



2025-2026
**ANNUAL
BUDGET**

Love, Sterling Heights





2025-2026 Annual Budget

Michael C. Taylor
Mayor

Liz Sierawski
Mayor Pro Tem

Deanna Koski
Councilwoman

Michael V. Radtke Jr.
Councilman

Maria G. Schmidt
Councilwoman

Henry Yanez
Councilman

Barbara A. Ziarko
Councilwoman



Mark D. Vanderpool
City Manager

Jennifer L. Varney
Finance & Budget Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sterling Heights
Michigan**

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Sterling Heights, Michigan for its annual budget for the fiscal year beginning July 1, 2024.

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. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

Mark D. Vanderpool
Haley N. Bradley
Dale Dwojakowski
Frank Bayer
Robin Palazzolo
Marc D. Kaszubski
Melanie D. Ryska
Chelsea May
Jason Castor
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Kevin Edmond
Kate Baldwin
Steve Deon
Kyle Langlois
Kenneth Pappas
David J. Allen
Tammy L. Turgeon
Michael Moore
Erik Skurda

City Manager
Assistant City Manager
Assistant City Manager
Building Official
City Assessor
City Attorney
City Clerk
Deputy City Clerk
City Development Director
City Engineer
City Planner/ City Development Manager
Assistant City Planner
City Treasurer
Community Relations Director
Marketing & Communications Manager
Controller
Facilities Maintenance Manager
Finance & Budget Director
Assistant Finance & Budget Director
Fire Chief
Human Resources Director
Information Technology Director
Parks & Recreation Director
Interim Police Chief
Interim Deputy Police Chief
Public Library Director
Public Works Director
Purchasing Manager

City Seal

Sterling Heights' "Coat of Arms" was officially adopted by the City Council in December, 1968. The words "City of Sterling Heights" encompass the circular seal beginning and ending with five-pointed stars, which represent Quality. Above the crest is the eagle, representing Courage. The eagle's talons hold a bundle of arrows, symbolizing Achievement. There are two types of branches beneath the eagle. On the right is an olive branch, representing Peace, while a religious symbol, the palm branch, curves upward on the left. A triskelion, representing Progress radiates above the symbolic City Hall and residents. At the base of the seal is an unrolled scroll with the words, "To Strive on Behalf of All," representing the government's commitment to its residents. ■



Note: A copy of this publication is available within five (5) business days in an alternate format, such as Braille or audio tape, for persons with visual impairments.

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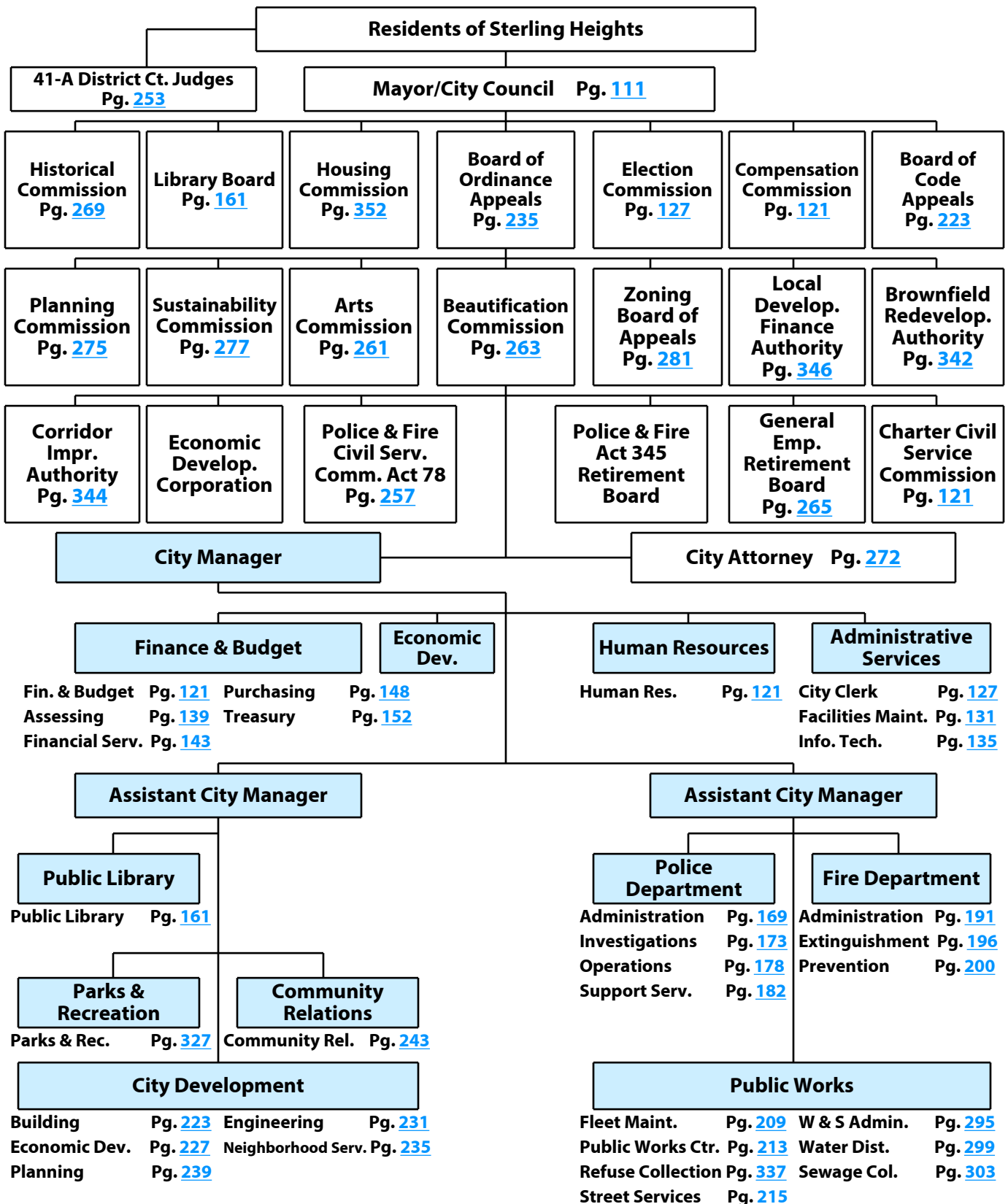
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INTRODUCTION

As you review the City's Budget document, note that it is organized by fund type. In the printed copy of the document, these fund types are distinguished by the purple laminated tabs and include:

- General Fund
- Water & Sewer Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds

The General Fund is further divided into major divisions or departments. These departments are comprised of several offices. For example, within the City Administration Department, there are eight offices, including City Management, City Clerk, Facilities Maintenance, Information Technology, Assessing, Financial Services, Purchasing, and Treasury.

Each office in a department contains the following:

- Service & Mission Statement
- Performance Objectives & Indicators
- Staffing & Organization Chart
- Summary of Budget Changes

The Service & Mission Statement highlights the types of services each office or activity provides and annual Key Goals that are strived for each year. The Performance Objectives are specific objectives the office or activity hopes to achieve in the current year, while the Performance Indicators provide a listing of key measurements of service, efforts and accomplishments. All performance objectives are referenced and linked to the citywide goals. The Staffing & Organization Chart illustrates the number of budgeted positions and the internal office structure. Finally, the Summary of Budget Changes provides a detailed look at each office or activity's expenditure history and explains the funding level changes that have taken place.

The Functional Organization Charts, Department At A Glance summaries, and Key Departmental Trends provide a quick overview of the entire department.

Q: Your budget contains a lot of information! How can I quickly find summary information?

A: *The information behind the **All Funds Summary** tab provides a quick overview of the City's total budget. It explains how the funds are organized and includes total revenue and expenditure trends. The **Budget Message & Executive Summary** provides a general overview explaining how the City plans to utilize its resources and highlights some of the more significant changes to the City's budget. The information within the **Trends & Summaries** tab also contains a multitude of useful information about the City's largest fund - the General Fund.*

Q: I noticed that each office has a Funding Level Summary. How can I get more detailed expenditure information by account within each office?

A: *Line-item detail by account for each office is available from the Office of City Management upon request. These line-items are not included in the City budget document. The City budget document is more focused on total Citywide costs and the results achieved with the dollars spent. Regardless, each fund and office budget includes a detailed Summary of Budget Changes which provides expenditure account information.*

Q: How can I find information about your Capital Budget?

A: *The Capital Budget is incorporated in the annual budget document. It details the funds appropriated for specific facilities, equipment, vehicles, and improvement projects. A listing, description, and City map geographically depicting the location of all projects can be found behind the **Capital Projects** tab.*

Q: *How can I quickly find the location of certain offices within the budget document?*

A: The **Table of Contents** at the beginning of the budget lists all offices in the order in which they appear in the document. The **Index** at the end of the document alphabetically lists each office and the corresponding page number. The City's **Organizational Chart** is also cross-referenced to the office's corresponding page number within the document.

Q: *Where can I find out how many employees are within each department?*

A: There is a schedule within the **Personnel Summary** tab that lists all position titles and number of employees within each office.

Q: *How much do you spend in the General Fund on salaries for full-time employees?*

A: Within the **Trends & Summaries** tab, there is both an *Expenditure and Revenue by Account History*, which provides the reader with the total dollars spent in each account.

UNIFORM BUDGETING ACT

The City is legally subject to the budgetary control requirements of State of Michigan P.A. 621 of 1978 (the Uniform Budgeting Act). The following statements represent a brief synopsis of the major provision of this Act:

1. Budgets must be adopted for the General Fund and Special Revenue Funds.
2. The budgets must be balanced.
3. The budgets must be amended when necessary.

4. Debt cannot be entered into unless permitted by law.
5. Expenditures cannot exceed the budget appropriations.
6. Expenditures cannot be made unless authorized in the budget.
7. Public hearings must be held before budget adoptions.

BUDGET PROCESS

In establishing the budgetary information within the budget document, the City follows steps and deadlines outlined in the City Charter.

- A. Prior to April 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The annual operating budget includes proposed expenditures and the means of financing them for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and the Enterprise Fund.
- B. After the City Manager has submitted the proposed budget to the City Council, public hearings are conducted to obtain City Council input and taxpayer comments.
- C. Prior to May 10, the budget is legally adopted through the passage of an Appropriations Ordinance for each fund which takes effect the following July 1.
- D. The Appropriations Ordinance is the legislative vehicle which allows for the expenditure of funds throughout the City. The Ordinance is based on the approved and adopted budget and is the final product of the budget cycle.
- E. The City Manager is authorized to transfer budgeted amounts within budgetary centers (major activity or department); however, any revisions that alter the total expenditures of any

budgetary center must be approved by the City Council.

In addition to the Charter requirements, the Administrators of all City offices have made budget requests to the City Manager, which are reviewed before arriving at the proposed budget recommendations. The Budget Calendar outlines the entire budget process by month.

The Proposed vs. Approved Budget: The terminology "Proposed Budget" is utilized throughout the document to indicate the budgetary totals and concepts as presented by the City Manager to the City Council on or before April 1. The terminology "Adopted Budget" refers to the official budgetary totals adopted by the City Council after the City Manager's submission and required public hearings are held.

The City adopts its budget by budgetary center, which is in accordance with the State's legal requirement, and is the level of classification detail at which expenditures may not legally exceed appropriations.

BASIS OF BUDGETING

All governmental funds which include the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds are budgeted using the Modified Accrual basis of accounting (See definition of Modified Accrual Basis in the Glossary of Key Terms and Concepts section) which is also used for financial reporting purposes in the City's audited Annual Comprehensive Financial Report. There are some expenditures, such as compensated absences that are not recognized for budgetary purposes, but are accrued on the financial statements.

The City's Enterprise Fund (Water & Sewer) is budgeted using the accrual basis of accounting (See definition of Accrual Basis in the Glossary of Key Terms and Concepts section) with the exception of using a cash basis approach for the purchase of capital assets and the budgeting of principal on

long-term debt, and not recognizing depreciation expense in the budget. A full accrual basis of accounting is used for financial reporting purposes in the City's Annual Comprehensive Financial Report.

Budgets are monitored carefully with the use of an encumbrance system. In addition, budgets are monitored monthly by City Management and necessary amendments are approved by City Council periodically throughout the year to ensure fiscal responsibility, accountability, and financial planning.

The budget document for the City also includes additional information summaries for debt and other non-budgetary funds.■

October	• Quarterly Budget Report Prepared • Capital Budget manual and forms distributed to all offices • Offices submit Capital requests
November	• Revenue and Expenditure forecast prepared • Updated Revenue Study of rates and fees prepared • Preparation of Capital Improvement Plan and Multi-year Financial Plan • City Management prepares current year Budget Amendment • Capital request meetings held with all City Departments
December	• Prior year Audit released and Annual Comprehensive Financial Report completed • City Management prepares personnel costs for Proposed Budget • Preparation of the Water & Sewer Fund Rate Study • City Management presents the Capital Improvements Report to City Manager • City Manager's final Capital recommendations are reported to all offices • City Council approves current year Budget Amendment • Department Managers begin Operating Budget Process
January	• City Council Strategic Planning Workshop • Operating Budget Requests due from all departments • Revenue Worksheets due from all departments • City Management analyzes department's budget requests
February	• Revenue Forecast prepared by City Management • Budget Meetings held with all City Departments • City Manager makes final Proposed Budget recommendations • City Management prepares Proposed Budget document
March	• Proposed Budget printed and distributed to City Council • Preparation begins for Budget Workshops
April	• City Council Workshops - Budget Review, Questions & Adjustments • Budget Notice published in local newspaper
May	• Public Hearing for Budget • City Council adopts Appropriations Ordinance • City Management prepares current year final Budget Amendment
June - July	• City Management prepares Approved Budget document incorporating City Council adjustments • Approved Budget document distributed at first City Council meeting in July • Preparation of Capital Improvement Status Report • Current year final Budget Amendment completed and approved • Begin monitoring Budget Performance

The City of Sterling Heights is a vibrant and progressive community with a strong sense of civic pride and determination by its leaders. Its balanced environment is rich with cultural diversity, community wellness, and economic vitality. Sterling Heights is a family community known for its youthful residents, exceptional neighborhoods, scenic parks, and blue-ribbon schools.

A northeast suburb of Detroit, Sterling Heights is located six miles west of Lake St. Clair and 24 miles from the Detroit Metropolitan Airport.

The area now known as Sterling Heights was first incorporated as Jefferson Township on March 17, 1835. In 1838, its name was changed to Sterling Township, and in July of 1968, the City of Sterling Heights was incorporated. Since incorporation, a seven-member City Council, including the Mayor, has governed the City. All Council members now serve four-year terms due to a ballot proposal passed on November 3, 2020. Under the Council-Manager form of government, the Mayor and City Council appoint two officials: the City Manager and the City Attorney. In turn, the City Manager appoints all department heads and employees.

Geographically, Sterling Heights is the third largest city in the state, occupying 36.8 square miles. Although much of its land is developed, approximately 5% remains vacant and available for development. Per the 2020 U.S. census, the population of Sterling Heights is 134,346. In terms of population, the City is the fourth largest city in Michigan.

Sterling Heights has primarily developed into a residential community. There are approximately 54,086 households in the City and a 41-year old median age. The City's median household income is \$78,429. Of all communities with a population of 100,000 or more, Sterling Heights is consistently ranked one of the safest.

The City is a full-service community with the exception of a public transportation system, which is provided by a regional public transit authority. Sterling Heights offers a wide variety of restaurants, movie theaters, places of worship, and retail shops.

Currently, the City maintains 28 developed park sites. The City parks provide a variety of recreational opportunities from baseball diamond complexes, an ice skating rink, a skate park, playgrounds, canoeing



and kayaking, to miles of developed walking, jogging, and bicycle riding pathways. The Clinton River flows in a southeast direction through the northeast section of the City. In March 2020, the City opened a state of the art Community Center that focuses on offering a wide variety of unique programs to meet the evolving needs of our community. Among other highlights, the Community Center features two multipurpose gymnasiums, an indoor track, expanded dance and fitness studios, meeting rooms, the City's largest indoor special event space, dedicated teen and tot rooms, and the USA Softball of Metro Detroit Hall of Fame.

Sterling Heights takes pride in providing various community events throughout the year to its residents. The grand event highlighted each year is the City's "Sterlingfest", which provides the community with the opportunity to take pleasure in the summer festivity of fun, food, arts and crafts, carnival rides, and music.

Sterling Heights has enjoyed a solid reputation for municipal planning and growth management. The comprehensive Master Land Use Plan has foreseen the Van Dyke corridor and the Lakeside Mall shopping district area as the most significant focal points of the community, and the City continues to be proactive in paving the way for redevelopment as retail shopping habits change and evolve. The commercial and industrial business environment is a mix of services, products, and technological employers. This impressive mix of business opportunities has allowed the City to maintain a relatively low unemployment rate. Principal employers in the City include: Stellantis, Ford Motor Company, General Dynamics, Utica Community Schools, and Corewell Health.

Sterling Heights has received many awards from various professional associations and municipal service organizations for its innovative approaches to service delivery and quality improvements.■

Responsible government is the recognized duty and charge of all City employees and elected officials. The following Citywide goals have been identified to continue serving the residents of Sterling Heights in the most professional, courteous, and efficient manner possible. **Each City office also prepares annual performance objectives, which are located in the departmental sections of this document, and are directly tied and referenced to at least one of the City's overall goals and objectives.**

ORGANIZATIONAL OPERATIONS

1. Provide quality and innovative services desired by the majority of the community, while maintaining the City's low cost and efficient government operations.
2. Provide managers and employees with the tools, resources and training to properly serve the community.
3. Offer an efficient, progressive, and high-quality service delivery system that manages costs, maximizes revenues, empowers managers and employees, rewards success, and encourages accountability and creativity.
4. Stay up to date on the latest trends to meet the changing needs of the community and to continually update the City's long-range plans for land use, roads, parks, technology, capital, financial forecasting, long-term liabilities, debt, and employee succession.
5. Review department structures and staffing levels to achieve continued efficient and effective desired service levels and review the sharing of services and avoiding the duplication of services with other units of government and the private sector where feasible.
6. Create high performance organization that adds value and continues to innovatively provide services and solve problems using an interdepartmental collaborative approach and where department goals are directed toward achieving City-wide goals.
7. Facilitate efficient management of City operations and services by keeping abreast of legislation, legal issues, and through regular communication with legislators.
8. Provide a system for financial and performance reporting that complies with accounting

standards, ensures the City's long-term financial stability, regularly reports the City's financial condition, controls risk, increases investment returns, and achieves the high City bond rating.

PUBLIC SAFETY

9. Provide for a safe peaceful community by offering first rate emergency response capabilities that ensure a rapid response and which seek to lower the City's crime rate and minimize the effects of medical emergencies and property loss from fire.
10. Stay current with crime and fire prevention efforts, provide public education, and encourage citizen volunteers for neighborhood watch activities.
11. Maintain and improve the City's ability to respond to civil, natural and medical emergencies by partnering and coordinating with other public safety agencies.

PROPERTY VALUES

12. Develop a clear and visual image of the community, which reflects the highest standards of design quality for both the public and private sectors.
13. Protect a property owner's investment by equitably assessing property, monitoring environmental and blighting conditions and land uses which may adversely affect housing values, and encourage and administer property maintenance, enhancement and redevelopment programs in both residential and commercial areas.
14. Emphasize existing programs and develop additional programs and services which reinforce Sterling Heights as a safe, attractive residential community with well-maintained and desirable neighborhoods.
15. Strive for a balance of housing options which is available to meet the needs of all members of the community regardless of age, income or background.

