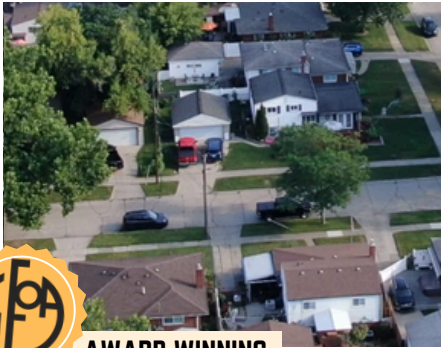




City of Madison Heights

2025-2026 Budget in Brief



The City of Madison Heights is committed to responsible stewardship of public funds. This year's **\$66.1 million balanced budget** holds the millage rate steady at **25.4572**, meaning **no new taxes** for residents. A 9.2% reduction in General Fund spending was achieved by cutting capital expenses and eliminating four vacant positions, while maintaining core services and strong reserves.

Madison Heights has proudly earned national recognition through the **Distinguished Budget Presentation Award** since 1993—reflecting our ongoing commitment to transparency, accountability, and high-quality financial planning.



General Fund

The General Fund is the backbone of City services. Everything from police, fire, and trash pick-up to general administration is paid through the General Fund. The General Fund is funded 66.3% through tax dollars. The FY 2026 budget is balanced using \$436,521 of the fund balance, which is estimated to be at \$11.4 million at the beginning of the fiscal year. You can read more on page 92 in the General Fund section of the budget policy book.



Public Safety

\$26.2 Million

Police, Fire, Court, Road Patrol, Special Investigations Unit, School Resource Officers, Emergency Medical Transport



Library

\$1 Million

Information Access, Programming, Heritage Room, Exhibit Space, Creative Tech Space



Solid Waste

\$3 Million

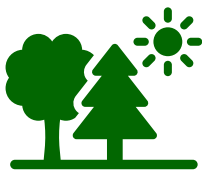
Refuse Collection, Recycling, Leaf Pickup, Compost, Food Waste Compost, Catch Basin Cleaning, Street Sweeping, Brush Chipping



Active Adult Center

\$574,835

Senior Programming, Senior Transportation, and Senior Home Chore Program



Parks & Recreation

\$1.8 Million

Recreational Programming, Summer Camps, Park Landscaping, Athletic Field Maintenance, Tree Removal & Planting, Parking Lot Maintenance



Streets

\$1.1 Million

Sign Replacement, Street Clearing, Street Lights, Street Equipment, Drain Repair



Community & Economic Development

\$1.2 Million

Building & Zoning, City Planning, Code Enforcement, Geographic Mapping, Business Development,

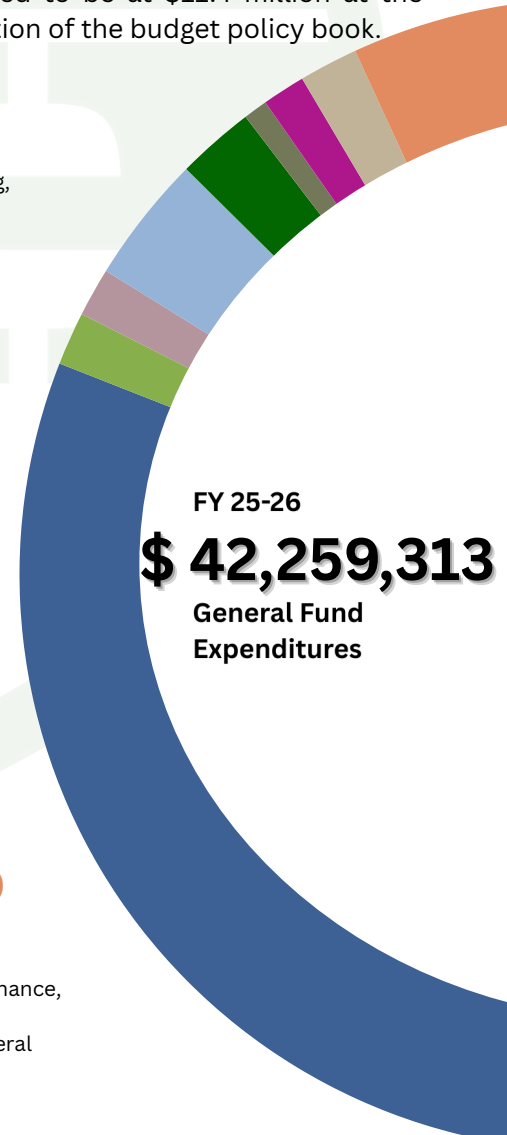


Other

(General Government)

