

FISCAL YEAR 2024-25 ANNUAL BUDGET EXECUTIVE SUMMARY

Honorable Mayor and City Council:

I am pleased to present to you the FY2024-2025 Budget. The budget document represents the program strategies and resources formulated by the City Council and City staff during the budget preparation process.

GENERAL BUDGET OVERVIEW

The residential real estate market remained strong this year. Based on the rate of inflation (CPI) of 5.1%, the taxable values of residential properties under Proposal A will increase 5%. This is the second time since proposal A was passed in the 1990s that the taxable value has increased this amount. This increase is due to Proposal A, which states that the taxable value will increase by 5% or the rate of inflation, whichever is less. Properties that have sold (change of ownership) become uncapped and are not subject to the 5% taxable value increase cap.

The taxable value of commercial and industrial properties will also increase by 5%. Commercial and Industrial land tables were reviewed and updated with current sales data. This year, the Assessor changed the way apartments are assessed to an income approach. As a result, total assessments for commercial and industrial properties increased more than 5%. This caused the total taxable values to increase to the 5% cap as well.

Due in large part to the uncapping of properties, the City will have a Headlee Rollback of .1598 for FY2024-2025. The

City's general operating millage will be 15.5039 mills.

The proposed FY2024/2025 budget incorporates a \$547,285 shortfall between revenues and expenditures in the General Fund. This shortfall is in part due to inflation, capital projects, vehicle purchases, equipment purchases and personnel costs.

The proposed ending fund balance for June 30, 2025 is \$2,105,478. However, roughly \$1,000,000 of this is funds donated to the LWML that must be spent on the Library. Adjusting for the library donation, the City's adjusted fund balance is projected to be \$1,105,478 which is 19.2% of expenditures as of as of June 30, 2025.

The City also submitted a Trust Fund grant for improvement at Beebe Street Park, that if successful would require a \$116,100 match from the General Fund.

The budget includes a 2.5% wage increase in accordance with the Teamster, Patrol, Command and Communications labor contracts. The budget also includes a 2.5% wage increase for non-affiliated personnel in line with the labor contracts. The Teamster, Patrol and Command Contracts will be negotiated as we approach FY2025-2026.

The budget also includes some salary adjustments to our seasonal employees to keep pace with the market. Due to a number of factors including the Baby Boomer generation entering retirement, it is projected that the worker shortage issues facing employers will not subside for another year and a half to two years.

The Council Goals and Objectives are incorporated with the departmental missions to formulate a comprehensive plan for providing high quality services to the citizens of Richmond in the most cost-effective manner possible. Following are some of the highlights of the budget:

CONSISTENCY WITH CITY MISSION AND GOALS

The City of Richmond's mission statement of “promoting a high quality of life for its residents by providing municipal services and addressing community issues in partnership with its citizens, businesses, and neighbors” is the guiding premise for the preparation of this budget document.

Several goals established by the City Council for FY 2024-25 continue to be reflected in the preparation of this budget:

- **Council Issue #1 – Promoting Industrial and Commercial Growth.** The TIFA Plan and Recreation Master Plan have been updated. The Community Master Plan is being updated by the Planning Commission and administration. Funds are allocated in TIFA to cover a portion of the City Administration Staff’s salary and benefits that work within the TIFA Fund.

The Recreation Master Plan has been approved by the DNR. A Trust Fund grant for park improvements has been submitted. Administration will be working with the City Council and Recreation Board to amend the plan to include the Roosevelt Civic Auditorium.

The City Council recently approved a Social District for the North Business

District. This will provide the three eligible licensees with the opportunity to participate in the district. The Social District is intended to improve the retail atmosphere and enhance special events that occur within the district.

Funding for TIFA and EDC's façade improvement programs are continued in this budget under TIFA. The programs continue to be reviewed by the EDC and TIFA to improve them and operate with lower funding levels.

- **Council Issue #2 – Traffic Congestion and accessibility on Main Street.** Traffic congestion and parking on Main Street are being addressed through several projects. The City has implemented several portions of the Master Transportation and Streetscape Plans. Council has identified maintaining parking along Main Street and providing adequate off-street parking for downtown businesses as a priority. The TIFA budget includes funding to repave and improve the main Municipal Parking Lot on the west side of Main Street, as well as, funding to install a temporary millings parking lot on the City owned parcel on the east side of Main Street, between Monroe and Park Streets. The City continues to replace deteriorated or lifted sidewalks to maintain pedestrian safety and the walkability of the community.