CITY INFRASTRUCTURE & ENVIRONMENT

16. Develop a comprehensive system to maintain and improve City infrastructure including major and local roads, bridges, parks, sidewalks, City facilities, signage, rivers, and water, storm and sewer mains to serve the needs of Sterling Heights residents.
17. Provide an orderly, balanced, well-maintained and safe transportation plan for vehicular, bike, and

pedestrian traffic throughout the City, which is integrated with the regional transit system.

18. Ensure the safety and the physical beauty of the community with well-maintained, groomed, and attractive green spaces, a healthy urban forest, and an effective storm water runoff system.

RECREATIONAL OPPORTUNITIES

19. Offer high quality and diverse educational, recreational, cultural, and leisure opportunities for City residents of all ages.

ECONOMIC DEVELOPMENT

20. Aggressively maintain and improve the City's financial base by emphasizing the importance of economic development, redevelopment, and marketing the City as a distinctive and welcoming place to do business.
21. Refine economic development and marketing policies and work with local partnerships to focus on business retention and attraction efforts including high tech and emerging industries and entrepreneurs, through economic gardening, retail business development, VELOCITY and business incubation, the defense corridor, Blue Water Economy, and tax increments financing which can further diversify and expand the City's tax base and create local jobs.
22. Facilitate strong identifiable City regional centers and successful vibrant and attractive commercial centers with unique offerings and focal points, which offer alternatives to the traditional downtown by providing clusters of community commercial facilities that serve as destinations for residents and visitors.

TECHNOLOGY & INNOVATION

23. Seek and maintain state-of-the-art innovation and technology hardware and software upgrades in City government through automating systems and the City's website, thereby enhancing customer service while reducing costs, leading to increases in efficiency and improves services to residents and businesses.

COMMUNICATIONS

24. Maintain an open line of communication with all stakeholders, inform and promote City services, seek opinions, ideas, and feedback from all and promote cultural understanding in our diverse community.

25. Promote City services and events through a coordinated multi-media strategy incorporating the use of the City Magazine and website, press releases, brochures, social media, SHTV, and radio station AM 1700.
26. Encourage and promote volunteerism within the City to assist at City-wide events and with general operations where feasible.■

2040 MISSION:

- *InnovatingLiving*

2040 VISION STATEMENT:

- *An inclusive, vibrant community that is safe, active, and sustainable.*

2040 GUIDING PRINCIPLES:

- **Public Safety:** *Public safety that is equitable, responsive, and proactive.*
- **Sustainability:** *A city that is exceptionally maintained, sustainable, and environmentally responsible.*
- **Enriched Living:** *Educational and recreational opportunities and programming for all ages, abilities, and interests.*
- **Neighborhoods:** *Plentiful and diverse housing and green spaces available for existing and new residents.*
- **Connected:** *A city engaged with residents and businesses through innovative channels and technology.*
- **Business Innovation:** *A destination for entrepreneurs, high-tech and emerging industries.*
- **Distinctive Areas:** *Vibrant and attractive areas with unique offerings and focal points.*
- **Mobility:** *An accessible city that is connected with a robust system of pathways and trails.*

2040 CORE VALUES:

- *Integrity, Welcoming, Excellence, Proactive, Responsive, Fun!, & Collaborative.*

As public officials, we are charged with the responsibility to ensure that all services are provided within acceptable levels of cost, and when required, to seek alternative methods of financing.

The budget continues the conservative spending approach that the residents of Sterling Heights have come to expect from City government. The document also assists our efforts to make the operations of the City more efficient, less costly, and more importantly, to target available resources to specific needs of the community.

For the fiscal year 2025/26 budget, the City of Sterling Heights has complied with all of the following financial policies.

FINANCIAL POLICIES

The City of Sterling Heights' financial policies set forth basic tenets for the overall fiscal management of the City. Operating independently of changing circumstances and conditions, these policies provide a framework to assist the decision-making process of the City Council and Administration.

These policies provide guidelines for evaluating both current activities as well as proposals for future programs. All financial policies are reviewed annually in conjunction with the preparation of the annual budget to ensure continued relevancy and adherence to legislative mandates and accounting principles.

1. The budget will first determine how much money is available, it will then allocate the resources among the highest priority results based on analyses, which determine which programs can best achieve the desired results, and it will use a performance measurement process to annually evaluate the results.
2. Emphasis will be increased on those personnel and management areas of long-term importance: employee relations, work simpler but more effectively, implementation of new technologies, long-term work force planning, and management incentives.
3. Expanding an existing service program or adding a new service program will only be considered when a new revenue source can support all of the ongoing costs; or when the requesting department can identify an existing service which can be reduced or eliminated. Programs financed with grant money shall be budgeted in special funds, and when grant revenues are reduced or eliminated, the service program shall be adjusted accordingly.
4. The budget is balanced and the City will maintain a balanced budget in which estimated revenues and use of fund balance reserves are equal to or greater than estimated expenditures.
5. The City will maintain a control system to ensure adherence to the budget and will prepare monthly reports comparing actual revenues and expenditures to budgeted amounts.
6. The City will monitor departmental expenditures on a monthly basis to ensure conformity to budgets and decide on actions to bring the budget into balance, if necessary.
7. The City will integrate performance measurement and productivity indicators within the budget.
8. The City will attempt to avoid layoffs in all actions to balance the budget. Any personnel reductions will be scheduled to come from attrition and where necessary, through bumping actions. Any reductions in positions will be proportionately distributed among various levels of employees.
9. The City will avoid budgetary practices or procedures that balance current period expenditures at the expense of future years' revenues.
10. The budget will provide for the adequate maintenance and orderly replacement of capital facilities and equipment.
11. The budget will provide for adequate levels of funding for all retirement systems.

12. The City will develop and maintain accounting and budgetary control systems to adequately safeguard the assets held in public trust.
13. The Operating and Capital Budgets will describe the major goals to be achieved and the services to be delivered, based upon the levels of funding anticipated or provided.
14. The City will finance essential City services, which have a City-wide benefit from revenue sources, which are generated from a broad base, i.e., property taxes, State revenue sharing, assessments, and fees.
15. The impact on the use of property tax financing will be minimized by seeking alternative financing for City services including user fees and upgrading and/or enhancement of the property tax base.
16. Financing formulas and user-fee rate structures will be reassessed to accurately charge the cost of service provided to the benefiting property owners and customers while considering the needs of low-income residents.
17. Federal and State legislation will be supported that provides property tax relief and direct aid to cities. Any legislation which forces local service mandates without matching Federal, State, or regional funding will be opposed.
18. In conjunction with the Municipal Improvement Plan (MIP), the City will prepare a three-year projection of operating revenues and expenditures for all major funds. The projection shall be monitored on an ongoing basis and major changes shall be incorporated into the document as they occur.
3. The City will maintain sound appraisal procedures and practices to reflect current property values.
4. The City will establish user charges and set fees for services for its Water & Sewer Fund at a level that fully supports both the operational and capital outlay costs of the activity.
5. The City will follow an aggressive policy of collecting revenues.
6. The City will annually review fees and charges and will design or modify revenue systems to allow charges to increase at a rate that keeps pace with the cost of providing the service.

RESERVE POLICIES

1. The City will strive to maintain a minimum General Fund and Self-Insurance Fund reserve of 10% or in an amount equal to 1.2 months of operational expenditures, however a General Fund reserve of 25% is ideal.

ACCOUNTING, FINANCIAL REPORTING, AND AUDITING POLICIES

1. An annual independent audit will be performed.
2. The City will produce annual comprehensive financial reports in accordance with Generally Accepted Accounting Principles (GAAP), the body of accounting and financial reporting standards, conventions, and practices that have authoritative support from standard setting bodies such as the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

INVESTMENT POLICIES

1. The City will attempt to maintain a diversified and stable revenue base to avoid short or long-term fluctuations in any one revenue source.
2. Annual City revenues will be projected by an objective and thorough analytical process.
1. The City will conduct a cash-flow analysis of all funds on a regular basis. Disbursement, collection and deposit of all funds will be scheduled to maximize investment returns.
2. When permitted by law, the City will pool cash

REVENUE POLICIES

from several different funds for investment purposes to maximize potential earnings.

3. The City will analyze market conditions and potential investments to maximize its yield, while maintaining the integrity, diversification, and safety of the principal.
4. The City's accounting system will provide monthly information concerning cash position and investment performance.
5. The City's Investment Officer will quarterly report the portfolio holdings by type, the average maturity, earnings and any other information necessary to allow the City Council and Investment Committee to confirm compliance with the adopted investment policy.

DEBT POLICIES

1. The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues. All bonds will be amortized over a period not to exceed the expected useful life of the project.
2. The City will attempt to keep the average maturity of general obligation and all types of revenue bonds at or below 20 years.
3. When possible, the City will use special assessment, revenue, tax increment, or other self-supporting bonds. These bonds may be backed by the limited full faith and credit of the City to achieve a lower interest cost.
4. The City will not incur long-term debt to support current operations.
5. The City will maintain a sound relationship with all bond-rating agencies and will keep them informed about our current capital projects.
6. The City will annually review all outstanding debt for potential refunding. Outstanding debt will be refunded only when a net savings greater than 1.5% can be achieved.
7. The City will not issue general obligation debt in excess of 10% of the current state equalized value of real and personal property. Additionally, the City will attempt to maintain the per capita debt, for all types of debt, at or below \$2,500.

CAPITAL IMPROVEMENT BUDGET POLICIES

1. The fiscal integrity of the City's operating debt service and capital improvement budgets will be maintained in order to provide services, construct and maintain public facilities, streets, and utilities.
2. The City shall make all capital improvements in accordance with an adopted capital acquisition program.
3. The City will annually update its multi-year capital improvements plan including proposed funding sources.
4. The City will coordinate decision making for the capital improvement budget with the operating budget to make effective use of the City's limited resources for operating and maintaining existing services and facilities.
5. The City will attempt to maintain all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.
6. The City will use intergovernmental assistance to finance only those capital improvements that are consistent with the adopted capital improvement plan, City priorities, and for which operating and maintenance costs have been included in the operating budget.
7. Capital investments will foster Sterling Heights' goal of preserving its infrastructure.
8. The City will minimize long-term interest expense when financing capital improvements by maintaining an ongoing systematic bonding program, which spreads the costs of the improvements to the benefiting residents. ■

The best preparation for tomorrow is doing your best today.

~ H. Jackson Brown Jr. ~



<u>Policy Benchmark</u>	<u>Status</u>
<i>Financial Policy</i> Emphasis on areas of long-term importance such as efficiency, effectiveness, employee relations, automation, and technology improvements	Citywide Manpower study to analyze manpower needs across all departments Creation and Updating of detailed five-year financial plan
Maintain a budgetary control system to ensure adherence to the budget	Received the GFOA "Outstanding" Budget award in all categories; "Distinguished" budget award for the past 38 years.
Integrate performance measurement and productivity indicators in the budget	Earned GFOA's "Special Recognition" award for use of performance measures Efficiency & Output Performance Measures required for every Department Department Objectives linked to City Goals
To avoid practices that balance current expenditures at the expense of future years' revenue	No short-term borrowing for operations Balance budgets with minimal strategic Use of Fund Balance Lowest employee ratio per 1,000 residents of our comparable communities
To provide adequate maintenance and orderly replacement of capital facilities and equipment	Annual vehicle replacement plan Annual PC & Equipment replacement plan Annual Retention Pond, Park Trail, and Parking Lot maintenance plans Annual vehicle replacement plan Facilities Condition Assessment for renovation of Fire Station #5 Development of a plan to repurpose the unused jail facility at the Police Department
Maintain adequate level of funding for all retirement systems	General Employees Retirement System 74.0% Funded Police & Fire Retirement System 62.5% Funded Retiree Medical System 76.4% Funded 401 (a) Plan for all new general employees; reduced fixed pension for all existing employees Eliminated Retiree Medical for new hires Consistent Funding of All Plans and annual evaluation and updating of actuarial assumptions
Seek property tax relief	City tax rate lower than 47% of all cities in the State and one of lowest of all Macomb County cities City tax rate is 4.72 mills below the average tax rate of all Macomb Cities Lowest taxes per resident of ten comparable MI cities Operating millage rate below voter approved maximum
Enhancement of the property tax base	Average residential market value increased 6.9% in 2024 Over 12,300 code enforcement cases in 2024 Defense Corridor and economic development initiatives SmartZone and North Van Dyke Corridor Improvements Proactive planning for future of Lakeside Mall District

Enhancement of the property tax base (cont'd)	Proactive pursuit of Federal funding for transformational road reconstructions of Mound and Clinton River Roads Highest overall assessed total property value in Macomb
Revenue Policy Maintain a diversified and stable taxable revenue base Maintain sound appraisal procedures and practices to reflect accurate property values Review fees and charges to assure the cost of providing the service is appropriately charged	City Taxable Value is 28% Commercial & Industrial Equalization Factor = 1.0 Use of one and two-year sales studies Assessing Dept received a perfect score from the State of Michigan's Audit of Minimum Assessing Requirements (AMAR) Annual review of rates and fees Higher non-resident fees for parks & recreation services New fees implemented when appropriate, i.e. passport fees, non-emergency medical transport fee Average \$151 monthly City tax bill and \$81 water & sewer bill
Reserve Policy 10% minimum/25% target unreserved/undesignated General Fund Balance 37 days of General Fund operations	29.5% of 2026 budgeted expenditures 110 days of General Fund operations in 25/26 budget
Accounting, Auditing, Financial Reporting Policy Produce comprehensive annual reports in accordance with GAAP	Certificate of Achievement for Excellence in Financial Reporting Award for 37 years Unmodified Audit Opinion for fiscal year 23/24
Investment Policy Analyze market conditions to maximize yields while maintaining the integrity and safety of principal	Maximize Interest on Investment earnings through use of Certificates of Deposits, Commercial Paper, and Savings Accounts Use of third-party Investment Advisor for 401, 457, and RHS plans
Debt Policy Keep average maturity of general obligation bonds at or below 20 years Maintain a sound relationship with all bond rating agencies Maintain a debt ratio below 10% of state equalized value of real and personal property Maintain per capita debt, at or below \$2,500	No current bond issuances over 20-year maturity 82.3% of City debt will be paid off within ten years Consistent excellent bond ratings: AA (S&P/Moody) Aa2 (Fitch) Met with S&P for 2022 bond issuances and received upgraded outlook from "stable" to "positive" Debt ratio at 6/30/24 = 2.0% of State Equalized Value Per capita debt as of 6/30/24 = \$1,574
Capital Improvement Policy Make all capital improvements in accordance with an adopted capital acquisition program Continue to implement a multi-year plan for capital improvements	Multi-year capital replacement plan incorporated into Adopted Budget All City Administrators required to provide five-year capital replacement plan

In 2014, the City of Sterling Heights adopted its 2030 Visioning plan in an effort to plan for a prosperous future. The plan was used as a guide for the past ten years in all short and long-range planning initiatives. Visioning 2030 resulted in transformative changes throughout the City including Parks & Recreation amenities funded through the voter-approved Recreating Recreation millage, the renovation of City Campus building and the construction of a new Public Works building, cleanup of the Clinton River, and investments in major and neighborhood totaling over a half a billion dollars.

Ten years later, the Visioning 2040 team was formed to update the plan for the next decade.

The assembled 26 member city staff team consisted of Directors as well as employees identified as future organizational leaders. The Visioning Team utilized existing resources such as the Visioning 2030 plan, the Citizen Service Satisfaction Survey, as well as SEMCOG data to update the strengths, weaknesses, opportunities and threats analysis.

Next, the team engaged stakeholder groups including businesses, residents, City officials and employees. Stakeholders participated in a series of focus groups and/or completed an online survey. The Visioning Team then consolidated all of the feedback and updated the Mission Statement, Vision Statement, Guiding Principles, and Core Values.

The Mission and Vision Statements and Guiding Principles serve as a road map for policy development and service delivery. Using this framework, each year in January, the City holds a Strategic Planning session with City Council to discuss the budget priorities for the upcoming year.

As a direct result of this process, the Pathways to Play and Preservation millage was proposed and approved by the voters in November 2024. This transformational initiative will support additional park development, reforestation of neighborhoods, sidewalk repair, and establish a land bank.

2040 MISSION STATEMENT

InnovatingLiving

2040 VISION STATEMENT

An inclusive, vibrant community that is safe, active and sustainable.

2040 GUIDING PRINCIPLES

Public Safety: Public safety that is equitable, responsive, and proactive.

Sustainability: A city that is exceptionally maintained, sustainable, and environmentally responsible.

Enriched Living: Educational and recreational opportunities and programming for all ages, abilities, and interests.

Neighborhoods: Plentiful and diverse housing and green spaces available for existing and new residents.

Connected: A city engaged with residents and businesses through innovative channels and technology.

Business Innovation: A destination for entrepreneurs, high-tech and emerging industries.

Distinctive Areas: Vibrant and attractive areas with unique offerings and focal points.

Mobility: An accessible city that is connected with a robust system of pathways and trails.

2040 CORE VALUES

Integrity, Welcoming, Excellence, Proactive, Responsive, Fun!, & Collaborative.

