	Sewer Vactor	39,910	176%	19.5	2,049	40
468	Sewer	Western Star GapVax	2017	Sewer Vactor	5,564	24%	5.9	943	14
469	Senior Citizn.	Ford Van	2010	Bus	42,700	146%	13.5	3,169	21
471	Senior Citizn.	Blue Bird Bus	2002	Bus	31,935	109%	21.6	1,478	35
473	Parks	GMC 3/4 Ton Pickup/Plow	2016	4wd Pick-Up	25,097	80%	7.3	3,432	17
474	Parks	Ford 3/4 Ton Pickup/Plow	2015	4wd Pick-Up	39,255	125%	8.2	4,771	20
475	Parks	Ford 3/4 Ton Pickup/Plow	2019	4wd Pick-Up	9,365	30%	3.4	2,726	11
477	Parks	GMC 3/4 Ton Pickup	2014	2wd Pick-Up	48,919	155%	8.9	5,496	21
479	Solid Waste	Single Axle Dump	2014	Single Axle Dump	14,331	52%	8.4	1,707	19
480	Senior Citizn.	Smart Bus	2017	Bus	24,105	83%	6.4	3,747	15
481	Streets	Chevy 1 Ton Dump Truck	2006	1 Ton Dump	36,820	134%	17.0	2,172	33
482	Senior Citizn.	GMC Van	2013	Bus	51,550	176%	10.3	5,020	20
483	Code Enforce	Ford F-150	2015	2wd Pick-Up	35,817	90%	8.3	4,332	15
484	Parks	Chevy Colorado Pickup	2009	4wd Pick-Up	18,977	60%	13.8	1,375	22
485	Parks	GMC Pickup	2013	4wd Pick-Up	27,607	88%	10.3	2,691	19
488	Parks	Volvo Loader	2003	Wheel Loader / Hours	2,693	124%	19.3	140	39
489	Parks	Tractor Mower	1969	Unique or Non-Metered	4,950	N/A	54.2	91	80
492	CDD Inspec.	Ford F-150	2015	2wd Pick-Up	30,607	77%	8.3	3,702	16
493	DPS Director	Ford Explorer	2015	Sedan	13,700	44%	8.3	1,657	12
494	Water	GMC Cargo Van	2015	Van	31,746	87%	8.3	3,839	14
495	CED	Ford F-150	2019	2wd Pick-Up	1,801	5%	4.4	406	9
496	CDD Inspec.	Ford F-150	2015	2wd Pick-Up	58,209	146%	8.3	7,040	17
500	CDD ED./Sup.	Ford Focus	2015	Sedan	10,401	33%	8.2	1,271	12
513	Solid Waste	Ford 3/4 Ton Pickup/Plow	2007	4wd Pick-Up	66,289	166%	15.0	4,409	29
525	Solid Waste	Chipper Truck	2004	Single Axle Dump	46,882	160%	19.0	2,465	38
530	Senior Citizn.	Smart Bus	2017	Bus	23,892	82%	6.4	3,709	15
551	Motor Pool	Em. Gen. Police	2004	Unique or Non-Metered	N/A	18.6	-	-	
552	Motor Pool	Em. Gen. DPS	2006	Unique or Non-Metered	N/A	16.8	-	-	
553	Motor Pool	Em. Gen. Fire Sta. 2	2004	Unique or Non-Metered	N/A	16.8	-	-	
554	Motor Pool	Em. Gen. Portable-1 / 1986 Trailer	1975	Unique or Non-Metered	N/A	48.2	-	-	
555	Motor Pool	Em. Gen. Portable-2	2004	Unique or Non-Metered	N/A	18.0	-	-	
700	Fire	Chevy Trail Blazer	2008	Sedan	0%	15.2	-	-	
550	Motor Pool	Generator - Fire Station 1	2004	Generator	1,048	179%	7.2	146	32
551	Motor Pool	Generator - Police	2006	Generator	193	33%	8.9	22	26
552	Motor Pool	Generator - DPS	2006	Generator	995	170%	15.7	64	29
553	Motor Pool	Generator - Fire Station 2	2004	Generator	236	40%	21.6	11	30
554	Motor Pool	Generator - Portable 1	1975	Generator	834	143%	15.7	53	59
555	Motor Pool	Generator - Portable 2	2005	Generator	199	34%	21.6	9	27
700	Fire	Ford Interceptor Utility	2016	Sedan	85,406	272%	7.2	11,888	21
701	Fire	GMC 3/4 Ton Pickup	2015	Sedan	30,788	98%	8.9	3,460	18
702	Fire	Chevy Silverado 2500 Pickup	2021	Sedan	1,233	3%	1.8	671	9
704	Fire	Chevy Pickup 3500	2001	Sedan	36,368	116%	21.6	1,681	35
710	Fire	Ambulance Rescue Truck (R7X)	2011	Rescue	100,795	129%	11.4	8,880	42

**TABLE XI**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**CAPITAL IMPROVEMENT IMPACTS ON ANNUAL OPERATING COSTS**

<b>Utilization Legend:</b>									<b>Condition</b>
									Excellent (0-17)
									Good (18 - 22)
									Fair (23 - 27)
									Poor (28+)
<b>Vehicle</b>	<b>Department / Division</b>	<b>Make / Model</b>	<b>Model Year</b>	<b>Vehicle Group</b>	<b>Oct. 2021 Miles/Hrs.</b>	<b>Miles/Hrs. as % of Group Avg.</b>	<b>Years of Service</b>	<b>Avg. Miles/Hrs. per Year</b>	<b>As of 10/1/2021</b>
711	Fire	Ambulance Rescue Truck (R72)	2019	Rescue	42,780	55%	4.1	10,410	22
713	Fire	Ambulance Rescue Truck (R71)	2015	Rescue	90,207	116%	7.3	12,410	33
721	Fire	Sutphen Pumper (E72)	2020	Fire Engine	18,979	46%	2.9	6,448	14
722	Fire	Sutphen Pumper (E71)	2019	Fire Engine	19,386	47%	3.5	5,519	15
723	Fire	Pumper Pierce (E7X)	2007	Fire Engine	86,580	208%	15.8	5,479	45
730	Fire	Aerial Ladder E-One (T71)	1998	Unique or Non-Metered	24,660	N/A	25.2	979	39

**TABLE XII**  
**FY 2022-27 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**COMPUTER REPLACEMENT PLAN**

Department/Division	Description	Year Purchased	Asset Tag	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Active Adult Center	1105	2001	1105						N
Active Adult Center	1109	2012	1109						N
Active Adult Center	1110	2012	1110						N
Active Adult Center	1111	2012	1111						N
Active Adult Center	1112	2012	1112						
Active Adult Center	1148 SENIORHEAD-DT	2017	1148						N
Active Adult Center	SC-FRONT-DT	2001				R		R	
Animal Control	1002 ANIMALCONTRL	2001	1002			R		R	
CDD	1012 CDD-SCAN	2010	1012						
CDD	1013 ELECTRICALINSP	2010	1013						N
CDD	1016 CDDSUPER-PC	2010	1016						
CDD	1016 SENIORCENTER-PC	2001	1016			N		N	
CDD	1021 CDD-SCAN-DT	2014	1021						
CDD	1023 CDDCOUNTER-PC	2010	1023			N		N	
CDD	CDD-DT	2018	1067						
CDD	1149 CDD-LWILLIAM-DT	2016	1149			N		N	
CDD	1155 CDDDON-DT	2017	1155			N		N	
CDD	CDD- LT	2015				N		N	
CDD	CH-CDD-LT-BH	2019			N				R
CDD	CH-CDD-TEST1	2019			N				R
CDD	CH-CDD-TEST2	2019			N				
CDD	CH-CDD-TEST3	2019			N				
CDD	CH-CDD-TEST4	2019				N			
CDD	CH-CDD-TEST5	2019			N				
CDD	CH-CDD-TEST6	2019			N				
CDD	CH-CDD-FRD2	2021						N	
CDD	DESKTOP-UQJNS1E	2017							
Clerk	CH-CLK-MGMT-LT	2021	2056					N	
Clerk	CH-CLK-LT-01	2021	2054					N	
Clerk	CH-CLK-DT-01	2021	2055					N	
Clerk	1122 SPARE7-LT	2014	1122	R					N
Clerk	CL-DIRECTOR-DT	2019		N					
Clerk	CL-ROMONA-DT	2015				N		N	
Clerk	HR-DT	2018		N					
Code Enforcement	CDD-CODE-LT	2017		N					N
Code Enforcement	CODEENFORCE	2016				N		N	
Community Development	CDD-GIS-DT	2017				N		N	
City Council	CC Laptop	2019						N	
City Council	CC Laptop	2019						N	
City Council	CC Laptop	2019						N	
City Council	CC Laptop	2019				N			
City Council	CC Laptop	2019				N			
City Council	CC Laptop	2019				N			
City Council	CH-SPARE-LT-04	2021							N
City Council	CH-SPARE-LT-03	2021							
City Council	CC Laptop	2019				N			
Court	1220 COURT	2018	1220						
Court	1223 CT-DT	2018	1223						
Court	1224 CT-DT	2018	1224						
Court	1225 CT-DT	2018	1225						R
Court	1245 CT-DT	2018	1245	N					R
Court	1251 CT-DT	2018	1251	N					
Court	1253 CT-DT	2017	1253						
Court	1255 CT-DT	2018	1255			N			
Court	1256 CT-DT	2018	1256			N			
Court	1260 CT-DT	2018	1260	N					
Court	1269 CT-DT	2018	1269	N					
Court	CT-COUNTER-DT	2018		R					N
DPS	1045 DPS-SIGN-LT	2014	1045						
DPS	1102 DPS-SIGN-DT	2014	1102			N		N	
DPS	1104 MOTORPOOL2-PC	2012	1104						
DPS	DPS-TBD-LT-02	2021	2059					N	
DPS	DPS-TBD-LT-01	2021	2057					N	
DPS	DPS-TBD-LT-04	2021	2060					N	R
DPS	DPS-TBD-LT-03	2021	2058					N	
DPS	DPS-TBD-LT-05	2021	2061					N	
DPS	DPS-TBD-LT-06	2021	2062					N	
DPS	DPS-TBD-LT-07	2021	2063					N	
DPS	DPS-TBD-LT-08	2021	2067					N	
DPS	1115 DPS-MOTOR-DT	2015	1115	R					N
DPS	1153 WATER-DT	2016	1153			N		N	
DPS	1156 WATERSUPERVISOR	2013	1156						
DPS	DESK-SIGN-PC	2016				N		N	
DPS	DPS South - USH728L0VR	2017				N			
DPS	DPS-	2016				N		N	

**TABLE XII**  
**FY 2022-27 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**COMPUTER REPLACEMENT PLAN**

Department/Division	Description	Year Purchased	Asset Tag	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
DPS	DPS-DIR-LT	2018		N					
DPS	DPS-PC-DT	2001			N			N	
DPS	DPS-JVJR-LT	2015							
DPS	DPS-LT-01	2017						N	
DPS	DPS-LT	2015							
DPS	DPS-SEWER-DT	2018		N					
DPS	DPS-SEWER-LT	2017						N	
DPS	DPS-SUPER-LT	2015							N
DPS	REC-PC	2001							
Finance	1257 FIN	2018	1257	N					N
Finance	5GC8494RS8	2018		N					
Finance	FIN - New1	2019				N			
Finance	FIN - NEW2	2019				N			
Finance	FIN - NEW3	2019				N			
Finance	FIN - NEW4	2019				N			
Finance	FIN - NEW5	2019				N			
Finance	FIN - NEW6	2019				N			
Finance	FIN - NEW7	2019				N			
Finance	FIN-COUNTER-DT1	2019			N				
Finance	FIN-DIRECTOR-LT	2018							
Finance	FIN-DIR-LT	2018			N				
Finance	FIN-DTDIR-LT	2018					N		
Finance	SPARE6-LT	2013		N					
Fire	1095 FS1-CAD-LT	2011	1095				N		
Fire	1114 FS1-WATCH1-DT	2015	1114						N
Fire	1191 FIREDEPT3	2001	1191						N
Fire	1216 FS1-WATCH2-DT	2017	1216			N			
Fire	1218 FS2-WATCH1-DT	2017	1218			N			
Fire	1258 FS1-LTOFFICE-DT	2017	1258			N			
Fire	2196 FS-WATCH1-DT	2017	2196			N			
Fire	DESKTOP-BTEPNS9	2107				N			
Fire	FIREDEPT	2013							
Fire	FIREDEPT3	2001	1191			N		R	N
Fire	FS1-CHIEF-LT-1	2001							
Fire	TRAININGROOM-PC	2001							N
Human Resources	1154 HR-LT	2015	1154						N
Library	2001 LIB-DT-01	2018	2001	N					
Library	2002 LIB-DT-02	2015	2002						
Library	2003 LIB-DT-03	2018	2003	N					
Library	LIB-CIRASST-DT	2018		N					
Manager	1145 FIN-BARB-DT	2015	1145			N		N	
Manager	1226 GENERIC-DT-01	2016	1226			R		N	
Manager	1227 HR-TDT	2015	1227			N		N	
Manager	CM-SOLTIS-LT	2017							
Manager	VOTE2-SPARE	2016				N		N	
Police	1050 PD-IDs-DT	2001	1050						
Police	1063 PD-AFFECTEAU-DT	2001	1063						N
Police	1069 PDBACKGROUND	2001	1069						
Police	1072 PD-DT1-PC	2001	1072						N
Police	1076 POLICELOCATER1	2001	1076						N
Police	1087 FRONTDESK	2001	1087			R		R	
Police	1154 PD-DB-DT-05	2016	1154			N		N	
Police	1197 PD-ADMIN-DT-01	2018	1197	N					
Police	1206 PD-RPTWRT-2	2017	1206						N
Police	1209 PD-RPTWRT-5	2017	1209						N
Police	1212 PD-DEPUTYCHIEF-DT	2017	1212						
Police	1213 Pd-hirst-dt-01	2015	1213			N			
Police	1240 PD-CHIEF-LT	2015	1240	N					
Police	1241 POLICERECORDS4	2014	1241			N			
Police	1249 GENERIC-DT-05	2016	1249			R		R	
Police	1250 PD-SGTOFFICE1	2016	1250			N		N	
Police	1259 PD-DB-DT4	2018	1259	N					
Police	1261 PD-SIU-DT1	2018	1261	N					
Police	1263 PD-SIU-DT2	2018	1263	N					
Police	2004 PD-REC-DT2	2016	2004						N
Police	2005 PD-REC-DT-03	2015	2005			N		N	
Police	2197 MADHTS-MI-POS47	2015	2197						
Police	2198 PD-RPTWRT-3	2017	2198						
Police	2199 PD-RPTWRT-4	2017	2199						
Police	2200 PD-SIU-DT3	2018	2200	N					
Police	2201 CT-CTADMIN-DT	2017	2201						
Police	DISPATCH-CENTER	2017				N			N
Police	Equature Radio communication server								
Police	PD-DAYLT-DT	2018	30	N					N
Police	PD-DB-DT-03	2018		N					N

**TABLE XII**  
**FY 2022-27 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**COMPUTER REPLACEMENT PLAN**

Department/Division	Description	Year Purchased	Asset Tag	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Police	PD-HIRST-DT-01	2017							
Police	PD-LTDESK1-DT	2001							
Police	PD-PROPERTY-DT	2018		N					
Police	PDR-FRONT-DT	2017		N					
Police	PD-SILADKE-DT	2001							
Police	PD-TRAIN-DT1	2015				N		R	
Police	POLICETRAINING1	2013							
Police	PD-ChiefH-LT-01	2021					N		
Police	PD-SGT-DT-01	2021	2043				N		
Police	PD-TBC2-DT	2021	2045				N		
Police	PD-DB-DT-06	2021	2046				N		
Police	PD-RECORD2-DT	2021	2047				N		
Police	PD-ES-DT-01	2021	2048				N		
Police	PD-SGTSCO-DT-01	2021	2044				N		
Police	PD-LTBAR-DT-01	2021	2042				N		
Police	PD-YB-PC-01	2021	2041				N		
Police	SR-EXTRAPC	2001							
Technology	2194 CH-IT-DT1	2015	2194						
Technology	2195 CH-IT-DT-06	2015	2195						
Technology	ITSUPPORT	2011							
Technology	MSYRUP	2012		N					
Technology	PD-ADMIN-DT-01	2016				N		N	
Technology	1152 DT	2016	1152		N	N			
Technology	2202 DB-DT	2017	2202						
Technology	DESKTOP-DRVF3GK	2017		N	-				
Technology	PSPEC3458	2001							R
Main Library	Adult Internet	2019		N					
Main Library	Adult Internet	2019							
Main Library	Adult Internet	2019		N					
Main Library	Adult Internet	2019							
Main Library	Adult Internet	2019		N					
Main Library	Adult Internet	2020					N		
Main Library	Adult Internet	2020				N			
Main Library	Adult Internet	2020					N		
Main Library	Staff-Counter Side	2020					N		
Main Library	Staff-Backroom East	2020					R		
Main Library	Print Release / Express	2020					N		
Main Library	Child Room Internet	2019			N				
Main Library	Child Room Internet	2019			N				
Main Library	Child Room Internet	2019			N				
Main Library	Child Room Internet	2019			N				
Main Library	Staff-Counter South	2019		N					
Main Library	Adult Internet	2019			N				
Main Library	Adult Internet	2019			N				
Main Library	Adult Internet	2019			N				
Main Library	Adult Internet	2019		N	N				
Main Library	Child Public	2018					N		N
Main Library	Staff-Librarian	2018				N			N
Main Library	Staff-Adult Librarian	2018							
Main Library	Staff-Adult Reference	2018							
Main Library	Staff-Adult Reference	2018							
Main Library	Staff-Counter North	2018				R			
Main Library	Staff-Library Tech.	2018				N			N
Main Library	Staff-Youth Staff	2018				N			N
Main Library	Staff-Circulation Ass't	2018							
Main Library	Staff-Serials- Backroom	2018				R			
Main Library	Adult Public	2016				N		N	
Main Library	Adult Public Cat.	2016				R		N	
Main Library	Child Catalog	2016				R			
Main Library	New Laptop					N		N	
Main Library	New Laptop						N		
Main Library	New Laptop						N		
Rotated					3	0	10	6	6
New					33	27	48	24	34
									25

## **IMPACT OF CAPITAL IMPROVEMENT PLAN ON THE OPERATING BUDGET**

The Capital Improvement Plan impacts the operating budget of the City in many different ways depending on the nature of the capital improvement item. A capital improvement can be a new asset to the City that would increase the need for such things as maintenance, utilities and insurance. A capital improvement can also be expanding or replacing a current asset and may result in savings.

Capital Improvement Projects must include impacts on the general operating budget when the project is submitted. Assumptions used in determining the estimated impact are noted for each project. These impacts are reviewed by Administration before projects are recommended to Council as part of the five year Capital Improvement Plan.

Much of the capital maintenance program is coordinated by the Department of Public Services (DPS), which oversees or provides routine maintenance for streets, buildings, equipment and public property. The City uses a combination of contract and City work forces to perform basic routine maintenance such as motor pool, mowing and weed control. Staff uses historical costs of similar items to estimate labor and service contract costs to determine the estimated operating expenditures for the projects being proposed in the upcoming year.

The pages that follow present the operating budget considerations that were reviewed when deciding to include each project in the Capital Improvement Plan. Calculations are included for projects being proposed in FY 2024. Projects included in the plan in years beyond FY 2025 are concepts only and impacts on operating budgets are subject to change.

**TABLE XIV**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**CAPITAL IMPROVEMENT IMPACTS ON ANNUAL OPERATING COSTS**

<b>Neighborhood Projects - Table III</b>		
<b>Project Description</b>	<b>Hampden Street (Andover Ave to W. Greig</b>	<b>Department : Department of Public Services</b>
Funding Type Water and Sewer Fund Proposal R-3 Millage	\$ - 273,000 <i>FY 2024</i>	
<b>Total Funding Amount</b>	<b>\$ 273,000</b>	
Type: Project Details	Replacement of current capital asset. Road only no watermain work is included. See the Neighborhood Roads section	
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>	<b>Brettonwoods Street (Andover Ave to W. Greig Ave)</b>	<b>Department : Department of Public Services</b>
Funding Type Water and Sewer Fund Proposal R-3 Millage	\$ - 273,000 <i>FY 2024</i>	
<b>Total Funding Amount</b>	<b>\$ 273,000</b>	
Type: Project Details	Replacement of current capital asset. Road only no watermain work is included. See the Neighborhood Roads section	
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>	<b>Brettonwoods Street (W. Greig Ave to Eleven Mile Rd)</b>	<b>Department : Department of Public Services</b>
Funding Type Water and Sewer Fund Proposal R-3 Millage	\$ - 292,000 <i>FY 2024</i>	
<b>Total Funding Amount</b>	<b>\$ 292,000</b>	
Type: Project Details	Replacement of current capital asset. Road only no watermain work is included. See the Neighborhood Roads section	
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>	<b>Dartmouth Street (Andover Ave. to W. Greig Ave)</b>	<b>Department : Department of Public Services</b>
Funding Type Water and Sewer Fund Proposal R-3 Millage	\$ - 275,000 <i>FY 2024</i>	
<b>Total Funding Amount</b>	<b>\$ 275,000</b>	
Type: Project Details	Replacement of current capital asset. Road only no watermain work is included. See the Neighborhood Roads section	
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>	<b>Barrington Street (Andover Ave to W. Greig Ave)</b>	<b>Department : Department of Public Services</b>
Funding Type Water and Sewer Fund Proposal R-3 Millage	\$ 275,000 <i>FY 2024</i>	
<b>Total Funding Amount</b>	<b>\$ 275,000</b>	
Type: Project Details	Replacement of current capital asset See the Neighborhood Roads section	
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>	<b>Palmer Street ( W. Greig Ave to 11 Mile Road)</b>	<b>Department : Department of Public Services</b>
Funding Type Water and Sewer Fund Proposal R-3 Millage	\$ 293,000 <i>FY 2024</i>	
<b>Total Funding Amount</b>	<b>\$ 293,000</b>	
Type: Project Details	Replacement of current capital asset. See the Neighborhood Roads section	
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>	<b>Alger Street (W. Greig Ave to Eleven Mile Road)</b>	<b>Department : Department of Public Services</b>
Funding Type Water and Sewer Fund Proposal R-3 Millage	\$ - 293,000 <i>FY 2024</i>	
<b>Total Funding Amount</b>	<b>\$ 293,000</b>	
Type: Project Details	Replacement of current capital asset. Road only no watermain work is included. See the Neighborhood Roads section	
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.	

**TABLE XIV**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**CAPITAL IMPROVEMENT IMPACTS ON ANNUAL OPERATING COSTS**

<b>Project Description</b>		<b>Alger Street (Andover Ave to W. Greig Ave)</b>	<b>Department : Department of Public Services</b>
Funding Type			
Water and Sewer Fund	\$	-	
Proposal R-3 Millage		275,000	FY 2024
<b>Total Funding Amount</b>		<b>\$ 275,000</b>	
Type:		Replacement of current capital asset. Road only no watermain work is included.	
Project Details		See the Neighborhood Roads section	
New Operation Costs		This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>		<b>Palmer Street (W. Woodside to W. LaSalle)</b>	<b>Department : Department of Public Services</b>
Funding Type			
Proposal R-3 Millage	\$	445,000	FY 2024
<b>Total Funding Amount</b>		<b>\$ 445,000</b>	
Type:		Replacement of current capital asset. Road only no watermain work is included.	
Project Details		See the Neighborhood Roads section	
New Operation Costs		This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>		<b>Palmer Street (W. Woodsie to W. LaSalle)</b>	<b>Department : Department of Public Services</b>
Funding Type			
Water and Sewer Fund	\$	-	
Proposal R-3 Millage		434,000	FY 2024
<b>Total Funding Amount</b>		<b>\$ 434,000</b>	
Type:		Replacement of current capital asset. Road only no watermain work is included.	
Project Details		See the Neighborhood Roads section	
New Operation Costs		This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>		<b>Hampden Street (W. Grieg to 11 Mile)</b>	<b>Department : Department of Public Services</b>
Funding Type			
Water and Sewer Fund	\$	-	
Proposal R-3 Millage		349,000	FY 2024
<b>Total Funding Amount</b>		<b>\$ 349,000</b>	
Type:		Replacement of current capital asset. Road only no watermain work is included.	
Project Details		See the Neighborhood Roads section	
New Operation Costs		This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>		<b>Brush Street (W. LaSalle to 13 Mile Rd)</b>	<b>Department : Department of Public Services</b>
Funding Type			
Water and Sewer Fund	\$	153,000	
Proposal R-3 Millage		445,000	FY 2024
<b>Total Funding Amount</b>		<b>\$ 598,000</b>	
Type:		Replacement of current capital asset. Road only no watermain work is included.	
Project Details		See the Neighborhood Roads section	
New Operation Costs		This project will not result in any significant increase in operating cost over the next five years.	
<b>Project Description</b>		<b>Brush Street (W. Girard to W. Woodside)</b>	<b>Department : Department of Public Services</b>
Funding Type			
Water and Sewer Fund	\$	162,000	FY 2023
Proposal R-3 Millage		440,000	FY 2024
<b>Total Funding Amount</b>		<b>\$ 602,000</b>	
Type:		Replacement of current capital asset.	
Project Details		See the Neighborhood Roads section	
New Operation Costs		This project will not result in any significant increase in operating cost over the next five years.	
<b>Road Improvements - Table V</b>			
<b>Project Description</b>		<b>John R (14 Mile to 11 Mile)</b>	<b>Department : Department of Public Services</b>
Funding Type			
Federal Funding	\$	1,000,000	
Major Street Act 51		997,000	
<b>Total Funding Amount</b>		<b>\$ 1,997,000</b>	
Type:		Overlay	
Project Details		See the Road Improvement section	
New Operation Costs		Road Commission of Oakland County has applied for RAISE grant funding during two rounds for this stretch of roadway. Both time they have been unsuccessful. Therefore the County plans to utilize FAC funding for the portion of John R from 14 mile to Dartmouth. The City is saving for the overlay work from Dartmouth to 11 Mile.	
<b>Project Description</b>		<b>Sectional Replacements - Major</b>	<b>Department : Department of Public Services</b>
Funding Type			
Special Assessment Fund	\$	600,000	FY 2024
<b>Total Funding Amount</b>		<b>\$ 600,000</b>	
Type:		Replacement of current asset	
Project Details		The final year of the Sidewalk program.	
New Operation Costs		This project will not result in any significant increase in operating cost over the next five years.	