MDOT, St. Clair County Road Commission, our State Representative and the City have been reviewing the area of Muttonville Lane and Gratiot to determine ways to improve traffic safety in this area. This includes attempting to find funding.

- **Council Issue #3 – Streetscape Implemented.** This past year TIFA

installed downtown lighting from the light poles to the front facades of the buildings. We have contracted for phase two of the Downtown Lighting project. The parking improvements at the Municipal Parking Lot will also include elements from the Streetscape Design Guidelines such as improved fencing and landscaping.

A new changeable copy sign has been installed at The Aud. Recreation Staff are utilizing the sign faces to advertise Aud and Recreation programming. The City Council approved a new landscaping plan to make the front walkway a focal point of the community.

With the improvements made by TIFA to the parking lot on the north end this spring, building owners have begun improving their rear facades including improving customer entrances.

Both the changeable copy sign, front landscaping at The Aud and improvements to the rear facades have been a part of the Streetscape Vision since the beginning.

- **Council Issue #4 – Rails-to-Trails Funding, Maintenance, Use, and Development.** The City is working with St. Clair County and the Trail Conservancy to develop plans to connect Richmond with the St. Clair County trail system. This link will be a part of the Trail Conservancy's effort to connect Lake Michigan with Lake Huron by way of Route 1 of the Great Lake to Lake Trails. Funds are included in the TIFA budget to cover our maintenance costs as a member of the Macomb Orchard Trail Commission.
- **Council Issue #5 – Orientation and Training for Members of Boards and**

Commissions. The FY 2024-25 Budget includes appropriations for continued training and education for City Council, Planning Commission, TIFA and Board of Review. As directed by City Council, instead of canceling meetings when there is a lack of agenda items, administration has increased in-house training and attention to ordinance reviews. Administration has been emailing orientation packets including relevant plans, budgets and bylaws to new board members. Funds are provided for City Council members to attend the MML Legislative Convention.

- **Council Issue #6 – Code Enforcement.** City Hall staff work with the Police Department on a team-oriented approach to code enforcement. Several ordinance changes to switch additional penalties to civil infractions rather than misdemeanors are in the works. Funds have been included to pay for a reserve officer when needed to assist with code enforcement when needed.
- **Council Issue #7 – Technology.** The budget includes funding to replace the computers in the Police Department. The budget also includes the replacement of the Treasurer and Assessing computers. Administration is reviewing the potential to place credit card processors at the Police, Library and Recreation Departments either through the BS&A financial software or other vendors.

The FY2024-25 Budget includes funds for the annual maintenance of the City website through Civic Plus. Administration is working with CivicPlus on a redesign of its website. The City will continue to improve its social media presence. The Cable

Coordinator recently began a bi-weekly Richmond news program.

in the future if eligible businesses claim the exemption.

This will be the second year that we have not done a limit on the TIFA Capture.

GENERAL FUND REVENUES

The FY 2024-25 Budget calls for a general operating ad valorem property tax levy of 15.5039 mills, of which an amount equal to 1.26 mills will be placed in the Municipal Street Fund for street improvements. This year the City's millage rate did have a Headlee Millage Rollback of .1598. Due to the inflation rate of 5.1%, taxable value increased by the maximum 5% allowable under proposal A. The City will also continue to levy a 1% administration fee on all tax collections as permitted by State law.

The City's taxable value has increased this year by \$21,128,310 to \$252,901,566 (Source: March 2024 Board of Review). The Richmond Tax Increment Finance Authority will capture \$46,164,883 of the taxable value. One mill for general operating purposes is equal to \$206,736 after TIFA capture. (Last year one mill was equal to \$188,916.) The City will realize \$3,205,225 in property tax revenues with a tax levy of 15.5039. An additional \$110,000 is budgeted for the 1% administration fee.

Residential property represents \$187,581,859 or 75% of the City's total taxable value an increase of \$16,472,790; commercial property represents \$45,089,611 or 18% an increase of \$2,175,007; industrial property represents \$6,669,096 or 2% an increase of \$452,513; and personal property represents \$11,656,900 or 5% an increase of \$1,982,300. Although personal property values have increased for 2024, the value of personal property that will qualify for the Small Business Exemption increased from \$80,000 to \$180,000 in 2024. This could have an impact on personal property values

The shortfall between revenues and expenditures in the City budget is \$547,285. Adjusting for the million-dollar library donation, the City's adjusted fund balance is projected to be \$1,105,478 which is 19.2% of expenditures as of as of June 30, 2025.