To view the complete 2025 City of Sterling Heights Strategic Planning document, please visit our website by using this link: www.sterling-heights.net/312/Annual-Strategic-Planning

Comparable City Benchmarks

City Revenues

Total Revenue Per Resident

1.	Lansing	\$3,687
2.	Ann Arbor	3,533
3.	Dearborn	3,052
4.	Grand Rapids	2,914
5.	Southfield	2,912
6.	Farmington Hills	2,063
7.	Warren	2,002
8.	Livonia	2,001
9.	Sterling Heights	1,818
10.	Troy	1,782

Tax Revenue Per Resident

1.	Southfield	\$1,072
2.	Grand Rapids	1,046
3.	Ann Arbor	942
4.	Lansing	905
5.	Warren	832
6.	Farmington Hills	814
7.	Troy	690
8.	Livonia	675
9.	Dearborn	670
10.	Sterling Heights	625

State Revenue Sharing Per Resident

1.	Lansing	\$160
2.	Grand Rapids	141
3.	Warren	133
4.	Dearborn	126
5.	Ann Arbor	126
6.	Southfield	125
7.	Livonia	121
8.	Sterling Heights	118
9.	Troy	116
10.	Farmington Hills	115

Gas Tax (Act 51) Revenue Per Resident

1.	Lansing	\$154
2.	Grand Rapids	147
3.	Southfield	143
4.	Farmington Hills	138
5.	Livonia	136
6.	Ann Arbor	133
7.	Dearborn	131
8.	Warren	130
9.	Troy	130
10.	Sterling Heights	118

Comparable City Benchmarks

City Expenditures

Total Expenditures Per Resident

1.	Lansing	\$3,465
2.	Ann Arbor	3,056
3.	Southfield	2,735
4.	Grand Rapids	2,672
5.	Dearborn	2,277
6.	Troy	1,899
7.	Livonia	1,880
8.	Warren	1,815
9.	Farmington Hills	1,794
10.	Sterling Heights	1,749

Police Expenditures Per Resident

1.	Dearborn	\$546
2.	Lansing	492
3.	Southfield	417
4.	Warren	370
5.	Troy	369
6.	Grand Rapids	341
7.	Sterling Heights	289
8.	Livonia	274
9.	Farmington Hills	272
10.	Ann Arbor	263

Fire Expenditures Per Resident

1.	Lansing	\$357
2.	Southfield	341
3.	Dearborn	275
4.	Warren	209
5.	Grand Rapids	206
6.	Troy	179
7.	Sterling Heights	175
8.	Livonia	171
9.	Farmington Hills	153
10.	Ann Arbor	145

Public Works Expenditures Per Resident

1.	Farmington Hills	\$358
2.	Lansing	243
3.	Livonia	230
4.	Warren	229
5.	Ann Arbor	160
6.	Grand Rapids	159
7.	Dearborn	146
8.	Troy	112
9.	Sterling Heights	111
10.	Southfield	104

Comparable City Benchmarks

City Expenditures (continued)

Refuse Expenditures Per Resident

1.	Ann Arbor	\$137
2.	Livonia	131
3.	Grand Rapids	86
4.	Troy	68
5.	Warren	60
6.	Dearborn	54
7.	Farmington Hills	47
8.	Southfield	41
9.	Sterling Heights	36
10.	Lansing	22

Library Expenditures Per Resident

1.	Grand Rapids	\$71
2.	Southfield	69
3.	Troy	51
4.	Dearborn	46
5.	Livonia	42
6.	Warren	33
7.	Sterling Heights	20
8.	Ann Arbor*	0
9.	Farmington Hills*	0
10.	Lansing*	0

*District Library

Parks & Recreation Expenditures Per Resident

1.	Ann Arbor	\$178
2.	Farmington Hills	166
3.	Dearborn	140
4.	Lansing	89
5.	Livonia	89
6.	Grand Rapids	88
7.	Troy	86
8.	Southfield	81
9.	Sterling Heights	46
10.	Warren	33

2023 Revenues Over (Under) Expenditures Per Resident

1.	Dearborn	\$775
2.	Ann Arbor	477
3.	Farmington Hills	269
4.	Grand Rapids	242
5.	Lansing	222
6.	Warren	187
7.	Southfield	177
8.	Livonia	121
9.	Sterling Heights	69
10.	Troy	(117)

Comparable City Benchmarks

Financial Benchmarks

2024 (Tax Year) State Equalized Value (Billions)

1.	Grand Rapids	\$11.1
2.	Ann Arbor	10.7
3.	Troy	8.8
4.	Sterling Heights	8.0
5.	Livonia	7.1
6.	Warren	6.6
7.	Farmington Hills	6.2
8.	Dearborn	5.6
9.	Southfield	4.7
10.	Lansing	3.7

Standard & Poor's Bond Ratings

1.	Farmington Hills	AAA
2.	Troy	AAA
3.	Ann Arbor	AAA
4.	Sterling Heights	AA
5.	Grand Rapids	AA
6.	Livonia	AA
7.	Southfield	AA
8.	Warren	AA
9.	Lansing	A+
10.	Dearborn	A+

General Fund Reserves Per Resident

1.	Southfield	\$738
2.	Farmington Hills	660
3.	Warren	635
4.	Grand Rapids	540
5.	Ann Arbor	337
6.	Dearborn	327
7.	Troy	298
8.	Sterling Heights	256
9.	Lansing	255
10.	Livonia	184

2023 Fiscal Health Scores 0 = Best; 10 = Worst

1.	Sterling Heights	0
2.	Ann Arbor	0
3.	Farmington Hills	0
4.	Grand Rapids	0
5.	Livonia	0
6.	Southfield	0
7.	Warren	0
8.	Troy	0
9.	Dearborn	0
10.	Lansing	2

Comparable City Benchmarks

City Pension Plans

Annual Required Contribution Per Resident

1.	Lansing	\$270
2.	Southfield	222
3.	Grand Rapids	168
4.	Dearborn	159
5.	Warren	158
6.	Sterling Heights	131
7.	Ann Arbor	115
8.	Farmington Hills	80
9.	Livonia	46
10.	Troy	0

Police & Fire Plan

% Funded (PA 202 Report - FY 2023)

1.	Troy*	132.1
2.	Ann Arbor*	90.6
3.	Livonia	90.2
4.	Dearborn*	78.7
5.	Farmington Hills*	72.5
6.	Grand Rapids	69.7
7.	Southfield	64.7
8.	Warren	61.9
9.	Sterling Heights	60.7
10.	Lansing	54.6

**Includes general employees*

General Employees Plan

% Funded (PA 202 Report - FY 2023)

1.	Troy*	132.1
2.	Ann Arbor*	90.6
3.	Livonia	85.6
4.	Dearborn*	78.7
5.	Grand Rapids	74.7
6.	Farmington Hills*	72.5
7.	Sterling Heights	70.2
8.	Warren	68.5
9.	Southfield	68.0
10.	Lansing	47.1

**Includes police & fire employees*

Unfunded Pension Liability

Per Resident

1.	Lansing	\$3,573
2.	Southfield	2,118
3.	Grand Rapids	1,749
4.	Warren	1,648
5.	Sterling Heights	1,467
6.	Dearborn	1,329
7.	Farmington Hills	786
8.	Ann Arbor	505
9.	Livonia	360
10.	Troy	(588)

Comparable City Benchmarks

Retiree Health Benefit Plans

Annual Determined Contribution Per Resident

1.	Southfield	\$228
2.	Lansing	185
3.	Warren	108
4.	Ann Arbor	76
5.	Livonia	62
6.	Sterling Heights	60
7.	Dearborn	55
8.	Troy	31
9.	Grand Rapids	25
10.	Farmington Hills	3

Retiree Health Plan % Funded (PA 202 Report - FY 2023)

1.	Farmington Hills	110.7
2.	Livonia	98.3
3.	Ann Arbor	85.6
4.	Grand Rapids	85.2
5.	Troy	84.6
6.	Southfield	74.0
7.	Sterling Heights	73.7
8.	Dearborn	73.6
9.	Warren	47.4
10.	Lansing	37.4

Unfunded Health Liability Per Resident

1.	Lansing	\$2,063
2.	Warren	1,178
3.	Southfield	509
4.	Dearborn	472
5.	Sterling Heights	417
6.	Ann Arbor	339
7.	Troy	233
8.	Grand Rapids	68
9.	Livonia	24
10.	Farmington Hills	(106)

Retirement Health Benefit Recipients Per 1,000 Residents

1.	Lansing	14.7
2.	Southfield	10.2
3.	Ann Arbor	9.3
4.	Warren	8.3
5.	Dearborn	7.6
6.	Livonia	7.3
7.	Sterling Heights	4.9
8.	Troy	3.9
9.	Farmington Hills	2.6
10.	Grand Rapids	2.1

Comparable City Benchmarks

Miscellaneous Benchmarks

Full-Time Employees Per 1,000 Residents

1.	Lansing	8.2
2.	Grand Rapids	8.2
3.	Southfield	7.9
4.	Dearborn	7.9
5.	Ann Arbor	6.7
6.	Livonia	6.4
7.	Warren	5.7
8.	Farmington Hills	4.7
9.	Troy	4.6
10.	Sterling Heights	4.1

Government Debt Per Resident

1.	Lansing	\$3,361
2.	Grand Rapids	2,619
3.	Ann Arbor	2,313
4.	Dearborn	2,054
5.	Southfield	1,938
6.	Sterling Heights	1,653
7.	Warren	1,301
8.	Farmington Hills	872
9.	Livonia	472
10.	Troy	54

Pension & Retiree Health Care Annual Req'd Contribution Per Resident

1.	Lansing	\$455
2.	Southfield	450
3.	Warren	266
4.	Dearborn	214
5.	Grand Rapids	193
6.	Ann Arbor	191
7.	Sterling Heights	191
8.	Livonia	108
9.	Farmington Hills	83
10.	Troy	31

Average Residential Monthly Water & Sewer Bill (FY 2024/25)

1.	Lansing	\$122
2.	Southfield	110
3.	Ann Arbor	89
4.	Grand Rapids	84
5.	Dearborn	82
6.	Farmington Hills	82
7.	Livonia	76
8.	Sterling Heights	76
9.	Warren	74
10.	Troy	65

It's clearly a budget. It's got a lot of numbers in it.

~ George W. Bush ~



All Funds Summary



The All Funds Summary provides the reader with a quick overview of the entire financial plan of the city for the upcoming fiscal year. This section includes an Executive Summary, which explains the services each city fund provides and the budget adjustments from the previous year. Several schedules, charts and graphs are also included, which highlight the revenue, expenditure, and fund balance history and trends for all of the City's funds and helps to better illustrate the City's overall fund structure.

Fund Structure

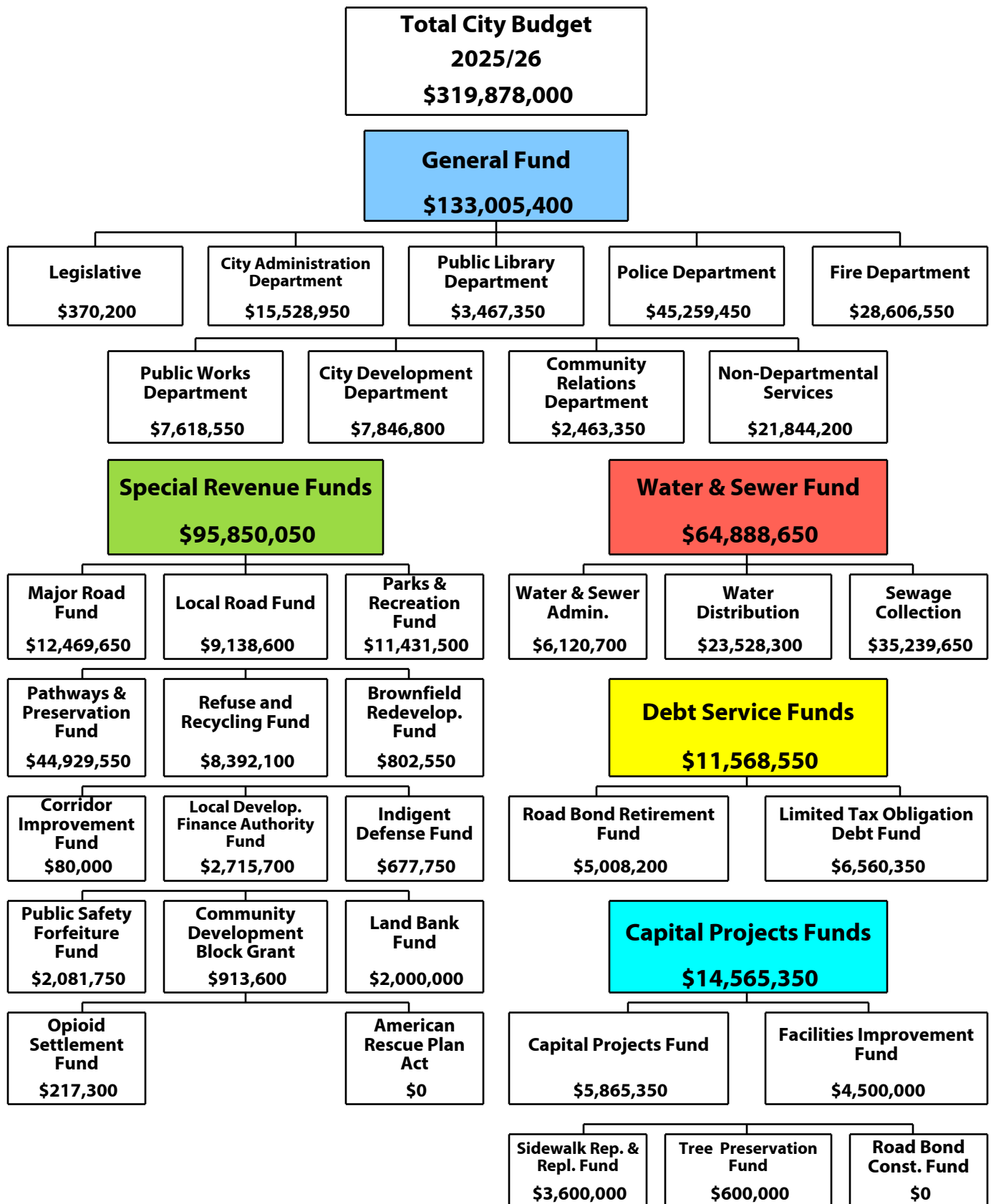


Chart figures correspond to budget tabs and include transfers.

July 1, 2025

Honorable Mayor and
Members of the City Council

INTRODUCTION

The annual budget remains integral to the City's ability to maintain financial strength and resilience, regardless of economic conditions. Although the budgeting process presents challenges, the unwavering commitment of City Administration and City Council to responsible fiscal stewardship is consistently reflected in a sound, balanced budget. This dedication has not only earned state and national recognition but, more importantly, ensures the continued delivery of high-quality, efficient, and essential public services for the Sterling Heights community.



However, the budget is more than just numbers on a page—it is a living document that embodies the City's vision: a safe, vibrant, inclusive, and welcoming place to live and work. The projects and initiatives outlined in this proposed budget are the culmination of months of planning, guided by input from the community, City Council, and stakeholders. Through strategic planning sessions, public forums, surveys, and City Council meetings, residents and businesses have actively contributed to shaping the City's future. Many of the proposed initiatives align with multi-year plans developed through thoughtful collaboration, underscoring the City's commitment to long-term sustainability and progress.

The proposed fiscal year 2025/26 budget prioritizes essential investments, including major capital improvements to roads, water and sewer infrastructure, and sidewalk construction, while also addressing critical staffing needs. While the budget increases full-time positions, the City will still maintain 95 fewer positions than in 2008, reflecting a continued emphasis on efficiency and responsible workforce management.

For FY 2026, the proposed General Fund budget includes a Use of Fund Balance of \$1,268,250 primarily due to the first-year front loading of labor increases and the advanced funding of four firefighter/EMTs. The latter of which will be reimbursed through future revenue streams. Total fund balance will remain strong at approximately 30% of General Fund expenditures, ensuring financial stability.

Through diligent financial planning, the City has achieved an exceptional financial standing, evidenced by a superior bond rating, healthy fund balances, low taxes, and competitive water and sewer rates. At the same time, Sterling Heights remains committed to providing competitive wages and benefits to City employees, fostering strong morale and high performance.

A solid financial foundation has directly contributed to numerous achievements over the past year, which are highlighted below.

YEAR IN REVIEW AND PREVIEW

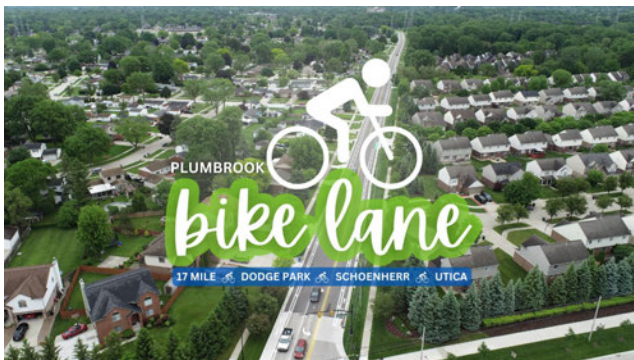
Transformational Investments in Community & Sustainability

The past year was marked by historic advancements, including the voter approval of the **Pathways to Play and Preservation (PPP) millage**, a transformational initiative that will enhance community access to an 85-acre nature preserve in the City's northwest quadrant. Originally envisioned in the late 1970s, this long-planned project will finally come to fruition with a \$3.5 million investment in nature pathways. Additionally, PPP

funding will support sidewalk repair, making the program more affordable for residents, and finance the construction of two new parks and the planting of 15,000 trees along neighborhood streets. Most importantly, PPP establishes a land bank to protect open spaces from future development.



This \$90 million investment, in tandem with the \$50 million **Recreating Recreation** initiative, has significantly improved the City's quality of life. Notable accomplishments include the completion of the **ITC Trail**, reconstruction of the **Edison Court Trailhead**, and progress on the City's first-ever **Community Garden**, slated for completion this spring. Furthermore, the City's first dedicated **bike lane** on Plumbrook Road has been widely embraced and has earned an award from the **Michigan Road Association** for its innovative design and safety features.



Sustainability remains a key focus, highlighted by the implementation of **Universal Recycling**, which has dramatically reduced landfill waste and increased recycling efficiency. Additionally, the

introduction of the City's first-ever **commercial recycling ordinance** has been well received by residents and businesses alike.

Aesthetic enhancements were also prioritized, including the **refuse cart collection ordinance**, which has minimized curbside clutter and helped mitigate rodent issues. Improvements to the **M-59 corridor**, supported by a \$3 million grant, will introduce a new trail way **system**, enhanced landscaping, decorative fencing, and welcome signage.

Commitment to Public Safety & Community Wellness

Public safety remains a top priority, with several major initiatives implemented over the past year. The **Sterling Heights Police Department** adopted a 12-hour shift model, increasing the number of officers on duty per shift by 10, enhancing neighborhood patrols and improving response times for high-priority calls.



The City also completed the **Community Mental Wellness Strategic Plan**, integrating various social services under the overarching goal of **Innovating Living**. Services supporting this initiative include:

- **Reorganized Social Services embedded across City departments**
- **Come Back Quick Response Team**
- **Hope Not Handcuffs**

- **Drug-Free Coalition**
- **Sobriety Court**
- **Safe Homes Task Force**
- **Mobile Integrated Health Coordinator**
- A **\$130 million investment** in quality-of-life services, including parks, recreation, pathways, and open spaces—all of which contribute to enhanced mental wellness.

Sterling Heights played a key role in a **statewide coalition** advocating for additional funding under the **Ground Emergency Medical Transport (GEMT) federal program**, securing \$70 million annually for EMS transport across Michigan. The City's share of this funding exceeds \$1 million, which will fund four new EMT positions and two additional ambulances to address peak demand. This innovative approach enhances emergency response capacity while allowing paramedics to focus on life-threatening situations.



Further enhancing safety, the City implemented its first-ever **Traffic Calming Plan**, aimed at reducing speeding, improving pedestrian safety, and addressing high-accident intersections. A pilot program tested various traffic-calming measures, including speed cushions, mini traffic circles, and medians, all of which received positive feedback. The comprehensive plan positions the City for up to \$100 million in potential grant funding over the coming years.

Beyond traffic initiatives, the City invested over **\$16 million in road improvements**, with engineering underway for the **\$10 million Clinton River Road reconstruction** between Hayes and North Van Dyke, set to begin next year.

Economic Development & Growth

Sterling Heights continues to foster a business-friendly environment, supporting commercial, advanced manufacturing, and residential development. With **70,000 jobs** in the City and a growing population, economic development remains a relentless focus.

The City is leading efforts to preserve and expand its **Defense Corridor**, home to thousands of high-paying engineering and R&D jobs. In an unprecedented partnership, **Sterling Heights and Warren** have committed to a joint initiative to retain and grow defense-related employment. With **7,000 defense jobs** in these two cities alone, securing federal, state, and county support is vital for sustaining the region's economic impact.

Additionally, the City secured a **\$1.8 million grant** to expand business acceleration services at the **VELOCITY Collaboration Center**, assisting over **40 businesses** in securing **\$19 million in private investment**.