\$5.8 Million

Finance, City Clerk, IT, Assessing, Elections, HR, Custodial & Maintenance, City Council, City Manager, Legal, Insurance, Communications, General Administration



131

MILES OF
WATERMAIN

12

CITY PARKS

9,194

HOMES SERVICED
FOR TRASH
PICKUP

CREATING COMMUNITY BY THE NUMBERS

70

POLICE
OFFICERS

5,197

EMERGENCY
CALLS FOR
FIRE/EMS
SERVICE

4,500

TONS OF LEAVES
COLLECTED

Other Funds

Madison Heights is investing over \$2 million over the next two years to improve major and local roads, including \$2.2 million for improvements to John R Road between 11 Mile and 12½ Mile. This is in addition to \$150,000 through Oakland County's Tri-Party Program that will fund work between 12½ Mile and 14 Mile starting June 2025. Neighborhood roads like Diesing Drive, Groveland Street, and Rowland Avenue are also scheduled for repairs in 2026. The city is budgeting \$2.5 million to upgrade water and sewer lines to keep services reliable. A small rate increase is planned next year, but Madison Heights still has some of the lowest rates in the region. Limited tax capacity may affect future projects unless new funding options are found.



Major & Local Streets

- Nearly \$2 million budgeted in FY 2025–2026 to fix roads citywide.
- \$2.2 million in 2026 for John R Road from 11 Mile to 12½ Mile.
- \$150,000 city contribution to the multimillion-dollar Road Commission for Oakland County (RCOC) John R Project from 12 ½ mile to 14 mile.



Water and Sewer

- \$2.5 million set aside for underground work like water line replacements.
- Water and sewer rates to go up by 6.366% in FY 2026 due to higher costs from providers.
- Water rates are still among the lowest in the area.



Budget Limitations

- Only a small amount of tax capacity remains for next year—just 0.166 mills.
- Nearly \$1 million in projects had to be cut or delayed.
- State law limits how much revenue cities can raise without voter approval.

Capital Improvement

Madison Heights allocates \$8.8 million to long-term projects known as capital improvements. These include improvements to roads, parks, and water/sewer upgrades. You can read more about the City's Capital Improvement Plan on page 162 of the Budget Policy Document.

DID YOU KNOW?

Madison Heights' strong financial policies and low debt helped earn the City an upgraded **AA/stable** bond rating in 2022?

From You to the Community

Average home value
\$225,757



The millage rate is 25.4572, which means \$25.4572 in tax per \$1,000 of taxable value. To determine how much of your property taxes go to City Services, multiply your home's taxable value by the City's millage rate:

$$25.4572 \div 1,000 = .0254572$$

First, divide the millage rate by 1,000.

$$.0254572 \times \$59,758$$

Then, multiply by your home's taxable value. For this example, we are using the average taxable value in Madison Heights.

\$1,521.28*
Annually

Or

\$126.70*
Monthly

What Does That Really Pay For?

When you pay local taxes, you're funding so much more than you might realize. Your tax dollars power the services that keep Madison Heights running strong.

See how each dollar makes a difference!

For Every Dollar in Taxes...

A MAX of 51 cents goes to the City



49-57 Cents

43-51 Cents

Numbers vary between 43-51 depending on school district millage rates

Police,
Fire, EMS

Road Snow
/Ice Removal

Brush
Chipping

Trash
Collection

Road/Water
Infrastructure

Recreational
Programming

Street
Lights

Code
Enforcement

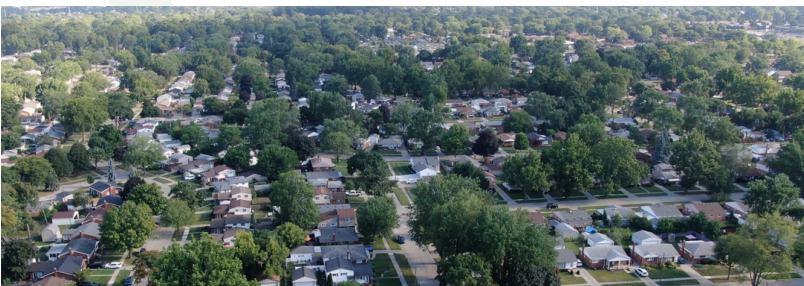
Library
Services

Park
Maintenance

Sidewalk
Repair

Community
Events

And SO much more...



DID YOU KNOW?

The average taxpayer pays

\$5.20

Per month to Parks & Recreation?