GENERAL FUND EXPENSES

CITY COUNCIL. The FY 2024-25 Budget provides for compensation for the Mayor at \$60.00 per regular meeting attended and for councilors at \$50.00 per regular meeting attended. The budget provides for continued membership in the Michigan Municipal League, Michigan Municipal League Legal Defense Fund, Southeast Michigan Council of Governments, and Richmond Area Chamber of Commerce. The Budget also provides funds in FY2024-2025 for Council members to attend training sessions and committee meetings put on by these organizations. Funds are included for the open house. The printing and publishing provided for in this department publishes the City Calendar.

CABLE TELEVISION SERVICES. As residents cancel their cable TV service through Comcast, the City's revenues from the Cable franchise fees are beginning to decline.

The budget includes an appropriation to provide for Cable TV production through a full-time coordinator and part-time programming assistant at 15 hours per week. The last six years the City has partnered with Richmond Community Schools to allow the Cable Coordinator to teach the TV

& Broadcast Media class at the High School level.

The cable budget includes \$1,500 to reimburse the Cable Commission for a portion of their cable bills. The City continues to broadcast programming on Comcast Cable Channel 6 and our YouTube Channel RichmondTV12. The YouTube Channel has over 1,350 subscribers. The budget includes funding (\$7,000) for equipment upgrades including the Tricaster video switcher for the Council meetings.

CITY MANAGER. The City Manager's budget includes an increase in funding for the recent salary adjustment made to the City Manager's salary and a 30 hour a week administrative assistant position. The assistant helps with projects, website updates and works with other departments as assigned. The budget includes an appropriation for the City Manager's membership in the Michigan Local Government Management Association.

ELECTIONS. The budget for elections has been increased to account for an August 2024 Primary election and a November 2024 Presidential election and mailing the AV applications and ballots for these elections.

The budget includes funding to provide for early voting for the August Primary and November Presidential Election. Wages for City Staff that assist with elections have been moved to this department in order to better position the City to be able to seek reimbursement from the State of Michigan.

ASSESSING. The budget provides for the contract with Assessment Administration Services, L.L.C. to provide assessing services for the City. The budget also includes an appropriation for annual software support for the Equalizer assessing administration software and the ArcView

software along with funds for an outside vendor to mail assessment notices.

LEGAL SERVICES. The cost for legal services has remained stable for several years.

CITY CLERK. The budget provides for the City Clerk's salary and benefits. The Clerk's wages and benefits are split between the General, Water, Sewer and TIFA Funds. Appropriations are also provided for contractual services for printing of ordinance supplements to the City Code; printing and publishing for legal notices; memberships in the Macomb County Clerks Association, International Institute of Municipal Clerks, and the Michigan Association of Municipal Clerks.

BOARD OF REVIEW. This year Administration budgeted \$5,500 in the reimbursement line item to account for property owners potentially petitioning the Michigan Tax Tribunal.

CITY TREASURER. The General Fund Budget provides for a portion of the salary and benefits of the Treasurer, with the remaining percentages allocated to the Major Streets, Local Streets, Water, Sewer and TIFA Funds. Funds are also budgeted in this department for the Secretary/Receptionist and Payroll Assistant positions, The Secretary/Receptionist's salary and benefits are split between General, Water, Sewer and Cemetery Funds. The Treasurer's budget includes the contract for audit services.

BUILDINGS AND GROUNDS CHPD. This budget includes funds to maintain the City Offices including City Hall (CH) and Police Department (PD). If a line item is specific to one side it is given a designation of CH or PD to designate which department is charging to that line item.

The budget includes appropriations for general maintenance services performed by the DPW along with wages and benefits for part-time janitorial services at the building; building equipment maintenance to continue the annual inspection and servicing of the heating/cooling system; building maintenance contracts such as lawn maintenance, snow removal, and mechanical systems and fire suppression system annual inspections.

Contractual services for City Hall's computer maintenance, engineering, high speed internet and website domain and hosting services; office equipment maintenance for the postage scale and scale software, mailing machine, computers, and copier; equipment rental for the postage meter and post office box. Funding has been provided to replace the computers for the Assessor and Treasurer.

Funds have been budgeted in Sewer, Water and TIFA to cover a percentage of the above costs related to the City Hall portion of the building.

Funds (\$10,000) to replace the chairs in the Community Room and a projector in the community room to assist with training.