The newly developed **Master Plan** sets the stage for strategic redevelopment in key areas, including **North Van Dyke**, the **Van Dyke Mixed-Use District**, and 14 neighborhood nodes. By providing flexible zoning, the City is encouraging revitalization and new investments that will enhance property values and community vibrancy.

The proposed fiscal year 2025/26 budget continues the City's long-term track record of excellence in financial management by presenting a balanced budget that focuses on continued investment in the community, infrastructure, economic development, and employee attraction and retention.

PROPOSED BUDGET OVERVIEW

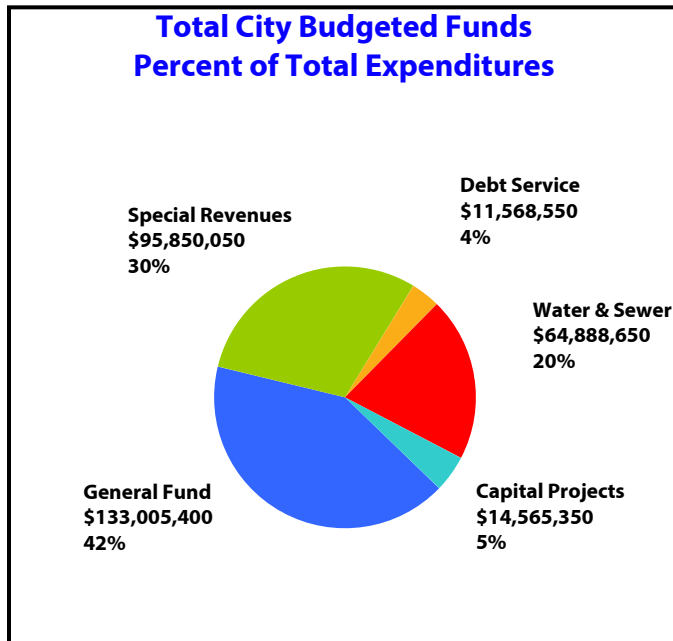


Figure 1

**Total City Expenditures of \$319,878,000
(including transfers)**

The City establishes a budget for 21 separate funds or accounting divisions. These 21 funds can be further grouped into five major fund categories as detailed in *Figure 1*. The largest is the General Fund, which provides \$133 million in funding toward the majority of services available to City residents through the City's eight departments. The second largest fund is the Water & Sewer Operating Fund, which provides \$64.9 million in funding for the water distribution and sewage disposal services purchased from the Great Lakes Water Authority and Macomb County. Both the General and Water & Sewer Funds will be discussed in depth later in this Executive Summary.

The Special Revenue Funds and the Capital Project Funds account for the majority of the remainder of the Total Funds Budget. The Special Revenue Funds include the Major and Local Road funds, as well as the Parks and Recreation Fund and the Refuse and Recycling Fund. Two new Special Revenue funds were created this year: the Pathways and

Preservation Fund will track the revenue and expenditures related to the voter-approved Pathway to Play and Preservation (PPP) millage and the Land Bank Fund will track the expenditures from the millage for the purchase of land for open space preservation and/or recreational purposes.

Two new Capital Funds were also created to track PPP millage expenditures: the Sidewalk Repair and Replacement Fund and the Tree Preservation Fund.

As pictured in *Figure 1*, the 2025/26 Budget for all City Funds totals \$319.9 million - a increase of \$28.7 million or 9.9% over the prior year. The changes by fund can be broken down as follows:

	Dollar Change	Percentage Change
General Fund	\$3,568,880	2.8%
Major Roads	(9,618,480)	-43.5%
Local Roads	(1,231,690)	-11.9%
Parks & Recreation	367,320	3.3%
Pathways & Pres.	44,929,550	
Refuse & Recycling	269,960	3.3%
LDFA	(778,070)	-22.3%
Public Safety Forf.	596,630	40.2%
CDBG	(594,650)	-39.4%
Land Bank	2,000,000	
Amer. Rescue Plan	(10,667,600)	-100.0%
LTGO Debt Fund	3,601,950	121.8%
Capital Projects	(9,776,520)	-62.5%
Facilities	4,500,000	
Sidewalk Rep. & Repl.	3,600,000	
Tree Preservation	600,000	
Road Bond Const.	(5,088,860)	-100.0%
Water & Sewer	2,455,010	3.9%
Other Funds	(44,180)	-0.6%
Total	\$28,689,250	9.9%

General Fund expenditures increased \$3.6 million or 2.8%, primarily due to higher personnel costs offset by a reduction in grant funded expenditures and transfers to other funds.

The cost of wages and benefits increased 6.7%, or \$6.3 million, due to increases in contractual wages

and benefits and a net increase in full-time positions. Wage and benefit increases include higher health insurance costs of \$384,150 due to a 7.1% average rate increase and a \$794,550 increase to the required contribution to the Police & Fire Retirement System. Reductions to personnel costs include a lower recommended contribution to the Retiree Medical System.

Offsetting the increase in personnel costs is a reduction in grant funded expenditures due to a \$2 million grant awarded in the prior year for the Lakeside development. Decreases to the General Fund Transfers to the Major Roads Fund and the Capital Projects Fund reduced expenditures by \$835,350.

Proposed expenditures in the [Major Road Fund](#) decreased \$9.6 million or 43.5% primarily due to the timing of construction projects. The proposed budget includes \$5.0 million in new major road projects.

[Local Road Fund](#) expenditures decreased \$1.2 million or 11.9% primarily due to a grant funded traffic calming study and grant funded tree plantings in the prior year. The proposed budget includes funding for new local road repair and reconstruction programs totaling \$6.6 million.

Expenditures in the [Parks & Recreation Fund](#) increased by \$367,320 or 3.3% in the proposed budget. Personnel costs increased \$690,250 due to contractual wage adjustments and the addition of a Parks & Recreation Manager as part of a plan for Parks & Recreation staff to assume some of the services previously performed by outside contractors. An offsetting decrease of \$278,670 in Capital Charges is primarily due to an investment in bank stabilization for Lakeside Island in the prior year.

The [Pathways & Preservation Fund](#) was created this year to track revenue and expenditures for the voter-approved Pathway to Play and Preservation (PPP) millage. Proposed expenditures total \$44.9 million and include four major projects totaling

\$24.5 million and transfers to other funds for open space preservation, sidewalk repair and tree restoration, as well as for debt service on the bonds that will be issued to fund the capital projects. See [Figure 2](#) for a breakdown.

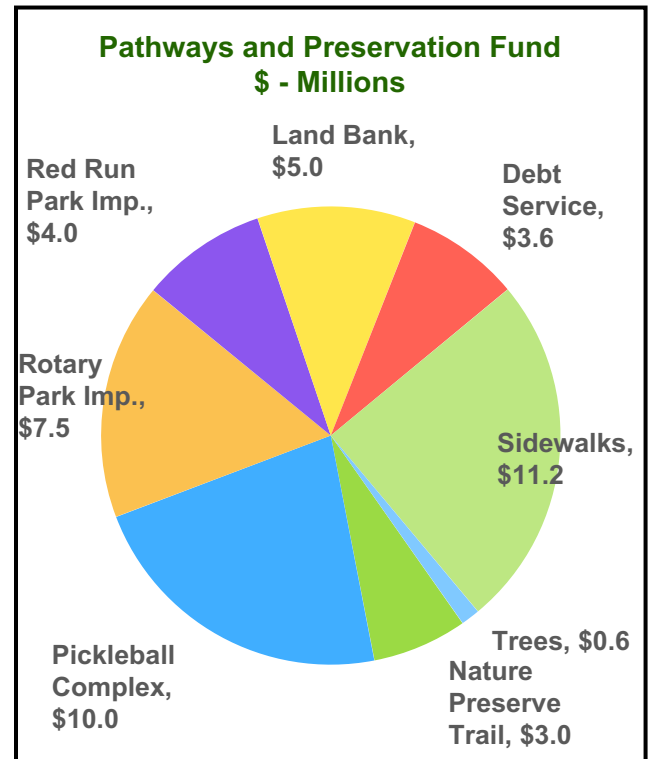


Figure 2

Total Fund Expenditures of \$44,929,550

[Refuse & Recycling Fund](#) expenditures increased \$269,960 or 3.3% primarily due to annual contractual increases in the refuse contract. An additional electronics recycling day will also be held in the Fall.

The [Local Development Finance Authority \(LDFA\)](#) uses tax increment financing to provide incentives and support to high tech and other eligible business through the Velocity Collaboration Center. Expenditures in this fund decreased \$778,070, or 22.3%, in the proposed budget primarily due to two large capital projects financed in the prior year - the reconstruction of the Velocity Center parking lot and replacement of the HVAC Controls. Spending related to the Small Business Support Hub Grant is also reduced by \$506,000 due to the required

timing of the spend down of the awarded funds. Offsetting increases in funding include additional programming at the Velocity Center, as well as the partial funding of an Economic Development Specialist and a Defense Center Specialist.



Proposed expenditures using funds received from **Public Safety Forfeitures** increased \$596,630, or 40.2%. \$900,000 is allocated for phase 1 of the jail renovation project and several new software programs are proposed, including the Drone as a First Responder program. An offsetting reduction in vehicle spending is due to the funding of the Mobile Command Center in the prior year. Following State guidelines, the budget for this fund is based on existing year-to-date revenue and does not take into consideration the revenue from future anticipated receipts.

Funding for the **Community Development Block Grant (CDBG) Fund** decreased \$594,650 primarily due the carry forward of funding for the Beaver Creek Parking Lot renovation in the prior year.

\$2.0 million has been appropriated in the **Land Bank Fund** for the purchase of land to be preserved as open space or used for recreational purposes. These purchases will be funded through the voter-approved PPP millage.

All expenditures in **American Rescue Plan Act (ARPA) Fund** were obligated by December 2024 as required by law. As such, there are no expenditures in the proposed 2025/26 budget, and a decrease of \$10.7 million over the prior year is shown.

The **Limited Tax General Obligation Debt Service Fund** increased \$3.6 million this year due to the anticipated debt issuance to fund the projects approved as part of the PPP millage: the Nature Preserve Trail, the Pickleball Facility, Red Run Park Improvements and Rotary Park Improvements. A \$40 million bond is expected to be issued to fund these projects.

The **Capital Projects Fund** decreased \$9.8 million in the proposed budget primarily due to the carry forward of \$8.0 million in approved capital projects in the prior year. An additional \$1.7 million reduction in expenditures is due to the voter approved PPP millage, which now funds the sidewalk repair and replacement program.

The **Facilities Improvement Fund** includes \$4.5 million for Phase I of the Fire Station # 5 renovation. This project will total \$9 million and be funded over a two-year period.

The **Sidewalk Repair and Replacement Fund** includes \$3.6 million in funding for the first year of a five-year sidewalk repair program that will fill all major sidewalk gaps throughout the City as well as continue sidewalk repairs. These programs are funded through the voter approved PPP millage.



The **Tree Preservation Fund** includes \$600,000 in funding to plant 1,600 neighborhood trees. This expenditure is funded through the voter approved PPP millage. The commitment is to plant 15,000 neighborhood trees over a seven-year period.



There are no expenditures proposed **Road Bond Construction Fund** as the Mound Road project will be completed in the prior fiscal year. As such, a decrease of \$5.1 million over the prior year is shown.

The cost to operate the **Water & Sewer Fund** increased \$2.5 million or 3.9%. The cost of water from the Great Lakes Water Authority increased 5.9% and sewage treatment and sewer debt costs passed on from Macomb County Public Works are estimated to increase 4%. Personnel costs increased \$241,000, or 3.9%, primarily due to contractual wage adjustments.

through the future revenues received from the federal Ground Emergency Medical Transportation program which provides reimbursement to local agencies for transport of Medicaid patients. The first-year front loading of labor increases also contributes to the use of fund balance, however this will be offset in future years which have lower increases. Most contractual increases average 3.5% over the life of the contract.

As shown in *Figure 3*, General Fund reserves will still total 29.5% of General Fund expenditures, a very healthy level that will ensure the City's ability to weather future economic uncertainty.

Revenues by Category

General Fund revenues are estimated at \$131.7 million, which is an increase of \$3.5 million compared to the prior year. The General Fund derives its revenue from a variety of sources as shown in *Figure 4*.

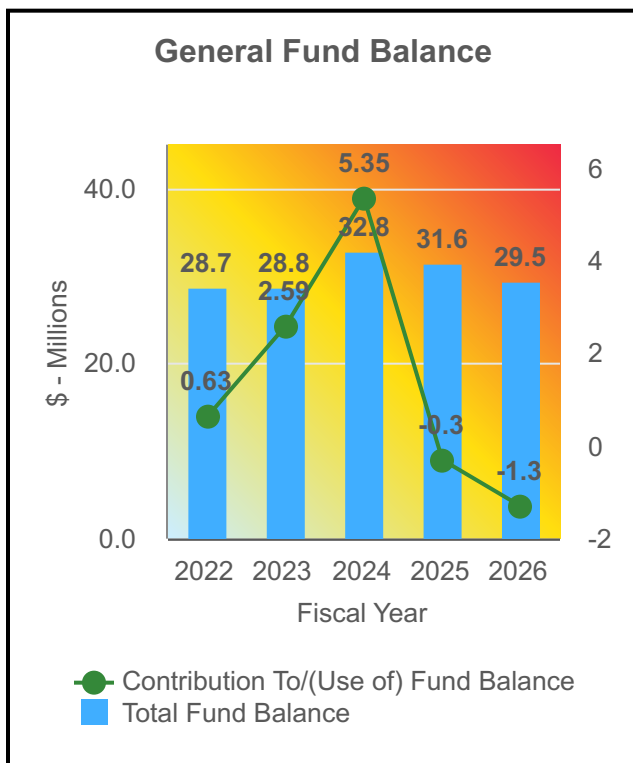


Figure 3

GENERAL FUND

The proposed General Fund budget includes a Use of Fund Balance of \$1,268,250. General Fund expenditures of \$133 million include advanced funding of four Firefighter EMTs. The cost of these positions will be reimbursed to the General Fund

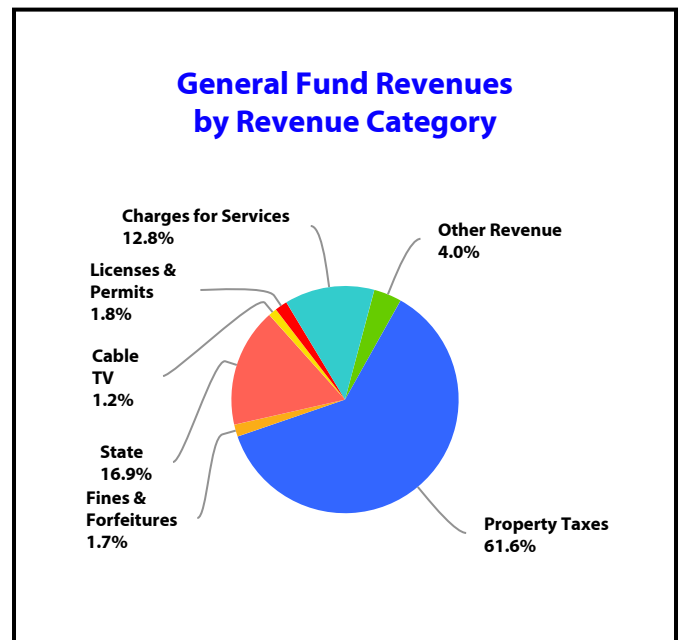


Figure 4

Total General Fund Revenue of \$131,737,150

The largest source is from property taxes. The City's tax rate of 17.5323 mills will provide \$81.1 million or 61.6% of the total General Fund budget. Taxes are



levied for General Operations, Safe Streets, Recreating Recreation, Refuse Collection, the Police & Fire Retirement fund, and the newly voter-approved Pathway to Play and Preservation millage.

CITY MILLAGE RATES	2024/25 Adopted	2025/26 Proposed	Increase/ (Decrease)
City Operating	9.4940	9.4940	0.0000
Safe Streets	2.3694	2.3542	-0.0152
Recreating Recreation	0.9196	0.9137	-0.0059
Refuse Collection	1.3558	1.2462	-0.1096
Police & Fire Retirement	2.4435	2.5803	0.1368
Path. to Play and Pres.	0.0000	0.9439	0.9439
Total City Millage	16.5823	17.5323	0.9500

Figure 5

The City's total millage rate of 17.5323 mills is broken down in *Figure 5*. The total millage rate increase of 0.95 mill consists of an increase to the Police & Fire Retirement millage and the newly voter-approved Pathway to Play and Preservation millage. The Refuse Collection millage decreased due to the recognition of grant proceeds and a small Headlee rollback decreased the Safe Streets and Recreating Recreation millages slightly.

The increase in the Police & Fire millage is due to a higher required contribution to the Police & Fire Retirement System of \$795,000. As of the 6/30/24 actuarial valuation, the Police & Fire Retirement system is 62.5% funded on an actuarial basis. There are 417 members currently receiving an average annual pension of \$57,054. The City is committed to fully funding its pension obligations.

The Pathway to Play and Preservation millage was approved by voters on November 5, 2024. The millage will fund placemaking projects including creating and maintaining pathways and walkways, preserving open space, reforesting the community, and enhancing parks. The millage was approved at 0.95 mill.

The City's tax rate continues to be lower than most cities in the State and is one of the lowest of any city in Macomb County. As seen in *Figure 6*, for the 2024 tax year, the City's tax rate was 4.59 mills lower than

the average tax rate of all Macomb County cities.

Macomb City Tax Rates (2024)	
1. Roseville	28.51
2. Center Line	28.29
3. Warren	27.40
4. Eastpointe	23.74
5. St. Clair Shores	23.54
6. Fraser	21.79
7. Mount Clemens	21.15
8. Utica	19.25
9. Memphis	18.08
10. STERLING HEIGHTS	16.58
11. Richmond	15.50
12. New Baltimore	11.79
Macomb Average: 21.30 mills	

Figure 6

The City's total taxable value in 2025 increased by 4.7%. Proposal A allowed a 3.1% inflationary adjustment. The additional 1.6% increase is due to increased investment in our community and the uncapping of taxable values on homes that were sold during the year.

To lessen the burden and reliance on property taxes, the General Fund also realizes revenue from a variety of smaller revenue sources, as detailed in *Figure 4*.

As noted earlier, General Fund revenues increased a total of \$3.5 million over last year. Significant changes from the prior year budget in General Fund revenue sources include:

- A net increase of \$4.3 million in **Property Tax** revenue due to a 4.7% increase in taxable value. Millages that provide revenue to the General Fund include City Operating, Safe Streets, and Police & Fire Retirement.
- **Charges for Services** increased \$1.3 million primarily due to an increase in reimbursements for Police & Fire Services, additional revenue

from transporting patient to hospitals, and additional property tax administration fees.

- **Other Revenues** increased \$423,390 primarily due higher investment returns and wage reimbursements from other funds.
- **State Grant Revenue** decreased \$2.4 million primarily due to a non-recurring grant received for the Lakeside Development project in the prior year. Grant revenue estimates are updated throughout the year as grants are received.
- Revenue received from **Cable Television** PEG fees continues to decline as less households subscribe to cable television. Revenues are projected to fall \$200,000 this year to \$1.6 million - a 38% decrease from the high of \$2.6 million received in 2016.