**TABLE XIV**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**CAPITAL IMPROVEMENT IMPACTS ON ANNUAL OPERATING COSTS**

<b>Project Description</b>	<b>Dequindre Road Streetlights - Residential Corridor</b>						<b>Department : Department of Public Services</b>
Funding Type Local Street	\$ 220,000 <i>FY 2024</i>						
<b>Total Funding Amount</b>	<b>\$ 220,000</b>						
Type: Project Details	Installation of streetlights on the residential corridor of Dequindre Road. This will require on-going electrical and maintenance expense estimated at \$50,000 a year.						
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 150,000
<b>Project Description</b>	<b>Sectional Replacements - Local</b>						<b>Department : Department of Public Services</b>
Funding Type Local Street	\$ 450,000 <i>FY 2024</i>						
<b>Total Funding Amount</b>	<b>\$ 450,000</b>						
Type: Project Details	Replacement of current asset These funds are being budgeted for emergency replacement of traffic signals. No actual project is specified in this item.						
<b>Project Description</b>	<b>Traffic Signal Replacement</b>						<b>Department : Department of Public Services</b>
Funding Type Local Street	\$ 30,000 <i>FY 2024</i>						
<b>Total Funding Amount</b>	<b>\$ 30,000</b>						
Type: Project Details	Replacement of current asset These funds are being budgeted for emergency replacement of traffic signals. No actual project is specified in this item.						
<b>Project Description</b>	<b>Gateway Entrance Signs</b>						<b>Department : Department of Public Services</b>
Funding Type Revenues - Grant General Fund	\$ 200,000 50,000						
<b>Total Funding Amount</b>	<b>\$ 250,000</b>						
Type: Project Details	Replacement of current asset The entrance signs to the City are in need of replacement. We have received public sponsorship of two of the entrance signs located at 14 Mile and John R and 12 Mile and Stephenson Highway. Ongoing electrical and maintenance cost						
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
	\$ -	\$ -	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 16,500
<b>Project Description</b>	<b>Street Sweeper #402</b>						<b>Department : Department of Public Services</b>
Funding Type Revenues - Resale of #402 General Fund	\$ (20,000) 350,000						
<b>Total Funding Amount</b>	<b>\$ 330,000</b>						
Type: Project Details	Replacement of current asset This street sweeper is a 2012 in very poor condition. It has over 3,900 actual hours with maintenance cost of \$127,149.						
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
	\$ -	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 22,000
Operational Cost		150,000	200,000		-	-	\$ 350,000
<b>Project Description</b>	<b>Stake Truck #415</b>						<b>Department : Department of Public Services</b>
Funding Type Revenues - Resale of #415 General Fund	\$ 5,000 170,000						
<b>Total Funding Amount</b>	<b>\$ 175,000</b>						
Type: Project Details	Replacement of current asset This replaces a 2002 Stake Truck. This piece of equipment has 27,740 miles and is 19 years old. This vehicle is rates fair condition with maintenance cost of \$11,000 and resale value of \$5,000						
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
	\$ -	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 9,000
Operational Cost		180,000		-	-	-	\$ 180,000
<b>Project Description</b>	<b>Brush Chipper Truck</b>						<b>Department : Department of Public Services</b>
Funding Type Revenues - Resale of #525 General Fund (SW)	\$ 5,000 345,000 <i>FY 2024 and 2025</i>						
<b>Total Funding Amount</b>	<b>\$ 350,000</b>						
Type: Project Details	Replacement of current asset This replaces a 2004 brush chipper truck. This piece of equipment had 48,429 miles and is over 19 years old. This vehicle is rates very poor condition with maintenance cost of \$43,648						
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
	\$ -	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 9,000
Capital Cost		150,000	200,000	-	-	-	\$ 350,000

**TABLE XIV**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**CAPITAL IMPROVEMENT IMPACTS ON ANNUAL OPERATING COSTS**

Collection and Distribution Systems - Table VI						
<b>Project Description</b>	<b>Garry Longfellow to Sherry</b>			<b>Department:</b>	<b>Department of Public Services</b>	
Funding Type Water and Sewer Funds	\$ 521,000 <i>FY 2024</i>					
<b>Total Funding Amount</b>	<b>\$ 521,000</b>					
Type: Project Details	Replacement of current asset See Collection and Distribution section for details.					
<b>Project Description</b>	<b>Replacement Repairs to the DPS Lot</b>			<b>Department:</b>	<b>Department of Public Services</b>	
Funding Type Water and Sewer Funds	\$ 100,000					
<b>Total Funding Amount</b>	<b>\$ 100,000</b>					
Type: Project Details	See Collection and Distribution section for details.					
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.					
<b>Project Description</b>	<b>Sanitary Sewer Inspection/Rehabilitation Program</b>			<b>Department:</b>	<b>Department of Public Services</b>	
Funding Type Water and Sewer Funds	\$ 150,000					
<b>Total Funding Amount</b>	<b>\$ 150,000</b>					
Type: Project Details	See Collection and Distribution section for details.					
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.					
<b>Project Description</b>	<b>Portable Vehicle Hoist System</b>			<b>Department:</b>	<b>Department of Public Services</b>	
Funding Type Water and Sewer Funds	\$ 60,000					
<b>Total Funding Amount</b>	<b>\$ 60,000</b>					
Type: Project Details	See Collection and Distribution section for details.					
New Operation Costs	This project will not result in any significant increase in operating cost over the next five years.					
Public Safety - Table VIII						
<b>Project Description</b>	<b>Police Patrol Vehicles and Special Investigation Unit</b>			<b>Department:</b>	<b>Police</b>	
Funding Type Drug Forfeiture	\$ 41,000					
General Fund	<u>123,245</u>					
<b>Total Funding Amount</b>	<b>\$ 164,245</b>					
Type: Project Details	The CIP includes the replacement of 24 patrol vehicles, over the five (5) year period. One vehicles will be replaced from Drug Forfeiture and three from the General Fund.					
New Operation Cost	There are no new operation cost as these replace current vehicles. Vehicle upfitting cost are approximately \$15,000 per year.					
<b>Project Description</b>	<b>Body Cam and In-Car Cameras</b>			<b>Department:</b>	<b>Department of Public Services</b>	
Funding Type General Fund	\$ 65,000					
<b>Total Funding Amount</b>	<b>\$ 65,000</b>					
Type: Project Details	Maintenance See Public Safety Chapter in the CIP.					
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$ -	\$ 65,000	\$ 65,000	\$ -	\$ 185,000	\$ -
						\$ 315,000
<b>Project Description</b>	<b>Carpet Replacement</b>			<b>Department:</b>	<b>Department of Public Services</b>	
Funding Type General Fund	\$ 65,000					
<b>Total Funding Amount</b>	<b>\$ 65,000</b>					
Type: Project Details	Maintenance See Public Safety Chapter in the CIP.					
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ -
						\$ 65,000
<b>Project Description</b>	<b>Ambulance Rescue Truck (R71) #713</b>			<b>Department:</b>	<b>Police</b>	
Funding Type General Fund	\$ -					
<b>Total Funding Amount</b>	<b>\$ 155,000</b>					
Type: Project Details	Vehicle #713 is in poor condition in need of replacement See CIP for details.					
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$ -	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250
						\$ 9,000
Capital Cost	140,000	155,000	-	-	-	-
						\$ 295,000

**TABLE XIV**  
**FY 2023-28 FIVE YEAR CAPITAL IMPROVEMENT PLAN**  
**CAPITAL IMPROVEMENT IMPACTS ON ANNUAL OPERATING COSTS**

Project Description		Department: Police					
Funding Type	\$ -						
General Fund	300,000						
<b>Total Funding Amount</b>	<b>\$ 300,000</b>						
Type: Project Details	Replace #723 with a quint. See CIP for details.						
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
	\$ -	\$ -	\$ -	\$ 5,500	\$ 5,500	\$ 5,500	\$ 11,000
Capital Cost	-	600,000	600,000	-	-	-	\$ 1,200,000
Project Description		Department: Police					
<b>Leisure and Human Services - Table X</b>							
Project Description		Department: Parks					
Funding Type	\$ 600,000						
General Fund	600,000						
<b>Total Funding Amount</b>	<b>\$ 600,000</b>						
Type: Project Details	Replacement of current assets See Leisure and Human Services Section for more details						
New Operational Cost	This project will result in electrical expense to operate the new lights. However the cost should be less than we currently pay due to savings in energy.						
Operational Cost	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
	\$ -		\$ (2,500)	\$ (2,500)	\$ (2,500)	\$ (2,500)	\$ (7,500)
Capital Cost	200,000	200,000	200,000	-	-	-	\$ 600,000
Project Description		Department: Parks					
Funding Type							
Oakland County Funding							
General Fund	88,000	FY 2024					
<b>Total Funding Amount</b>	<b>\$ 88,000</b>						
Type: Project Details	Replacement of current assets See Leisure and Human Services Section for Details						
Project Description		Department: Parks					
Funding Type							
Grant	\$ 67,000	FY 2024					
<b>Total Funding Amount</b>	<b>\$ 67,000</b>						
Type: Project Details	Replacement of current assets See Leisure and Human Services Section for Details						
Project Description		Department: Parks					
Funding Type							
General Fund	\$ 50,000	Annually					
<b>Total Funding Amount</b>	<b>\$ 50,000</b>						
Type: Project Details	Replacement of current assets See Leisure and Human Services Section for Details						
Project Description		Department: Parks					
Funding Type							
General Fund	\$ 20,000						
<b>Total Funding Amount</b>	<b>\$ 20,000</b>						
Type: Project Details	Replacement of current assets See Leisure and Human Services Section for Details						
Project Description		Department: Parks					
Funding Type							
General Fund	\$ 100,000						
<b>Total Funding Amount</b>	<b>\$ 100,000</b>						
Type: Project Details	Replacement of current assets See Leisure and Human Services Section for Details						

## **APPENDICES**

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## PROPOSED FY 2023-24 Budget Resolution

### **A RESOLUTION TO ADOPT A BUDGET FOR MUNICIPAL PURPOSES FOR THE CITY OF MADISON HEIGHTS FOR THE FISCAL YEAR 2023-24 TO APPROPRIATE FUNDS FOR SAID PURPOSES AND TO PROVIDE FOR A LEVY OF TAXES FOR SAID BUDGET APPROPRIATIONS**

**WHEREAS**, in accordance with Section 8.4 of the Charter of the City of Madison Heights, it is provided that the City Council shall adopt a budget for the fiscal year, appropriate funds for said purposes and provide for a levy of taxes for said Budget appropriations; and

**WHEREAS**, on May 8, 2023, a public hearing was held in accordance with Section 8.3 of the Charter of the City of Madison Heights, and the statutes of the State of Michigan for the fiscal year.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Budget hereto as Exhibit "A" is hereby adopted.
2. That the amounts set forth in said Budget are hereby appropriated for the purposes stated therein.
3. That 25.5288 mills per \$1,000 State Taxable Valuation on the real and personal property in the City of Madison Heights be levied to provide funds for said Budget for municipal purposes:

General Operating	12.8746
Solid Waste	2.4976
Police & Fire Retiree Benefits	7.0000
Neighborhood Road Improvements	1.8882
Senior Citizens	0.4484
Chapter 20 Drain Debt	0.8200
<hr/>	
Total	<u>25.5288</u>

4. That the City of Madison Heights approves the imposition, by the City Treasurer, of a one percent (1%) property tax administration fee for all property taxes levied in Fiscal Year 2023-24 and for the imposition of a late penalty charged, when applicable, in accordance with Public Act 1982, specifically Michigan Compiled Laws, Section 211.44(7).
5. That the City of Madison Heights approves the levying of taxes to cover the necessary expenses for the operation of the Police and Fire Pension System.
6. That the City of Madison Heights assigns the authority to the City Manager and/or Finance Director to assign amounts for fund balance to be used for specific purposes.
7. That the City of Madison Heights approves and establishes Water, Sewer and Stormwater Charges set forth in Exhibit "B", Stormwater Charges and Department Fee schedule.
8. That the City of Madison Heights approves the levying of taxes to cover the necessary expenses for principal and interest for the Chapter 20 Drain Debt Obligations.

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to make budgetary transfers within the appropriation centers established throughout the Budget, and all transfers between appropriations may be made only by further action of the Council, pursuant to the provisions of the Michigan Uniform Accounting and Budget Act.

**EXHIBIT "A"**  
**CITY OF MADISON HEIGHTS**  
**ADOPTED BUDGET RESOLUTION**  
**FISCAL YEAR 2024-25**

EXPENDITURES	REVENUES
<b>GENERAL FUND</b>	
General Government	\$6,007,395
Public Safety	23,087,867
Community Services	4,489,454
Cultural and Recreation	2,958,973
Community Development	1,289,288
Debt Service	1,027,043
<b>TOTAL</b>	<b>\$38,860,020</b>
<b>MAJOR STREET FUND</b>	
Program Expenditures	\$2,756,382
	Intergovernmental Revenues
	Other
	Use of Fund Balance
	<b>\$2,756,382</b>
<b>LOCAL STREET FUND</b>	
Program Expenditures	\$3,258,787
	Property Taxes
	Intergovernmental Revenues
	Other
	Transfers In
	Use of Fund Balance
	<b>\$3,258,787</b>
<b>PARKS MAINTENANCE &amp; IMPROVEMENT FUND</b>	
Program Expenditures	\$52,977
	Other
	Use of Fund Balance
	<b>\$52,977</b>
<b>DOWNTOWN DEVELOPMENT AUTHORITY</b>	
Program Expenditures	\$191,605
	Property Taxes
	Intergovernmental Revenues
	Other
	Use of Fund Balance
	<b>\$191,605</b>
<b>DRUG FORFEITURE FUND</b>	
Program Expenditures	\$47,000
	Intergovernmental Revenues
	Other
	Use of Fund Balance
	<b>\$47,000</b>

EXHIBIT "A"  
 CITY OF MADISON HEIGHTS  
 ADOPTED BUDGET RESOLUTION  
 FISCAL YEAR 2024-25

EXPENDITURES	REVENUES
<b>COMMUNITY IMPROVEMENT FUND</b>	
Program Expenditures	\$145,805
	Intergovernmental Revenues
	Use of Fund Balance
	<b><u>\$145,805</u></b>
<b>MUNICIPAL BUILDING BOND</b>	
Program Expenditures	\$257,100
	Transfers In
	<b><u>\$257,100</u></b>
<b>WATER AND SEWER FUND</b>	
Program Expenditures	\$12,173,049
	Sales to Customers
	Other
	Use of Retained Earnings
	<b><u>\$12,173,049</u></b>
<b>MOTOR AND EQUIPMENT POOL</b>	
Program Expenditures	\$1,034,194
	Other
	<b><u>\$1,034,194</u></b>
<b>DEPARTMENT OF PUBLIC SERVICES</b>	
Program Expenditures	\$2,328,850
	Other
	<b><u>\$2,328,850</u></b>
<b>CHAPTER 20 DRAIN DEBT SERVICE</b>	
Program Expenditures	\$850,187
	Property Taxes
	<b><u>\$850,187</u></b>

**CITY OF MADISON HEIGHTS  
FEE SCHEDULE  
FY 2024**

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**SUMMARY OF REVISIONS:**

**Section 1. Community Development Department Services**

- Landlord Licensing Renewal Period extended from three years to four years

**Section 2. City Clerk Service**

No Change

**Section 3. Water and Sewer**

Utility Rates

- Stormwater rate shall be eliminated
- Sewer rate increase from \$3.69, will be part of Wastewater rate and set to \$6.30 per unit
- Water rate increase from \$3.27 to \$4.26 per unit

Service Taping Fees:

- 1" Meter & Materials Increased from \$1,080 to \$1,250
- 1" Service Connection Increased from \$825 to \$900
- 1" Paving Increased from \$275 to \$300
- 1.5" Meter & Materials increased from \$1,460 to \$1,700
- 1.5" Service Connection increased from \$1,045 to \$1,250
- 1.5" Paving Increased to \$275 to \$300
- 2" Meter & Materials increased from \$1,980 to \$2,300
- 2" Service Connection increased from \$1,238 to \$1,500
- 2" Paving Increased from \$275 to \$300
- 3" Meter & Materials increased from \$3,190 to \$3,900
- 4" Meter & Materials increased from \$4,070 to \$4,900
- 6" Meter & Materials increased from \$6,050 to \$7,950

Meter Fees Have Increased:

- 5/8" Damaged/ Missing Transmitter (R900) Increased from \$105 to \$150
- 5/8" Damaged Register Head (Per Head if Compound) increased from \$95 to \$115
- 3/4 " Damaged/ Missing Transmitter (R900) Increased from \$105 to \$150
- 3/4" Damaged Register Head Increased from \$95 to \$115
- 1" Frozen Meter Charge W/ Service Charge Increased from \$275 to \$350
- 1" Damaged/ Missing Transmitter Increased from \$105 to \$150
- 1" Damaged Register Head (Per Head if compound) \$95 to \$115
- 1.5" Frozen Meter Charge W/ Service Charge Increased from \$505 to \$725
- 1.5" Damaged/ Missing Transmitter Increased from \$105 to \$150
- 1.5" Damaged Register Head (Per Head if compound) increased from \$95 to \$115
- 2" Frozen Meter Charge W/ Service Charge Increased \$620 to \$925
- 2" Damaged/ Missing Transmitter Increased from \$105 to \$150
- 2" Damaged Register Head (Per Head if compound) increased from \$95 to \$115
- 3" Frozen Meter Charge W/ Service Charge Increase from \$2,300 to \$3,000
- 3" Damaged/ Missing Transmitter Increased from \$105 to \$150
- 3" Damaged Register Head (Per Head if compound) Increased from \$95 to \$115
- 4" Frozen Meter Charge W/ Service Charge Increase from \$3,100 to \$3,950
- 4" Damaged/ Missing Transmitter Increased from \$105 to \$150
- 4" Damaged Register Head (Per Head if compound) Increased \$95 to \$115
- 6" Frozen Meter Charge W/ Service Charge Increase from \$4,600 to \$6,500
- 6" Damaged/ Missing Transmitter Increased from Increased from \$105 to \$150
- 6" Damaged Register Head (Per Head if compound) Increased from \$95 to \$115

MISC Service Fees:

- "No Show" Charge for service Call Increased from \$25 to \$30
- Service Call Overtime Charge (Mon- Sat) Decreased from \$150 to \$100
- Service Call Overtime Charge (Sun & Holidays) Decreased from \$300 to \$200

**Section 4. Treasury and Assessing Services**

No Changes

## Section 5. Library Services

### Program Fees:

- Coffee Concerts \$10 per concert for adults
- \$25 family rate per concert (two adults and up to six children)

### Technology Material Fees:

- Paper pages printed (Page: one side of paper) First five black & white pages are free-of-charge daily.
- \$0.15 per additional page, black and white
- \$0.50 per page, color

### Technology Fee:

- 3D printing \$0.10 per gram
- Buttons \$0.25 small button
- \$0.30 medium button
- \$0.50 large button
- Sublimation paper \$1.00 per 8.5 x 11 sheet
- Easy Subli HTV + Mask set \$5.00 each
- Laminating pouches \$0.25 per pouch (8.5 x 11)
- Embroidery stabilizer \$1.00 per foot (12 in sq)
- Material (vinyl, transfer tape, etc.) \$2.00 per foot
- SD card 32 GB \$10.00 each
- USB drive \$5.00 each
- Headphones or earbuds \$1.25 each

### Miscellaneous:

- Arcadia Book: *Images of America, Madison Heights* \$22
- Library Card non-resident \$100 annual

## Section 6. Fire Services

- ALS Emergency Transport decrease from \$900 to \$850
- ALS Emergency Transport II increase from \$550 to \$ 1,200
- ALS Non-Emergency Transport decrease from \$1,200 to \$500
- Treat No Transport Increase \$400 to \$450
- BLS Emergency Transports decrease from \$750 to \$700
- BLS Non-Emergency Transport decreased from \$500 to \$450
- Loaded Mile (scene to hospital fee per mile) Decrease \$18.00 to \$17.50
- BLS for Healthcare Providers \$40 per participant
- Heartsaver First Aid/CPR/AED \$60 per participant
- Heartsaver CPR/AED \$50 per participant
- Online CPR Practical Skills Verification \$30 per participant
- Off-site Location Fee \$50 per class

## Section 7. Police Services:

No Change

## Section 8. Department of Public Services

No Change

## Section 9. Parks and Recreation

- The addition of park rental fee: \$25/hour (Resident) \$30/hour (non-resident) with a minimum of 2 hours up to 6 hours. Rentals exceeding 6 hours will incur an additional \$20/hour (Resident) \$25/hour (non-resident) up to a maximum of 14 hour + minimum \$100 refundable damage deposit, subject to change based on the nature of the event.
- Baseball/Softball Diamonds Prep fee increased \$20 to \$40 (Resident) \$60 (Non-Resident)
- Soccer/Football Field Prep fee changed to \$25/hour of use (Residents) \$45/hour(Non-Resident)
- The addition of Special Event Fee (Resident) \$500 per day + \$500 refundable security deposit.
- Special Event Fee (Non-Resident) \$750 per day + \$500 refundable security deposit.

## Section 10. Active Adult Center Services

- Lunch Fee Decreased from \$3.50 to \$3.00

## Section 11. General Government

- Wedding Ceremony Administration Fee Increase \$50.00 to \$75.00 Plus \$50 Payable to Mayor

## Section 1. COMMUNITY DEVELOPMENT DEPARTMENT SERVICES

### SCHEDULE OF FEES FOR PERMITS AND SERVICES

#### BUILDING FEES AND INSPECTION SCHEDULE

Notice for all permits: A permit remains valid as long as work is progressing and inspections are requested and conducted. A permit shall become invalid if the authorized work is not commenced within 180 days after issuance of the permit or if the authorized work is suspended or abandoned for a period of 180 days after the time of commencing the work. A permit will be closed when no inspections are requested and conducted within 180 days of the date of issuance or the date of a previous inspection. Closed permits cannot be refunded. The charge to re-open a closed permit is \$75.00. Permits may be renewed, *prior to their expiration*, for a period of 180 days.

#### 1.0 ELECTRICAL, MECHANICAL & PLUMBING PERMIT FEE SCHEDULE

*Received to 101-017-4771-000*

- 1.1 All permits shall be assessed a non-refundable application fee of \$30.00.
- 1.2 The permit fees for any electrical, mechanical or plumbing permit shall be \$70.00 per inspection. A minimum of one inspection and the application fee are required on all permits. Permit renewals shall be \$35.00. Permit fees are non-refundable after work has started and non-transferable.
- 1.3 Contractor registration fee shall be \$15.00 for all categories of electrical, mechanical and plumbing contractors.
- 1.4 Permits shall be for the minimum number of inspections required in Section 3.
- 1.5 A fee of \$70.00 per inspection shall be charged for the re-inspection of all failed inspections.

#### 2.0 BUILDING, MOVING, DEMOLITION AND SIGN PERMIT FEE SCHEDULE

*Received to 101-017-4771-000*

- 2.1 All permits shall be assessed a non-refundable application fee of \$30.00.
- 2.2 The permit fees for building permits shall be an application fee plus the applicable permit fee. One inspection and the application fee are required on all permits. Permit renewals shall be \$35.00. Permit fees are non-refundable after work has started and non-transferable.
- 2.3 Contractor registration fee shall be \$15.00 for building, moving, demolition and sign contractors.
- 2.4 A fee of \$70.00 per inspection shall be charged for the re-inspection of all failed inspections.
- 2.5 FEE SCHEDULE

#### Building Permit Fees Residential Alterations, Additions and Accessory Structures

*Received to 101-017-4771-000*

Accessory structures, remodels, repairs, alterations, and other small jobs based on improvement cost as follows:

\$30.00 non-refundable application fee plus permit fees as follows:

<u>Improvement Cost</u>	<u>Fee</u>
\$0.00 to \$1,000.00	= \$70.00
\$1001.00 up	= \$70.00 + \$6.30 per thousand or fraction thereof, over \$1000.00

Plan review fee when required = \$55.00

Certificate of Occupancy including replacement certificates = \$100.00

**New One and Two Family Residential Construction***Received to 101-017-4771-000*

\$30.00 non-refundable application fee plus permit fees as follows:

\$850.00 plus \$1.15 per square foot over 1,000 square feet. For fee purposes all finished areas are included including habitable basement spaces and all attached garages.