POLICE. The wage and benefits accounts include appropriations to continue the following programs: (1) traffic patrol coverage; (2) community policing; (3) code enforcement activities; and (4) special event police coverage. The Patrol contract expires on June 30, 2025.

Funds have been allocated for one additional candidate from the reserve officers to attend the Police Academy through the Macomb Public Safety Institute should there be a suitable candidate. The reserve officer hourly rate will be increased to \$12.00.

The Equipment Acquisition account includes funds (\$18,671) to replace all of the computers in the Department. The current computers are over eight (8) years old. Funds (\$66,286) have been included for the replacement of a SUV Police Interceptor.

TRAFFIC AND SAFETY. The budget includes appropriations for wages and benefits to provide crossing guards at key street intersections for school children. This year the hourly rate has been increased to \$15.00 per hour for the crossing guards.

COMMUNICATIONS. The budget includes funds for the three full time and several part-time communications officers. The Fire Fund reimburses the General Fund for 10% of the costs of communications services to cover the cost of dispatching the Fire Department. Funds (\$3,033) to replace two old computers and monitors in dispatch.

CODE ENFORCEMENT. Funds are budgeted to allow for a reserve officer to assist with code enforcement when needed. The City will continue to handle code enforcement functions primarily through the Police Department, however, the City Clerk, Building Clerk and Administrative Assistant will assist with the team approach to code enforcement. The City handles most code complaints through civil infractions instead of misdemeanors.

BUILDING DEPARTMENT. The City employs a full-time Building Clerk and a part-time Building Official and contracts with others for electrical, mechanical, and plumbing inspection services.

PLANNING. The budget reflects the salary and benefit costs for the full-time Planning and Zoning Administrator position. Fifteen percent of the Planner's salary and benefit costs will be provided through TIFA. The

budget also provides for the continuation of in-house training programs for the Planning Commission.

BOARD OF ZONING APPEALS. The budget does not provide for any expenditures. The BZA did meet last year and may more frequently in coming years due to development increasing.

EMERGENCY PREPAREDNESS. The City Manager currently serves as Emergency Management Coordinator with the City Planner and Police Chief as back up. Macomb County Emergency Management has updated the City's Plan. Due to our population size, the City falls underneath the County Plan. Funds have been budgeted to provide for maintenance on the four sirens.

PUBLIC SERVICE DIRECTOR. The budget provides for 52.5% of the Public Service Director's salary and benefits, with the remaining percentages allocated to the Major Streets, Local Streets, Water, and Sewer Funds. The budget also includes resources for 2.78% of the cost of a full-time secretarial position for the department, with the remaining percentages allocated to the Major Streets, Local Streets, Water, and Sewer Funds.

PUBLIC WORKS. The budget provides for portions of the wages and benefits of public works personnel which are attributable to General Fund functions that cannot be properly allocated to other funds. The percentages allocated to General Fund and the other funds are based upon historical data trends for each position. The budget also includes appropriations for continuation of the tree maintenance programs, city clock maintenance, and equipment maintenance. Funds are allocated to maintain existing trees within the right-of-way.

STREET LIGHTING. The budget includes appropriations for the continuation of the general street lighting program. The TIFA Fund covers the lighting costs of the ornamental street lights that have been installed from Howard Street north to Park Street. The ornamental lights were installed by TIFA to provide an aesthetic improvement in our downtown districts. These lights are closer together and at a higher rate than the average street lights normally installed by the City.

CAPITAL IMPROVEMENTS. The FY 2024-25 budget does not include any projects this year. Projects are slated for future years within the Six Year Capital Improvement Plan.

REFUSE COLLECTION AND DISPOSAL. The City's contract for residential solid waste collection with WM expires on June 30, 2024. In May, the City Council approved a five-year proposal from Priority. The annual fee on a residential tax bill will be \$224.00. This is a reduction of \$10.56 from the previous year.

EMERGENCY MEDICAL SERVICES. EMS services are provided through a contract with Richmond-Lenox EMS (RLEMS). In the past, the City of Richmond paid a stipend to help offset the costs of service to residents. Currently, RLEMS is not requesting any payment from the City for EMS services.

COMMUNITY TRANSIT. Community Transit services for senior citizens and the handicapped are provided through Suburban Mobility Authority for Regional Transportation (SMART) bus credit funds provided by the SMART millage to communities within urban counties. The City of Richmond provides these services through a contract with RLEMS.