Expenditures by Category

The \$133 million General Fund budget represents a \$3.6 million or 2.8% increase compared to the prior year.

The General Fund is comprised of four separate categories as illustrated in *Figure 7*.

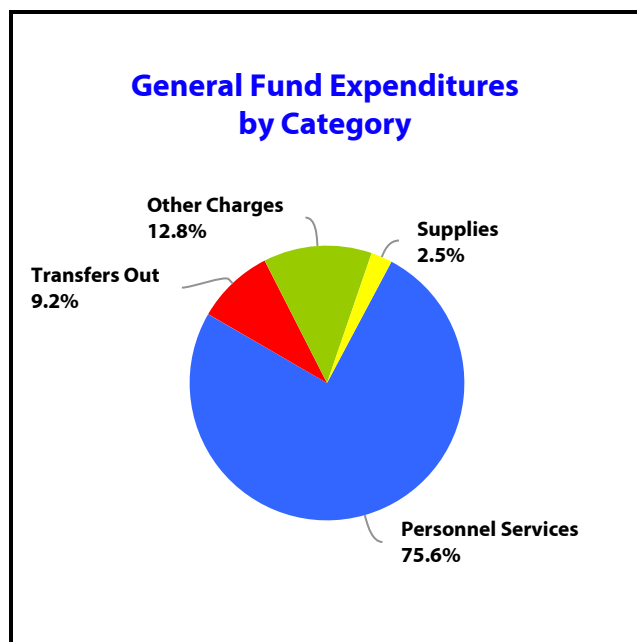


Figure 7

Total General Fund Budget of \$133,005,400

The largest category is Personnel Services, which is made up of wages and fringe benefit costs and comprises 75.6% of the total budget.

Supplies, which is primarily made up of operating supplies, fuel, parts for the repair and maintenance of City vehicles, and the purchase of library books, totals 2.5% of the budget.

Other Charges totals 12.8% of the budget and is primarily for dispatch, custodial contract costs, utility bills, street lighting, and legal costs.

Transfers to other City funds total 9.2% of the General Fund budget.

The total \$3,568,880 increase in General Fund expenditures is detailed below:

	Dollar Change	Percentage Change
Personnel Services	\$6,304,420	6.7%
Supplies	(49,050)	-1.5%
Other Charges	(1,851,140)	-9.9%
Transfers Out	(835,350)	-6.4%
Total	\$3,568,880	2.8%

Personnel Services increased by \$6.3 million or 6.7%. Wages for full-time employees increased \$4.3 million or 9.6% primarily due to contractual wage increases for all employees and employee wage-step increases. Additional positions are also proposed as detailed in *Figure 8*.

The City will again fully fund its actuarially required contribution for current and future pension and retiree medical liabilities. The total amount the City is required to contribute to fund pension liabilities will increase by a net of \$860,400 or 4.7% next year. The required contribution to the Police & Fire Retirement System increased by \$794,550, while the required contribution to the General Employees' System increased slightly by \$65,850. The Police and Fire pension is funded through a dedicated

millage which increased this year by 0.1368 to 2.5803 in order to fund the contribution.

Offsetting these increases is a reduction to the Retiree Medical contribution of \$288,250. Consistent funding of this plan over and above the recommended contribution has resulted in nearly doubling plan assets over the past decade. The earnings on this higher asset level allows for a reduction in the annual recommended contribution.

The budget (across all funds) includes funding for 554 full-time positions, which is a net increase of nine full-time positions. *Figure 8* summarizes the position changes compared to the 2024/25 original Adopted Budget.

<u>Position</u>	<u>Cost Center</u>	<u>FTE</u>
<u>New Positions</u>		
School Resources Officer	Police Invest.	1
Police Officer	Police Operations	2
Firefighter/EMT	Fire Transport	4
Econ. Dev. Specialist	Econ. Dev.	1
Parks & Recreation Manager	Parks & Rec.	1
<u>Previously Approved Positions</u>		
Lead HR Coordinator	Human Resources	1
HR Coordinator	Human Resources	1
<u>Temporary (Succession Planning)</u>		
Finance Manager	Financial Services	1
HUD Prog. Coordinator	Neigh. Services	1
<u>Eliminated Positions</u>		
Clerk Coordinator	City Clerk	(1)
Social Worker	Police Admin.	(2)
Bldg. Serv. Specialist	Econ Dev.	(1)
<u>Net Increase Full-Time Positions - All Funds</u>		9

Figure 8

Eight of the positions are at least partially funded through grants or other revenue sources. The

remaining additions are funded through the elimination of other positions or contracted services, previously approved by City Council, or temporary in nature as part of succession planning.

Full-Time Employees Per 1,000 Residents	
1. Lansing	8.2
2. Grand Rapids	8.1
3. Southfield	7.9
4. Dearborn	7.9
5. Ann Arbor	6.7
6. Livonia	6.4
7. Warren	5.7
8. Farmington Hills	4.7
9. Troy	4.6
10. Sterling Heights	4.1

Figure 9

Even with this increase to full-time staffing, the City still has 95 less full-time positions than in 2008, which saves an estimated \$10.5 million annually. Including these new positions, the City's employee per resident ratio is 4.1 employees for every 1,000 residents - still the ***lowest*** among our comparable communities (See *Figure 9*).

The total number of part-time positions in the proposed budget decreased by three positions. Three part-time positions were eliminated, one was converted to full-time and a temporary position was added to assist in the transition of the new Assistant City Manager.

Supplies decreased \$49,050 or 1.5% primarily due to lower vehicle fuel costs.

Other Charges decreased \$1.9 million or 9.9% primarily due to a grant funded expenditure related to the Lakeside Development in the prior year.

Capital Outlay is budgeted in the Capital Projects Fund. All capital equipment and vehicles used by General Fund departments, with the exception of drug forfeiture purchases, are expensed in the Capital Projects Fund and are funded through a Transfer Out from the General Fund.

A complete list of all capital equipment, vehicles, and projects is located in the Capital Projects section of this document.

General Fund **Transfers Out** to other City Funds total \$12.2 million. Transfers to the Capital Projects Fund total \$5.5 million for the funding of equipment, vehicles, information technology capital items, and capital projects.

Transfers to the Limited Tax General Obligation Debt Service Fund total \$3.0 million. This transfer will fund the debt payments on the 2018 Facilities Improvement Bond and the 2019 Capital Improvement Bond for the DPW facility.

Transfers to the Parks & Recreation Fund total \$3.2 million to fund parks & recreation expenditures not funded through the Recreating Recreation millage.

Finally, a transfer to the Major Road Fund is budgeted for \$500,000 for additional funding that will be utilized for major road projects.

Expenditures by Budgetary Center

The General Fund can be further broken down into the departmental or budgetary center level. These centers are comprised of the eight City operating departments as well as other ancillary expenditure cost centers. As you will note in *Figure 10*, nearly 56% the budget is used to fund the two largest City departments - Police and Fire.

Detailed information regarding changes in expenditures by department can be found in each department's specific section of this document.

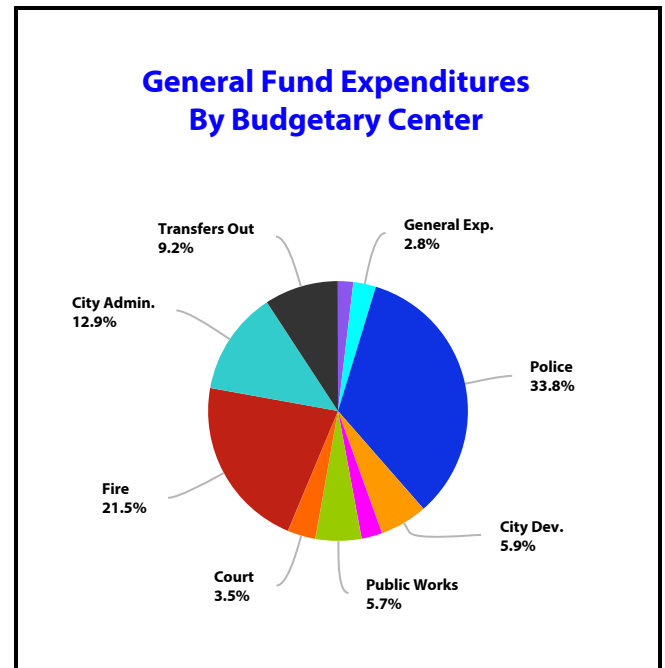


Figure 10

Total General Fund Budget of \$133,005,400

The Special Revenue Funds provide a total of \$95.9 million for expenditures that are legally restricted for specific purposes, such as major and local road maintenance and construction, refuse & recycling costs, Recreating Recreation expenditures, and public safety drug forfeiture purchases. A summary of Special Revenue expenditures by fund can be found in *Figure 11*.

Several notable items in the Special Revenue Funds budget include:

- Refuse & Recycling funding of \$8.4 million for the weekly curbside collection of refuse, yard waste, and recycling at over 40,000 homes and businesses
- CDBG funding for Senior Center improvements, to assist low and moderate-income families in making minor home repairs, funding for not-for-profit service organizations, and funding for the Adaptive Recreation program
- LDFA Funding for continued operation of the business incubator, and grant funded support for small businesses

- The Parks & Recreation Fund provides funding for all Parks & Recreation operations and programs, including those funded through the *Recreating Recreation* millage. Funding for ADA Bleachers at Donovan Park and dog park shade structures at Delia Park is included this year. Debt service on the *Recreating Recreation* bonds is also funded here.
- Two new Special Revenue funds related to the Pathway to Play and Preservation millage:
 - The Pathways and Preservation fund includes \$44.9 million for the Nature Preserve Trail, the Pickleball Complex, and Red Run and Rotary Park Improvements, as well as transfers to other funds for open space preservation, tree restoration, and sidewalk repair and replacement
 - The Land Bank fund includes \$2 million for purchases of land to preserve for open space or recreational purposes
- Continued investment in major and local road maintenance including additional asphalt repairs, right-of-way mowing, and street sweeping

Significant Major Road improvement projects are budgeted next year including:

- 15 Mile Road Reconstruction from Maple Lane to Mound
- Dobry Drive Resurfacing
- Schoenherr Bridge superstructure repair over the Red Run Drain

In addition, \$6.6 million will be invested into neighborhood roads, including both sectional repairs, the full reconstruction of 22 local streets and the paving of Gardner Street East. ***Please see the Capital Projects section of this document for a complete list of every Major and Local Road project planned for 2025/2026.***

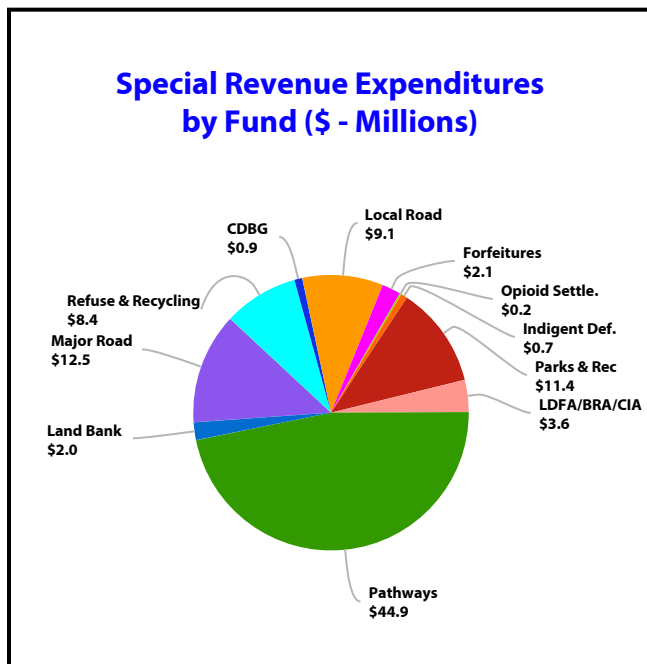


Figure 11
Total Special Revenue Fund Budget of \$95,850,050

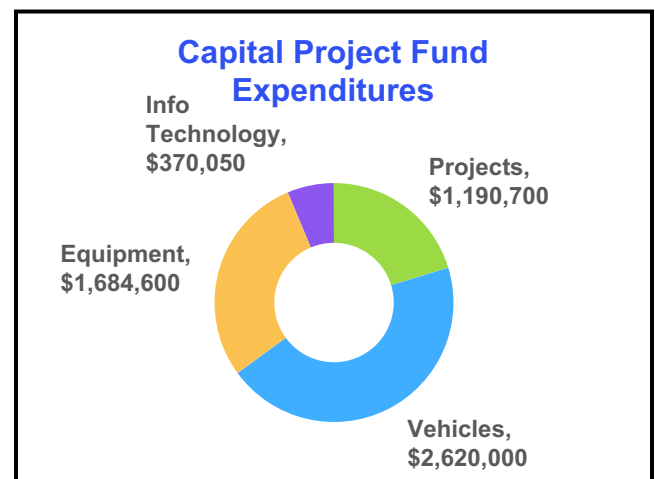


Figure 12
Total Capital Project Fund Expenditures = \$5,865,350

The Capital Funds total \$14.6 million and consist of four separate funds: Capital Projects, Facilities Improvement, Sidewalk Repair and Replacement, and Tree Preservation. The latter two funds are new this year and are funded with revenue from the voter approved Pathway to Play and Preservation millage.

These funds are used for road construction projects financed by the sale of bonds, the purchase of capital equipment and vehicles, and the repairs to municipal facilities, sidewalks, and storm drains.

Total Capital Project expenditures are summarized in Figure 12. Notable capital projects include:

- \$2.6 million for new and replacement vehicles, including ten police vehicles, a fire pumper, a combo vactor jet truck, and ten high mileage vehicles for various City departments as part of the annual replacement plan
- \$370,050 for new and replacement equipment including a trailer mounted z-boom for Facilities Maintenance, high capacity batteries for police radios, and replacement power cots, cardiac monitors, and fire hose for the Fire Department
- \$1.7 million for technology upgrades including the replacement of the Virtual Storage Area Network and the Storage Area Network, both of which have reached end of life
- \$1.2 million in other Capital Improvements including trail replacement at North Clinton River Park and replacement of the boilers at the Police Station

The other Capital Funds include \$4.5 million for Phase 1 of the renovation of Fire Station #5, \$3.6 million for sidewalk repair and replacement, and \$600,000 for neighborhood tree plantings.

Finally, the **Debt Service Funds** total \$11.6 million. The Limited Tax General Obligation (LTGO) Fund provides funding for debt service on the bonds issued for City Campus facility renovations and for the new Public Works building. Estimated debt service for the projects approved as part of the PPP millage is also included in this fund.

The Road Bond Debt Fund provides funding for debt related to road construction. The Major Road Fund (using funds received from the State of Michigan) is the predominant funding source.

WATER & SEWER FUND

The Water & Sewer Fund is a self-supporting activity that does not receive funding from property taxes. It is not designed to make a profit; however, reserves may be built up for future infrastructure improvements.

Sterling Heights purchases its water and sewage services from the Great Lakes Water Authority (GLWA) and the Macomb County Public Works office. **Over 75%** of the total expenditures in the Water & Sewer Fund are directly related to the costs passed on to the City from these two entities. Effective July 1, 2025, the GLWA water rates will increase 5.9%. In addition, Macomb County sewer charges and debt service costs are increasing 4.0%.

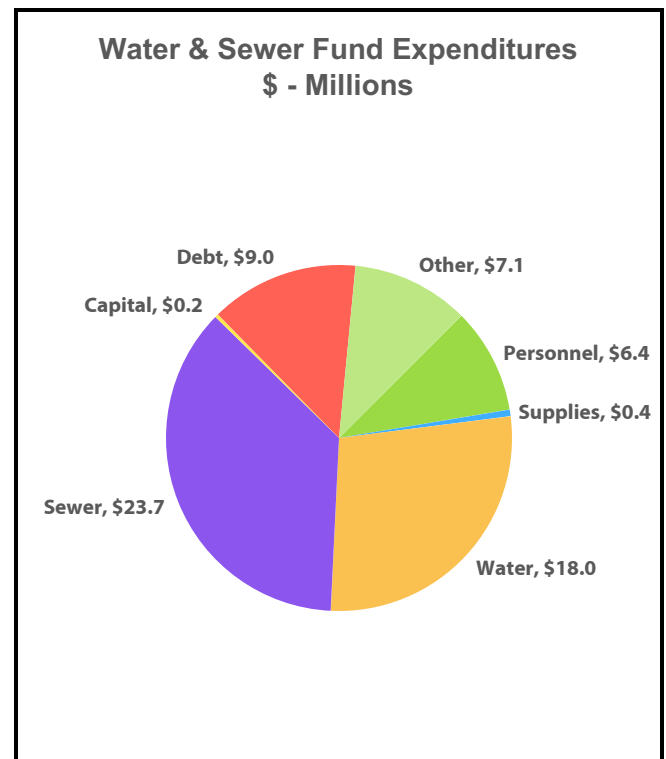


Figure 14

Total Water & Sewer Fund Budget of \$64,888,650

The City also incurs costs for system maintenance and delivery. The City is committed to controlling costs, while still providing clean, reliable services to the community.

Personnel costs will increase \$241,090 or 3.9% this year, primarily due to contractual wage adjustments. Supplies increased \$11,250 or 2.6% due to inflationary price increases. Other Charges increased \$2.6 million due to cost increases from the GLWA and Macomb County. Capital Outlay includes the replacement a water service worker truck, a cement saw trailer, and a Ford F-250 with



plow. Debt Service increased \$614,900 or 7.4% based on amortization schedules for current debt.

**Average Macomb County Residential
Monthly Water & Sewer Bill
Fiscal Year 2024/25**

1. Fraser	\$145
2. Eastpointe	138
3. Utica	117
4. Mount Clemens	112
5. St. Clair Shores	110
6. Clinton Township	96
7. Roseville	89
8. Center Line	86
9. Shelby Township	83
10. Macomb Township	81
11. Sterling Heights	76
12. Warren	74

Rates are current, using 9,000 cf.

Figure 15

Proposed Water & Sewer rates for the 2025/26 budget include a 7.3% increase to cover system cost increases as detailed above. Continued lower usage also adversely impacts rates, as most system costs are fixed. The City of Sterling Heights strives to provide excellent service at a great value for all Water & Sewer customers. The WaterSmart portal allows customers to monitor their water usage in real time and save money by offering the ability to set alerts for unusual usage and offering water conservation tips. A monthly bill credit for all customers who enroll in e-billing and automatic payments saves residents \$60 per year.

Sterling Heights' residents continue to receive a great value for water & sewer services. *Figure 15* compares the average monthly water & sewer cost for Sterling Heights to our surrounding communities. We continue to have one of the lowest rates in Macomb County. The proposed rate changes will result in a monthly water & sewer cost for the average residential user of \$76 per month, assuming receipt of the \$5 monthly auto-pay and e-bill credit.

CHANGES IN THE ADOPTED BUDGET

Three amendments to the proposed budget were approved at the April 22, 2025 budget workshop:

1. To increase the Major Roads Fund budget by \$500,000 and increase the General Fund budget by \$45,000 for street lighting and median landscaping on Metro Parkway from Van Dyke to the eastern city limits.
2. To increase the General Fund budget by \$88,700 to fund a stormwater utility feasibility study.
3. To increase the General Fund budget by \$400,000 to fund the paving of the parking lot at Donovan Park and safety adjustments to the park entrance.