Plan review fee when required = \$80.00

Certificate of Occupancy including replacement certificates = \$25.00

Exception: Permit and inspection fees for the construction of barrier free ramps serving one and two family dwelling units shall be waived.

**Multiple Family, Commercial, and Industrial***Received to 101-017-4771-000*

\$30.00 non-refundable application fee plus permit fees as follows:

<u>Improvement Cost</u>	<u>Fee</u>
\$0.00 to \$6000.00	= \$78.00
\$6,001.00 and above	= \$0.013 x construction cost

Plan review fee = .005 x cost, minimum \$200.00, maximum \$5,000.00 In the event that the Department requires review by outside consultants as part of the plan review, all costs for required outside architectural or engineering reviews shall be paid by the applicant in addition to the standard plan review fees.

**Certificate of Occupancy - Multiple-Family, Commercial, Industrial***Received to 101-017-4771-000*

Additions/New Construction/Change in use, owner or occupant: \$200.00.

(Where only the ownership of a multi-tenant building changes, the building owner shall be responsible for obtaining a new certificate of occupancy for each tenant. The fee for each new tenant certificate shall be 20% of the regular fee. Where it has been less than one year since issuance of a certificate of occupancy for any tenant space, the fee and inspection will be waived for that tenant space.)

Attached residential condominiums: \$25.00 per unit.

Replacement certificates: \$25.00

**Temporary Certificate of Occupancy***Received into 101-017-4770-000 with bonds in 705-000-2830-000*

Single-family residential - \$250.00 plus bond of \$500.00 per incomplete item or 100% of cost, whichever is greater. Bondable items are concrete, sod and final grade in the winter months only. Bond for an as-built plot plan shall be \$1000.00.

All other construction - \$325.00 plus bond for 100% of incomplete work.

All temporary certificates are 90 days maximum with one renewal.

**Signs**

*Receipted into 101-017-4770-000*

All permits shall be assessed a non-refundable application fee of \$30.00.

Permit Fees:      Permit fees are non-transferable.

Permanent signs

Ground signs:      Up to 60 square feet      \$200.00

Wall signs:      Up to 100 square feet      \$200.00  
Over 100 square feet      \$280.00

Re-Facing Permanent signs

Ground signs:      Up to 60 square feet      \$185  
Wall signs:      Up to 100 square feet      \$185  
Over 100 square feet      \$265

**Demolition**

*Receipted into 101-017-4770-000 with bonds in 705-000-2830-000*

All permits shall be assessed a non-refundable application fee of \$30.00.

Residential      \$210.00 (Includes pre-demolition, open hole and final site inspections. Additional inspections \$70.00 each. The inspector shall estimate the number of visits required.)

Permit Fees:

Commercial and Industrial

Permit Fees:      Up to 30,000 cubic square feet \$210 (Includes pre-demolition, open hole and final site inspections. Additional inspections \$70.00 each. The inspector shall estimate the number of visits required.)

Over 30,000 cubic square feet \$210 plus \$5 per 1,000 cubic square feet (Includes pre-demolition, open hole and final site inspections. Additional inspections \$70.00 each. The inspector shall estimate the number of visits required.)

Performance Bond      \$5,000.00      (Note: Bond required for all demolition permits including homeowner permits. Bond may be reduced to \$1,000.00 for qualified homeowners at the Department's discretion.)

**Moving**

*Receipted into 101-017-4770-000 with bonds in 705-000-2830-000*

All permits shall be assessed a non-refundable application fee of \$30.00.

Permit Fees:      \$140.00 (Includes pre and post move inspection. Additional inspections \$70.00 each. The inspector shall estimate the number of visits required)

Performance Bond      \$5,000.00

**Utility Disconnect Fees for Demolition (established by Utility Department):**

*Received into 590-551-8180-000*

See page 15, Miscellaneous Service Fees

**Code Inspections**

*Received into 101-017-4770-000*

\$70.00 per inspector/per hour, or fraction thereof.

**Overtime Inspections**

*Received into 101-017-4770-000*

\$105.00 per hour.

**Additional/Add-on Inspections, All Permits**

*Received into 101-017-4770-000*

\$70.00 per inspection.

**Appeal Boards**

*Received into 101-017-4770-000*

Construction Board of Appeals. \$250.00

**3.0 INSPECTIONS: MINIMUM NUMBER AND WHEN REQUIRED**

3.1 Electrical: Single-Family Residential

For new construction a minimum of three inspections are required, a service, rough and final inspection. An additional inspection shall be required if temporary service is provided.

Remodels shall require a minimum of two inspections, a rough and a final. For all other types of work of this class, inspections shall be required for each visit required from the electrical inspector.

3.2 Electrical: Multiple-Family, Commercial, and Industrial

For a multiple-family structure or multi-tenant commercial or industrial building, a minimum of two inspections, a rough and a final, shall be required for each living or work unit in such a structure. An inspection shall also be required for the service.

For all other buildings of this class, inspections shall be required for each visit required from the electrical inspector. The inspector shall estimate the number of visits required.

A separate inspection shall be required for temporary service.

3.3 Mechanical: Single-Family Residential

1. For new construction a minimum of three inspections, a rough, final, and gas line inspection shall be required for each heating system. A separate inspection shall be required for each cooling system. A heating or cooling unit without a distribution system shall require one inspection.

Remodels shall require a minimum of a rough and final inspection. For all other types of work of this class, inspections shall be required for each visit required from the mechanical inspector.

2. Pre-fab fireplaces shall require a minimum of one inspection per dwelling unit. Multiple fireplaces in the same dwelling unit and inspected on the same visit shall require one inspection. Units may also require a gas line pressure test and inspection.

3.4 Mechanical: Multiple-Family, Commercial, Industrial

Each heating and/or cooling unit shall require one inspection. Each multi-family dwelling unit shall require a rough and final. Installation or modification of any distribution system not involving the associated heating/cooling unit shall require one inspection. Where an underground inspection(s) is required, an additional inspection shall be charged per visit. Gas lines require an additional pressure test and inspection per system.

Refrigeration units of one horsepower or greater shall require one inspection per unit. Concealed piping shall require an additional inspection per system.

3.5 Plumbing: Single-Family Residential

For new construction an underground, rough and final plumbing inspection shall be required.

Remodels shall require a minimum of two inspections, a rough and final. For all other types of work of this class, inspections shall be required for each visit required from the plumbing inspector.

3.6 Plumbing: Multiple-Family, Commercial, Industrial

Each unit in a multiple-family structure or in a multi-tenant structure shall require a rough and a final inspection. An additional inspection for underground plumbing shall be required for each unit in a strip center. A multiple-family structure or other multi-tenant building shall require an additional inspection for underground plumbing at the rate of one inspection per building. An additional inspection shall be required for sewer and water service.

All other commercial and industrial buildings shall be charged at the rate of one inspection for each visit required from the plumbing inspector. The inspector shall estimate the number of visits required.

3.7 Building: All Construction

Building inspections shall follow the schedule below to the extent applicable:

- a. Footing - before footing is poured. Property lines must be identified for the inspection.
- b. Backfill - before foundation wall is backfilled and before slab floors and with sill plate and foundation drain in place and anchor bolts installed.
- c. Brick Ledge - after first course of brick, flashing, weep holes, and pea stone are installed.
- d. Rough - before any framing is covered and after rough electrical, mechanical and plumbing inspections are approved.
- e. Insulation - prior to covering insulation.
- f. Slab - prior to pouring concrete slab with sub-base, forms and any reinforcement and insulation installed. g. Fireplace - Masonry - when damper and first flue liner are in place.
- h. Drywall - fastener inspection before drywall is taped.
- i. Final - after final electrical, plumbing, and mechanical inspections are approved.
- j. Final Site/Certificate of Occupancy - when all inspections are approved and prior to Occupancy. It is illegal to occupy a building before a Certificate of Occupancy is issued. As built drawings including the approved, existing, final grade elevations must be received before an occupancy certificate can be issued.

## CONCRETE PERMITS INCLUDING NON-TELECOMMUNICATION WORK IN R.O.W.

Received into 101-017-4770-000 with bonds in 705-000-2830-000

1.1 All permits shall be assessed a non-refundable application fee of \$30.00.

1.2 Permit Fees: Permit fees are non-refundable after work has started and non-transferable.

Cutting, repair, sawing, removal, replacement or modification of street surface,

aprons or curb and gutter:

\$70.00 per required inspection

(Two inspections required minimum unless work is covered by a site plan and bond.)

\$5,000 bond (\$1,000 for qualified homeowner permits at the Departments discretion) required for r.o.w. work. Waived for registered contractors with annual bond posted and projects with site plan guarantee bonds posted.

Concrete flatwork \$70.00 per inspection (fees waived for five (5) squares or less of public sidewalk)

1.3 Contractor registration fee:

Registration \$15.00

Performance Bond Minimum \$5,000.00 (Required for r.o.w.)

## PRIVATE SEWER AND WATER SERVICE

Received into 101-017-4770-000 with bonds in 705-000-2830-000

1.1 All permits shall be assessed a non-refundable application fee of \$30.00.

1.2 Permit Fees: Permit fees are non-refundable after work has started and non-transferable.

Private sewer and water leads (from the building to the storm sewer, sanitary sewer or water main) including replacements:

Storm or sanitary sewer lead \$70.00 each.

Water lead \$70.00 each.

Gate wells or structures \$70.00 each.

Public sewer and water mains: See non-telecommunication engineering fees below

1.3 Contractor registration fee:

Registration \$15.00

Performance Bond \$5,000.00 (Required for r.o.w.)

## PLANNING FEES

Received into 101-030-6071-000

Site Plan Review

Residential (multi-family) \$700.00

Non-Residential \$850.00

Revised Site Plans (changes of 30% or more) 75% of original fee

Plats and Site Condominiums \$1,000.00 + \$15 per unit for residential and \$75 per acres for nonresidential  
Easements:

Vacations \$500.00

Encroachments \$ 50.00

Land Divisions \$500.00 plus \$50 per resulting lot

Land Divisions with road \$750 plus \$50 per resulting lot

Landscape Plan Review \$500.00

Variance Review (Single Family)	\$300.00
Variance Review (Dimensional)	\$400.00 plus \$300 per variance
Use Variance Review	\$1,000.00
Parking or Traffic Study Review	\$500 minimum with actual cost due upon completion

## ZONING FEES

**Receipted into 101-044-6701-000**

Z.B.A.

Variance Review (Single Family)	\$300.00
Variance Review (Dimensional)	\$400.00 plus \$300 per variance
Use Variance Review	\$1,000.00

## BROWNFIELD REDEVELOPMENT AUTHORITY FEES

Received into 101-044-6701-000

Application fee: \$1,500.00 plus \$2,500.00 engineering escrow.

#### **ENGINEERING FEES - (NON-TELECOMMUNICATION)**

Received into 101-030-6701-000

Engineering Plan Review	Application fee (Non-refundable)	\$400.00 for all projects
	Public projects - Review fee	2% of site construction cost
	Inspection fee	4% of site construction cost (see r.o.w. inspection below.)
	Private projects - Review fee	2% of site construction cost (\$200.00 Minimum)
	Residential site/plot plan review	\$75.00

Engineering Inspections: \$70 / Inspection  $\pm$  \$100 for each Compaction / Material Test

Landfill permits: \$60.00 + \$0.05 per cubic yard of fill.

#### **RIGHT-OF-WAY PERMITS – (NON-TELECOMMUNICATION)**

Received into 101-030-6701-000

Application Fee:	\$200.00 (non-refundable)
Review fee	2% of the cost of the project. Minimum \$200.00
Inspection Fees:	4% of the cost of the project. If the inspection fees exceed 4% of the project cost, the permittee shall be charged 175% of the actual payroll costs (including but not limited to wages, fringe benefits and/or expenses) for all inspection fees exceeding the non-refundable 4% inspection fee.
	\$100.00 for each road crossing/driveway compaction test
Bonds	Cash Bond \$5,000
GIS Fee	\$150.00.

## LANDLORD LICENSING

*Received into 101-017-4771-000*

<u>Four-Year Registration Fees:</u>	New Registrations and Renewals <u>Through Renewal Date*</u>
Single-family	\$200.00
2 to 4 units	\$245.00
5 or more units	\$47.50 per unit

\*Code enforcement action will commence if the application and fee are not received before the current expiration date; if the renewal is not completed within thirty (30) days after the renewal date; or if a new application is not completed within thirty (30) days of the initial application date.

A fee of \$70.00 per inspection shall be charged for all locked-out inspections and the second re-inspection of all failed inspections.

Note: All renewal licenses are for thirty-six (36) months. New and pro-rated licenses may be for less than thirty-six (36) months. All licenses for the same landlord will expire on the same date.

## CODE ENFORCEMENT PROPERTY MAINTENANCE FEES

Service:	Cost: (Note: Mowing, labor and disposal costs are based on the current contract.)
Mowing	First Offense \$100.00 Administrative Fee + Actual Contractor Charges Second Offense (same growing season) \$200 + Actual Contractor Charges Third or more Offenses (same growing season) \$300 + Actual Contractor Charges
<i>Received into 101-030-6260-000</i>	
Clean-up/Debris Removal (ROW)	\$150.00 Administrative Fee + Actual Labor and Disposal Charges Repeat Offenders \$250.00 Administrative Fee + Actual Labor and Disposal Charges
Clean-up/Debris Removal (PVT)	\$250.00 Administrative Fee + Actual Labor and Disposal Charges * Repeat Offenders \$500 Administrative Fee + Actual Labor and Disposal Charges * *Warrant required prior to contractor authorization

*Received into 101-030-6270-000*

Snow Removal (Public Walks)	First Offense \$100.00 Administrative Fee + Actual Contractor Charges Second Offense (same growing season) \$200 + Actual Contractor Charges Third or more Offenses (same growing season) \$300 + Actual Contractor Charges
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*Received into 101-030-6250-000*

## HOTEL INSPECTIONS

Annual Building and Fire Inspections \$15 per unit / per year

## MEDICAL MARIHUANA FACILITY/MEDICAL MARIHUANA GROW OPERATION

Application Fee	\$500 nonrefundable
Annual License Fee	\$5,000 per year

## **GEOGRAPHIC INFORMATION SYSTEM FEES**

*Received into 101-030-6075-000*

Digital prices are for digital raw data of City of Madison Heights. Datasets are to be distributed “AS IS” at the time of sale. The cost DOES NOT include, updates to ongoing coverage projects. Creation of mapping products that do not exist; shall be \$75.00 per hour plus printing costs.

<b>Hardcopy Maps</b>	<b>Small Format (11 x 17)</b>	<b>Large Format (24 x 36 &amp; up)</b>
Aerial Photos (City wide)	NA	\$25.00-\$45.00
Existing Land Use Map	\$5.00	\$25.00
Future Land Use Map	\$5.00	\$25.00
Zoning Map	\$5.00	\$25.00
General Street Map	\$5.00	\$25.00
Utility ¼ Section Map	\$5.00	\$25.00
Benchmark Map	\$5.00	\$25.00
Street Map	\$5.00	\$25.00
Misc. (Future printed products)	\$5.00	\$25.00

### **Electronic File Format Prices (when available)**

<b>Layers</b>	<b>Prices</b>	<b>Per Section</b>
Benchmarks (elevations)	\$50.00	NA
Contours	\$250.00	\$75.00
Aerial Photos	\$250.00	\$75.00
Parcel Coverage (property lines)	\$500.00	\$135.00
Pictures of all parcels	\$200.00	NA
Pavement Management (profiles)	\$500.00	NA
Road Projects	\$50.00	NA
Sidewalk Gap	\$50.00	NA
Utilities (each)	\$500.00	\$135.00
City Fiber Network	\$200.00	NA
Street ROW	\$200.00	NA
Street light network	\$200.00	NA
Street sign	\$100.00	NA
Public Facilities (buildings, properties)	\$100.00	NA
Zoning	\$100.00	NA
Existing Land Use	\$100.00	NA
Future Land Use	\$100.00	NA

## Section 2. CLERK DEPARTMENT SERVICES

### Business License/Permits

Business Licenses:

*Receipted into 101-014-4570-000*

Business Licenses: \$100.00 per year

Marihuana - Medical/Adult-Use Business License: \$5,000.00 per year

Marihuana – Caregiver Business License: \$300.00 per year + any applicable re-inspection fees

Massage Business License: \$300 per year + \$150 per licensed massage therapist

Late Fee is double the fee listed above.

Temporary/Seasonal Business Licenses	\$100.00
Home Solicitation Licenses	\$100.00

Medical or Adult-Use Marihuana Facility/Medical or Adult Use Marihuana Grow Operation      Business License Application fee  
\$500.00 non-refundable

### Animal License/Permits

#### 1.0 Dogs and Cats

*Receipted into 101-017-4800-000*

All dogs and cats, six (6) months of age or older, must be licensed and have a current Rabies Vaccination Certificate. Residents must provide a valid rabies vaccination certificate signed by the veterinarian to obtain a license.

- Rabies Vaccination must be valid for:

6 months to receive a 1-year license	\$10.00	Spayed/Neutered: \$7.00
24 months to receive a 2-year license	\$15.00	Spayed/Neutered: \$10.00
36 months to receive a 3-year license	\$20.00	Spayed/Neutered: \$15.00

A \$5.00 penalty per pet will be imposed if the license renewal occurs more than 30 days after the rabies vaccination expires

- Animal Tag Replacement \$1.00 per tag

#### 2.0 Domestic Hens

*Receipted into 101-017-4800-000*

Single-family residence shall be allowed to keep up to six (6) domesticated hens. Roosters or male chickens are prohibited. An annual license valid from January 1 – December 31 of each calendar year, is required. Each hen licensed shall at all times have attached to the hen a City-issued leg band corresponding to the City issued license.

\$20 per single-family residence.

### Miscellaneous Fees

#### 1.0 Bicycle Licenses

*Receipted into 101-017-4810-000*

All bicycles to be ridden in the City on a street or public path shall be licensed.

Bicycle \$2.00      one-time fee per bicycle

## 2.0 **Vital Health Statistics**

**Receipted into 101-030-6078-000**

Birth Certificates – First Copy	\$15.00
Birth Certificates – Second and additional copies	\$ 5.00
Death Certificates – First Copy	\$15.00
Death Certificates – Second and additional copies	\$ 5.00

### **3.0 Video/Vending Machine**

*Received into 101-014-4570-000*

Distributor Licenses	\$10.00
Amusement Devices (Pool Tables, Jukeboxes)	\$20.00
Vending Machines	\$20.00
Video/Electronic Amusement Devices	\$62.50

#### 4.0 **Voter Registration Records**

Processing Fee and Excel spreadsheet \$12.00  
Electronic Media Storage and Excel spreadsheet \$12.00 + actual price of storage device

## 5.0 **Notary Fees**

Notarizing Documents	Residents	– first documents no-charge additional documents \$10
	Non-resident	– each documents \$10

## 6.0 Copy Fees

Copies \$0.10 per page

### Section 3. WATER AND SEWER OPERATION SERVICE FEES

#### Utility Rates

##### 1.0 **Water and Sewer Rates**

*Residential water received into 590-010-6430-000*

*Commercial/industrial water received into 590-010-6440-000*

*Wastewater received into 590-020-6115-000*

Residential customers of the City are billed quarterly depending on what district or area of the City they live. All residential customers that are connected to the City water/sewer system are subject to a minimum bill of 10 units per quarter.

Commercial customers of the City are billed monthly. All commercial customers that are connected to the City water/sewer system are subject to a minimum bill of 3.33 units per month.

Water and Wastewater are billed in units. 1 unit = 100 cubic feet = approximate 748 gallons.

Water	\$4.26 per unit
Wastewater	\$6.30 per unit

##### 2.0 **Stormwater**

Stormwater fees shall be eliminated.

#### Service Fees

##### 1.0 **Service Tapping Fees**

*Meter & Materials received into 590-000-2735-000*

*Service Connection received into 590-000-2736-000*

*Transmission received into 590-000-6113-000*

*Paving received into 590-010-6111-000*

*Sewer Privilege Fee received into 590-020-6117*

If the service requires crossing a five (5) lane highway, additional charges will apply.

Description	Supply/ Meter Size					
	1"	1 1/2"	2"	3"	4"	6"
Meter & Materials	\$1,250	\$1,700	\$2,300	\$3,900	\$4,900	\$7,950
Service Connection	\$900	\$1,250	\$1,500	-	-	-
Transmission	\$72	\$72	\$72	-	-	-
Paving	\$300	\$300	\$300	-	-	-
Sewer Privilege Fee	\$622	\$897	\$1,183	\$2,310	\$3,493	\$3,575
Total	\$3,144	\$4,219	\$5,355	\$6,210	\$8,393	\$11,525

##### 2.0 **Meter Fees**

*Received into 590-010-6111-000*

*GLWA pass through charges received into 590-010-6490-000*

Description	5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"
Frozen Meter Charge w/service charge	\$180	\$180	\$350	\$725	\$925	\$3,000	\$3,950	\$6,500
Damaged/Missing Transmitter (R900)	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Damaged Register Head (Per Head if Compound)	\$115	\$115	\$115	\$115	\$115	\$115	\$115	\$115
GLWA (Pass Through)	\$3.64	\$5.46	\$9.10	\$20.02	\$29.12	\$52.78	\$72.80	\$109.20

### **3.0      Miscellaneous Service Fees**

*Receipted into 590-010-6111-000*

Fire Suppression Private Water Line Charge	\$5 per month
Final Reading	\$20 per account processed
“No Show” Charge for service calls	\$30 per occurrence
Turn-Off/Turn-On	\$60
Reinstall Meter with Turn-On	\$60
Meter Bench Test (5/8 – 1 ½”) – Reading within AWWA range	\$60
Meter Bench Test (2” and above)– Reading within AWWA range	\$350
Fire Suppression System – Turn-Off/Turn-On	\$60
Construction Water Use	\$125
Hydrant Meter Deposit	\$2,000
Disconnect Water Service from Main (3/4”-2”)	\$700
Disconnect Water Service from Main (3”-6”)	\$1,000
Service Call Overtime Charge (Mon- Sat)	\$100
Service Call Overtime Charge (Sun & Holidays)	\$200
Hydrant Flow Test	\$100
Hydrant Flow Test with Salt Needed	\$175
Hydrant and Meter Rental	\$5 per day + water consumption

#### **Tampering with meter or water service:**

Residential	50-unit penalty plus the City may prosecute
Commercial/Industrial	100-unit penalty plus the City may prosecute
Bypass violations	100 unit penalty plus the City may prosecute

## Section 4. **TREASURY AND ASSESSING SERVICE FEES**

### **Property Affidavit Penalty**

*Received into 101-011-4040-000*

A Property Affidavit must be filed within 45 days of the property transfer. Filing is mandatory and required Form 2766 from the Michigan Department of Treasury.

Penalty for failure to complete and submit all required paperwork to the City:

- Industrial and Commercial property:

If the sale is \$100,000,000 or less - \$20 per day for each separate failure beginning after the 45 days have elapsed up to a maximum of \$1,000

If the sale is \$100,000,000 or more - \$20,000 after the 45 days have elapsed

- Real property other than industrial and commercial:

\$5 per day for each separate failure beginning after the 45 days has elapsed, up to a maximum of \$200.

### **Tax Administration Fee**

*Received into 101-011-4470-000*

The City of Madison Heights bills and collects taxes on behalf of all taxing jurisdictions in the City. A 1% fee of all taxes billed is added to cover this service as allowed in the State of Michigan General Property Tax Act 211.4 (3).

### **Duplicate Bill Fee**

*Received into 101-044-6701-000*

If a duplicate bill must be printed for payment or customer records the City charged a duplicate bill fee. This fee is set by the Department Head Based on an estimate of time and materials.

\$3 per bill requested

### **Stop Payment Fee**

*Received into 101-044-6701-000*

If the City must stop payment of a check issued a \$25 stop payment fee may be charged to the payee of the check. This fee is set by the Department Head based on the fee the City is charged from our banking institution.

### **Returned Check/ACH Fee**

*Received into 101-044-6705-000*

If a customer has a payment returned for any reason including (non-sufficient funds, closed account, wrong account information) a \$25 returned check/ach fee will be charged to the customer. This fee is set by the Department Head based on the fee the City is charged from our banking institution.

## Section 5. LIBRARY SERVICE FEES

### Rental and Late Fee

*Received into 101-030-628-6085*

Library materials that are not returned within 21 days of date due or are returned damaged are charged the full replacement cost of item at the time of purchase. Damaged items needing repair instead of replacement will be charged the repair cost instead of replacement.