That's 1 large latte from most coffee shops!

***TAX DISCLAIMER:** Your taxes may differ from your neighbors.

We get it — it doesn't seem fair.

Two nearly identical homes, two very different tax bills. Unfortunately, this is due to state laws known as Proposal A and the Headlee Amendment, which often result in new homeowners paying more in taxes than longtime residents. The City doesn't like it either, but we're required to follow state law. Until these laws are changed at the state level, these tax disparities will continue.



NEIGHBOR #1

Purchased home in 1995

\$2,363 Total Taxes



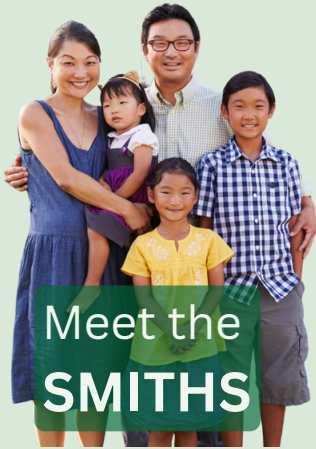
NEXT DOOR NEIGHBOR

Purchased home in 2018

\$4,539 Total Taxes

A Day in the Heights

Follow the Smith family: Michael, Jessica, and kids Jacob (12), Olivia (7), and Emily (3) as they spend a typical day in Madison Heights. From water and trash to parks, safety, and events, see how city services support their daily routine. How does your day compare?



We pay for City Services With:



Taxes



Utility fees



Grants



The Family Wakes Up

The family uses water to brush their teeth, shower, and flush the toilet. The City distributes water and collects the wastewater. The City also makes infrastructure upgrades.

\$2.5 million is budgeted for water and sewer capital outlay in FY 2026. This includes service line replacements



Taking Out the Trash

Michael puts the trash and recycling on the curb. Refuse collectors contracted by the City dispose the garbage and recycling.

\$1.8 million of the FY 2026 budget is allocated toward the refuse collection contract. [Watch the City's "Trash Talk" video](#) to learn more about how collection works.



Road Work and Street Cleaning

Michael passes a street resurfacing project and street sweeper on his way to work.

\$5.8 million is budgeted for road improvements in FY 2026, funded by state gas/weight taxes, interest, and county reimbursements. Street sweeping is covered by the solid waste millage.



School Drop-Off

Jessica drops the kids off. The School Resource Officer greets Jacob with a high five.

The budget includes an additional school resource officer. The position is 70% funded by Lamphere Schools and 30% by the City. The officer is a Madison Heights Police Officer.



Sustainability Stop

Jessica drops off food scraps at the DPS compost bin at 801 Ajax. She plans to return on the weekend to pick up fresh compost for the garden.

Food waste compost stays in the budget at \$3,000. In 4 months, residents kept 5,386 lbs of organics out of landfills—equal to 270 trash bags! Free compost and woodchips available in spring at DPS, while supplies last.



Neighborhood Animal Services

Jessica chats with a neighbor who says animal control picked up a stray dog she reported.

Animal Control responded to 201 pickups and nearly 1,500 miscellaneous complaints in 2024. Animal control is funded through the police budget.



Lunch in Downtown MH

Michael and his coworkers grab lunch downtown. He notices work on the 11 Mile Streetscape Project, which he knows will make it safer for his family to walk and enjoy the area. He learned this at the Streetscape Open House in fall 2023

The streetscape is funded through three sources: \$250,000 from Major Streets for nearby road repairs, \$313,982 in grant funding from Main Streets Oakland, and \$400,000 from the DDA—none of which comes from residential taxes.



Senior Drop-Off & Library Time

Jessica takes her mom to Bingo at the Active Adult Center (AAC) and walks over to the Library with Emily for Storytime.

Anyone 50+ can join AAC programs. The AAC budget increased by \$98,000. Additionally, \$15,000 is allocated to the Library Creative Techspace upgrades in FY 2026.



Emergency Services

Michael pulls over on his way home for an ambulance on a medical call.

Madison Heights Fire Department completed over 4,000 runs in 2024.



Evening Soccer Game

Olivia has a soccer game at the Swanson Soccer Complex after school. The family gathers to watch.

FY 2026 budget includes \$50,000 for repairs to the building and play structure at the complex.



Civic Fun & Recreation

Michael checks his phone for weekend events and sees updates about Civic Center concerts and the new pickleball courts at Rosie's Park.

Follow the City of Madison Heights on Social Media to keep up! Additionally, a new newsletter insert is coming to local newspapers for residents who prefer print news.