CONCLUSION

In closing, I extend my sincere appreciation to **Finance & Budget Director Jennifer Varney** and team members **Breanna Koliba** and **Lauren Moore** for their exceptional work throughout this budget process. The City's financial strength is a testament to their dedication and expertise. I also commend our department directors, managers, and employees for their unwavering commitment to service excellence.

Finally, I would like to thank the **Mayor and City Council** for their continued leadership and vision. Their steadfast commitment ensures Sterling Heights remains a thriving, financially strong, and forward-thinking community. The proposed **FY 2025/26 budget** builds upon past successes, maintains our tradition of fiscal responsibility, and sets the stage for another year of achievement.

Respectfully submitted,

Mark D. Vanderpool/City Manager

Budgeting only has one rule: Do not go over budget.

~ Leslie Tayne ~

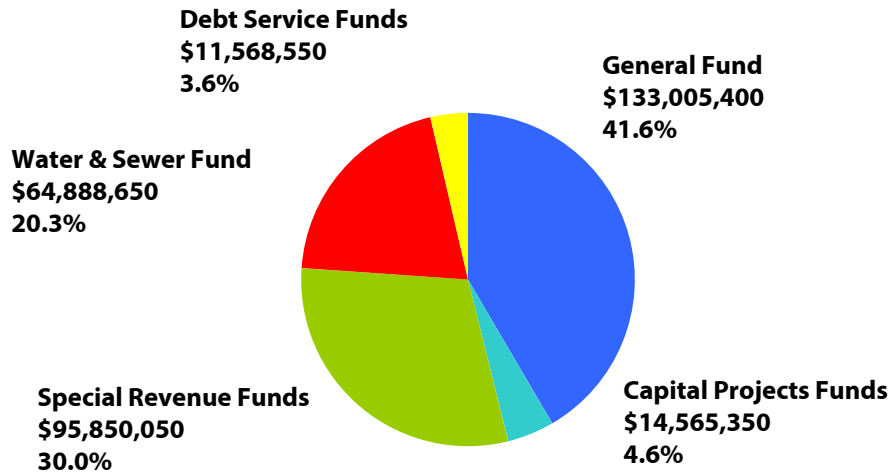


SUMMARY OF EXPENDITURE CHANGES BETWEEN THE PROPOSED AND ADOPTED BUDGET

Department	Description of Change	Proposed Budget	Increase/ (Decrease)	Adopted Budget
General Fund				
City Administration		\$17,111,750		17,111,750
Public Library		3,472,600		3,472,600
Police Department		45,259,450		45,259,450
Fire Department		28,606,550		28,606,550
Public Works		7,618,550		7,618,550
Refuse Collection		0		0
City Development		7,900,900		7,900,900
Community Relations		2,465,950		2,465,950
41-A District Court		4,706,400		4,706,400
General Expenditures	Metroparkway Streetlighting	3,643,100	45,000	3,688,100
Transfers Out	Donovan Park Parking Lot/ Stormwater Study	11,686,450	488,700	12,175,150
Total General Fund		\$132,471,700	\$533,700	\$133,005,400
Major Roads Fund	Metroparkway Streetlighting & Median Improvements	\$11,969,650	\$500,000	\$12,469,650
Capital Project Fund	Donovan Park Parking Lot/ Stormwater Study	\$5,376,650	\$488,700	\$5,865,350
Total Funds		\$318,355,600	\$1,522,400	\$319,878,000



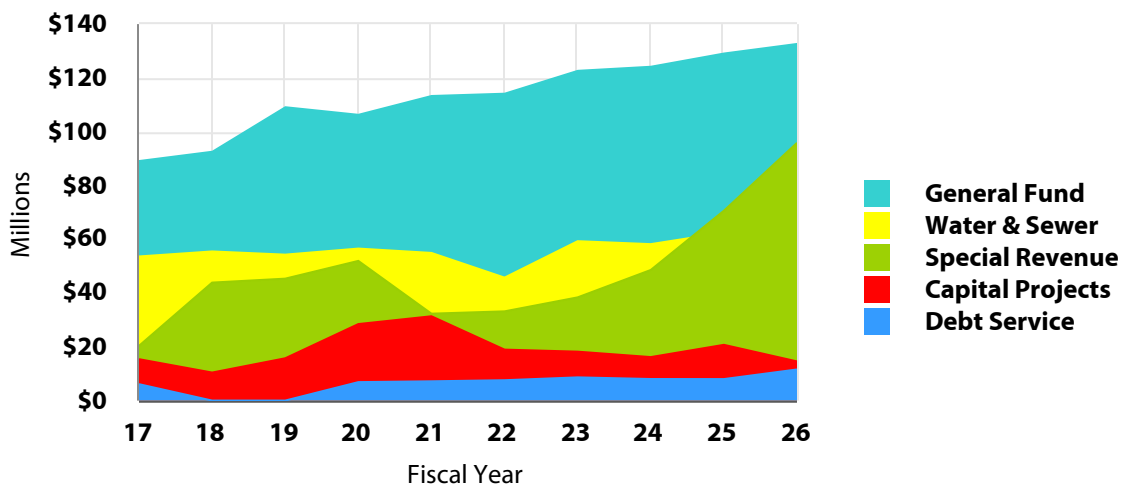
Total City Budgeted Funds Percent of Total Expenditures



**Total City Expenditures of \$319,878,000
(including transfers)**

This graph illustrates total fund expenditures as a percent of all City Funds.

Total City Budgeted Funds Expenditure History



This graph illustrates the expenditure history of all City budgeted funds.

2025/26 ALL FUNDS – COMBINED BUDGET SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

	General	Water & Sewer	Special Revenue	Debt Service	Capital Projects	Total Budget
<u>REVENUES BY SOURCE</u>						
City Property Taxes	\$81,105,000	\$0	\$22,835,850	\$900	\$0	\$103,941,750
Interfund Transfers In	2,500	0	8,747,900	11,360,350	17,296,450	37,407,200
Water & Sewer Service	0	62,854,800	0	0	0	62,854,800
Charges for Services	16,855,550	1,852,800	1,677,000	0	0	20,385,350
State Revenue Sharing	16,200,000	0	0	0	0	16,200,000
Highway & Street Grants	0	0	16,141,750	0	0	16,141,750
Personal Property Tax Reimb.	5,200,950	0	1,164,450	0	0	6,365,400
Miscellaneous Revenue	3,267,650	157,000	1,221,100	138,250	110,650	4,894,650
Federal State & Local Grants	904,500	0	3,438,750	0	0	4,343,250
Interest on Investments	1,975,000	500,000	1,164,950	6,850	440,000	4,086,800
TIF/LDFA-SmartZone Capture	0	0	3,254,200	0	0	3,254,200
Licenses & Permits	2,354,000	0	0	0	0	2,354,000
Fines & Forfeitures	2,272,000	0	0	0	0	2,272,000
Cable Revenue	1,600,000	0	0	0	0	1,600,000
Proceeds - Long-Term Debt	0	0	40,000,000	0	0	40,000,000
Total Revenues	131,737,150	65,364,600	99,645,950	11,506,350	17,847,100	326,101,150
<u>EXPENDITURES BY OBJECT</u>						
Personnel Services	100,575,500	6,449,250	5,035,200	0	0	112,059,950
Other Charges	16,931,950	45,695,050	16,900,950	4,350	600,000	80,132,300
Capital Improvement Projects	0	0	39,468,000	0	9,290,700	48,758,700
Interfund Transfers Out	12,175,150	0	25,232,050	0	0	37,407,200
Principal Payments	0	5,784,300	1,955,000	7,231,000	0	14,970,300
Interest Payments	0	3,191,800	1,045,350	4,333,200	0	8,570,350
Other Services	0	0	5,006,000	0	0	5,006,000
Supplies	3,322,800	444,250	464,000	0	0	4,231,050
Interfund Services	0	3,137,200	280,450	0	0	3,417,650
Capital Vehicles	0	163,000	328,000	0	2,620,000	3,111,000
Capital Equipment	0	23,800	135,050	0	2,054,650	2,213,500
Total Expenditures	133,005,400	64,888,650	95,850,050	11,568,550	14,565,350	319,878,000
Excess of Revenues Over (Under) Expenditures	(1,268,250)	*	3,795,900	(62,200)	3,281,750	5,747,200
Beginning Fund Balance	40,507,340	*	16,621,340	240,000	7,621,140	64,989,820
Ending Fund Balance	\$39,239,090	*	\$20,417,240	\$ 177,800	\$10,902,890	\$70,737,020

Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.

ALL FUNDS – COMBINED HISTORICAL SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

	2023/24 Actual	2024/25 Estimate	2025/26 Budget
<u>REVENUES BY SOURCE</u>			
City Property Taxes	\$87,715,020	\$93,925,720	\$103,941,750
Water & Sewer Service	54,740,360	57,863,190	62,854,800
Charges for Services	18,254,140	19,045,460	20,385,350
Interfund Transfers In	22,112,460	17,813,000	37,407,200
Highway & Street Grants	15,697,910	16,211,000	16,141,750
State Revenue Sharing	15,685,870	15,883,000	16,200,000
Federal, State & Local Grants	10,704,780	21,933,140	4,343,250
Personal Property Tax Reimbursement	10,876,600	6,202,430	6,365,400
Miscellaneous Revenue	8,558,620	5,107,500	4,894,650
Licenses & Permits	1,950,240	2,327,000	2,354,000
TIF/LDFA - SmartZone Capture	2,732,550	3,020,550	3,254,200
Cable Revenue	1,763,680	1,600,000	1,600,000
Fines & Forfeitures	2,019,270	1,971,000	2,272,000
Interest on Investments	5,184,450	5,010,800	4,086,800
Proceeds - Long-Term Debt	0	0	40,000,000
Total Revenues	257,995,950	267,913,790	326,101,150
<u>EXPENDITURES BY OBJECT</u>			
Personnel Services	98,339,240	104,145,380	112,059,950
Other Charges	68,347,710	78,257,880	80,132,300
Capital Improvement Projects	31,576,640	50,230,130	48,758,700
Interfund Transfers Out	22,112,460	17,813,000	37,407,200
Principal Payments	12,176,500	12,589,360	14,970,300
Interest Payments	7,434,030	6,887,990	8,570,350
Other Services	4,449,710	4,847,590	5,006,000
Supplies	3,806,780	4,105,580	4,231,050
Capital Vehicles	3,259,660	6,577,480	3,111,000
Interfund Services	2,550,500	2,858,000	3,417,650
Capital Equipment	1,410,420	1,982,750	2,213,500
Total Expenditures	255,463,650	290,295,140	319,878,000
Excess of Revenues Over (Under) Expenditures*	3,039,050	(20,877,630)	5,747,200
Beginning Fund Balance	82,828,400	85,867,450	64,989,820
Ending Fund Balance	\$85,867,450	\$64,989,820	\$70,737,020

Note: * Water & Sewer Fund revenue and expenses are excluded from the fund balance calculations.

REVENUE COMPARISON CITY BUDGETED FUNDS

Fund No.	Fund Name	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget	% Change From 24/25
	<u>GENERAL FUND</u>						
101	General Fund	\$125,593,130	\$129,873,020	\$128,214,410	\$127,985,860	\$131,737,150	2.7%
	<u>WATER & SEWER FUND</u>						
592	Water & Sewer Fund - Operations	57,974,180	57,674,500	62,748,950	60,481,340	65,364,600	4.2%
	<u>SPECIAL REVENUE FUNDS</u>						
202	Major Road Fund	15,372,410	13,474,690	13,385,700	13,692,000	13,116,700	-2.0%
203	Local Road Fund	9,039,450	9,066,940	9,900,050	10,292,190	9,420,100	-4.8%
208	Parks & Recreation Fund	9,412,520	10,331,210	10,616,250	11,197,750	11,076,500	4.3%
211	Pathways and Preservation Fund	0	0	0	0	45,588,450	
226	Refuse and Recycling Fund	0	6,598,140	9,343,430	9,500,380	8,102,100	-13.3%
243	Brownfield Redevelopment Fund	698,140	758,900	784,500	806,800	834,550	6.4%
244	Economic Develop. Corp. Fund	1,340	900	0	0	0	0.0%
247	Corridor Improvement Auth. Fund	298,490	381,740	420,000	433,250	429,900	2.4%
250	Local Dev. Finance Authority Fund	1,832,340	2,312,360	3,857,550	3,518,150	3,521,850	-8.7%
260	Indigent Defense Fund	201,690	406,990	602,250	648,500	677,750	12.5%
262	Public Safety Forfeiture Fund	1,484,740	1,677,590	278,370	715,700	337,300	21.2%
278	Comm. Develop. Block Grant Fund	1,401,090	638,660	1,508,250	1,490,400	913,600	-39.4%
283	Land Bank	0	0	0	0	5,000,000	
284	Opioid Settlement Fund	615,780	891,850	142,200	594,700	477,150	235.5%
286	American Rescue Plan Act Fund	4,937,650	3,941,650	9,738,860	9,903,580	150,000	-98.5%
	Total Special Revenue Funds	45,295,640	50,481,620	60,577,410	62,793,400	99,645,950	64.5%
	<u>DEBT SERVICE FUNDS</u>						
301	Ltd. Tax Gen. Obligation Debt Fund	2,962,370	2,964,870	2,961,800	2,958,500	6,560,450	121.5%
303	General Drain Fund	690	650	700	700	700	0.0%
305	Voted Gen. Obligation Debt Fund	599,840	52,980	950	3,100	3,550	273.7%
340	Road Bond Debt Retirement Fund	4,821,130	4,960,650	4,957,400	4,948,150	4,941,650	-0.3%
	Total Debt Service Funds	8,384,030	7,979,150	7,920,850	7,910,450	11,506,350	45.3%
	<u>CAPITAL PROJECT FUNDS</u>						
401	Capital Projects Fund	8,958,870	7,114,170	9,696,090	8,590,340	7,145,100	-26.3%
404	Facilities Improvement Fund	0	4,413,510	0	50,000	50,000	
406	Sidewalk Repair & Repl. Fund	0	0	0	0	10,000,000	
407	Tree Preservation Fund	0	0	0	0	600,000	
409	Land & Water Conservation Fund	1,180	2,860	1,500	2,400	2,000	33.3%
427	Road Bond Construction Fund	350,620	457,120	100,000	100,000	50,000	-50.0%
	Total Capital Project Funds	9,310,670	11,987,660	9,797,590	8,742,740	17,847,100	82.2%
	Total Revenue	246,557,650	257,995,950	269,259,210	267,913,790	326,101,150	21.1%
	Duplicating Transfers	(22,262,550)	(22,112,460)	(17,813,000)	(17,813,000)	(37,407,200)	110.0%
	Total All Funds	\$ 224,295,100	\$ 235,883,490	\$ 251,446,210	\$ 250,100,790	\$ 288,693,950	14.8%

Note: Figures do not include use of, or contribution to Fund Balance.

The Refuse and Recycling Fund was created in 2023/24. It was previously recorded under the General Fund.

EXPENDITURE COMPARISON CITY BUDGETED FUNDS

Fund No.	Fund Name	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget	% Change From 24/25
	<u>GENERAL FUND</u>						
101	General Fund	\$123,003,920	\$124,519,420	\$129,436,520	\$128,295,560	\$133,005,400	2.8%
	<u>WATER & SEWER FUND</u>						
592	Water & Sewer Fund - Operations	57,448,660	58,181,430	62,433,640	61,984,970	64,888,650	3.9%
	<u>SPECIAL REVENUE FUNDS</u>						
202	Major Road Fund	11,614,200	17,375,830	22,088,130	22,875,330	12,469,650	-43.5%
203	Local Road Fund	8,236,740	7,099,270	10,370,290	10,247,790	9,138,600	-11.9%
208	Parks & Recreation Fund	9,399,100	10,140,340	11,064,180	10,769,090	11,431,500	3.3%
211	Pathways and Preservation Fund	0	0	0	0	44,929,550	
226	Refuse and Recycling Fund	0	5,913,270	8,122,140	8,123,190	8,392,100	3.3%
243	Brownfield Redevelopment Fund	691,370	722,070	767,850	768,800	802,550	4.5%
244	Economic Develop. Corp. Fund	77,900	36,860	0	0	0	0.0%
247	Corridor Improvement Auth. Fund	44,420	43,630	140,770	140,770	80,000	-43.2%
250	Local Dev. Finance Authority Fund	1,583,910	1,956,770	3,493,770	3,300,250	2,715,700	-22.3%
260	Indigent Defense Fund	302,380	406,990	602,250	648,500	677,750	12.5%
262	Public Safety Forfeiture Fund	514,280	851,190	1,485,120	1,533,690	2,081,750	40.2%
278	Comm. Develop. Block Grant Fund	1,401,090	638,670	1,508,250	1,490,400	913,600	-39.4%
283	Land Bank Fund	0	0	0	0	2,000,000	
284	Opioid Settlement Fund	0	0	287,410	274,590	217,300	-24.4%
286	American Rescue Plan Act Fund	4,517,730	3,390,450	10,667,600	10,915,550	0	-100.0%
	Total Special Revenue Funds	38,383,120	48,575,340	70,597,760	71,087,950	95,850,050	35.8%
	<u>DEBT SERVICE FUNDS</u>						
301	Ltd. Tax Gen. Obligation Debt Fund	2,962,360	2,962,360	2,958,400	2,958,400	6,560,350	121.8%
305	Voted Gen. Obligation Debt Fund	586,500	0	0	0	0	0.0%
340	Road Bond Debt Retirement Fund	5,080,350	5,052,390	5,031,700	5,031,700	5,008,200	-0.5%
	Total Debt Service Funds	8,629,210	8,014,750	7,990,100	7,990,100	11,568,550	44.8%
	<u>CAPITAL PROJECT FUNDS</u>						
401	Capital Projects Fund	6,334,390	6,271,330	15,641,870	15,847,700	5,865,350	-62.5%
404	Facilities Improvement Fund	375,630	0	0	0	4,500,000	0.0%
405	Clinton River Restoration Fund	4,320	0	0	0	0	0.0%
406	Sidewalk Repair & Repl. Fund	0	0	0	0	3,600,000	
407	Tree Preservation Fund	0	0	0	0	600,000	
427	Road Bond Construction Fund	11,474,230	9,901,380	5,088,860	5,088,860	0	-100.0%
	Total Capital Project Funds	18,188,570	16,172,710	20,730,730	20,936,560	14,565,350	-29.7%
	Total Expenditures	245,653,480	255,463,650	291,188,750	290,295,140	319,878,000	9.9%
	Duplicating Transfers	(22,262,550)	(22,112,460)	(17,813,000)	(17,813,000)	(37,407,200)	110.0%
	Total All Funds	\$ 223,390,930	\$ 233,351,190	\$ 273,375,750	\$ 272,482,140	\$ 282,470,800	3.3%

Note: Figures do not include use of, or contribution to Fund Balance.

The Refuse and Recycling Fund was created in 2023/24. It was previously recorded under the General Fund.