### Program Fees

*Received into 705-000-299-2000*

Coffee Concerts	\$5 per concert for children under 12 and senior citizens \$10 per concert for adults \$25 family rate per concert (two adults and up to six children)
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### Technology Material Fees

*Received into 101-033-628-6086*

Paper pages printed ( <i>Page: one side of paper</i> )	First five black & white pages are free-of-charge daily. \$0.15 per additional page, black and white \$0.50 per page, color
3D printing	\$0.10 per gram
Buttons	\$0.25 small button \$0.30 medium button \$0.50 large button
Sublimation paper	\$1.00 per 8.5 x 11 sheet
Easy Subli HTV + Mask set	\$5.00 each
Laminating pouches	\$0.25 per pouch (8.5 x 11)
Embroidery stabilizer	\$1.00 per foot (12 in sq)
Cricut material (vinyl, transfer tape, etc.)	\$2.00 per foot
SD card 32 GB	\$10.00 each
USB drive	\$5.00 each
Headphones or earbuds	\$1.25 each

### Miscellaneous

*Arcadia Book Fees received into Historical Commission Escrow 705-000-291-9000  
All other received into 101-030-628-6085*

Fax	\$1 per page. Limit: 10 pages per person per day.
Library Card non-resident Arcadia Book: <i>Images of America, Madison Heights</i>	\$100 annual \$22

## Section 6. FIRE SERVICE FEES

### Ambulance and Emergency Response Fees

#### 1.0 Advanced Life Support Services

*Received into 101-044-6707-000*

ALS Emergency Transport	\$850
ALS Emergency Transport II	\$1,200
ALS Non-Emergency Transport	\$550
Treat No Transport	\$400

#### 2.0 Basic Life Support Services

*Received into 101-044-6707-000*

BLS Emergency Transports	\$700
BLS Non-Emergency Transport	\$450

#### 3.0 Miscellaneous Fees

*Received into 101-044-6707-000*

Loaded Mile (scene to hospital fee per mile)	\$17.50 per mile
Oxygen	\$50
Extrication	\$500
Defibrillator	\$50
Cost Recovery for Structure Fires	\$500

### Miscellaneous Fees

#### 1.0 Cardiopulmonary Resuscitation (CPR) Course Courses

*Received into 101-044-6709-000*

Course fees include supplies and materials used.

BLS for Healthcare Providers	\$40 per participant
Heartsaver First Aid/CPR/AED	\$60 per participant
Heartsaver CPR/AED	\$50 per participant
Online CPR Practical Skills Verification	\$30 per participant
Off-site Location Fee	\$50 per class

#### 2.0 Inspections and Reporting

Fire incident reports	See Section 12 – FOIA Fees
EMS reports	See Section 12 – FOIA Fees
Environmental Inspection Assessment	\$25 per assessment
Fire Re-Inspection	no charge 1 <sup>st</sup> and 2 <sup>nd</sup> inspection 3 <sup>rd</sup> inspection \$100 each 4 <sup>th</sup> inspection \$200 each 5 <sup>th</sup> or more inspection \$300 each

*False alarms – see fee schedule in the Police Department in Section 7.*

## Section 7. POLICE SERVICES FEES

### False Alarm Fees

Number of alarms is determined on a rolling calendar year from the date of the first false alarm.

1st False Alarm	No Charge
2nd False Alarm	No Charge
3rd False Alarm	\$100
4th False Alarm	\$200
5th False Alarm	\$300
6th False Alarm	\$400
7th and all subsequent violations	\$500

### Police FOIA and Miscellaneous Fees

#### 1.0 FOIA

In-Car Video Recordings	actual wages to prepare
Audio Tapes	actual wages to prepare
Photographs	actual wages to prepare
File size requiring an external drive	\$7.50 in addition to actual wages to prepare

#### 2.0 Reports

Accident Reports	\$15 per report set by contract with Oakland County
Police Report Photographs (excluding accident report)	\$0.10 per page of photographs

**Section 8. DEPARTMENT OF PUBLIC SERVICES**

**RV Lot Rental Fee**

*Received into 101-030-6285-000*

RV Lot Rental based on availability	\$250 annually with renewals on July 1
RV Lot Late Payment Fee	\$50 late fee after renewal due date of June 30 each year

**Brush Chipping Fee**

*Received into 101-030-6270-000*

Curbside brush chipping service	\$25 per every 15 minutes
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**Mobile Home Solid Waste Collection Fee**

*Received into 101-030-6240-000*

Solid Waste Collection	\$10.00 per unit
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This fee is invoiced twice per year based on per unit count as verified by a representative of the Department of Public Services.

## Section 9. PARKS AND RECREATION SERVICE FEES

The City of Madison Heights offers numerous classes and programs through our recreation department. The resident and non-resident fees are set each class cycle based on cost for instructors, program expenses and staff. These fees are published by class/program in the recreation brochure.

### Meeting Room Rentals

The City of Madison Heights allows groups to use the Breckenridge Room, City Hall, Lower Level Rooms and Fire Department Room.

#### 1.0 Groups for which No fee is charged:

Programs sponsored by the City  
Meeting of Madison Heights non-profit (501 C3) political, educational organizations  
Organizations where all members reside in Madison Heights (i.e. sports leagues, condo associations, etc.)  
Service clubs that reside in Madison Heights  
County, state and federal offices requesting usage for business use

#### 2.0 Groups for which a \$20 an hour/minimum of 2 hours will be charged:

Any non-profit groups (must provide a copy of 501-C3 documentation) that do not reside in Madison Heights (this would include organizations such as Toy Dog Club, Trout Unlimited, etc.)  
Any adult\* group/club providing an activity to make money for the club/group  
Any adult\* group desiring to have instructional or social activity for their own benefit where a fee is assessed to participants

#### 3.0 Groups for which a \$30 an hour/minimum of 2 hours will be charged:

Any group originating from a business establishment such as union meetings, company staff meetings  
Groups other than civic, cultural, educational, political groups, deriving personal or financial gain  
(such as sales meetings, investment clubs, training sessions, etc.)  
Any group not comprised of 75% Madison Heights residents.

### Park, Park Pavilion and Park Building Rentals

The City of Madison Heights allows the rental of Pavilions A, B and C at Civic Center Park and the Monroe Park Pavilion. Residents have first choice of reservations through March 31<sup>st</sup> each year. On or after April 1<sup>st</sup> each year rental is available to residents and non-residents on a first come first served basis.

Park Rental Fees \$25/hour with a minimum of 2 hours up to 6 hours. Rentals exceeding 6 hours will incur an additional \$20/hour up to a maximum of 14 hours + minimum \$100 refundable damage deposit, subject to change based on the nature of the event.

Non-Resident Park Rental Fees \$30/hour with a minimum of 2 hours up to 6 hours. Rentals exceeding 6 hours will incur an additional \$25/hour up to a maximum of 14 hours + minimum \$100 refundable damage deposit, subject to change based on the nature of the event.

Pavilion Rental Fees	\$50 per pavilion + \$50 refundable damage/cleaning deposit
Non-Resident Rental Fee	\$100 per pavilion + \$50 refundable damage/cleaning deposit
Cancellation Fee	\$10 with one week (7 days) notice No refund will be given if cancelled in less than one week (7 days) of the rental date
Park Building Rental Fee	\$50/2 hour block of time, rounded to each 2 hour period per building + \$100 refundable damage/cleaning deposit
Non-Resident Park Building Rental Fee	\$100/2 hour block of time, rounded to each 2 hour period per building + \$100 refundable damage/cleaning deposit
Park Building Lost Key Fee	\$25 if key is not returned
Special Event Fee (Resident)	\$500 per day + \$500 refundable security deposit
Special Event Fee (Non-Resident)	\$750 per day + \$500 refundable security deposit.

Nonprofit and volunteer groups that regularly volunteer in the City shall rent the (Breckenridge Room), Fire Station (Training Room), Park Buildings, and City Hall (Lower Level Rooms) at no cost if the rental does not require staffing. If staffing is required fees shall cover staffing cost. A refundable damage deposit of \$100 is required.

#### **Active Adult Center Rentals**

The City of Madison Heights allows residents and groups to rent the Active Adult Center Building.

**Receipted into 101-030-6530-000**

\$50 per hour	3 hour minimum for Madison Heights residents and businesses.
\$25 per hour	3 hour minimum for civic groups, schools and scout troops
\$200	Refundable damage deposit.

#### **Sports Field Preparation**

The City of Madison Heights will prepare any of its available sports fields to include dragging, lining, and/or striping. Groups wishing to have a field prepared must have a field permit and follow all guidelines to obtain such.

**Receipted into 101-030-6530-000**

Baseball/Softball Diamonds	\$40 (Residents) \$60 (Non-Residents) to have field dragged and lined
Soccer/Football Fields	\$25/hour (Residents) \$45/hour (Non-Residents)

## **Section 10. ACTIVE ADULT CENTER SERVICE FEES**

The City of Madison Heights offers numerous trips, classes and programs through our Senior citizens Center. The resident and non-resident fees are set for each trip/program based on cost by the Center Coordinator.

### **Transportation**

The City of Madison Heights transports residents who are age 50 and older and/or disabled Monday through Friday to banks, beauty shops, grocery stores, Active Adult Center and social service appointments.

Rides	\$1 each way, within Madison Heights*
	*Currently free through SMART Grant
Doctor appointments	\$2.50 each way Monday & Friday, appointments must stay within a seven (7) mile radius of the Active Adult Center
	*Currently Free through SMART Grant

### **Lunch Program**

Lunch served daily at the Senior Center \$3.00 per person suggested donation\*  
\*Lunch program is tentatively restarting in calendar year 2023

### **Miscellaneous**

Trip Cancellation Fee	\$5
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## Section 11. **GENERAL GOVERNMENTAL SERVICE FEES**

### **Message Board Greetings**

City Hall Message Board	Non-Roundtable members \$10 for one per day or \$20 for a week Roundtable members no charge
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### **Wedding Ceremony**

Administration fee	\$75 per wedding Plus \$50 Payable to Mayor
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### **Items for Sale**

Garbage Bags <a href="#">Receipted into 101-033-6421-000</a>	Box of 100 Heavy Duty bags \$20 per box
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Recycling Bin and Lid <a href="#">Receipted into 101-033-6422-000</a>	\$20
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## **Section 12. FOIA FEES**

A fee will not be charged for the cost of search, examination, review and the deletion and separation of exempt from nonexempt information unless failure to charge a fee would result in unreasonably high costs to the City because of the nature of the request in the particular instance, and the City specifically identifies the nature of the unreasonably high costs.

The Michigan FOIA statute permits the City to assess and collect a fee for six designated processing components. The City may charge for the following costs associated with processing a request:

- Labor costs associated with searching for, locating and examining a requested public record.
- Labor costs associated with a review of a record to separate and delete information exempt from disclosure of information which is disclosed.
- The cost of computer discs, computer tapes or other digital or similar media when the requestor asks for records in non-paper physical media.
- The cost of duplication or publication, not including labor, of paper copies of public records.
- Labor costs associated with duplication or publication, which includes making paper copies, making digital copies, or transferring digital public records to non-paper physical media or through the Internet.
- The cost to mail or send a public record to a requestor.

### **1.0 Labor Costs**

- All labor costs will be estimated and charged in 15-minute increments with all partial time increments rounded down.
- Labor costs will be charged at the hourly wage of the lowest-paid City employee capable of doing the work in the specific fee category, regardless of who actually performs work.
- Labor costs will also include a charge to cover or partially cover the cost of fringe benefits.

### **2.0 Non-paper Physical Media**

- The cost for records provided on non-paper physical media, such as computer discs, computer tapes or other digital or similar media would be at the actual and most reasonably economical cost for the non-paper media.
- This cost will only be assessed if the City has the technological capability necessary to provide the public record in the requested non-paper physical media format.

### **3.0 Paper Copies**

- Paper copies of public records made on standard letter (8 1/2 x 11) or legal (8 1/2 x 14) sized paper will be \$.10 per sheet of paper. Copies for non-standard sized sheets will reflect the actual cost of reproduction.
- The City may provide records using double-sided printing, if cost saving and available.

### **4.0 Mailing Costs**

- The cost to mail public records will use a reasonably economical and justified means.
- The City may charge for the least expensive form of postal delivery confirmation.
- No cost will be made for expedited shipping or insurance unless requested.



## EXPENDITURE HISTORY BY ACTIVITY

### General Fund

Activity Name	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Amended Budget	2022-23 Budget	2023-24 Budget	2024-25 Budget
Mayor and City Council	\$ 53,938	\$ 54,718	\$ 54,846	\$ 58,304	\$ 58,306	\$ 58,306	\$ 58,606
City Manager	273,266	223,462	222,300	259,162	262,383	277,010	292,198
Elections	56,626	65,542	100,247	74,531	83,638	83,960	83,438
City Assessor	207,592	213,767	206,854	219,021	219,021	219,021	228,309
Legal	370,909	344,449	312,078	335,695	335,695	335,695	375,000
City Clerk	242,704	258,078	296,881	356,791	398,073	397,306	488,437
Human Resources	381,863	395,964	394,070	447,360	473,001	467,993	468,613
Board of Review	2,214	1,958	2,030	3,243	3,043	3,043	3,043
General Administration	867,259	908,830	935,538	879,416	338,619	302,143	407,102
Finance	677,352	676,835	696,146	767,550	793,202	811,501	849,375
Information Technology	184,778	190,683	216,467	307,133	292,317	255,737	536,419
<b>Total City Administration</b>	<b>\$ 3,318,501</b>	<b>\$ 3,334,286</b>	<b>\$ 3,437,457</b>	<b>\$ 3,708,206</b>	<b>\$ 3,257,298</b>	<b>\$ 3,211,715</b>	<b>\$ 3,790,540</b>
Municipal Building Custodial and Maintenance	\$ 47,811 197,349	\$ 53,221 164,192	\$ 56,989 184,927	\$ 344,653 200,135	\$ 58,588 190,442	\$ 61,413 191,257	\$ 62,347 199,444
<b>Total General Municipal Maint.</b>	<b>\$ 245,160</b>	<b>\$ 217,413</b>	<b>\$ 241,916</b>	<b>\$ 544,788</b>	<b>\$ 249,030</b>	<b>\$ 252,670</b>	<b>\$ 261,791</b>
Police	\$ 10,744,799	\$ 11,177,405	\$ 11,435,385	\$ 11,890,682	\$ 12,602,204	\$ 12,527,427	\$ 13,626,482
Fire	5,691,581	6,699,507	6,666,821	7,323,630	7,520,989	7,510,916	9,634,019
District Court	1,288,615	1,335,357	1,303,571	1,419,159	1,459,129	1,494,103	2,257,856
<b>Total Public Safety</b>	<b>\$ 17,724,995</b>	<b>\$ 19,212,269</b>	<b>\$ 19,405,777</b>	<b>\$ 20,633,471</b>	<b>\$ 21,582,322</b>	<b>\$ 21,532,446</b>	<b>\$ 25,518,357</b>
Community Development Streets	\$ 1,044,087 986,223	\$ 1,011,119 1,136,817	\$ 1,053,836 1,285,482	\$ 1,092,088 1,133,494	\$ 1,138,451 1,105,331	\$ 1,162,471 1,199,386	\$ 1,249,373 1,216,016
<b>Total Community Improvement</b>	<b>\$ 2,030,310</b>	<b>\$ 2,147,936</b>	<b>\$ 2,339,318</b>	<b>\$ 2,225,582</b>	<b>\$ 2,243,782</b>	<b>\$ 2,361,857</b>	<b>\$ 2,465,389</b>
Solid Waste	\$ 2,326,405	\$ 2,518,486	\$ 2,470,721	\$ 3,096,682	\$ 2,999,813	\$ 3,067,761	\$ 3,257,187
<b>Total Solid Waste</b>	<b>\$ 2,326,405</b>	<b>\$ 2,518,486</b>	<b>\$ 2,470,721</b>	<b>\$ 3,096,682</b>	<b>\$ 2,999,813</b>	<b>\$ 3,067,761</b>	<b>\$ 3,257,187</b>
Recreation Nature Center	\$ 203,995 13,045	\$ 152,041 65,977	\$ 115,337 10,425	\$ 291,447 63,400	\$ 304,728 59,600	\$ 306,564 59,672	\$ 411,325 9,745
Parks	460,561	506,772	398,658	1,090,192	1,099,691	1,293,223	1,258,219
Senior Citizen Center	379,411	369,219	280,898	599,906	498,778	410,622	447,316
<b>Total Parks and Recreation</b>	<b>\$ 1,057,012</b>	<b>\$ 1,094,009</b>	<b>\$ 805,318</b>	<b>\$ 2,044,945</b>	<b>\$ 1,962,797</b>	<b>\$ 2,070,081</b>	<b>\$ 2,126,605</b>
Library	\$ 677,464	\$ 756,765	\$ 632,559	\$ 1,033,530	\$ 913,384	\$ 931,105	\$ 1,031,127
<b>Total Library</b>	<b>\$ 677,464</b>	<b>\$ 756,765</b>	<b>\$ 632,559</b>	<b>\$ 1,033,530</b>	<b>\$ 913,384</b>	<b>\$ 931,105</b>	<b>\$ 1,031,127</b>
Insurance Pension Obligation Debt	374,152 1,032,305	289,718 1,033,525	293,626 1,029,182	257,786 1,027,058	266,800 1,028,279	278,810 1,027,043	\$ 275,620 1,028,108
General Expenditures	\$ 1,406,457	\$ 1,323,243	\$ 1,322,808	\$ 1,284,844	\$ 1,295,079	\$ 1,305,853	\$ 1,303,728
Transfers Out	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,547,195	\$ 431,500	\$ 482,500
<b>General Fund Expenditures</b>	<b>\$ 28,786,304</b>	<b>\$ 30,604,407</b>	<b>\$ 30,655,874</b>	<b>\$ 34,572,048</b>	<b>\$ 41,050,700</b>	<b>\$ 35,164,988</b>	<b>\$ 40,237,224</b>

Source: Finance Expenditure Records

**ASSESSED AND ESTIMATED ACTUAL VALUATION OF  
TAXABLE PROPERTY LAST TEN FISCAL YEARS**

**ASSESSED AND ESTIMATED ACTUAL VALUATION OF TAXABLE PROPERTY**

**Last Ten Fiscal Years**

Tax Year	Real Property	Personal Property	Total Taxable Value	Tax Rate (mills)	Total Actual Value	Taxable Value as a % of Actual
2013	\$ 627,655,010	\$ 136,932,850	\$ 764,587,860	22.94	\$ 1,537,782,700	49.7%
2014	\$ 632,645,995	\$ 132,517,980	\$ 765,163,975	22.96	\$ 1,575,947,800	48.6%
2015	\$ 644,812,010	\$ 134,378,270	\$ 779,190,280	22.97	\$ 1,709,535,340	45.6%
2016	\$ 658,924,906	\$ 100,656,660	\$ 759,581,566	23.02	\$ 1,808,034,840	42.0%
2017	\$ 675,469,470	\$ 88,771,390	\$ 764,240,860	25.21	\$ 1,928,478,680	39.6%
2018	\$ 705,857,802	\$ 90,497,780	\$ 796,355,582	25.72	\$ 2,063,842,444	38.6%
2019	\$ 739,591,440	\$ 88,053,590	\$ 827,645,030	25.29	\$ 2,247,246,400	36.8%
2020	\$ 770,168,610	\$ 86,141,600	\$ 856,310,210	26.26	\$ 2,422,544,460	35.3%
2021	\$ 811,096,360	\$ 91,162,050	\$ 902,258,410	26.26	\$ 2,573,840,080	35.1%
2022	\$ 872,376,430	\$ 90,917,540	\$ 963,293,970	26.08	\$ 2,797,757,300	34.4%
2023	\$ 941,892,860	\$ 88,751,230	\$ 1,030,644,090	25.53	\$ 3,099,887,540	33.2%

Sources: City and County Assessing Records

## PROPERTY TAX RATES

### Direct and Overlapping Governments

(Per \$1,000 of Taxable Valuation)

Fiscal Year Ending June 30,	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>City of Madison Heights</b>															
General Operating	8.82	8.82	10.00	10.00	10.00	10.00	10.00	10.00	9.97	9.93	12.63	12.63	12.73	12.87	12.87
Neighborhood Road Improvements	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.99	1.99	1.94	1.94	1.92	1.89	1.89
Vehicle Replacement	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	-	-	-	-	-
Advanced Life	0.24	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	-	-	-	-	-
Support Solid Waste	2.13	2.54	2.65	2.65	2.65	2.65	2.65	2.65	2.64	2.63	2.57	2.57	2.54	2.50	2.50
Senior Center	0.47	0.48	0.47	0.44	0.45	0.48	0.48	0.48	0.47	0.47	0.46	0.46	0.46	0.45	0.45
Police and Fire Pension	3.75	4.10	4.80	5.30	5.82	5.83	5.86	5.86	6.96	7.59	7.12	7.12	7.12	7.00	7.00
Fire Station Bond	0.34	0.39	0.45	0.55	0.52	0.51	0.48	0.53	0.53	0.51	0.49	0.49	0.51	0.43	-
Library	n.a.	n.a.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.99	-	-	-	-	-
County Drain	n.a.	1.16	1.13	1.04	1.04	1.00	0.94	0.82							
<b>Total Direct City Taxes</b>	<b>18.00</b>	<b>18.82</b>	<b>21.87</b>	<b>22.43</b>	<b>22.94</b>	<b>22.96</b>	<b>22.97</b>	<b>23.02</b>	<b>25.21</b>	<b>25.72</b>	<b>26.26</b>	<b>26.26</b>	<b>26.26</b>	<b>26.08</b>	<b>25.53</b>
<b>Overlapping Taxes</b>															
County	5.24	5.24	5.24	5.24	5.24	5.65	5.55	5.49	5.48	5.49	5.48	5.57	5.55	5.47	**
Community College	1.58	1.58	1.58	1.58	1.58	1.58	1.58	1.57	1.56	1.54	1.53	1.52	1.51	1.49	
Intermediate School District	3.37	3.37	3.37	3.37	3.37	3.37	3.37	3.34	3.31	3.28	3.25	3.23	3.20	3.17	
School Homestead *	12.04	13.76	13.76	13.76	13.76	13.76	14.22	13.76	14.25	14.26	13.28	14.27	10.33	10.32	
School Non-Homestead	30.12	31.76	31.76	31.76	31.76	31.76	32.40	32.40	32.43	32.44	31.36	31.93	27.62	27.76	
* Zoological Authority	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.09	
Art Institute	n.a.	n.a.	n.a.	0.20	0.20	0.20	0.20	0.20	0.20	0.19	0.19	0.19	0.19	0.19	
<b>Total Homestead</b>	<b>40.33</b>	<b>42.87</b>	<b>45.91</b>	<b>46.67</b>	<b>47.19</b>	<b>47.62</b>	<b>47.99</b>	<b>47.47</b>	<b>50.10</b>	<b>50.59</b>	<b>50.10</b>	<b>51.13</b>	<b>47.13</b>	<b>46.81</b>	
<b>Total Non-Homestead</b>	<b>58.41</b>	<b>60.87</b>	<b>63.91</b>	<b>64.67</b>	<b>65.19</b>	<b>65.62</b>	<b>66.17</b>	<b>66.11</b>	<b>68.28</b>	<b>68.77</b>	<b>68.17</b>	<b>68.79</b>	<b>64.42</b>	<b>64.25</b>	

\* Madison District Public School Rates

\*\* Amounts not yet known, set by other entities

Sources: County Assessor's Warrant

**CHANGES IN FUND BALANCE**

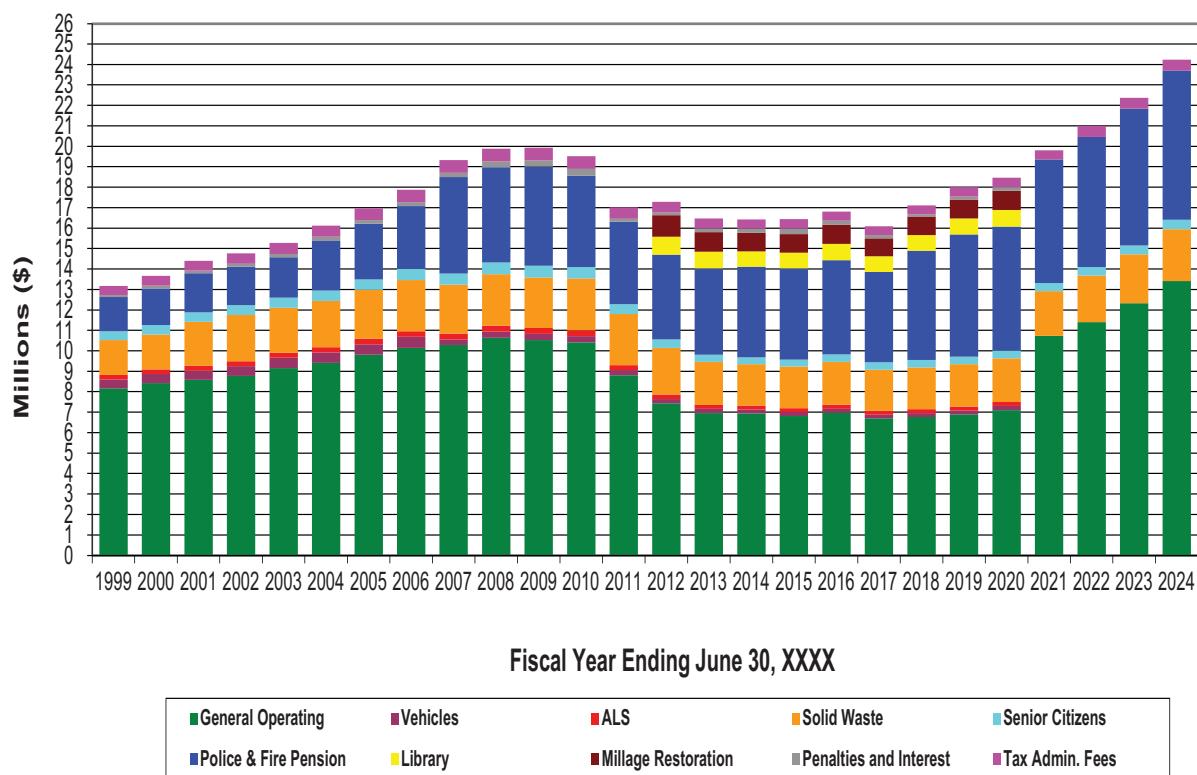
(amounts expressed in thousands)