ECONOMIC DEVELOPMENT. The budget does not provide for allocations for the EDC. The City working with Macomb County Planning and Economic Development Department updated the TIFA Plan. Marketing and economic development activities are funded out of the TIFA.

The EDC provides direction to Council and administration on projects such as the Social District and events such as the Christmas Cash Program and Community Tree Lighting. This year the EDC will be reviewing mural programs/projects in other communities.

LOIS WAGNER MEMORIAL LIBRARY. The library budget provides allocations for salaries, wages, and benefits for a full-time Library Director, Children's Programmer, and Library Technician; and part-time Library Clerk, Systems Manager and substitute library workers. The budget also provides funding for the continued membership in the Suburban Library Cooperative of Macomb, including utilization of the cooperative's SIRSI/Dynix cataloging system.

This year's budget includes revenues (\$65,257) from the Richmond Township Library Millage. This is the first year of the five-year millage renewal.

The budget provides allocations for book purchases, other types of media, programming and operating supplies.

The budget does not include major improvements to the Library at this time based on the space needs study. The City Council and Public Library Board formed a committee to review potential improvements that may be undertaken through the large donation.

CONTINGENCY. The budget provides an allocation for General Fund contingencies in the amount of \$5,000 in accordance with the provisions of the City Charter.

DEBT SERVICE. The only General Fund debt obligation is the payment to Lenox Township for the Muttonville Mutual Detachment and Annexation Forbearance Agreement. The City and Township negotiated an extension of the agreement in 2019. The agreement calls for a payment of \$179,702 for this year.

The City pays 3.6 mils annually in September to Lenox Township under the agreement based upon the current taxable value of the properties in the Muttonville district. The new agreement calls for these payments to continue through 2038.

TRANSFERS OUT. The **Fire Department** is funded through contracts with the townships of Casco, Columbus, and Richmond as well as a City contribution. The budget reflects the City's share of the contribution toward operating and equipment replacement costs. Under the contracts, the operating expenses of the Fire Department cannot increase by more than 10% annually.

The **Cemetery Fund** receives a transfer from the City's General Fund to allow for operations.

The **Recreation Fund** receives a transfer from the City's General Fund to allow for operations.

The **DPW Equipment Replacement Fund** will receive a transfer in from the General Fund of 40% of the equipment rental revenue this year

The **Street Improvement Fund** provides a set-aside that combined with the TIFA

contribution is equal to 1.26 mills of the general operating tax levy to provide a perpetual street improvement program. Currently, a 20-year capital plan for street improvements is in place which requires \$355,000 annually to complete. Due to the previous downturn in the economy, the City never reached \$355,000. However, the City has found ways to continue the street program.

Several factors contributed to the success of the street improvement program. TIFA and the General Fund will transfer a combined \$260,000 this year. The Public Service Director with the approval of the City Council has an MDOT approved Asset Management Program, that allows Richmond to transfer any percentage of our Act 51 Funds to local streets.

OTHER FUNDS

MAJOR STREETS. The FY 2024-2025 Major Street budget includes \$653,154 to reconstruct Oak Street from Main to Division and Preistap from Beech to Main. This will include the removal of the abandoned tracks in Oak Street. The Major Street budget also includes funds (\$236,692) to repair Main Street from Division to the railroad associated with the Water Main Project that received federal funding.

LOCAL STREETS. The FY 2024-2025 there are no major projects scheduled for the Local Street budget this year.

FIRE. The Fire Department is operated utilizing volunteer firefighters. The proposed budget includes funding to increase their pay from \$18.00 to \$20.00 per run. It also includes \$5 for any member including trainees who entering run reports into the system. Funds are included to send

members to the Fire Department Instructors Conference (FDIC) in Indianapolis.

The budget also includes appropriations for medical screening, boots, extrication suits, SCBA fit test screenings as required by MIOSHA; funds to provide for truck maintenance; ladder and hose testing/maintenance, and training.

The FY2024/2025 budget includes funds to purchase five (5) sets of turnout gear to continue ensuring that the members of the department have up to date gear. Also, \$13,000 is included for the purchase of four (4) new radios.

The Fire Contracts with Casco, Columbus and Richmond Townships expire at the end of June. The City Manager, Fire Chief and Township Supervisors have met to discuss the updated contracts. The new contracts will be in front of the Township Boards and the City Council in June for approval. The budget includes a transfer out to the General Fund to reimburse the City for 10% of dispatching costs.

CEMETERY. The Cemetery budget provides for the seasonal part-time help for cemetery maintenance.