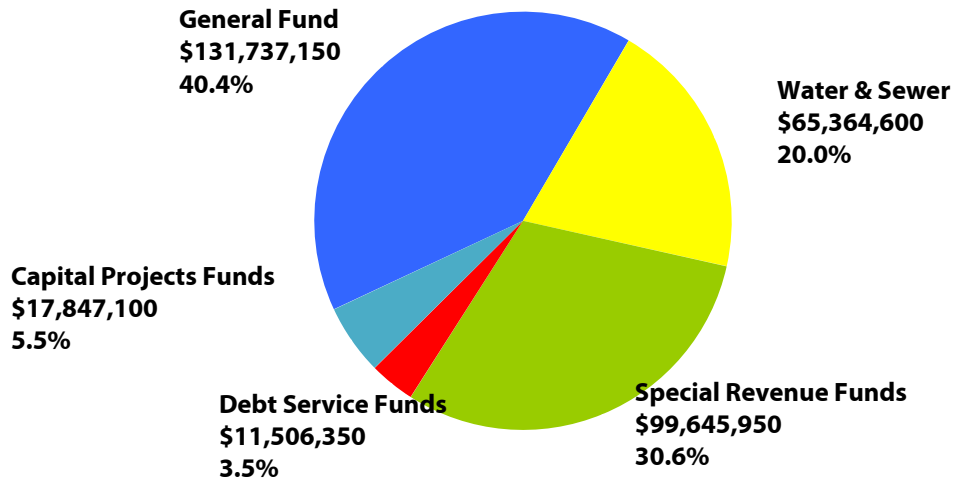
YEAR-END UNAPPROPRIATED FUND BALANCE COMPARISON GOVERNMENTAL FUNDS

Fund No.	Fund Name	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget	% Change From 24/25
	<u>GENERAL FUND</u>						
101	General Fund	\$35,463,440	\$40,817,040	\$39,594,930	\$40,507,340	\$39,239,090	-0.9%
	<u>SPECIAL REVENUE FUNDS</u>						
202	Major Road Fund	14,522,470	10,621,330	1,918,900	1,438,000	2,085,050	8.7%
203	Local Road Fund	1,429,030	3,396,700	2,926,460	3,441,100	3,722,600	27.2%
208	Parks & Recreation Fund	844,470	1,035,340	587,410	1,464,000	1,109,000	88.8%
211	Pathways and Preservation Fund	0	0	0	0	658,900	
226	Refuse and Recycling Fund	0	684,870	1,906,160	2,062,060	1,772,060	-7.0%
243	Brownfield Redevelopment Fund	8,920	45,750	62,400	83,750	115,750	85.5%
244	Economic Develop. Corp. Fund	38,200	2,240	2,240	2,240	2,240	0.0%
247	Corridor Improvement Auth. Fund	1,266,510	1,604,620	1,883,850	1,897,100	2,247,000	19.3%
250	Local Dev. Finance Authority Fund	1,513,590	1,869,180	2,232,960	2,087,080	2,893,230	29.6%
260	Indigent Defense Fund	0	0	0	0	0	
262	Public Safety Forfeiture Fund	2,322,080	3,148,480	1,941,730	2,330,490	586,040	-69.8%
278	Comm. Develop. Block Grant Fund	0	0	0	0	0	0.0%
283	Land Bank Fund	0	0	0	0	3,000,000	
284	Opioid Settlement Fund	615,780	1,507,630	1,362,420	1,827,740	2,087,590	0.0%
286	American Rescue Plan Act Fund	448,560	999,750	71,010	(12,220)	137,780	100.0%
	Total Special Revenue Funds	23,009,610	24,915,890	14,895,540	16,621,340	20,417,240	37.1%
	<u>DEBT SERVICE FUNDS</u>						
301	Ltd. Tax Gen. Obligation Debt Fund	310	2,820	6,220	2,920	3,020	-51.4%
303	General Drain Fund	3,010	3,660	4,360	4,360	5,060	16.1%
305	Voted Gen. Obligation Debt Fund	19,980	72,960	73,910	76,060	79,610	7.7%
340	Road Bond Debt Retirement Fund	331,950	240,210	165,910	156,660	90,110	-45.7%
	Total Debt Service Funds	355,250	319,650	250,400	240,000	177,800	-29.0%
	<u>CAPITAL PROJECT FUNDS</u>						
401	Capital Projects Fund	9,226,720	10,069,560	4,123,780	2,812,200	4,091,950	-0.8%
404	Facilities Improvement Fund	0	4,413,510	4,413,510	4,463,510	13,510	0.0%
405	Clinton River Restoration Fund	12,910	12,910	12,910	12,910	12,910	0.0%
406	Sidewalk Repair & Repl. Fund	0	0	0	0	6,400,000	
407	Tree Preservation Fund	0	0	0	0	0	
409	Land & Water Conservation Fund	32,460	35,320	36,820	37,720	39,720	7.9%
427	Road Bond Construction Fund	14,727,920	5,283,660	294,800	294,800	344,800	17.0%
	Total Capital Project Funds	24,000,010	19,814,960	8,881,820	7,621,140	10,902,890	22.8%
	Unappropriated Total - All Funds	\$82,828,400	\$85,867,450	\$63,622,690	\$64,989,820	\$70,737,020	11.2%

Totals may not foot due to rounding.

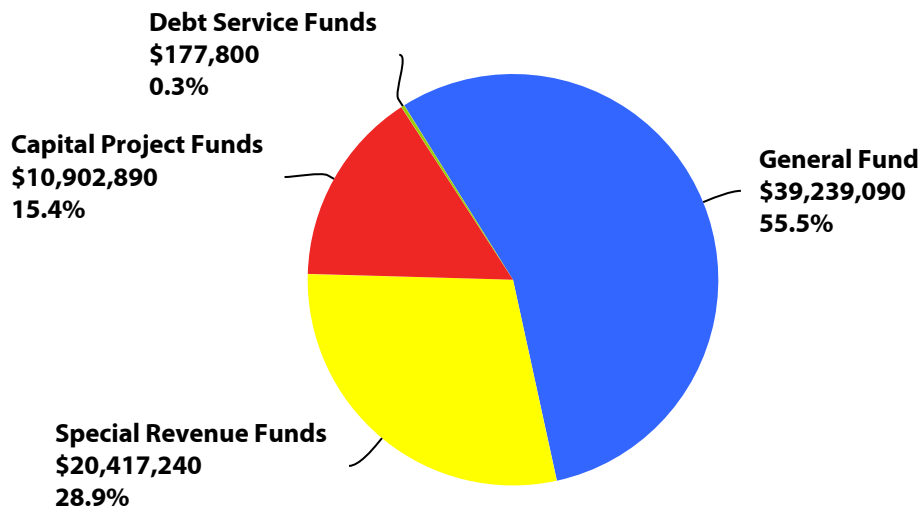
The Refuse and Recycling Fund was previously recorded under the General Fund. It was recorded as a Special Revenue Fund starting in 2023/24.

Total City Budgeted Funds Percent of Total Revenues



Total City Revenues (including transfers) \$326,101,150

Total City Government Funds Percent of Total Reserves



Total Government Fund Reserves of \$70,737,020

TOTAL CITY BUDGETED FUNDS REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>CITY TAXES</u>						
402000	City Operating Tax	\$50,668,560	19.64	\$53,857,600	20.00	\$56,207,600	17.24
404000	Pathways and Preservation Tax	0	0.00	0	0.00	5,588,450	1.71
405000	City Refuse Tax	6,200,800	2.40	7,667,000	2.85	7,371,650	2.26
406000	Police & Fire Pension Tax	12,956,740	5.02	13,819,000	5.13	15,280,000	4.69
407000	Safe Streets Tax	12,728,330	4.93	13,534,000	5.03	13,938,150	4.27
408000	Recreating Recreation Tax	4,939,360	1.91	5,252,000	1.95	5,409,600	1.66
412000	Delinquent Personal Property Tax	144,770	0.06	91,000	0.03	117,000	0.04
412001	Del. Personal Property Tax Safe Streets	19,290	0.01	11,000	0.00	15,000	0.00
414000	Property Tax Refunds	(154,050)	(0.06)	(332,000)	(0.12)	(176,000)	(0.05)
419000	Proposal F Debt Levy	4,970	0.00	300	0.00	300	0.00
445000	Penalties & Interest	206,250	0.08	164,000	0.06	190,000	0.06
	Total City Taxes	87,715,020	34.00	94,063,900	34.93	103,941,750	31.87
	<u>IMPROVEMENT TAXES</u>						
420000	Property Taxes - TIF	725,200	0.28	795,000	0.30	769,050	0.24
420003	LDFA - Smartzone Capture	861,700	0.33	940,900	0.35	1,037,450	0.32
420004	LDFA - General Capture	839,330	0.33	961,650	0.36	1,052,300	0.32
420005	BRA - School Capture	306,320	0.12	345,350	0.13	395,400	0.12
	Total Improvement Taxes	2,732,550	1.06	3,042,900	1.13	3,254,200	1.00
	<u>LICENSES & PERMITS</u>						
476000	Business Operating License	115,630	0.04	100,000	0.04	115,000	0.04
478000	Mobile / Temporary Vendor	12,170	0.00	5,000	0.00	5,000	0.00
479000	Liquor License	207,060	0.08	125,000	0.05	150,000	0.05
480000	Vending/Amusement Device Fee	9,540	0.00	3,000	0.00	5,000	0.00
490000	Electrical Registration & Permits	268,020	0.10	357,000	0.13	357,000	0.11
491000	Heating Registration & Permits	371,520	0.14	388,000	0.14	388,000	0.12
492000	Plumbing Registration & Permits	178,470	0.07	213,000	0.08	213,000	0.07
493000	Sign Registration & Permits	43,530	0.02	45,000	0.02	45,000	0.01
494000	Building Registration & Permits	550,610	0.21	1,000,000	0.37	850,000	0.26
495000	Fence Permits	15,350	0.01	20,000	0.01	15,000	0.00
496000	Fire Suppression Permits	45,670	0.02	60,000	0.02	45,000	0.01
497000	Vending/Amusement Device Fee	26,300	0.01	56,000	0.02	56,000	0.02
498000	Non-Homestead Resident Insp. Fee	71,660	0.03	80,000	0.03	80,000	0.02
498001	Re-Inspection Code Enforcement Fee	34,710	0.01	25,000	0.01	30,000	0.01
	Total Licenses & Permits	1,950,240	0.76	2,477,000	0.92	2,354,000	0.72
	<u>FEDERAL, STATE & LOCAL RETURNS</u>						
505000	Drug Enforce. Admin. - Federal	83,410	0.03	35,000	0.01	85,000	0.03
529000	Federal Grant - Other	5,993,890	2.32	13,551,230	5.03	1,173,450	0.36
529002	Revenue Direct Loans	73,090	0.03	100,000	0.04	50,000	0.02
529004	Federal Forfeiture Grant	900,830	0.35	80,470	0.03	0	0.00
529005	Federal Forfeiture Program Income	8,400	0.00	0	0.00	0	0.00
529009	CDBG Revenue - COVID	86,040	0.03	10,950	0.00	0	0.00
540000	State Grants	1,709,410	0.66	5,730,280	2.13	1,615,350	0.50
543000	State Forfeiture Grant	428,060	0.17	32,230	0.01	0	0.00
543001	State Forfeiture Program Income	36,710	0.01	16,750	0.01	0	0.00
543002	Gambling Forfeitures	12,460	0.00	3,310	0.00	0	0.00
543006	Act 48 Public Right of Way	488,370	0.19	515,000	0.19	500,000	0.15
543010	Act 302 Training Funds	55,900	0.02	42,800	0.02	42,800	0.01
543012	Act 302 Training Funds	78,500	0.03	0	0.00	157,000	0.05
544000	Drunk Driving Case Flow Assistance	10,000	0.00	6,500	0.00	8,500	0.00
546000	Highway & Street Grants	15,697,910	6.08	15,668,850	5.82	16,141,750	4.95

TOTAL CITY BUDGETED FUNDS REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
548000	State Aid - Library	136,240	0.05	135,300	0.05	144,000	0.04
549000	Judges Salary Stand Payments	137,170	0.05	137,150	0.05	137,150	0.04
550000	Municipal Credit Transportation	239,360	0.09	200,000	0.07	250,000	0.08
573000	Act 86 LCSA Local Com. Stabilization	9,908,160	3.84	5,403,000	2.01	5,427,450	1.66
573001	Act 86 LCSA - Police & Fire	968,440	0.38	932,500	0.35	937,950	0.29
574000	State Revenue Sharing	15,685,870	6.08	16,098,450	5.98	16,200,000	4.97
581000	County & Other Local Grants	33,630	0.01	784,000	0.29	0	0.00
582000	Funding from General Government	0	0.00	0	0.00	0	0.00
583000	Macomb Auto Theft Squad - Grant	105,360	0.04	100,000	0.04	100,000	0.03
584000	County Contrib. - Library Penal Fines	87,950	0.03	88,000	0.03	80,000	0.02
	Total State & Local Returns	52,965,160	20.53	59,671,770	22.16	43,050,400	13.20
	<u>OTHER FINANCING SOURCES</u>						
696000	Proceeds - Long Term Debt	0	0.00	0	0.00	40,000,000	12.27
699101	Transfer from General Fund	17,308,530	6.71	13,010,500	4.83	12,175,150	3.73
699202	Transfer from Major Road Fund	4,801,430	1.86	4,800,000	1.78	4,800,000	1.47
699211	Transfer from Pathways Fund	0	0.00	0	0.00	20,429,550	6.26
699243	Transfer from Brownfield Redev.	2,500	0.00	2,500	0.00	2,500	0.00
	Total Other Financing Sources	22,112,460	8.57	17,813,000	6.62	77,407,200	23.74
	<u>FINES & FORFEITURES</u>						
657000	Contempt Court Fines	2,020	0.00	3,000	0.00	10,000	0.00
657001	Ordinance Fines & Costs	1,740,080	0.67	2,000,000	0.74	2,000,000	0.61
657002	Municipal Civil Infractions	3,720	0.00	24,000	0.01	15,000	0.00
658000	Library Fines	22,890	0.01	20,000	0.01	22,000	0.01
660000	Driver Reinstatement Fee	12,090	0.00	10,000	0.00	10,000	0.00
660001	Default Judgment Fee	209,330	0.08	150,000	0.06	170,000	0.05
660002	Crime Victim Rights Admin. Fee	9,800	0.00	7,500	0.00	9,000	0.00
660003	Forensic Admin. Fee	0	0.00	15,000	0.01	10,000	0.00
663000	Bond Forfeitures	19,340	0.01	26,000	0.01	26,000	0.01
	Total Fines & Forfeitures	2,019,270	0.78	2,255,500	0.83	2,272,000	0.69
	<u>CHARGES FOR SERVICES</u>						
447000	Services - PTAF	2,426,790	0.94	2,500,000	0.93	2,694,100	0.83
602000	Mobile Home Tax	9,940	0.00	10,000	0.00	9,950	0.00
608000	Court Filing Fee	173,620	0.07	130,000	0.05	175,000	0.05
609000	Jury Demand Fee	1,450	0.00	1,200	0.00	2,000	0.00
610000	Garnishments - Filing Fee	118,640	0.05	125,000	0.05	125,000	0.04
611000	Attorney Fee Reimbursement	30,690	0.01	40,000	0.01	37,500	0.01
621000	Probation Oversight	74,310	0.03	57,000	0.02	62,000	0.02
621001	Probation Oversight Fee - Grants	25,140	0.01	8,500	0.00	25,000	0.01
625000	Alcohol Assessment Fee	16,880	0.01	16,000	0.01	16,000	0.00
626000	Split/Combination Fee	9,480	0.00	12,800	0.00	13,000	0.00
626001	Recording Fees	3,400	0.00	4,000	0.00	4,000	0.00
626002	Vital Statistics	71,150	0.03	82,000	0.03	75,000	0.02
626003	Voter Lists	370	0.00	400	0.00	500	0.00
626004	Police & Fire Services	370,990	0.14	325,000	0.12	475,000	0.15
626005	Towed Vehicle Impound Fee	91,410	0.04	70,000	0.03	83,000	0.03
626006	Refuse Collection Fees	24,540	0.01	35,000	0.01	35,000	0.01

TOTAL CITY BUDGETED FUNDS REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
626007	Plan Review Fee	81,750	0.03	65,000	0.02	72,000	0.02
626008	Building Department Plan Review	199,160	0.08	410,000	0.15	300,000	0.09
626009	Passport Fees	90,410	0.04	100,000	0.04	90,000	0.03
626010	Copies & Forms	13,130	0.01	12,000	0.00	12,000	0.00
626011	Maps	90	0.00	100	0.00	100	0.00
626012	Police Reports	88,510	0.03	85,000	0.03	89,000	0.03
626014	Fire Reports	12,800	0.00	7,000	0.00	10,000	0.00
626015	PBT User Fee	220	0.00	100	0.00	100	0.00
626016	False Alarm Fees	128,470	0.05	45,000	0.02	50,000	0.02
626017	Notary Fee	3,370	0.00	1,000	0.00	3,500	0.00
626018	Application Fees	4,980	0.00	3,800	0.00	3,800	0.00
626019	Nuisance Abatement Revenue	122,600	0.05	200,000	0.07	200,000	0.06
626020	Non-Emergency Cost Recovery Fee	83,130	0.03	100,000	0.04	85,000	0.03
626021	ACO Service Fee	0	0.00	0	0.00	500	0.00
627000	Fire Permits, Fees, & Inspections	16,560	0.01	20,000	0.01	20,000	0.01
627005	Inspection Services-Projects-Other	14,200	0.01	140,000	0.05	100,000	0.03
627006	Inspection Services-City Projects	401,230	0.16	400,000	0.15	420,000	0.13
627007	Engineering Review Fee	74,860	0.03	150,000	0.06	100,000	0.03
627008	Engineering & Design - Project	1,198,660	0.46	1,200,000	0.45	1,200,000	0.37
627009	Building Number Assignments	1,290	0.00	500	0.00	500	0.00
627010	SESC Review Fee	16,180	0.01	25,000	0.01	30,000	0.01
627011	SESC Inspection Fee	85,910	0.03	100,000	0.04	85,000	0.03
627012	Easement Vacation	0	0.00	500	0.00	500	0.00
627013	ROW Permit Fees	8,100	0.00	10,000	0.00	6,000	0.00
627014	Water Tap Fees	105,930	0.04	100,000	0.04	100,000	0.03
627015	Sewer Tap Fees	62,200	0.02	30,000	0.01	50,000	0.02
627016	Meter Charges	62,490	0.02	100,000	0.04	100,000	0.03
627017	Inspection	12,100	0.00	15,000	0.01	15,000	0.00
627018	Water & Sewer Services	26,520	0.01	40,000	0.01	30,000	0.01
627019	Hydrant Rental	187,900	0.07	193,500	0.07	197,350	0.06
627020	Turn-On Charge	8,820	0.00	10,000	0.00	10,000	0.00
635000	Municipal Services Fee	86,110	0.03	87,800	0.03	89,900	0.03
636000	Water & Sewer Activity	1,736,890	0.67	1,827,850	0.68	2,272,500	0.70
636001	Administrative Services - RR	79,500	0.03	123,850	0.05	182,000	0.06
636002	Administrative Services - Roads	217,830	0.08	250,000	0.09	215,000	0.07
636003	Admin Services-Refuse	72,200	0.03	69,650	0.03	80,450	0.02
636004	Admin Services-Water Distribution	642,410	0.25	817,700	0.30	864,650	0.27
636006	Administrative Services-Self Insurance	323,640	0.13	356,650	0.13	349,450	0.11
636007	Administrative Services-P&F Pension	1,000	0.00	1,000	0.00	1,000	0.00
636008	Labor Services - Roads	888,770	0.34	1,000,000	0.37	970,000	0.30
636009	Labor Services - Cross Charges	6,130	0.00	12,000	0.00	7,000	0.00
636010	Labor Services - Fleet Maintenance	43,030	0.02	58,000	0.02	55,000	0.02
636012	Supplies & Gasoline Revenue	93,440	0.04	90,000	0.03	100,000	0.03
636013	Parts-Vehicle Maintenance	110,310	0.04	115,000	0.04	115,000	0.04
637000	Parks & Recreation Fees	1,163,190	0.45	1,205,000	0.45	1,100,000	0.34
637001	Baseball Registration Fees	86,580	0.03	100,000	0.04	100,000	0.03
637002	Treasury Transfer & Late Fees	75,150	0.03	78,000	0.03	80,000	0.02
637003	Basketball Registration Fees	0	0.00	54,650	0.02	57,000	0.02
637004	Community Garden Plot Rental	0	0.00	9,600	0.00	9,600	0.00
637005	Recreating Recreation Collections	0	0.00	0	0.00	304,000	0.09