**General Fund**

Fiscal Year ended June 30,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Restricted and Nonspendable:	\$ 777	\$ 1,088	\$ 1,611	\$ 844	\$ 797	\$ 359	\$ 343	\$ 617	\$ 2,024	\$ 649	\$ 275	\$ 7,460
Assigned:												
Vested employee benefits	\$2,353	\$2,023	\$2,287	\$2,235	\$1,991	\$1,841	\$2,131	\$ 598	\$ 598	\$2,405	\$ 2,733	\$ 2,554
Subsequent years' expenditures	915	392	785	386	786	1,364	537	1,558	1,564	960	1,989	1,705
Retained insurance risk	336	446	722	2,013	1,319	1,319	1,357	1,357	2,320	1,465	2,132	1,093
Capital improvements	1,218	1,561	0	527	980	1,033	983	1,757	1,041	1,727	3,677	1,907
Technology Improvements	75	75	18	100	150	150	150	150	150	150	150	-
Postemployment Benefits	-	1,337	0	440	1,931	1,566	745	1,020	1,413	1,414	1,491	778
Capital Projects - Civic Center Plaza and Fire Station #2	-	-	0	0	0	0	0	0	0	0	0	5,159
Penion bonds	0	0	0	0	0	1,090	810	820	835	845	884	893
Total Assigned:	\$ 4,897	\$ 5,834	\$ 3,812	\$ 5,701	\$ 7,157	\$ 8,363	\$ 6,713	\$ 7,260	\$ 7,921	\$ 8,965	\$ 13,055	\$ 14,089
Unassigned	0	0	0	0	0	0	0	0	0	0	0	0
Total Fund Balance	\$ 5,675	\$ 6,922	\$ 5,423	\$ 6,545	\$ 7,954	\$ 8,722	\$ 7,056	\$ 7,877	\$ 9,945	\$ 9,614	\$ 13,331	\$ 21,549

Sources: City's Audited Annual Financial Statements

## General Fund Property Tax Revenue History By Millage (Real and Personal; Excludes Neighborhood Roads and Fire Station Bond Millages)



## **FY 2023-24 BUDGET**

### **HISTORICAL LISTING OF PERSONNEL ACTIONS**

#### **REVERSE CHRONOCOLOGICAL ORDER**

<b>FY</b>	<b>DEPARTMENT</b>	<b>ACTION</b>
23-24	General Administration	Add PT Media Specialist (+53)
23-24	CED	Add PT Code Enforcement Officer (+0.53)
23-24		Reduce PT Office Assistant Hours (-0.03)
23-24	Library	Reallocationj of PT Hours (-0.10)
23-24	Recreation	Add FT Recreation Specialist (+1.0)
23-24		Eliminate PT Recreation Assistant (-63)
22-23	Police	Add 2 FT School Liaison Police Officers (+2.0), Add 1 PT Animal Shelter Assistant (+0.35), and eliminate 1 PT Code Enforcement Officer (-0.75)
22-23	CED	Add 1 FT City Planner (+1.0)
22-23	Library	Reclassify Librarian to Library Coordinator (no change FTE)
21-22	City Clerk	Add 1 FT Business Services Coordinator(+1.0)
21-22	General Administration	Eliminate PT Social Media Specialist, Add FT Social Media Specialist (+0.24)
21-22	Police	Eliminate PT Records Clerk (-0.13)
21-22	CED	Eliminate FT Economic Development Director (-1.0)
21-22	DPS - Recreation	Increase FTE Misc. PT Positions (+0.02)
20-21	Police	Add 2 Patrol Officers (+2.0) partial year, add 1 Police Service Assistant(+1.0)
20-21		Eliminate PT Records Clerk, Add FT Records Clerk (+0.87)
20-21	Fire	Add 3 Firefighter/Paramedics (+3.0)
20-21	CED	Add 1 PT Code Enforcement Officer (+0.75)
20-21	Library	Add 1 FT Community Outreach Librarian (+1.0) partial year
20-21	DPS - Custodial/Maintenance	Reallocate DPS Director (+0.10)
20-21	DPS - Streets	Reallocate DPS Director (+0.10)
20-21	DPS - Solid Waste	Reallocate DPS Director (+0.38)
20-21	DPS - Recreation	Add 1 FT Recreation Coordinator (+1.0)
20-21	DPS - Water/Sewer Admin	Eliminate DPS Superintendent (-1.0), Eliminate 2 PT Office Assistant (-1.44), Reallocate
20-21	DPS Fund	Add 1 FT Office Assistant (+1.0), Eliminate Deputy DPS Director (-1.0), Add 2
20-21	MIDC	Reallocate FT MIDC Officer (+0.60), add 1 PT MIDC Assistant (+0.67)
19-20	Court	Eliminate 2 PT Court Officers and Add One FT Probation Officer (-0.32)
19-20	General Administration	Increase PT Media Specialist Hours (+0.19)
19-20	Finance	Increase PT Treasury Assistant Hours (+0.64)
19-20	Library	Increase PT Hours for Additional Sunday Hours (+0.41)
19-20	DPS - Active Adult Center	Eliminate PT Office Assistant, Add FT Office Assistant (+0.25)
19-20	DPS - Water & Sewer	Transfer FT Deputy DPS Director FTE (+1.0)
		Add PT Office Assistant (+0.72)
19-20	DPS - Motor Pool	Increast PT Laborer FTE (+.285)
19-20	DPS - DPS Fund	Transfer FT Deputy DPS Director FTE (-1.0)
		Add FT Utilities Supervisor (+1.0)
		Reallocation of Split Position FTE s(-0.155)
18-19	General Administration	Transfer PT Social Media Intern from CDD (+0.5)
18-19	Police	Add Two Police Officers (+2.0)
		Add One Police Service Assistant (+1.0)
		Add One MIDC Police Officer (+1.0)
18-19	Fire	Add Two Firefighter/Paramedics (+2.0)
18-19	Community Development	Transfer PT Social Media Intern to General Administration (-0.50)
		Add Full Time Code Enforcement Officer (+1.0)
18-19	DPS - Water & Sewer Admin	Add Full Time Utilities Supervisor (+1.0)
18-19	DPS - Main Division	Add PT Year Round Laborer (+.68)

## FY 2023-24 BUDGET

### HISTORICAL LISTING OF PERSONNEL ACTIONS

#### REVERSE CHRONOCOLOGICAL ORDER

<b>FY</b>	<b>DEPARTMENT</b>	<b>ACTION</b>
17-18	Court	Add new PT Probation Officer (+0.60),
17-18		Decrease two current PT Probation Officers (-0.28)
17-18	City Clerk	Increase PT Office Support Staff (+0.12)
17-18	City Clerk - Elections	Reallocation DPS Employees (-0.3)
17-18	General Administration	Add new PT Social Media Intern (+.04)
17-18	Community Development	Add new PT Social Media Intern (+0.5)
17-18	Community Development	Eliminate Inspector (-1.0)
17-18	Police	Add new Special Investigations Unit Officer (+1.0)
17-18	DPS - Custodial & Maintenance	Reallocation DPS Employees (-0.1)
17-18	DPS - Streets	Reallocation DPS Employees (-1.7)
17-18	DPS- Solid Waste	Reallocation DPS Employees (-3.7)
17-18	DPS - Recreation	Increase 3 PT Camp Leaders (+0.12 each for total +0.36)
		Add PT Recreation Intern (+0.16)
17-18	DPS - Parks	Reallocation DPS Employees (-1.1)
17-18	DPS - Senior Center	Increase PT Chauffeur (.09)
17-18	DPS - Major Street Fund	Reallocation DPS Employees (-2.3)
17-18	DPS - Local Street Fund	Reallocation DPS Employees (-2.7)
17-18	DPS - Water	Reallocation DPS Employees (-4.0)
17-18	DPS - Sewer	Reallocation DPS Employees (-5.4)
17-18	DPS - Water/Sewer Administration	Reallocation DPS Employees (-1.5)
17-18	DPS Division	DPS Reallocation (+22.8)
17-18		Increase PT Office Support Staff (+0.43)
16-17	City Clerk	Increase PT Office Support Staff (+0.3)
16-17	City Clerk - Elections	Decrease PT Office Support Staff elections portion (-0.13)
16-17	Community Development	Eliminate vacant Building Official Position (-1.0)
16-17	DPS - Streets	Reallocation of Admin Support due to Act 51 requirements (+0.10)
16-17	DPS - Solid Waste	Eliminate PT Office Support split (-0.13)
16-17		Add dedicated DPS PT Office Support (+0.15)
16-17	DPS - Recreation	Add dedicated DPS PT Office Support (+0.15)
16-17	DPS - Misc Funds	Transfer one DPS pooled position to Water (-1.0)
16-17	DPS - Parks	Transfer one fulltime Parks employee to vacant DPS pooled position (-1.0)
16-17	DPS - Major Street Fund	Reallocation of Admin Support due to Act 51 requirements (-0.15)
16-17	DPS - Local Streets Fund	Reallocation of Admin Support due to Act 51 requirements (-0.15)
16-17	DPS - Water	Transfer one fulltime DPS employee from Water Admin to Sewer Maintenance (+1.0)
16-17		Transfer one DPS pooled position to Water (+1.0)
16-17	DPS - Water/Sewer Administration	Transfer one fulltime DPS employee from Water Admin to Sewer Maintenance (-1.0)
16-17		Reallocation of Admin Support due to Act 51 requirements (+.20)
16-17		Add dedicated DPS PT Office Support (+0.35)
15-16	City Clerk	Reallocate PT Office Support Staff (-0.1)
15-16	General Administration	Eliminate Asst City Mgr Split between Departments (-0.2)
15-16	Finance	Transfer Fiscal Assistant II to Fire Department (-1.0)
15-16	Information Technology	Eliminate MIS Administrator (-1.0)
15-16	Information Technology	Eliminate Information Systems Specialist (-1.0)
15-16	Police	Reallocate Animal Control Officer (+0.3)
15-16	Fire	Eliminate PT Office Support Staff (-0.5)
15-16	Fire	Transfer Fiscal Assistant II to Fire Department (+1.0)
15-16	Community Development	Eliminate Building Inspector (-1.0)
15-16	Community Development	Eliminate GIS/CDD Technician (-1.0)
15-16	Community Development	Add GIS/Social Media Specialist (+1.0)
15-16	Community Development	Reallocate Animal Control Officer (-0.3)
15-16	Community Development	Add PT Code Enforcement Officer (+0.7)
15-16	DPS - Custodial & Maintenance	Reallocate DPS Director (-0.1)
15-16	DPS - Solid Waste	Eliminate Asst City Mgr Split between Departments (-0.5)

## FY 2023-24 BUDGET

### HISTORICAL LISTING OF PERSONNEL ACTIONS

#### REVERSE CHRONOCOLOGICAL ORDER

FY	DEPARTMENT	ACTION
15-16	DPS - Major Street Fund	Elimination of one vacant PT Seasonal position split between Major & Local Streets (-0.4)
15-16	DPS - Local Street Fund	Elimination of one vacant PT Seasonal position split between Major & Local Streets (-0.4)
15-16	DPS - Water	Eliminate Water Meter Reader (-1.0)
15-16	DPS - Sewer	Transfer PT Year Round Laborer (-0.7)
15-16	DPS - Water/Sewer Admininstration	Elimination of Asst City Mgr/Reallocation of DPS Director (+0.9)
15-16	DPS - Water/Sewer Admininstration	Eliminate Water & Sewer Coordinator (-1.0)
15-16	DPS - Water/Sewer Admininstration	Add DPS Analyst/Planner (+1.0)
15-16	DPS - Water/Sewer Admininstration	Add Equipment Operator I (+1.0)
15-16	DPS - Motor Pool	Add PT Year Round Laborer (+0.7)
14-15	n/a	No changes in FTE
13-14	Clerk/DPS	Reallocate funding for one PT Support Staff position (Clerk +0.36 FTE and Senior Center +0.045 FTE)
13-14	DPS - Recreation	Decrease PT Recreation Coordinator FTE to comply with PPACA (-0.045)
13-14	Community Improvement Fund	Eliminate Community Housing & Grants Supervisor (-1.0) and Housing Program Assistant (-1.0)
13-14	DPS - Water	Eliminate Equipment Operator I position (-1.0)
13-14	DPS - Sewer	Add two PT Year Round Laborer positions (+1.35)
13-14	Police	Eliminate Police Sergeant position (-1.0), add Police Officer position (+1.0)
12-13	Police	Eliminate vacant Office Assistant position (-1.0), add part time assistant position (+.47)
12-13	DPS - Recreation	Eliminate Recreation Supervisor position (-0.5) and increase part time Recreation Coordinator hours (+0.22)
12-13	DPS - Senior Center	Eliminate Recreation Supervisor position (-0.5)
12-13	DPS - Streets	Eliminate Equipment Operator II position (-1.0)
12-13	Fire	Eliminate three vacant unbudgeted Firefighter positions (-3.0)
12-13	Fire Manning Grant Fund	Reallocate two grant funded positions to General Fund (-2.0)
11-12	District Court	Eliminate vacant part time Probation Officer position (-1.0)
11-12	Police	Eliminate vacant Police position associated with Lieutenant retirement (-1.0)
11-12	Police	Eliminate vacant Police position associated with Sergeant retirement (-1.0)
11-12	Police	Eliminate two vacant Police Officer positions (-2.0)
11-12	Community Development	Eliminate vacant part time Code Enforcement Officer position (-0.8)
11-12	DPS - Parks	Eliminate vacant part time Seasonal Laborer position (-0.3)
11-12	DPS - Streets	Eliminate vacant Deputy DPS Director position (-0.5)
11-12	DPS - Solid Waste	Eliminate vacant Deputy DPS Director position (-0.5)

## **FY 2023-24 BUDGET**

### **HISTORICAL LISTING OF PERSONNEL ACTIONS**

#### **REVERSE CHRONOCOLOGICAL ORDER**

<b>FY</b>	<b>DEPARTMENT</b>	<b>ACTION</b>
10-11	Assessing	Eliminate City Assessor position (-1.0)
10-11	Assessing	Eliminate Property Appraiser position (-1.0)
10-11	Assessing	Eliminate part-time Personal Property Auditor position (-0.4)
10-11	Court	Eliminate Court Officer position (-1.0)
10-11	Community Development	Eliminate part-time Clerical position (-0.52)
10-11	City Clerk	Eliminate vacant Office Assistant II position (-1.0)
10-11	Human Resources	Restructure Personnel & Purchasing Coordinator position. Full-time position split between Human Resources (0.5) and General Administration (0.5) moved to DPS - Streets. Transfer part-time Office Assistant (0.75) from DPS to Human Resources (+0.25)
10-11	General Administration	Restructuring the Personnel & Purchasing Coordinator position reduced General Administration by (-0.25) of a position
10-11	Finance	Eliminate Fiscal Assistant I position (-1.0)
10-11	Finance	Eliminate vacant Fiscal Assistant II position (-1.0)
10-11	Police	Eliminate two vacant Police Officer positions (-2.0)
10-11	Police	Eliminate three vacant Police Sergeant positions (-3.0)
10-11	Fire	Eliminate three vacant Firefighter positions (-3.0)
10-11	Community Development	Eliminate GIS Supervisor position (-1.0)
10-11	Library	Eliminate Librarian position (-1.0)
10-11	Library	Reduce ten part-time Librarian Assistant positions (-0.66)
10-11	DPS – Building Maintenance	Eliminate vacant Equipment Operator II position (-1.0). Full-time split between Streets (0.04) and Building Maintenance (0.96)
10-11	DPS - Streets	Eliminate vacant seasonal part-time Laborer position (-0.35)
10-11	DPS - Solid Waste	Eliminate vacant seasonal part-time Laborer position (-0.35)
10-11	DPS - Recreation	Reduce part-time Recreation Coordinator hours (-0.11)
10-11	DPS - Recreation	Eliminate sixteen vacant seasonal part-time recreation positions (-0.425)
10-11	DPS - Nature Center	Eliminate Nature Center Coordinator position (-1.0)
10-11	DPS - Nature Center	Eliminate part-time Naturalist position (-0.26)
10-11	DPS - Parks	Eliminate Equipment Operator I position (-1.0)
10-11	DPS - Parks	Eliminate three seasonal part-time Laborer positions (-0.75)
10-11	DPS - Parks	Reduce three part-time Park Ranger hours (-0.2)
10-11	DPS - Senior Center	Reduce part-time Bus Driver and Chauffer hours (-0.31)
10-11	DPS - Senior Center	Reduce part-time Senior Center Assistant hours (-0.1)
10-11	DPS - Major Street Fund	Reallocation of Administrative Support (-0.15)
10-11	DPS - Local Street Fund	Reallocation of Administrative Support position (-0.1)
10-11	DPS - Water	Eliminate two vacant Water Meter Reader positions (-1.0)
10-11	DPS - Sewer	Eliminate Equipment Operator I position (-1.0)
10-11	DPS - Motor Pool	Eliminate General Mechanic position (-1.0)

## FY 2023-24 BUDGET

### HISTORICAL LISTING OF PERSONNEL ACTIONS

#### REVERSE CHRONOLOGICAL ORDER

<b>FY</b>	<b>DEPARTMENT</b>	<b>ACTION</b>
BA = mid-year Budget Amendment adopted as of December 14, 2009		
BA 09-10	Police	Eliminate two vacant Police Officer positions (-2.0)
BA 09-10	Police	Eliminate one vacant Public Service Aide position (-1.0)
BA 09-10	Fire	Eliminate two vacant Firefighter positions (-2.0)
BA 09-10	Library	Eliminate vacant part-time Library Assistant position (-0.21)
BA 09-10	DPS - Senior Center	Eliminate vacant part-time Senior Center Assistant (-0.25)
BA 09-10	DPS - Water and Sewer	Eliminate one vacant Equipment Operator I position (-1.0)
09-10	Police	Eliminate vacant Patrol positions (-3.0)
09-10	Fire	Eliminate vacant Firefighter swing man position (-1.0)
09-10	DPS - Streets	Eliminate vacant DPS field employee split between divisions (-0.2)
09-10	DPS - Solid Waste	Eliminate vacant DPS field employee split between divisions (-0.3)
09-10	Major Streets Fund	Eliminate vacant DPS field employee split between divisions (-0.2)
09-10	Local Streets Fund	Eliminate vacant DPS field employee split between divisions (-0.3)
09-10	DPS - Youth Center	Reduce 6 part-time employees hours by closing the Youth Center during the summer (-0.4)
09-10	DPS - Recreation	Move full-time position split between Fire, Senior Center and Recreation to Finance, replacing a part-time position (-0.3)
09-10	DPS - Parks	Eliminate seasonal part-time employee due to reduction in mowing frequency (-0.3)
09-10	DPS - Senior Center	Eliminate vacant part-time aide positions, reduce hours of six part-time employees by closing the Senior Center between Christmas and New Year's and move full-time positions currently split between Fire, Senior Center, Recreation and Finance, replacing a part-time position (-1.1)
09-10	Finance	Move full-time positions currently split between Fire, Senior Center and Recreation to Finance, replacing a part-time position. (0.5)
09-10	Library	Reduction of hours for ten part-time positions due to reducing the Library hours of operation from 61.5 to 56 hours per week. (-0.5)
09-10	Community Development	Eliminate the part-time GIS part-time position (-0.5)
09-10	Water and Sewer	Eliminate two seasonal laborers; one in the Water Division and one in the Sewer Division (-0.7)
07-08	Finance	Reallocation one vacant Fiscal I position to Fire (-0.5)
07-08	Fire	Eliminate part-time office position (-0.3) reallocation of Fiscal I/Office Assistant (0.5)
07-08	DPS - Streets	Eliminate vacant DPS Supervisor split between divisions. (-0.5)
07-08	DPS - Solid Waste	Eliminate vacant DPS Supervisor split between divisions. (-0.1)
07-08	DPS - Parks	Eliminate vacant DPS Supervisor split between divisions. (-0.5)
07-08	DPS-Youth Center	Reduction of hours for part-time Youth Leaders (-0.2)
07-08	Assessing	Reduction of full-time Deputy Assessor position. (-1.0)
07-08	Assessing	Addition of part-time Property Appraiser. (0.4)
07-08	Housing	Eliminate part-time Housing Assistant (-0.4)
06-07	Finance	Eliminate vacant Fiscal I position (-1.0)
06-07	Police	Eliminate vacant Crime Prevention Officer (-1.0)
06-07	Fire	Eliminate vacant Fire Inspector positions (-1.0) and Vacant Officer Assistant I position (-1.0) and add a part time Office Positions (0.5)
06-07	Community Development	Eliminate vacant Information System position (-1.0), reduce GIS part-time position (-0.27), reallocate Code Enforcement from CDBG (0.80) and Housing (0.25)
06-07	DPS - Streets	Reduce two vacant Street Laborer positions (-2.0)
06-07	DPS - Sewer	Reduce vacant Laborer position (-1.0)
06-07	Library	Eliminate vacant part-time Library Assistant (-0.4); and reduce hours for Youth Service Assistant (-0.05)
06-07	DPS - Parks	Reduce vacant Park Laborer hours (-0.33)
06-07	DPS - Water	Eliminate vacant Water Clerical position (-0.8)
06-07	Housing	Reallocate Code Enforcement Officers hours to CDD (-0.25), reduce Housing Assistant hours (-0.1)
06-07	CDBG	Reallocate Code Enforcement Officer hours to CDD (-0.8)

**HISTORICAL LISTING OF PERSONNEL ACTIONS**

**REVERSE CHRONOCOLOGICAL ORDER**

<b>FY</b>	<b>DEPARTMENT</b>	<b>ACTION</b>
05-06	District Court	Eliminate vacant part-time Probation Clerk (-0.8)
05-06	City Clerk	Elections - due to consolidated elections and precincts reduce number of Chairpersons from 16 to 12 (-0.4) and Workers from 68 to 55 (-1.5), and reallocate maintenance hours (+0.04)
05-06	Police	Eliminate vacant full-time Animal Control Officer (-1.0) Office Assistant II (-1.0); add part-time animal control support (+0.3)
05-06	Fire	Eliminate vacant Fire Fighter position (-1.0) and eliminate vacant Fire Fighter position following Lieutenant retirement and promotional process (-0.2)
05-06	Community Development	Reduce hours of part-time Community Development Assistant (-0.3)
05-06	DPS – Custodial & Maintenance	Reallocate maintenance hours to Elections (-0.04) and supervisor hours to Solid Waste for Tree Replacement Program coordination (-0.06)
05-06	DPS – Solid Waste	Add supervisor hours for Tree Replacement Program coordination (+0.06)
05-06	DPS – Recreation	Reduce and reclassify seasonal recreation positions (-1.2)
05-06	DPS – Youth Center	Reduce hours of part-time Youth Leader (-0.22)
05-06	DPS – Nature Center	Reduce hours of part-time Naturalist (-0.04) and reallocate Recreation Supervisor hours (-0.05)
05-06	DPS – Parks	Eliminate vacant Parks Maintenance Laborer (-1.0) and add part-time laborer (+0.6)
05-06	DPS – Senior Citizens	Eliminate vacant Officer Assistant II (-1.0); add part-time assistant (+0.8); reallocate part-time receptionist hours (+0.5) and Recreation Supervisor hours (+0.05)
05-06	Community Improvement Fund	Reallocate Code enforcement Officer hours between Housing (-0.2) and Community Improvement (+0.2)
05-06	Motor Pool Fund	Eliminate vacant full-time Tool Crib Operator position (-0.6)
04-05	District Court	Add hours for part-time Deputy Court Clerk (+0.2)
04-05	Assessor	Eliminate vacant part-time Office Assistant (-0.4)
04-05	City Clerk	Eliminate vacant Deputy Clerk position (-1.0); add hours to part-time election workers for a third election (+0.9)
04-05	Human Resources	Reflect 50% funding of combined Purchasing & Personnel Coordinator position (-0.5)
04-05	General Administration	Eliminate vacant Purchasing Officer position (-1.0); reflect 50% funding of combined Purchasing & Personnel Coordinator position (+0.5)
04-05	Finance	Eliminate vacant Accounting Supervisor position (-1.0); add Accountant position (+1.0); eliminate vacant Fiscal Assistant I position (-1.0)
04-05	Information Technology	Eliminate vacant part-time Information Systems Support position (-0.7)
04-05	Police	Eliminate vacant positions: Police Officer (-1.0); Police Service Assistant (-1.0); and Office Assistant II (-1.0); reflect Police Department transfer of Police Officer position from Auto Theft Prevention Fund to patrol (+1.0)
04-05	Fire	Eliminate vacant Fire Fighter position (-1.0)
04-05	Community Development	Eliminate vacant Office Assistant II position (-1.0); add hours to part-time CDD Aide position (+0.2)
04-05	Library	Eliminate hours for part-time Branch Library Circulation Chief (-0.4) and Branch Library Assistant (-0.4)
04-05	DPS – Streets	Eliminate vacant Equipment Operator III (-1.0) and Laborer (-1.0) positions; reallocate labor from other divisions (+0.3)
04-05	DPS – Solid Waste	Reallocate labor cost from other divisions to reflect more accurate time utilization (+2.6)
04-05	DPS – Recreation	Eliminate vacant full-time Recreation Coordinator (-0.67); add part-time coordinator (+0.75)
04-05	DPS – Youth Center	Eliminate vacant full-time Recreation Coordinator (-0.3); reallocate hours for part-time Youth Coordinator (+0.1); reallocate driver (+0.1)
04-05	DPS – Nature Center	Reduce hours of part-time Naturalist (-0.4)
04-05	DPS – Parks	Eliminate two vacant part-time Park Laborer positions (-0.5)
04-05	DPS – Senior Citizen	Reallocate labor cost to other divisions (-0.2); assign bus driver time to Youth Center (-0.1)
04-05	Major Streets Fund	Reallocate labor cost from other divisions to reflect more accurate time utilization (-1.1)
04-05	Local Streets Fund	Reallocate labor cost from other divisions to reflect more accurate time utilization (-1.6)
04-05	Community Improvement Fund	Reallocate full-time Code Enforcement Officer FTE between Housing (-0.3) & Community Improvement (0.3)
04-05	Auto Theft Prevention Fund	Transfer of Police Officer position back into road patrol (-1.0)
04-05	Motor Pool Fund (DPS)	Eliminate vacant Tool Crib Operator position after retirement of incumbent (-0.4)