MAUSOLEUM. The Mausoleum budget provides for operation and maintenance of the Mausoleum.

TAX INCREMENT FINANCE

AUTHORITY. The current FY2024-2025 budget includes \$288,000 to repave and improve Municipal Parking Lot on the west side of Main Street. It also includes \$11,000 for a temporary millings parking lot on the east side of Main on the City owned parcel between Monroe and Park Streets. Funds are included to install picnic tables and concrete pads on the North Forest Parking

lot along with funds to pay for the Social District signage.

Administration is proposing utilizing \$69,000 in funding to complete the exchange of properties associated with the potential expansion of the Aud parking lot. The budget includes \$33,000 toward the purchase of a leaf vac with \$77,000 coming from the DPW Equipment Acquisition Fund.

The TIFA fund balance is projected to be \$515,553 as of June 30, 2025.

COMMUNITY DEVELOPMENT BLOCK GRANT. Recently, Macomb County has changed the administration of the County's CDBG funds to allow for competitive applications from communities for the bricks and mortar allocations. The City submitted a project to improve ADA Ramps on Oak Street for consideration by the County. The City should hear from the County by July if the project was approved.

Our Public Service allocation will go to help pay a portion of the Senior Services Coordinator's wages (\$1,790) and to provide funds to Care House (\$1,200), Interfaith Volunteer Caregivers (\$148), MCREST (\$792), Turning Point (\$1,000).

WWTP EQUIPMENT REPLACEMENT. The FY 2024-2025 WWTP Equipment Replacement budget includes \$25,000 for new lab equipment; \$97,500 to remove and replace the raw sewage pump #1; \$40,000 for plant effluent water pumps; and \$40,000 for design engineering for a screw press.

DPW VEHICLE & EQUIPMENT REPLACEMENT. The FY 2024-2025 DPW Vehicle and Equipment Replacement budget includes \$110,000 for the City's portion of a leaf vac (funds are being transferred in to this fund from the General

Fund (\$77,000) and TIFA (\$33,000) for this purchase. The budget includes a transfer in of 40% of the equipment rental revenues.

SANITARY SEWER CONTRIBUTING CAPITAL. The FY 2024-2025 Sanitary Sewer Contributing Capital budget includes a transfer of \$177,580 for sewer improvements related to the Oak and Priestap Street project and \$375,000 for a sewer lining project.

WATER CONTRIBUTING CAPITAL The FY 2024-2025 Water Contributing Capital budget includes a transfer of \$300,000 for a water main replacement related to the Oak and Priestap Street project; and \$400,000 for the water main replacement project on Main street partially funded by Federal Funding.

RECREATION. The Recreation budget includes funding to transition the Recreation Director to full-time status. It also includes funding for a part-time Recreation Programmer and Pool Director; along with seasonal recreation staff salaries and wages. The budget also includes appropriations for the community center, park property and equipment maintenance, summer programs, and swimming pool operations, staffing, and maintenance. Each year the City Manager, City Treasurer and Recreation Director review the wages for the summer staff positions at the pool and camp to ensure we continue to maintain staffing levels.

The Recreation Fund is made up of the following "Departments" within the fund: 1) Parks and Recreation, 2) Community Center; 3) Swimming Pool and 4) Aud.

Funding is included to install a pavilion in Gierk Street Park, bike racks at the Desert Storm Memorial and replace the toddler play equipment in Beebe Street Park. Funds have been included to replace drinking fountains

at the Community Center and Aud. The Aud budget includes funding for volleyball nets and a potential batting cage.

The budget includes \$220,000 for a splash pad project.

The City submitted Michigan Natural Resources Trust Fund Grant in April for Beebe Street Park Improvements. The local match would be \$116,100.

SANITARY SEWER. The budget includes \$177,580 for sewer improvements related to the Oak and Priestap Street project and \$375,000 for a sewer lining project. The FY 2024-2025 Sanitary Sewer budget reduces the summer sewer rate discount from 25% to 15%.

WATER. The FY 2024-2025 Water budget includes a 3% increase to the commodity

charge (water rate) and a \$3.00 increase to the readiness to serve charge. The FY 2024-2025 Water Capital budget includes \$300,000 for a water main work related the Oak and Priestap Street project; and \$400,000 for the water main replacement project on Main street partially funded by Federal Funding.

SUMMARY

The FY 2024-25 Budget is formulated conservatively with the top priority being establishing sound fiscal planning for operations and capital needs.

Sincerely,

Jon Moore, City Manager
June 12, 2024