**HISTORICAL LISTING OF PERSONNEL ACTIONS**

**REVERSE CHRONOCOLOGICAL ORDER**

<b>FY</b>	<b>DEPARTMENT</b>	<b>ACTION</b>
03-04	District Court	Add additional part-time Deputy Court Clerk position (+0.6); increase hours for part-time Probation Officer (+0.7)
03-04	DPS – Youth Center	Split part-time supervisor position for summer and school year programs into two part-time positions (0.0)
03-04	Community Imp.	Downgrade Code Enforcement Supervisor to Code Enf. Officer (0.0)
03-04	CIP - Housing	Reduce hours of part-time CIP Assistant (-0.3)
02-03	City Clerk	Increase part-time hours for election workers due to one additional election (+0.8 FTE)
02-03	Community Development	Add full-time Economic Development Coordinator position (+1.0 FTE)
02-03	DPS – Parks Division	Add two part-time Park Ranger positions (+ 0.5 FTE)
01-02	DPS – Custodial & Maintenance	Eliminate three vacant positions (-3.0 FTE), with one of the positions added to the Parks Division
01-02	Community Development	Increase hours (+0.3 FTE) for the part-time Geographic Information System (GIS) office assistant position
01-02	DPS – Nature Center	Upgrade part-time Naturalist position to full-time status (+0.4 FTE)
01-02	DPS – Parks	Add one position transferred from DPS - Custodial & Maintenance Division (+1.0 FTE)
01-02	Library	
01-02	Library	Increase part-time hours (+1.7 FTE)
00-01	District Court	Elimination of Court Recorder position following retirement (-1.0 FTE)
00-01	Police	Due to elimination of Federal Crime Suppression Grant, transfer one officer position from Crime Suppression Fund (1.0 FTE) to the Police Department's General Fund Activity (+1.0 FTE)
00-01	Community Development	Addition of one Information Systems Specialist Position-GIS in the Community Development Department (+1.0 FTE)
00-01	DPS – Youth Center	Addition of four part-time positions to staff new Youth Drop-In Center (+2.1 FTE)
99-00	District Court	Consolidation of Court Administrator and Legal Secretary positions (-1.0 FTE); elimination of vacant part-time Security Officer position (-0.7 FTE); reduce hours of part-time Magistrate (-0.3 FTE); increase hours for part-time Probation Officer (+0.3 FTE)
99-00	General Administration	Elimination of vacant Reproduction and Stores Assistant position (-1.0 FTE)
99-00	Finance	Transfer of four administrative positions from Water and Sewer Fund (+4.0 FTE) and elimination of vacant part-time Office Assistant position (-0.8 FTE)
99-00	Data Processing (Gen. Fund)	Transfer of Activity (2 full-time; 1 part-time) from Water and Sewer Fund (+2.8 FTE)
99-00	Community Development	Addition of full-time GIS Supervisor position and a part-time GIS Assistant (+1.3 FTE)
99-00	Library	Additional part-time hours to increase coverage of the three existing part-time librarians by an additional 7 ½ hours per week (+0.6 FTE)
99-00	DPS- Custodial & Maintenance	Elimination of vacant Custodian position (-1.0 FTE)
99-00	Data Processing (Water & Sewer)	Transfer of Activity (2 full-time; 1 part-time) to General Fund (-2.8 FTE)
99-00	Water & Sewer Administration	Transfer of four administrative positions to General Fund (-4.0 FTE) and elimination of vacant part-time Office Assistant position (-0.8 FTE) (-4.8 FTE)
98-99	Nature Center	Increase from one to two part-time Naturalists (+0.8 FTE)
98-99	DPS – Motor Pool	Elimination of vacant Mechanics Helper position through attrition (-1.0 FTE)
97-98	District Court	Through collective bargaining the contractual Court Officer becomes full-time (+1.0 FTE)
97-98	DPS- Custodial & Maintenance	Elimination of vacant Laborer position through attrition due to outsourcing refuse collection (-1.0 FTE)
96-97	District Court	Move part-time position from Law Clerk to Probation Clerk; increase hours (+0.2 FTE)
96-97	Assessing	Addition of one part-time co-op student to assist with computer scanning and sketching project (+0.5 FTE)
96-97	Clerk	Eliminate vacant part-time clerical position (-0.8 FTE)
96-97	Police	Eliminate vacant Detective Sergeant position (-1.0 FTE)
96-97	DPS-Custodial & Maintenance	Reduction of full-time Supervisor position (-1.0 FTE) and transfer of four employees into full time laborer positions from Solid Waste Division outsourcing (+4.0 FTE)
96-97	Solid Waste	Outsource collection of household refuse and recycling; elimination of 12 F/T and 2 P/T laborer positions (-12.8 FTE)
96-97	DPS – Senior Citizen	Elimination of part-time building attendant position; adjustment of other part-time hours (no FTE change)

## FY 2023-24 BUDGET

### HISTORICAL LISTING OF PERSONNEL ACTIONS

#### REVERSE CHRONOCOLOGICAL ORDER

FY	DEPARTMENT	ACTION
96-97	DPS – Parks	Elimination of two part-time seasonal laborer positions to reflect outsourcing of grass cutting (-0.8 FTE)
96-97	Police – Crime Suppression Fund	Add multi-jurisdictional unit officer with funding from “COPS” grant (+1.0 FTE)
96-97	Community Improvement Fund	Elimination of two part-time Home Chore Worker positions due to outsourcing of raking, lawn cutting, and snow shoveling services (-0.2 FTE)
96-97	Water & Sewer Fund – Data Processing	Replace vacant keypunch operator position (-1.0 FTE) with part-time PC Technical Support position (+0.8 FTE)
95-96	Library	Reduce part-time Circulation Chief, Technical Services Clerk, and Branch Library Aide (-0.2 FTE)
95-96	Fire	Eliminate three vacant full-time Fire Fighter positions as part of consolidated dispatch project (-3.0 FTE)
95-96	DPS – Custodial & Maintenance	Eliminate three full-time custodians as part of cost-savings move to contract out custodial services (-3.0 FTE)
95-96	DPS – Recreation	Reduce part-time hours as Oakland County will conduct summer swim lessons; add part-time hours (-0.5 FTE)
95-96	Community Dev. Block Grant Fund	Elimination of six vacant part-time home chore workers due to contracting out of raking, lawn cutting, and snow shoveling services (-0.8 FTE)
94-95	Assessing	Elimination of a vacant full-time Residential Appraiser position (+1.0 FTE)
94-95	Community Development	Elimination of a vacant full-time Construction Inspector position
94-95	DPS – Parks	Eliminate a vacant Parks Maintenance position created by an employee who did not return from an extended Worker’s Compensation leave
94-95	Finance	Lay off the Deputy Treasurer and eliminate the position (+1.0 FTE)
94-95	General Administration	Elimination of a vacant full-time Switchboard Operator / Receptionist position (-1.0 FTE)
94-95	Fire	Eliminate a vacant full-time “Swing Man” Fire Fighter position (-1.0 FTE)
94-95	Library	Lay off one part-time position and reduce the hours for five more part-time positions
94-95	Police	Eliminate a vacant full-time Special Investigations Unit Police Officer position (-1.0 FTE) and have the Chief transfer a position back into the Patrol Division from
93-94	General Administration	Change Purchasing Agent position from part-time to full-time (no FTE data available)
93-94	Community Development	Elimination of two part-time clerk typist positions and addition of one full-time clerk typist position (no FTE data available)

**CITY OF MADISON HEIGHTS**  
**FY 2021-22 BUDGET (FY 2022-23 ESTIMATED)**  
**FULL TIME POSITIONS**  
**ALL FUNDS**

FY    FY  
1996-97 1997-98 1998-99 1999-00 2000-01 2001-02 2002-03 2003-04 2004-05 2005-06 2006-07 2007-08

**GENERAL FUND**

Court	11	12	12	11	10	10	9	9	9	9	9	9
Manager	2	2	2	2	2	2	2	2	2	2	2	2
Assessor	4	4	4	4	4	4	4	4	4	4	4	3
Clerk	4	4	4	4	4	4	4	3	3	3	3	3
Human Resources	2	2	2	2	2	2	2	2	2	2	2	2
General Administration	3	3	3	2	2	2	2	1	1	1	1	1
Finance	7	7	7	11	11	11	11	10	10	9	9	9
Information Technology	0	0	0	2	2	2	2	2	2	2	2	2
Police	76	76	76	76	77	77	77	75	73	73	73	73
Fire	40	40	40	40	40	40	40	39	38	36	36	36
Community Development	8	8	8	9	10	10	11	10	10	9	9	9
Library	4	4	4	4	4	4	4	4	4	4	4	4
Department of Public Services (Prior to FY 2017-18)												
Custodial & Maintenance	6	5	5	4	4	1	1	1	1	1	1	1
Streets	18	18	18	18	18	18	18	16	15	13	13	13
Solid Waste	0	0	0	0	0	0	0	0	1	1	1	1
Recreation	2	2	2	2	2	2	2	1	1	1	1	1
Youth Center	0	0	0	0	0	0	0	0	0	0	0	0
Nature Center	0	0	0	0	0	1	1	1	1	1	1	1
Parks	5	5	5	5	6	6	6	6	5	5	5	4
Senior Citizen	3	3	3	3	3	3	3	2	2	2	2	2
Sub total	34	33	33	32	32	31	31	31	28	26	24	23
Total	195	195	195	199	200	199	199	199	189	184	178	176
Major Street Fund	1	1	1	1	1	1	1	1	1	1	1	1
Community Improvement Fund	4	4	4	4	4	4	4	4	4	4	3	3
Fire Manning Grant Fund	0	0	0	0	0	0	0	0	0	0	0	0
Juvenile Grant Fund	0	0	0	0	0	0	0	0	0	0	0	0
Auto Theft Prevention Grant Fund	1	1	1	1	1	1	1	0	0	0	0	0
Crime Suppression Grant Fund	1	1	1	1	0	0	0	0	0	0	0	0
Water & Sewer Fund												
Water Division	6	6	6	6	6	6	6	6	6	6	6	6
Sewer Division	6	6	6	6	6	6	6	6	6	6	5	5
Information Technology	2	2	2	0	0	0	0	0	0	0	0	0
Water & Sewer Administration	5	5	5	1	1	1	1	1	1	1	1	1
Total	19	19	19	13	13	13	13	13	13	13	12	12
Motor Pool Fund	6	6	5	5	5	5	5	4	4	4	4	4
DPS Fund (Beginning FY 2017-18)												
Total All Funds	227	227	226	224	224	223	223	223	211	206	198	196

FY	FY															
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	

#### GENERAL FUND

9	9	8	8	8	8	8	8	8	8	9	9	9	9	9	9	Court
2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	Manager
3	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Assessor
3	3	2	2	2	2	2	2	2	2	2	2	2	3	3	3	Clerk
2	2	2	1	2	2	2	2	2	2	2	2	2	2	2	2	Human Resources
1	1	1	1	0	0	0	0	0	0	0	0	0	1	1	1	General Administration
9	9	8	8	8	8	8	7	7	7	7	7	7	7	7	7	Finance
2	2	2	2	2	2	0	0	0	0	0	0	0	0	0	0	Information Technology
73	67	62	58	57	57	57	57	58	62	62	66	66	68	68	68	Police
36	33	30	30	27	27	27	28	28	30	30	33	33	33	33	33	Fire
9	9	8	8	8	8	8	7	6	6	6	6	6	5	6	6	Community Development
4	4	3	3	3	3	3	3	3	3	3	4	4	4	4	4	Library

#### Department of Public Services (Prior to FY 2017-18)

1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Custodial & Maintenance
13	12	11	10	9	9	9	9	9	0	0	0	0	0	0	0	Streets
1	1	1	2	2	2	2	1	1	0	0	0	0	0	0	0	Solid Waste
0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	Recreation
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Youth Center
1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Nature Center
4	4	2	2	2	2	2	2	1	0	0	0	0	0	0	0	Parks
2	2	2	2	1	1	1	1	1	1	2	2	2	2	2	2	Senior Citizen

22	21	16	16	14	14	14	13	12	1	1	2	3	3	3	4	Sub total
----	----	----	----	----	----	----	----	----	---	---	---	---	---	---	---	-----------

175	165	144	139	133	133	133	129	127	117	123	125	134	135	138	139	Total
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-------

1	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0	Major Street Fund
3	3	3	3	3	1	1	1	1	1	1	1	1	1	1	1	Community Improvement Fund
0	0	2	2	0	0	0	0	0	0	0	0	0	0	0	0	Fire Manning Grant Fund
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Juvenile Grant Fund
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Auto Theft Prevention Grant Fund
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Crime Suppression Grant Fund

#### Water & Sewer Fund

6	6	4	4	4	4	4	4	4	0	0	0	0	0	0	0	Water Division
5	4	4	4	4	3	3	3	4	0	0	0	0	0	0	0	Sewer Division
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Information Technology
1	1	1	1	1	1	1	2	1	1	2	3	2	2	2	2	Water & Sewer Administration

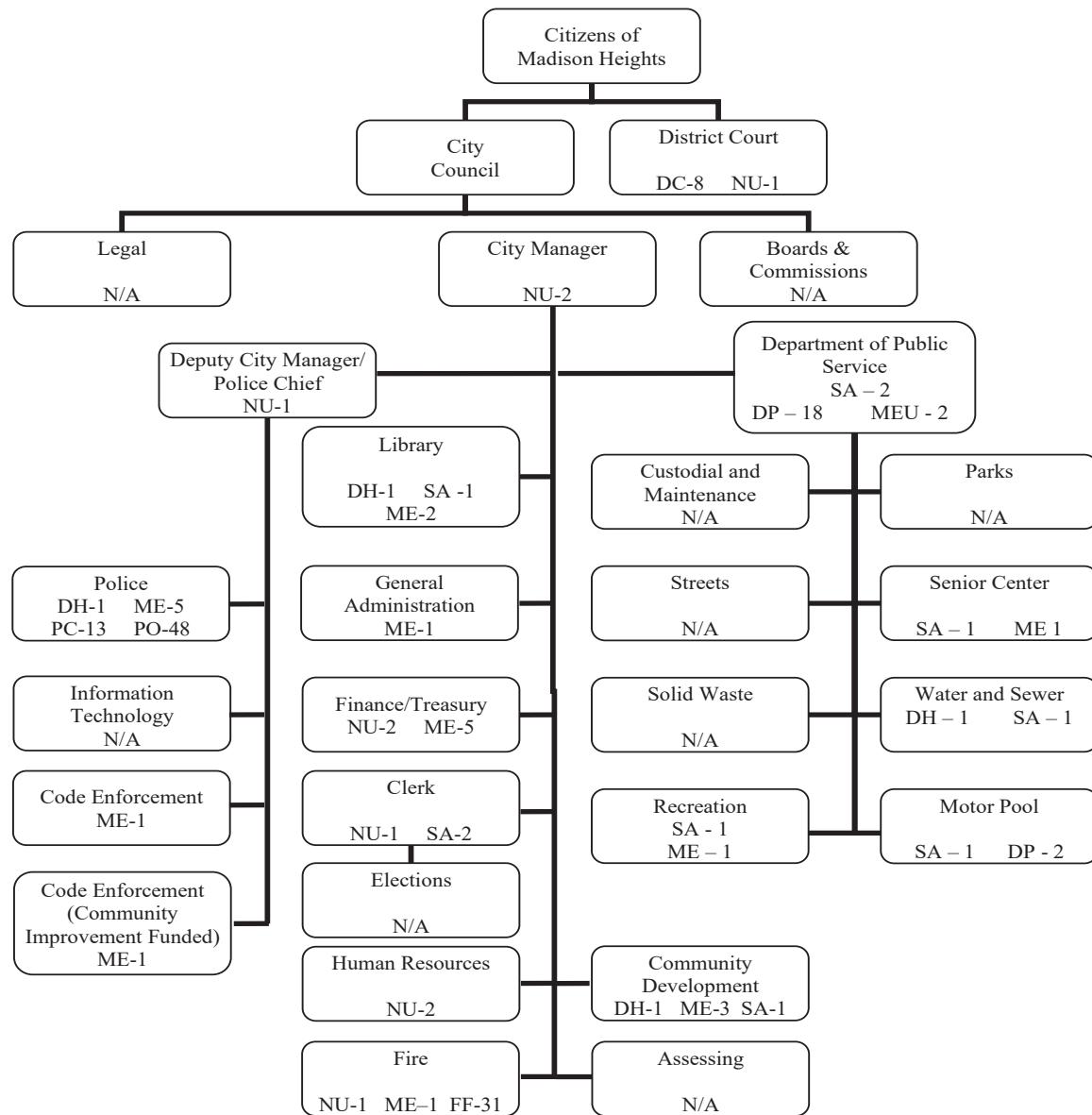
12	11	9	9	9	8	8	9	9	1	2	3	2	2	2	2	Total
----	----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	-------

4	4	3	3	3	3	3	3	3	3	3	3	3	3	3	3	Motor Pool Fund
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	-----------------

0	0	0	0	0	0	0	0	0	20	20	20	22	22	22	22	DPS Fund (Beginning FY 2017-18)
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195	184	162	157	149	146	146	143	141	142	149	152	162	163	163	167	Total All Funds
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----------------

## City Of Madison Heights Organizational Chart – Full Time Employees By Bargaining Unit



Key	Full-Time Count
N/A = Not Applicable	--
NU=Non-Union or Other	10
DC= District Court, UAW 889	8
DH=Department Heads, AFSCME	4
DP=DPS, TPOAM	20
FF=Fire Fighters	31
ME=Municipal, TPOAM	23
PC=Police Command, POLC	13
PO=Police Officers, POU	48
SA=Supvrs. & Assts., AFSCME	10
	167

## **COMMUNITY PROFILE**

### Regional Setting

The City of Madison Heights is located in the southeast corner of Oakland County, just west of the western boundary of Macomb County Border and approximately two miles north of the City of Detroit. Freeway access to the southeast Michigan region is provided by Interstate 75 (I-75) and Interstate 696 (I-696). In addition, regional access is available using the bus system of the Suburban Mobility Authority for Regional Rapid Transit (SMART) system.

Incorporated in 1955, Madison Heights has grown and prospered significantly over the past 60 years. According to the 2021 Land Use Survey, only 1.6 percent of the City's total acreage is vacant land.

Oakland County is the second most populated county in the state and continues to experience steady growth. The proximity to the I-696 and I-75 Freeways continues to provide easy access to employment centers and residential communities throughout Oakland County and has made Madison Heights a strategic location for both employers and employees.

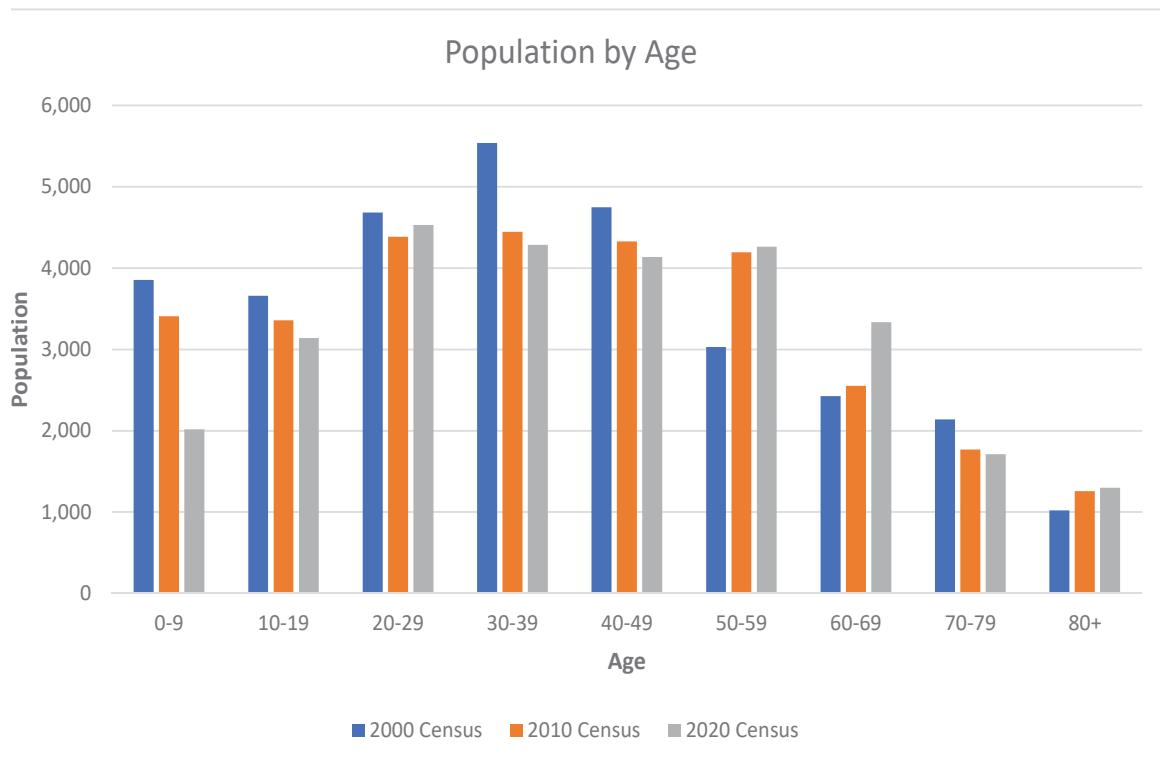
### Population

The population of a community, its composition, and its characteristics, is a basic ingredient in planning for the future. Historical and current population trends can be used in various ways to illustrate problem areas of development and indicate of probable future needs. Proper planning of future community facilities must consider the existing allocations of population and particularly future projections into consideration.

This section will examine three primary aspects of the City's population: past historical trends, current composition, and future projects based on current trends, correlated with the effects of certain future variables.

### Historical Trends

Madison Heights Boomed during the 1950s and 1960s, reaching a peak population of 38,000 in 1970. The City is mostly built out, and since that time population has settled slightly lower as nearly all available for new housing was developed and average household size decreased. The following bar graph shows population change in Madison Heights from 1960 to 2020. This is clear when one looks at the historical decline in the number of persons per household. On the other hand, the number of housing units has actually grown to 14,2523 (2018) during a time of slight decline in total population. The end result is more housing units supporting a smaller population.



The Major Age Group Comparison shown above indicates some subtle changes occurring to the City's population. The City's residents continue to get older as a group, reflecting national demographic characteristics and increased life expectancy. The Retirement Age group of 60 + continues to grow as a percent of the total population while School-Age and Pre-School Age children continues to decline Median Age in Madison Heights is 41, a little higher than Michigan as a whole which is reporting at 39.8.

This is an indication that Madison Heights remains an attractive community for very young families as well as retirees, but it continues to reflect the natural trend of increased life expectancy and smaller family sizes.

#### Current Composition

Also important to City planning are characteristics of the population, such as race, ethnic origin, and distribution, as well as age characteristics. The following graphics summarize these characteristics of the City's population.

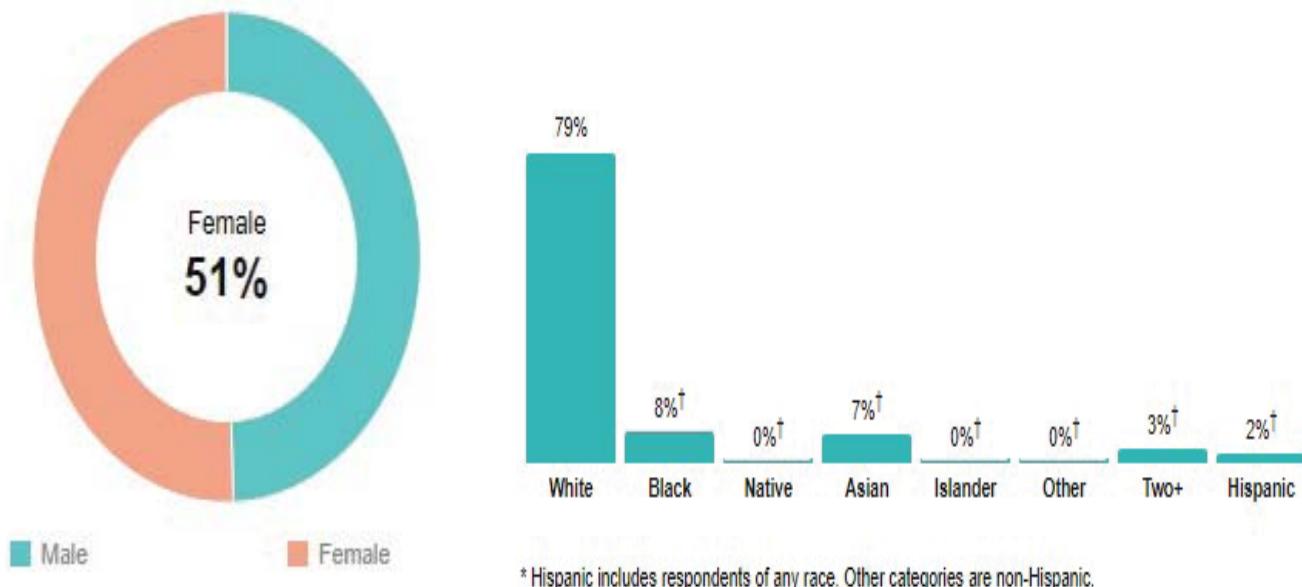


Table 1  
Selected Population Characteristics: 2000-2010  
City of Madison Heights

	<u>2000</u>	<u>2010</u>	<u>% Change</u>	<u>% Of Population</u>
Total Population	31,101	29,694	(4.5)	100.0
Male	15,216	14,570	(4.2)	49.0
Female	15,885	15,124	(4.8)	51.0
White	27,866	24,909	(10.6)	83.8
Black	567	1,897	234.6	6.5
American Indian, Eskimo & Aleut	138	136	(1.4)	0.5
Asian or Pacific Islander	1,563	1,744	11.6	5.8
Two or more Races	833	803	(3.6)	2.7
Other Race	142	205	44.4	0.7
Persons of Hispanic Origin	502	756	50.6	2.5

Source: U.S. Census of Population & Housing, 2000, 2010

The 2010 Census shows that Madison Heights' population is diversifying, with marked increases in Blacks, Asians and Hispanics.

## Future Projections

SEMCOG forecasts the population to age through 2045, with a decrease in residents under 25 and an increase in residents over 65. The projected increases would mean that about 27% of Madison Heights residents will be over 65, compared to the same age group comprising about 14% of the city's population. The aging of city residents will have implications on housing, transportation and community health.

## Economics

in, 2020 the median household income in Madison Heights was estimated at \$58,537, compared to \$63,202 for the State of Michigan households. Median household income has increased from \$52,181 in 2018. Madison Heights had an estimated poverty rate of 11.7%. The poverty rates of neighboring communities range from 4.6% (Troy) to 11% (Ferndale).

### Income

**\$35,731**

Per capita income

a little less than the amount in the Detroit-Warren-Dearborn, MI Metro Area: \$37,265

a little higher than the amount in Michigan: \$34,768

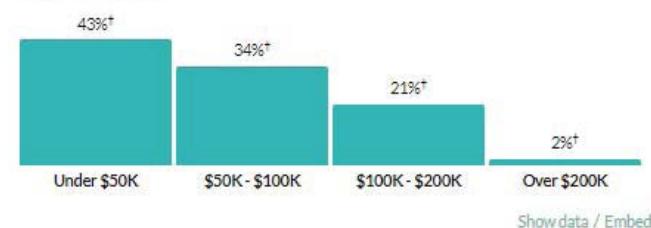
**\$58,537**

Median household income

about 90 percent of the amount in the Detroit-Warren-Dearborn, MI Metro Area: \$66,878

about 90 percent of the amount in Michigan: \$63,202

### Household income



### Poverty

**11.7%**

Persons below poverty line

about 90 percent of the rate in the Detroit-Warren-Dearborn, MI Metro Area: 13.5%

about 90 percent of the rate in Michigan: 13.3%

### Children (Under 18)



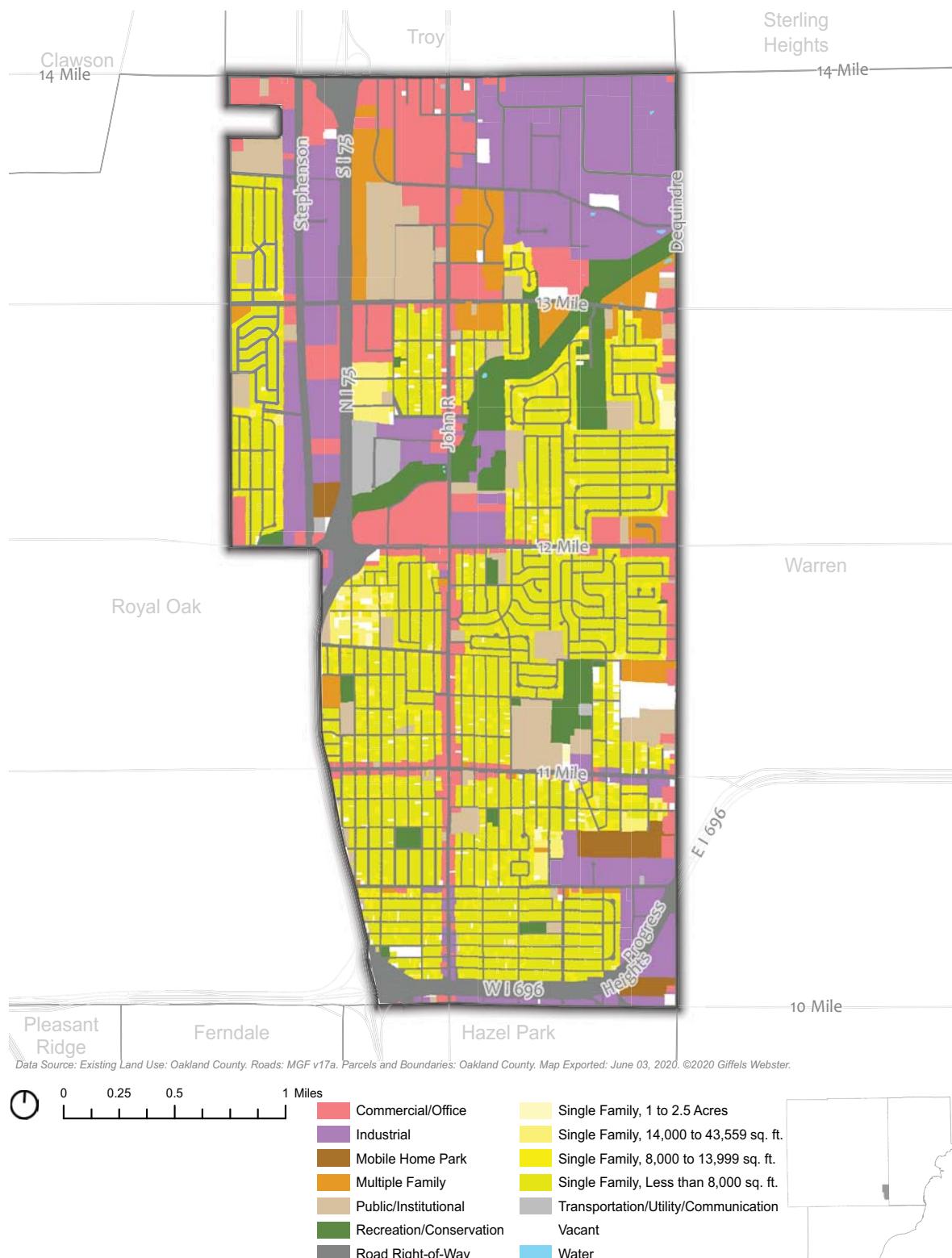
### Seniors (65 and over)



## Existing Land Use

The pattern of development established in a community is influenced by a number of factors including the community's regional setting, citizen demands and needs, political conditions, changes in technology and environmental characteristics and systems. As outlined in the Regional Setting, the growth and development of the City of Madison Heights have been influenced by its position in the Detroit Metropolitan Area. In addition, the City has become fixed in its land area due to the incorporation of the surrounding communities: cities of Hazel Park, Royal Oak, Troy, and Warren.

## MAP 5-1: EXISTING LAND USE



The following is a description of the various land use classifications used in the survey:

Residential land uses represent the largest land use group in the city, covering 36.4% of the city and accounting for 87.5% of all parcels, Types of residential land uses are:

Single and Two Family - This classification is for those areas containing single-family and two-family dwelling units and accessory structures.

Mobile Home Park - This category identified mobile homes in a planned community or mobile home park setting.

Multiple Family - Included in this group are all apartments and multiplex type of units where more than two separate residential units occupy a single building. Included are apartments, townhouses, condominiums and senior apartments.

Commercial and Office - Retail sales establishments, personal and business services are placed in the commercial category. General business offices: professional services such as banking, real estate, engineering, and architectural services; medical and dental offices; and similar uses account for 14.2% of all parcels. Included are shopping centers, restaurants, gas stations, party stores, beauty parlors, while-you-wait printers, and the like.

Industrial - This category includes uses with or without buildings where materials are processed, fabricated, assembled, or manufactured, or where equipment, materials or wastes are stored out-of-doors. It also includes warehousing, office/warehouse combinations, and wholesale operations. Industrial uses cover 16.4% of all land in the city.

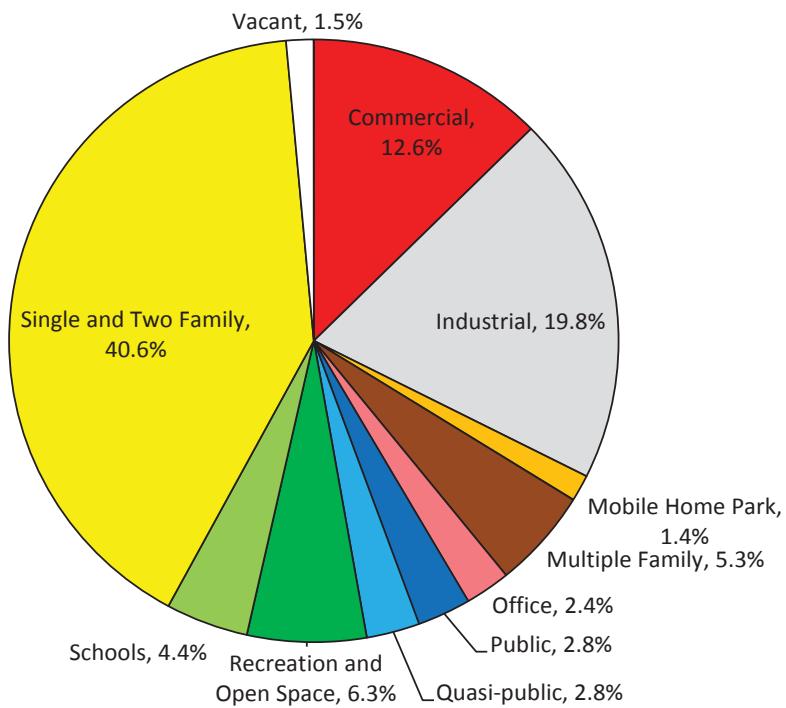
Public - Land areas and facilities such as public schools, libraries, public works buildings, and government buildings are considered public uses. These account for 6.2% of the city and are spread throughout the city.

Recreation and Open Space - This category has grown significantly since 1969, from 46 acres (1%) to 225 acres (6.2%). Major parks and recreation areas include the Red Oaks Golf Course; Red Oaks Water Park; Red Oaks Youth Soccer Complex; Suarez Friendship Woods and Nature Center (a Red Oaks facility beginning October 1, 2012); Rosie's Park/Madison Woods; and the Civic Center Park. In 2000, the City added 0.7 acres northeast of Rosie's Park and 1.5 acres at Suarez Friendship Woods. In 2009, the City added 0.42 acres at the southwest corner of Hales and Winthrop as a second expansion of Suarez Friendship Woods; and 1.0 acres at the southeast corner of Dartmouth and Dallas from the Madison Public Schools for Monroe Park. It should be noted that the entire Red Run right-of-way (137 acres) is included in this category.

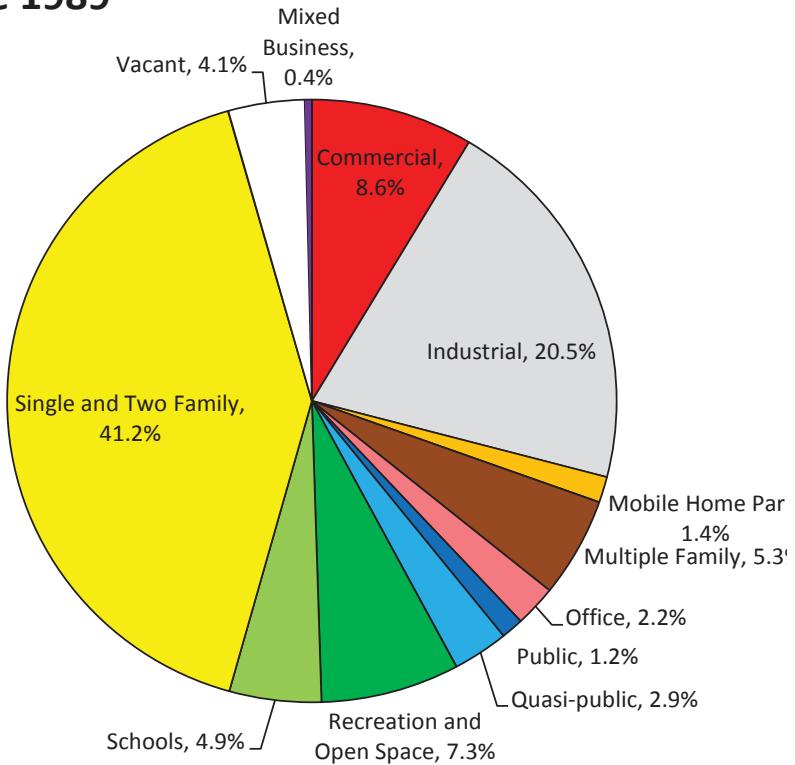
Road Right-of-way accounts for 22.5% of all land area in Madison Heights.

\* 1989 Land Use shows Mixed Business and Commercial use types. In 2003, those use types were combined into Commercial.

## Existing Land Use 2014



## Existing Land Use 1989



In short, the City of Madison Heights welcomes residents, businesses and visitors alike to a vibrant and diverse Community! The City is ideally located in southeastern Michigan, within Oakland County's "Automation Alley". Madison Heights provides a full range of services to residents, visitors and the business community and is conveniently located for employers and employees alike at the intersection of I-75 and I-696. The City of Madison Heights exemplifies the very best in Oakland County through its excellent city services, road maintenance and snow removal, and opportunities for residents and the business community. It is a fiscally sound and stable community with many advantages because of its diverse tax base, housing mix, business climate and convenient access to other business and residential areas in southeastern Michigan.

### Natural Features

By 2021, over 98 percent of the City's land area had been developed by urbanized uses and City parks. For this reason, very few properties remain in their original natural state. The two principal exceptions include properties that have been protected as parks. The two include: Suarez Friendship Woods and Madison Woods. In addition to these, several other City parks have maintained a sizeable number of mature hardwood trees.

### Topography, Soils and Drainage

The surface geology of Southeast Michigan is characterized by two broad zones, a lowland zone and a hilly upland zone. Madison Heights is situated within the flat, lowland zone lying between the Great Lakes shoreline and the hill zone. This lowland zone was formed by clay and sand deposits laid in the bottom of a large lake that existed about 10,000 years ago. The topography of Madison Heights is nearly flat due to its history as part of the glacial lake plain. The soils found throughout the City are poorly drained to moderately well drained in their natural state. The urbanization of the City has required the creation of an artificial storm drainage system to overcome the major limitation of the City's soil - wetness. The Red Run Drain, which cuts diagonally through Madison Heights, is the eventual outlet for most of the City's stormwater. Over the years, many of the City's storm and sanitary sewer systems have been separated so that most of the stormwater is now able to be discharged to the George W. Kuhn storm sewers and to the Red Run Drain without treatment. The City of Madison Heights is wholly located within the Clinton River Watershed Basin.

### Woodlands and Wildlife

As mentioned earlier, Suarez Friendship Woods and Madison Woods are the only parcels of land that remain in their original, natural state. Suarez Woods includes areas maintained in mature hardwoods, brush, and grasslands. The site also includes a small vernal pond. This 36 acre nature preserve supports a surprising variety of wildlife for a mature urban city, including native birds, rodents and mammals. A Nature Center, now operated by Oakland County Parks and Recreation, is located in Suarez Friendship Woods. The Center has a variety of exhibits and programs related to natural history and the environment.

## Climate

The Southeast Michigan region, of which Madison Heights is part of and lies within the humid continental climatic zone of eastern North America. This zone is characterized by hot summers, cold winters, and a relatively constant year-round supply of moisture. Temperature characteristics of the immediate Southeast Michigan area include winter temperatures that average around freezing (32°F) with overnight lows between 15°F and 20°F. Summer temperatures average around 72°F with afternoon highs in July and August of 85°F. At the extremes, winter temperatures as low as 13°F below zero and summer temperatures over 100°F have been recorded.

The rhythm of the seasons in Southeast Michigan is regular, if somewhat syncopated. The winter and summer seasons tend to be long while fall and especially spring tend to be quite short. The area is characterized by prevailing westerly winds. Although the Great Lakes tend to moderate the weather somewhat due to their large capacity as a thermal reservoir, the region is located at the edge of an area that is affected by frequent incursions of cold arctic air.

Because Southeast Michigan lies on the dividing line of a much colder area to the north and a much warmer region to the south, its winters tend to be less cold and its summers less hot than the far extremes of the humid continental climatic zone. This particular characteristic has resulted in the dominance of broadleaf trees as opposed to the needleleaf forests found a little farther north.

## Recreation Facilities Inventory

Recreation facilities available to Madison Heights residents range from small tot lots to neighborhood parks to large community-wide playfields to major regional recreation developments. The City currently operates a system of 14 City parks including the new Red Oaks Youth Soccer Complex and Monroe Park. An Active Adult Center center provides special programs for seniors that include recreation, home chores such as yard maintenance, meals, transportation and many other outstanding programs. The City also operates indoor recreation programs for all ages in cooperation with Madison and Lamphere Public Schools and on a space-available basis at City Hall and the Main Library.

In addition to the City-owned parks, many of the public and parochial schools in Madison Heights include recreation opportunities. Specific facilities range from playground equipment and outdoor athletic fields to indoor gymnasiums and pools.

Beyond the City limits are a wide array of public, regional recreation areas and private recreation facilities. Oakland County operates a system of 11 county parks. One of these, the Red Oaks complex, is physically located within Madison Heights. There are at least 50 public golf courses in Oakland County alone. The Huron-Clinton Metropolitan Authority (HCMA) has developed a system of 13 regional parks, all of which are within a 60-minute drive of Madison Heights. Activities such as picnicking, swimming, fishing, boating, wildlife study and even horseback riding can be enjoyed at several of the HCMA parks. There are also 22 State parks or recreation areas within an approximate one-hour drive of Madison Heights. These State parks offer camping, hunting, cross-country skiing and even snowmobile trails among their many available activities.

## **GLOSSARY OF BUDGET AND FINANCE TERMS**

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, a budget glossary has been included in the document.

**Accounting System:** The total set of records and procedures that are used to record, classify, and report information on the financial status and operations of an entity.

**Activity:** A special unit of work or service performed.

**Accrual:** Basis of accounting where revenues are recognized when they are measurable and earned. Expenses are recorded when incurred.

**Advanced Life Support (ALS):** Advanced Life Support is a part of the Fire Department operation that provides paramedic-level emergency medical treatment and transportation service. The department's licensed advanced emergency medical technicians provide pre-hospital emergency care.

**Appropriation:** An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one year period.

**Assessed Value:** 50 percent of the estimated true cash value placed upon all taxable real and personal property by the local assessing jurisdiction's certified assessor.

**Assets:** Property owned by the City that has monetary value.

**Audit:** A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- As certain whether financial statements fairly present financial positions and results of operations
- test whether transactions have been legally performed
- Identify areas for possible improvements in accounting practices and procedures
- ascertain whether transactions have been recorded accurately and consistently
- ascertain the stewardship of officials responsible for governmental resources

**Balanced Budget:** A budget in which estimated revenues are equal to or greater than estimated expenditures.

**Balance Sheet:** A statement purporting to present the financial position of an entity by disclosing the cost of its assets, liabilities, and equities as of a specified date.

**Benchmarking:** The process of comparing the business processes and performance metrics to industry bests.

**Bond (Debt Instrument):** A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.

**Brownfield Redevelopment Authority:** Established by Public Act 145 of 2000 to encourage redevelopment of idle or under-utilized commercial and industrial properties, which may not otherwise be redeveloped due to real or perceived contamination of the property. The Authority works to assist developers with the options of reimbursing for cleanup costs and/or providing a single business tax credit (authorized through the State of Michigan).

**Budget Calendar:** The schedule of key dates or milestones that the City follows in the preparation and adoption of the budget.

**Budget Message (City Manager's):** A general discussion of the budget document presented in writing as an overview of the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the City Manager.

**Budget (Operating):** A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceiling under which the City and its departments operate.

**Capital Improvements:** Annual appropriations in the City's budget for capital purchases and construction projects costing more than \$30,000. This plan details funding sources and expenditure amounts for these large projects or purchases that will be required beyond the one year period of the annual budget.

**Capital Outlays:** Expenditures for the acquisition of capital assets over \$5,000. Includes the cost of land, buildings, permanent improvements, machinery, computers, large tools, rolling and stationary equipment.

**Cash Management:** The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest interest and return available for temporary cash balances.

**Certificates of Deposit:** A negotiable or non-negotiable receipt for monies deposited in banks or financial institutions for a specified period and rate of interest.

**Chapter 20 Drain Debt** - Chapter 20 of the State of Michigan Drain Code, Public Act 40 of 1956, grants a municipality the right to levy taxes for the principal and interest of Drainage debt.

**Consumer Price Index - Workers (CPI-W):** An indicator of the consumer prices issued by the United States Department of Labor, Bureau of Labor Statistics, which is a widely used indicator of inflation (or deflation) and indicates the changing purchasing power of money. It is obtained by calculating the cost of a fixed "basket" of commodities purchased by a typical consumer. The basket contains products from various categories including shelter, food, entertainment, fuel and transportation. Since the contents of the basket remain constant in terms of quantity and quality, the changes in the index reflect price changes.

**Contractual Services:** Items of expenditure for services that the City receives from an internal service fund or an outside company. Utilities, rent and custodial services are examples of contractual services.

**Current Taxes:** Taxes that are levied and due within one year.

**Debt Service:** The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

**Delinquent Taxes:** Taxes that remained unpaid on and after the date on which a penalty for non-payment is attached.

**Department:** A major organizational unit of the City that indicates overall management responsibility for an operation or a group of related operations within a functional area.

**Department of Public Services (DPS):** The Department of Public Services provides numerous round-the-clock services to residents and business owners. The Department's operational divisions include: Water and Sewer; Streets; Parks; Recreation; Building Maintenance; Motor Pool; Nature Center and Senior Center.

**Depreciation:** (1) Expiration of the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) That portion of the cost of a capital asset that is charged as an expense during a particular period.

**Downtown Development Authority (DDA):** Created by the State of Michigan, under Public Act 197 of 1975, for the purpose of stimulating and encouraging private investment in the south commercial district through the provision of public improvements.

**Encumbrances:** Obligations in the form of purchase orders, contracts or salary commitments that are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up.

**Enterprise Fund:** A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water and sewer, parking facilities, transit systems, airports, solid waste management (when financed through user fees) and golf courses.

**Equivalent Residential Unit (ERU):** A standard engineering calculation designed to determine stormwater runoff based on pervious and impervious areas. Each ERU is based on a value of 2,600 square feet.

**Estimated Revenue:** The amount of projected revenue to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by Council.

**Fiscal Year:** The beginning and ending period for recording financial transactions. The City has specified July 1 to June 30 as its fiscal year.

**Full Faith and Credit:** A pledge of the City's taxing power of a government to repay debt obligations (typically used in reference to General Obligation Bonds or tax-supported debt).

**Full Time Equivalent Position (FTE):** A measure of full-time position equivalents. A part-time position converted to a decimal equivalent of a full-time position based on 1,950 hours per year for clerical and library staff and 2,080 hours per year for Department of Public Service and recreation staff.

**Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts, recorded cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance:** The excess of an entity's assets over its liabilities. A negative fund balance is sometimes called a deficit. See the Revenues Chapter for a discussion of the categories or types of fund balance.

**General Fund:** The largest fund within the City, the General Fund accounts for most of the financial resources of the government that may be used for any lawful purpose. General Fund revenues include property taxes, licenses and permits, user fees, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as police and fire protection, finance, parks and recreation, libraries, public works and general administration.

**General Obligation Bonds:** When the City pledges its full faith and credit to the repayment of the bonds it issues, those bonds are general obligation (G.O.) bonds. Sometimes the term is also used to refer to the bonds that are to be repaid from taxes and other general revenues.

**Geographic Information System (GIS):** A system of software and hardware used to capture, store, manage, analyze and map geographic information.

**Government Finance Officers Association (GFOA):** The GFOA is the professional association of state and local finance officers in the United States and Canada and has served the public finance profession since 1906. GFOA members are dedicated to the sound management of government financial resources.

**Goal:** A statement of broad direction, purpose or intent based on the needs of the community. The City Council adopts an annual Goal Plan for the City focusing on the City's top priorities.

**Headlee Amendment:** The Headlee Amendment, approved by the voters of the State of Michigan as a Constitutional Amendment, places an upper limit on the total amount of property taxes a city can collect in the fiscal year. In effect, the City cannot collect operating millage on the Taxable Value (TV) increase derived from existing property, which is in excess of the Headlee inflation factor plus TV on new construction. This limit is accomplished by rolling back those operating millages, which are at their authorized maximum, by the same percentage as the TV is over the Headlee allowable maximum. The Headlee Amendment limitation may be waived only by a vote of the electorate.

**Infrastructure:** Capital assets that are stationary and normally have a useful life greater than most other capital assets. Examples include roads, sewer lines and water systems.

**Interfund Transfers:** Amounts transferred from one fund to another.

**Intergovernmental Grant:** A contribution of assets (usually cash) by one governmental unit or other orga-

nization to another. Typically, these contributions are made to local governments from the State and Federal governments. Grants are usually made for specified purposes.

**Intergovernmental Revenue:** Revenue received from another government.

**Internal Service Fund:** Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government on a cost reimbursement basis. The City has one internal service fund for Motor Pool vehicle and equipment repair and maintenance.

**Investment:** Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payment.

**George W. Kuhn Drain District:** Established under State statute to facilitate a construction project, started in March 1999, to improve the Retention Treatment Facility (RTF) that was constructed by the Twelve Towns Drain District. These improvements to the RTF were to reduce the volume and frequency of overflows and to provide adequate treatment of the overflows when they do occur.

**Liabilities:** Debt or other legal obligations arising out of transactions in the past that must be liquidated, renewed or refunded at some future date. The term does not include encumbrances.

**Long Term Debt:** Debt with a maturity of more than one year after the date of issuance.

**Maturities:** The date on which the principal or stated values of investments or debt obligation mature and may be reclaimed.

**Michigan Municipal Risk Management Authority (MMRMA):** The MMRMA is a public entity self-insurance pool that provides liability and property coverage to municipal governmental entities across Michigan.

**Michigan Public Act 54:** Michigan Public Act 54 requires public employers to cap unionized employee wages and benefits at the levels in effect at the time when a collective bargaining agreement expires until a successor agreement is reached.

**Michigan Public Act 152:** Michigan Public Act 152 limits the amount that public employers pay toward medical benefit plans, beginning January 1, 2012.

**Michigan Public Act 312:** Michigan Public Act 312 provides for compulsory binding arbitration for sworn police and fire unions following impasse during collective bargaining. Traditional labor actions such as strikes, walk-outs, and lockouts are not permitted as a result of P.A. 312.

**Michigan Public Act 345:** Michigan Public Act 345 was created for the City's Police and Fire Departments to establish and maintain the retirement pension and medical benefits for sworn personnel that could be supported through a dedicated property tax millage.

**Michigan Uniform Accounting and Budgeting Act:** Provides for the formulation and establishment of uniform charts of accounts and reports for local units of government; to define local units of government; to

provide for the books and accounts of local units of government; to provide for annual financial reports from local units of government; to provide for the administration of this act; to prescribe the powers and duties of the State Treasurer and the Attorney General; to provide penalties for violation of certain requirements of this act; to provide for meeting the expenses authorized by this act; to provide a uniform budgeting system for local units; and to prohibit deficit spending by a local unit of government.

**Millage Rate:** One mill equals \$1.00 of taxes for each \$1,000 of taxable value. The millage rate is the total number of mills assessed against the taxable value.

**Modified Accrual:** A "basis of accounting" that determines when a transaction or event is recognized in the fund's operating statements. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Changes to the modified accrual basis from the accrual basis are as follows:

- a) Those revenues susceptible to accrual are property taxes, intergovernmental revenues, special assessments, licenses, interest revenues and charges for services. Fines and forfeits, permits and certain miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.
- b) Non-current receivables, such as special assessments, are recorded at full value and deferred revenue is recorded for the portion not available for use to finance operations as of year-end.
- c) Interest income on special assessments receivable is not accrued until its due date.
- d) Principal on general long-term debt is recorded as a fund liability when due. Interest on bonded indebtedness and other long-term debt is not recorded as an expenditure until its due date.
- e) Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- f) Normally, expenditures are not divided between years by the recording of prepaid expenditures.
- g) The non-current portion of vested employee benefits is reflected in the General Long Term Debt Account Group.

**Motor Pool:** A Department of Public Service division that is responsible for the maintenance of all City vehicles and rolling or motorized equipment.

**Motor Vehicle Highway Fund Act:** The Motor Vehicle Highway Fund Act provides for the classification of all public roads, streets, and highways in this state, to provide for the deposits of specific State taxes on motor vehicles and motor vehicle fuels, and to provide for the allocation of funds for the use and administration of the funds for transportation purposes.

**Municipal Employees Retirement System (MERS):** The Municipal Employees Retirement System of Michigan is a multiple-employer statewide public employee retirement plan created by the State of Michigan to provide retirement, survivor and disability benefits to the State's local government employees.

**Objective:** Something to be accomplished in specific, well defined, and measurable terms and that is achievable within a specific time frame.

**Object of Expenditure:** Expenditure classifications based upon the type or categories of goods and ser-

vices purchased. Typical objects of expenditure include:

- personal services (salaries, wages and fringe benefits, etc.)
- Commodities (motor fuel, office and custodial supplies, etc.)
- Contractual services (utilities, maintenance contracts, etc.)
- Capital outlays (equipment, computer, vehicles, etc.)

**Operating Funds:** Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital improvement projects.

**Personal Services:** Items of expenditures in the operating budget for salaries and wages paid for services performed by City employees, as well as the fringe benefit costs associated with City employment.

**Proposal R:** Approved in 1996 and 2006, this Proposal generates two mills (reduced by the State's property tax limitations) of revenue for a ten year duration used to fund infrastructure construction such as roads, storm sewer separation, landscaping and sidewalks.

**Rating:** The credit worthiness of a city as evaluated by independent agencies.

**Reconciliation:** A detailed summary of increases and decreases in departmental expenditures from one budget year to another.

**Reserve:** An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

**Resources:** Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balance.

**Retained Earnings:** Within an Enterprise Fund, the accumulation of assets over liabilities. The City's only Enterprise Fund is the Water and Sewer Fund.

**Special Assessment District (SAD):** Special Assessment District refers to one or more parcels of property that receive a capital improvement (paving, sewers, sidewalks) and then are assessed a debt (principal and interest) to be repaid over a specific number of years.

**State Equalized Value (SEV):** The assessed value of real and personal property multiplied by a factor as determined by the Michigan State Tax Commission to ensure an assessment level of 50 percent of market value.

**Taxable Value:** The value upon which the property tax is levied. It is determined by multiplying the prior years taxable value by the current year's cost-of-living index. When the property changes ownership, the SEV becomes the taxable value for that year. The taxable value can never exceed the SEV or assessed value.

**Tax Rate:** The amount of tax levied for each \$1,000 of assessed valuation.

**Tax Rate Limits:** The maximum legal property tax rate at which a municipality may levy a tax. The limits may apply to taxes raised for a particular purpose or for general purposes.

**Trust and Agency Funds:** Known as Fiduciary Fund Types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies. These funds are not specifically budgeted. The trust funds used by the City are Police and Fire Retirement, and Police and Fire Other Post-employment Benefits. Agency funds are custodial in nature and do not measure the results of operations. The City has two Agency Funds, the Tax Collection Fund and the Escrow Fund.

**Truth In Taxation:** The Truth in Taxation Act provides a mechanism to ensure public notice and awareness of the increase in property taxes that occurs as a result of an increase in the Taxable Value base on existing property. This act mandates a “tax freeze” with regard to existing property and prohibits revenue growth by requiring a tax rate reduction (rollback) on operating millages unless a specific public hearing is conducted. At the public hearing, the Council discusses and adopts by resolution the millage or tax rates necessary to fund the city services and programs identified in the budget document. Because Madison Heights complies with the MICHIGAN UNIFORM BUDGET ACT (PA 621), the required public hearing for Truth in Taxation is combined with the public hearing for budget adoption as permitted by statute.

**Unit Costs:** The cost required to produce a specific product or unit of service.

**User Charges (also known as User Fees):** The payment of a fee for direct receipt of a public service by the party benefiting from the service.

**Yield:** The rate earned on an investment based on the price paid for the investment.

## ACRONYMS

Acronym	Description
ACH	Automated Clearing House
ADA	American with Disabilities Act
AEMT	Advanced Emergency Medical Technician
ALS	Advanced Life Support
AMR	Automatic Meter Reading
ARP	American Rescue Plan Funding
BYOD	Bring Your Own Device (Policy)
CAFR	Comprehensive Annual Financial Report
CDBG	Community Development Block Grant
CDD	Community Development Department
CIP	Capital Improvement Plan
CPI-W	Consumer Price Index – Workers
CTO	Compensatory Time Off
CVTRS	City, Village and Township Revenue Sharing
D/FEIS	Draft/Final Environmental Impact Statement
DDA	Downtown Development Authority
DPS	Department of Public Service
DWSD	Detroit Water and Sewerage Department
EFTPS	Electronic Federal Tax Payment System
EPA	Environmental Protection Agency
ERU	Equivalent Residential Unit
ESL	English as a Second Language
EVIP	Economic Vitality Incentive Program
FEIS	Final Environmental Impact Statement
FEMA	Federal Emergency Management Agency
FHWA	Federal Highway Administration
FTE	Full-Time Equivalency
FSA	Flexible Spending Account
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
GLWA	Great Lakes Water Authority
GPS	Global Positioning Systems
GWK	George W. Kuhn Drain
HAVA	Help America to Vote Act
HCMA	Huron-Clinton Metropolitan Authority
HMO	Health Maintenance Organization
HUD	Housing and Urban Development
HVAC	Heating, Ventilation, and Air Conditioning
IBNR	Incurred But Not Reported
ISP	Investment Service Program
ITS	Intelligent Transportation System
LHOH	Little House on Hales
MDNR	Michigan Department of Natural Resources

MDOT	Michigan Department of Transportation
MEDA	Michigan Economic Development Association
MEDC	Michigan Economic Developers Corporation
MERS	Municipal Employees Retirement System
MLGBC	Michigan Local Government Benchmarking Consortium
MML	Michigan Municipal League
MMRMA	Michigan Municipal Risk Management Authority
MNRTF	Michigan Natural Resource Trust Fund
MPSC	Michigan Public Service Commission
MUTCD	Manual of Uniform Traffic Control Devices
NPDES	National Pollutant Discharge Elimination System
OCP&RC	Oakland County Parks and Recreation Commission
OPEB	Other Post-Employment Benefits
POB	Pension Obligation Bonds
PPO	Preferred Provider Organization
PPTP	People Powered Transportation Program
PPT	Personal Property Tax
RAP	Risk Avoidance Program
RCOC	Road Commission for Oakland County
ROW	Right-of-Way
RTF	Retention Treatment Facility
SAD	Special Assessment District
SAFER	Staffing for Fire Emergency Response
SAW	Stormwater Asset Management and Wastewater Program
SCATS	Sydney Coordinated Adaptive Traffic System
SCBA	Self-Contained Breathing Apparatus
SEMCOG	Southeast Michigan Council of Governments
SEMREO	Southeast Michigan Regional Energy Office
SEV	State Equalized Value
SOCSDS	South Oakland County Sewerage Disposal System
SSR	State Shared Revenues
STV	State Taxable Value
TIF	Tax Increment Financing
TLN	The Library Network
TV	Taxable Value
UPS	Uninterruptible Power Source
WRC	Water Resources Commissioner



**City of Madison Heights  
Capital Outlay Summary Combined  
Adopted Fiscal Year 2024 and Proposed Fiscal Year 2025**

Description	Adopted FY 2023-24 BUDGET	Proposed FY 2024-25 BUDGET
<b>Fund 101 - GENERAL FUND</b>		
INFORMATION TECHNOLOGY 101-228 982-0000		
<b>COMPUTER EQUIPMENT</b>		
STORAGE AREA NETWORK & HOST SERVERS	\$ 81,000	\$ -
WIRELESS NETWORK UPGRADE	35,000	-
PHONE SYSTEM UPGRADE (PHASE 1 OF 2)	-	93,750
VEEAM 365 CLOUD BACKUP	14,000	-
NETWORKING EQUIPMENT UPDATE (PHASES 1 & 2 OF 2)	122,872	122,872
KNOWB4 ADDITIONAL USERS	1,800	-
MOBILE DEVICE MANAGEMENT	10,000	-
<b>Totals for dept 101-228</b>	<b>\$ 264,672</b>	<b>\$ 216,622</b>
GENERAL ADMINISTRATION 101-248 981-5000		
<b>FURNITURE</b>		
FURNITURE (FINANCE AND CMGR OFFICES)	\$ -	\$ 30,000
<b>Totals for dept 101-248</b>	<b>\$ -</b>	<b>\$ 30,000</b>
982-0000		
<b>MACHINERY AND EQUIPMENT</b>		
TRICASTER	16,680	-
<b>Totals for dept 101-248</b>	<b>\$ 16,680</b>	<b>\$ 30,000</b>
DISTRICT COURT 101-286 978-0000		
<b>BOOKS</b>		
WESTLAW	\$ 4,450	\$ 4,550
ICLE-JURY INSTRUCTIONS, COLLECTIONS AND PROCEDURE	600	600
LEXISNEXIS-EVIDENCE	350	350
<b>Totals for dept 101-286</b>	<b>\$ 5,400</b>	<b>\$ 5,500</b>
982-0000		
<b>MACHINERY AND EQUIPMENT</b>		
COURT RECORDING EQUIPMENT (PHASE 2 OF 2)	78,000	-
COURT SECURITY EQUIPMENT	-	36,200
<b>Totals for dept 101-286</b>	<b>\$ 78,000</b>	<b>\$ 36,200</b>
987-0000		
<b>IMPROVEMENTS</b>		
CARPET	31,680	-
BUILDING UPGRADES	13,000	-
<b>Totals for dept 101-286</b>	<b>\$ 44,680</b>	<b>\$ -</b>
POLICE 101-301 981-0000		
<b>COMPUTER EQUIPMENT</b>		
BODY CAMS AND IN-CAR CAMERAS AND AXON CLOUD STORAGE	\$ 80,500	\$ 80,500
<b>Totals for dept 101-301</b>	<b>\$ 80,500</b>	<b>\$ 80,500</b>
982-0000		
<b>MACHINERY AND EQUIPMENT</b>		
IN-VEHICLE PRINTERS	19,000	-
TASER REPLACEMENT	18,000	-
HVAC BOILER SYSTEM (PHASE 1 & 2 OF 3)	200,000	200,000
IN-VEHICLE MODEMS	-	21,000
<b>Totals for dept 101-301</b>	<b>\$ 237,000</b>	<b>\$ 221,000</b>
985-0000		
<b>VEHICLES</b>		
VEHICLE #125 LEASE (\$437.10/MO)	5,245	5,245
PATROL VEHICLES (3) FY24; (4) FY25	123,000	169,000
<b>Totals for dept 101-301</b>	<b>\$ 128,245</b>	<b>\$ 174,245</b>
987-0000		
<b>IMPROVEMENTS</b>		
POLICE CARPET REPLACEMENT	65,000	-
POLICE PERSONNEL LOCKER REPLACEMENT RESERVES	9,000	-
POLICE VCT FLOORING PROPERTY RM/GUN RANGE	25,000	-
POLICE RENOVATION RESERVE STATION	10,000	-
<b>Totals for dept 101-301</b>	<b>\$ 109,000</b>	<b>\$ -</b>

**City of Madison Heights  
Capital Outlay Summary Combined  
Adopted Fiscal Year 2024 and Proposed Fiscal Year 2025**

Description	Adopted FY 2023-24 BUDGET	Proposed FY 2024-25 BUDGET
<b>FIRE 101-336</b>		
982-0000		
<b>MACHINERY AND EQUIPMENT</b>		
SCBA AIR COMPRESSOR AND FILL STATION	\$ 78,000	\$ -
ACTIVE SHOOTER RESPONSE PPE	20,000	-
MULTI-GAS DETECTORS	19,000	-
HOSE	5,000	5,000
	<u>122,000</u>	<u>5,000</u>
985-0000		
<b>VEHICLES</b>		
2002 SUPHEN PUMPER #722 (FINANCE PAYMENT 5 OF 5)	129,010	-
VEHICLE #705 LEASE (\$598.94/MO)	7,187	7,187
2015 AMBULANCE RESCUE TRUCK R71 (PHASE 2 OF 2)	155,000	-
2007 PUMPER PIERCE (E7X) #723 (PURCHASE QUINT)	600,000	600,000
2016 FORD INTERCEPTER UTILITY #700	- 38,000	38,000
	<u>891,197</u>	<u>645,187</u>
987-0000		
<b>IMPROVEMENTS</b>		
FIRE HVAC UPGRADES	35,000	35,000
FIRE STATION #1 ROOF REPLACEMENT	- 200,000	200,000
FIRE STATION #1 CARPET	20,000	-
	<u>55,000</u>	<u>235,000</u>
	<b>Totals for dept 101-336</b>	<b>\$ 1,068,197</b>
	<b>\$ 885,187</b>	
<b>STREETS 101-446</b>		
982-0000		
<b>MACHINERY AND EQUIPMENT</b>		
STAKE TRUCK #415	\$ 175,000	\$ -
TOOL CAT (NEW)	- 80,000	80,000
BRINE MAKING SYSTEM	- 101,000	101,000
CONSTRUCTION MESSAGE BOARD	- 25,000	25,000
	<u>175,000</u>	<u>206,000</u>
985-0000		
<b>VEHICLES</b>		
BUILDING MAINTENANCE VAN #435	- 35,000	35,000
	<u>-</u>	<u>35,000</u>
987-0000		
<b>IMPROVEMENTS</b>		
CITY GATEWAY SIGNAGE	250,000	-
	<u>250,000</u>	<u>-</u>
	<b>Totals for dept 101-446</b>	<b>\$ 425,000</b>
	<b>\$ 241,000</b>	
<b>SOLID WASTE 101-528</b>		
982-0000		
<b>MACHINERY AND EQUIPMENT</b>		
BRUSH CHIPPER TRUCK #525	\$ 150,000	\$ 150,000
SINGLE AXLE DUMP TRUCK #424	- 245,000	245,000
	<u>150,000</u>	<u>395,000</u>
985-0000		
<b>VEHICLES</b>		
STREET SWEEPER #402 (PHASE FUNDED II OF II)	200,000	-
	<u>200,000</u>	<u>-</u>
	<b>Totals for dept 101-528</b>	<b>350,000</b>
	<b>395,000</b>	
<b>PARKS 101-752</b>		
987-0000		
<b>IMPROVEMENTS</b>		
ROSIE'S PARK - BACKSTOP FENCE	\$ 75,000	\$ -
ROSIE'S PARK - MAGIC SQUARE REFURBISHMENT	75,000	-
WALKING/BIKE PATH CONSTRUCTION	- 294,000	294,000
ATHLETIC FIELDS LIGHTING ANALYSIS AND REPLACEMENT PHASE FUN	200,000	200,000
CIVIC CENTER PARK - BASKETBALL COURT REHABILITATION	88,000	-
HUFFMAN PARK - IRRIGATION SYSTEM FOR FOOTBALL FIELD	20,000	-
ROSIE'S PARK - GARDENIA PARKING LOT (PHASE 2 F 2)	50,000	-
ROSIE'S PARK FIELD REHABILITATION	30,000	-
PARK SHELTER BUILDING ROOFS - MULTIPLE PARKS	20,000	9,000
SPECIAL PROJECT FUNDING	50,000	50,000
EDISON PARK - PAVING PARKING LOT	67,000	-
12-SHERRY PARK - PLAYSCAPE REPLACEMENT	- 175,000	175,000
12-SHERRY PARK - MAGIC SQUARE REPLACEMENT	- 70,000	70,000
	<u>675,000</u>	<u>798,000</u>
	<b>Totals for dept 101-752</b>	<b>\$ 675,000</b>
	<b>\$ 798,000</b>	

**City of Madison Heights**  
**Capital Outlay Summary Combined**  
**Adopted Fiscal Year 2024 and Proposed Fiscal Year 2025**

Description	Adopted FY 2023-24 BUDGET	Proposed FY 2024-25 BUDGET
ACTIVE ADULT CENTER 101-758 985-0000		
<b>VEHICLES</b>		
SMART BUS #480	\$ 75,000	\$ -
	75,000	-
	Totals for dept 101-758	\$ 75,000 \$ -
LIBRARY 101-790 981-0000		
<b>COMPUTER EQUIPMENT</b>		
MAKERSPACE MAINTENANCE AND EQUIPMENT	\$ 11,000	\$ 10,000
REMOTE PICKUP LOCKERS	- 50,000	50,000
	11,000	60,000
987-0000		
<b>IMPROVEMENTS</b>		
ACOUSTIC ART	10,000	-
STORYWALK INSTALLATION	- 15,000	15,000
SELF-CHECK OUT	- 14,000	14,000
	10,000	29,000
	Totals for dept 101-790	\$ 21,000 \$ 89,000
	Total General Fund (101)	\$ 3,578,374 \$ 3,172,254

**Fund 202 - MAJOR STREETS**

988-0443	<b>CONSTRUCTION</b>		
	OVERLAY JOHN R - 5 PHASES OF FUNDING (2021-2025)	\$ 500,000	\$ 500,000
		500,000	500,000
987-0000	<b>IMPROVEMENTS</b>		
	NEW STREETLIGHT - DEQUNDRE	220,000	-
		220,000	-
	Totals for fund Major Streets (202)	\$ 720,000	\$ 500,000

**Fund 203 - LOCAL STREETS**

989-0500	<b>SECTIONAL CONCRETE REPLACEMENT NON-R</b>		
	SECTIONAL CONCRETE REPLACEMENT NON-R	\$ 100,000	\$ 100,000
	COMMERCE - MICHAEL TO E. PROGRESS (CONCRETE)	150,000	-
	DARTMOUTH - 12 MILE TO BELLAIRE	200,000	-
		450,000	100,000
	Totals for fund Local Streets (203)	\$ 450,000	\$ 100,000

**Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY**

987-0000	<b>IMPROVEMENTS</b>		
	BANNERS, GATEWAY OR OTHER PROJECTS	\$ 20,000	\$ 20,000
		20,000	20,000
	Totals for fund Downtown Development Authority (248)	\$ 20,000	\$ 20,000

**Fund 265 - DRUG FORFEITURE FUND**

985-0039	<b>VEHICLES - STATE</b>		
	PATROL VEHICLES	\$ 41,000	\$ 42,250
		41,000	42,250
	Totals for fund Drug Forfeiture (265)	\$ 41,000	\$ 42,250

**City of Madison Heights  
Capital Outlay Summary Combined  
Adopted Fiscal Year 2024 and Proposed Fiscal Year 2025**

Description	Adopted FY 2023-24 BUDGET	Proposed FY 2024-25 BUDGET
<b>Fund 592 - WATER AND SEWER FUND</b>		
973-1000		
<b>WATERMAIN REPLACEMENT</b>		
BRUSH STREET (W LASALLE TO 13 MILE) R-3	\$ 153,000	\$ -
BRUSH STREET (W GIRARD TO W WOODSIDE) R-3	162,000	-
GARRY - LONGFELLOW TO SHERRY	520,800	-
DIESING DRIVE (BELLAIRE AVE TO ALGER STREET) R-3	-	253,000
GROVELAND STREET (E LINCOLNC AVE TO E. COWAN AVE) R-3	-	302,000
E. ROWLAND AVE (JOHN R TO BATTELLE AVE) R-3	-	204,000
EDWARD - 12 MILE TO PAGE MIDDLE SCHOOL	-	342,034
PARK COURT - 11 MILE TO NORTHEASTERN	-	344,844
	<u>835,800</u>	<u>1,445,878</u>
982-0000		
<b>MACHINERY AND EQUIPMENT</b>		
PORTABLE VEHICLE HOIST SYSTEM	60,000	-
ENVIROSIGHT QUICK VIEW CAMERA	-	20,000
2006 BACKUP GENERATOR #552	-	70,000
VEHICLE #465 - 2003 STERLING SEWER VACTOR	-	425,000
	<u>60,000</u>	<u>515,000</u>
985-0000		
<b>VEHICLES</b>		
SERVICE TRUCK #430 LEASE (573.59/MO)	6,883	6,883
FORD TRUCK #457 LEASE (576.31/MO)	6,916	6,916
2007 CHEVY 3/4 TON PICKUP #434	-	36,000
	<u>13,799</u>	<u>49,799</u>
987-0000		
<b>IMPROVEMENTS</b>		
REPLACEMENT REPAIRS TO THE DPS PARKING LOT	100,000	-
PHONE SYSTEM UPGRADE (PHASE 1 OF 2)	-	31,250
FIBER CABLING (PHASE 1 OF 2)	-	50,000
HVAC	-	300,000
	<u>100,000</u>	<u>381,250</u>
Totals for fund Water and Sewer (592) <u>\$ 1,009,599</u> <u>\$ 2,391,927</u>		

**Total Capital Outlay \$ 5,818,973 \$ 6,226,431**