TOTAL CITY BUDGETED FUNDS REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
637006	Nature Center Fees	0	0.00	0	0.00	46,400	0.01
638000	Transport Fees	4,631,490	1.80	4,235,150	1.57	4,750,000	1.46
640000	5% Cash Deposit	2,540	0.00	3,000	0.00	3,000	0.00
640001	Weed Cutting	73,010	0.03	64,000	0.02	68,000	0.02
640002	Board of Zoning Appeals Fees	12,510	0.00	13,000	0.00	13,000	0.00
640003	Tree Sales & Planting	40,320	0.02	50,000	0.02	25,000	0.01
640004	Ordinance Board of Appeals Fees	75,940	0.03	57,000	0.02	65,000	0.02
642000	Water Services	16,160,360	6.26	19,231,000	7.14	19,628,800	6.02
642001	Fixed Charges - Water	5,621,870	2.18	5,911,200	2.20	6,369,100	1.95
642002	Collections - Sewer	29,703,250	11.51	31,815,700	11.82	33,320,500	10.22
642003	Fixed Charges - Sewer	3,458,300	1.34	3,572,900	1.33	3,866,400	1.19
642004	Penalties - Water & Sewer	488,720	0.19	400,000	0.15	500,000	0.15
642005	Industrial & Pollution Surcharge	403,400	0.16	400,000	0.15	400,000	0.12
642009	Billing Credits - Auto Pay	(203,420)	(0.08)	(225,000)	(0.08)	(330,000)	(0.10)
	Total Charges for Services	72,654,840	28.16	78,765,100	29.25	82,890,150	25.43
	<u>OTHER REVENUE</u>						
451000	Special Assessment Revenue	162,500	0.06	145,900	0.05	127,450	0.04
451002	Special Assessment Interest	37,250	0.01	35,900	0.01	25,250	0.01
625001	Interpreter Fees	16,440	0.01	17,000	0.01	17,000	0.01
642007	Parks & Recreation Retail Sales	2,060	0.00	1,000	0.00	1,000	0.00
642008	Library Book Sales	80	0.00	50	0.00	50	0.00
665000	Interest on Investments	4,996,260	1.94	3,359,080	1.25	3,949,300	1.21
665001	Interest on Bond Proceeds	31,820	0.01	0	0.00	0	0.00
665005	Interest Income - Federal Forfeiture	62,410	0.02	34,000	0.01	64,000	0.02
665006	Interest Income - Treasury Forfeiture	24,460	0.01	16,000	0.01	19,000	0.01
665007	Interest Income - State Forfeiture	23,820	0.01	19,000	0.01	21,000	0.01
665008	Interest Income - Gambling Forfeiture	40,480	0.02	29,500	0.01	24,500	0.01
665009	Interest Income - OWI Forfeiture	2,590	0.00	2,000	0.00	4,000	0.00
665010	Interest & Penalties - Tax Roll	339,660	0.13	330,000	0.12	350,000	0.00
665011	Interest Income - ACT 302 Training	2,610	0.00	1,400	0.00	5,000	0.00
667001	Rental Income - DPS	442,160	0.17	459,050	0.17	443,550	0.14
667002	Rental - DPW - Impound Lot	73,500	0.03	63,000	0.02	63,000	0.02
667005	Rental - Towers	166,240	0.06	248,350	0.09	236,050	0.07
667006	Rental Income Smart Incubator	296,540	0.11	291,000	0.11	400,000	0.12
667007	Rental - Road Equipment	871,350	0.34	1,000,000	0.37	915,000	0.28
667008	Rental - Equipment - Cross Charges	5,000	0.00	8,000	0.00	8,000	0.00
670001	Unrealized Gain/Loss	2,355,220	0.91	0	0.00	0	0.00
673000	Sale of Fixed Assets	201,390	0.08	75,000	0.03	112,000	0.03
674006	Contributions & Donations	14,090	0.01	15,000	0.01	25,000	0.01
674007	Donations - Parks & Recreation	77,300	0.03	61,000	0.02	65,000	0.02
674009	Sterlingfest Revenue	393,870	0.15	429,960	0.16	450,000	0.14
676000	Reimbursements	1,530,380	0.59	2,003,890	0.74	855,000	0.26
676001	Reimbursements - Legal	14,140	0.01	25,000	0.01	25,000	0.01
676002	Reimbursements - Wages	0	0.00	177,550	0.07	315,000	0.10
676003	O.U.I.L. Recovery	34,800	0.01	25,000	0.01	25,000	0.01
676004	Warrant Arrest Processing Fee	0	0.00	0	0.00	0	0.00
677000	Miscellaneous Revenue	392,560	0.15	183,000	0.07	190,000	0.06
677003	Opioid Settlement Revenue	843,430	0.33	114,200	0.04	411,300	0.13
677004	Misc. Revenue - MCPWC	474,820	0.18	100,000	0.04	100,000	0.03

TOTAL CITY BUDGETED FUNDS REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
677005	Misc. Revenue - State Forfeiture	360	0.00	910	0.00	0	0.00
677008	Misc. Revenue - Library	10,840	0.00	10,000	0.00	10,000	0.00
687000	Refunds & Rebates	28,810	0.01	28,300	0.01	50,000	0.02
687001	DC Plan Forfeitures	89,800	0.03	0	0.00	0	0.00
698000	Insurance Recovery & Subrogation	23,690	0.01	61,000	0.02	25,000	0.01
	Total Other Revenue	14,082,730	5.46	9,370,040	3.48	9,331,450	2.75
477000	Cable TV Revenue	1,763,680	0.68	1,800,000	0.67	1,600,000	0.49
	Total City Budgeted Funds	\$257,995,950	100.00	\$269,259,210	100.00	\$326,101,150	100.00

Note: The Actual Column is rounded to the nearest \$10. Totals may not foot due to rounding.

TOTAL CITY BUDGETED FUNDS EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>PERSONNEL SERVICES</u>						
703000	Wages-Elected & Appointed	\$274,360	0.11	\$297,800	0.10	\$305,800	0.10
704000	Wages & Salaries-Permanent	42,418,950	16.60	49,247,950	16.91	53,976,200	16.87
704001	Sick Time Buy Back	576,090	0.23	477,050	0.16	476,550	0.15
704002	Health Insurance Allowance	184,250	0.07	189,000	0.06	192,000	0.06
705000	Wages-Salaries - Temp/Part Time	4,085,150	1.60	5,004,530	1.72	5,496,400	1.72
706000	Wages-Salaries - Occasional	55,230	0.02	220,000	0.08	125,000	0.04
708000	Overtime	4,427,400	1.73	3,610,000	1.24	3,701,650	1.16
708001	Compensatory Time Buy Back	2,428,540	0.95	1,508,730	0.52	1,412,400	0.44
708003	Overtime - F.L.S.A.	60,200	0.02	85,000	0.03	65,200	0.02
709000	Other Benefits/Reimbursements	150,120	0.06	158,150	0.05	159,300	0.05
710000	Longevity	869,090	0.34	916,160	0.31	986,100	0.31
711000	Holiday Pay	1,403,500	0.55	1,542,800	0.53	1,686,100	0.53
713500	Car Allowance	4,000	0.00	5,000	0.00	4,000	0.00
714000	Food Allowance	119,790	0.05	120,000	0.04	125,000	0.04
715000	Clothing Allowance	398,770	0.16	413,350	0.14	426,850	0.13
717000	FICA	2,283,450	0.89	2,663,150	0.91	2,906,450	0.91
718000	Worker's Compensation	471,670	0.18	516,300	0.18	573,700	0.18
719000	Unemployment Compensation	10,980	0.00	10,000	0.00	10,000	0.00
720000	Pension-General Emp Retirement	4,492,650	1.76	4,486,600	1.54	4,572,700	1.43
720001	Pension-Police and Fire Retirement	13,917,720	5.45	14,754,000	5.07	15,548,550	4.86
720002	Defined Contribution - Employer	906,840	0.35	1,196,110	0.41	1,469,950	0.46
721000	Health Insurance	8,965,210	3.51	8,119,350	2.79	8,608,200	2.69
721001	Health Insurance - Retirees	7,963,910	3.12	7,166,400	2.46	6,856,150	2.14
721003	Retiree Health Savings - City	908,960	0.36	1,044,400	0.36	1,211,600	0.38
722000	Dental Insurance	482,360	0.19	503,800	0.17	559,300	0.17
723000	Life Insurance	103,660	0.04	115,300	0.04	126,950	0.04
724000	Eye Care Insurance	43,260	0.02	46,900	0.02	48,750	0.02
725000	Disability Insurance - Long Term	90,320	0.04	106,200	0.04	118,000	0.04
725001	Disability Insurance - Short Term	242,810	0.10	280,850	0.10	311,100	0.10
	Total Personnel Services	98,339,240	38.49	104,804,880	35.99	112,059,950	35.03
	<u>SUPPLIES</u>						
729000	Postage	445,210	0.17	468,600	0.16	439,150	0.14
730000	Publications	34,830	0.01	38,600	0.01	24,200	0.01
741000	Ammunition	77,670	0.03	81,410	0.03	95,000	0.03
742000	Dog Care Supplies	9,750	0.00	13,400	0.00	13,400	0.00
750000	Fuels & Lubricants	855,510	0.33	942,500	0.32	904,350	0.28
750001	Fuel & Lubricant Inventory	25,490	0.01	26,400	0.01	26,950	0.01
751000	Operating Supplies	927,970	0.36	1,043,960	0.36	968,700	0.30
751001	Operating Supplies - Federal Funds	0	0.00	1,200	0.00	1,200	0.00
752002	Operating Supplies - Non Fed. Funds	22,590	0.01	50,000	0.02	30,250	0.01
752003	Supplies - School Programs	10,940	0.00	11,600	0.00	11,600	0.00
758000	Computer Software	260	0.00	1,500	0.00	1,500	0.00
759000	Parts & Sublet Services	771,490	0.30	834,500	0.29	850,000	0.27
761000	Program Activity Supplies	218,320	0.09	289,600	0.10	289,850	0.09
762000	Seniors Program Supplies	29,540	0.01	35,600	0.01	35,750	0.01
770000	Water Meters - Assembled	59,580	0.02	105,000	0.04	107,000	0.03
771000	Fire Hydrant Parts	13,490	0.01	35,000	0.01	35,700	0.01
772000	Tap-In Materials - Water	69,570	0.03	110,000	0.04	112,000	0.04
774000	Water Meter Parts	6,590	0.00	21,000	0.01	21,400	0.01
785000	Library Collections	227,980	0.09	236,000	0.08	263,050	0.08

TOTAL CITY BUDGETED FUNDS EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	Total Supplies	3,806,780	1.49	4,345,870	1.49	4,231,050	1.32
	<u>OTHER CHARGES</u>						
802000	Audit & Accounting Services	125,840	0.05	137,800	0.05	123,200	0.04
803000	Computer Consultant Services	0	0.00	7,140	0.00	3,000	0.00
805000	Administrative Services	528,460	0.21	479,850	0.16	592,810	0.19
805001	Management Services	150,000	0.06	150,000	0.05	150,000	0.05
806000	Legal Services - Other	413,820	0.16	641,250	0.22	708,390	0.22
806001	Legal Services - City Attorney	994,680	0.39	1,022,500	0.35	1,022,500	0.32
806002	Legal Services - Judges	12,160	0.00	14,000	0.00	10,200	0.00
807000	Medical Services	41,440	0.02	41,350	0.01	40,300	0.01
807001	Medical Services - Grant	154,640	0.06	0	0.00	0	0.00
808000	Reporting Services	27,900	0.01	27,000	0.01	28,100	0.01
810000	Other Fees	476,950	0.19	531,600	0.18	519,750	0.16
815000	Liability Insurance	1,770,440	0.69	1,770,450	0.61	1,771,700	0.55
915000	Other Insurance	0	0.00	600,000	0.21	660,000	0.21
818000	Software Maintenance Fees	1,618,070	0.63	1,885,290	0.65	2,257,600	0.71
819000	Interpreter Fees	84,750	0.03	61,800	0.02	65,000	0.02
819001	Witness Fees	60	0.00	500	0.00	0	0.00
819002	Juror Fees	3,430	0.00	5,000	0.00	5,000	0.00
819003	Investigators & Experts	0	0.00	12,500	0.00	12,500	0.00
820000	Weed Cutting	61,780	0.02	50,000	0.02	50,000	0.02
822000	Rubbish Removal	5,584,490	2.19	7,851,800	2.70	8,073,400	2.52
826000	Other Contracted Services	7,757,840	3.04	10,064,830	3.46	10,634,300	3.32
826001	Other Contracts	94,650	0.04	114,400	0.04	120,000	0.04
826002	Marketing	93,540	0.04	179,600	0.06	139,250	0.04
826003	Contracted Services - Safe Home	40	0.00	10,000	0.00	10,000	0.00
826004	Other Contracted Services - Grant	186,920	0.07	1,767,980	0.61	267,000	0.08
826005	Programs	335,810	0.13	413,000	0.14	563,000	0.18
826006	Provided Marketing and Cons. Serv	19,500	0.01	0	0.00	0	0.00
826007	Nuisance Abatement Expense	173,510	0.07	200,000	0.07	200,000	0.06
826008	Contracted Serv. -Nuisance Abatements	(34,500)	(0.01)	0	0.00	0	0.00
826009	Subrecipient Funding	98,510	0.04	194,200	0.07	242,900	0.08
826014	Animal Collection	57,930	0.02	70,000	0.02	85,000	0.03
826016	Water Tap Install - Contractor	40,400	0.02	75,000	0.03	75,000	0.02
827000	Interfund Services	2,550,500	1.00	2,858,050	0.98	3,417,650	1.07
829000	Hazardous Waste Disposal	1,730	0.00	2,900	0.00	2,900	0.00
830000	Recruiting Costs	7,920	0.00	40,500	0.01	52,500	0.02
880000	Community Promotion	43,540	0.02	80,400	0.03	1,500	0.00
902000	Publishing	15,620	0.01	28,650	0.01	23,900	0.01
903000	Printing	159,010	0.06	170,250	0.06	176,100	0.06
921000	Electric	832,080	0.33	867,200	0.30	918,700	0.29
922000	Telephone	141,830	0.06	161,850	0.06	147,250	0.05
922001	Fiber Optic Lease Charges	65,860	0.03	66,600	0.02	65,850	0.02
923000	Gas - Fuel - Oil	240,320	0.09	272,500	0.09	266,900	0.08
924000	Street Lighting	885,640	0.35	880,000	0.30	1,045,000	0.33
925000	Water	481,550	0.19	540,300	0.19	524,800	0.16
926000	Water Purchased	16,267,120	6.37	17,272,600	5.93	18,042,500	5.64
927000	Sewage Disposal	21,506,420	8.42	22,565,500	7.75	23,718,300	7.41
927001	Industrial & Pollution Surcharge	402,110	0.16	400,000	0.14	400,000	0.13
930000	Building Maintenance	568,480	0.22	560,650	0.19	581,450	0.18
930001	Equipment Maintenance	371,850	0.15	433,090	0.15	436,350	0.14

TOTAL CITY BUDGETED FUNDS EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
930003	Vehicle Maintenance	174,630	0.07	196,300	0.07	170,300	0.05
930004	Radio Maintenance	21,060	0.01	9,250	0.00	27,950	0.01
930005	Retention Pond Maintenance	103,630	0.04	125,000	0.04	127,500	0.04
930006	Parks & Grounds Maintenance	0	0.00	110,700	0.04	135,800	0.04
931000	Water Main Repair	509,630	0.20	525,000	0.18	535,000	0.17
931001	Distribution Line Repair	199,000	0.08	225,000	0.08	228,500	0.07
931002	Sewer Main Repair	11,610	0.00	50,000	0.02	51,000	0.02
942000	Building Rental	26,520	0.01	28,000	0.01	32,000	0.01
944000	Hydrant Rental	187,900	0.07	193,500	0.07	197,350	0.06
945000	Other Rental	830,690	0.33	935,000	0.32	902,900	0.28
955000	Mileage	820	0.00	900	0.00	400	0.00
956000	Local Meetings	21,340	0.01	25,650	0.01	26,800	0.01
956001	Special Events	45,450	0.02	96,100	0.03	98,100	0.03
956002	Sterlingfest	388,620	0.15	436,050	0.15	450,000	0.14
957000	Memberships & Dues	194,950	0.08	222,850	0.08	218,450	0.07
958000	Education & Training	378,280	0.15	622,300	0.21	617,800	0.19
958001	Education & Training - Grant	5,120	0.00	14,900	0.01	14,900	0.00
958003	Education & Training - Act 302	0	0.00	0	0.00	157,000	0.05
958004	Tuition Reimbursement - Police	5,000	0.00	5,000	0.00	14,000	0.00
958006	Tuition Reimbursement - Fire	0	0.00	12,000	0.00	12,000	0.00
958999	Education & Training	11,280	0.00	11,650	0.00	11,650	0.00
959000	Donation Expense Non-Capital	10,870	0.00	5,100	0.00	4,000	0.00
962000	Miscellaneous Expense	895,220	0.35	972,600	0.33	1,016,500	0.32
962001	Misc Exp - Cash - Short/Over	170	0.00	0	0.00	0	0.00
962004	Miscellaneous - Household Assistance	4,000	0.00	4,000	0.00	0	0.00
962005	Home Improvement Assistance	281,130	0.35	0	0.10	0	0.00
962007	Misc. Expense - Investigations	56,080	0.02	42,000	0.01	42,000	0.01
963000	Miscellaneous Programs	78,550	0.03	0	0.00	0	0.00
963003	Miscellaneous - Job Retention Grant	3,440	0.00	5,100	0.00	0	0.00
964000	Refunds & Rebates	5,530	0.00	6,500	0.00	6,500	0.00
967000	Lakeside Development	33,050	0.01	386,000	0.13	200,000	0.06
967001	Lakeside Development Expenditures	1,000,000	0.39	2,000,000	0.69	0	0.00
	Total Other Charges	70,898,210	27.99	82,846,330	28.55	83,549,950	26.12
	<u>OTHER SERVICES</u>						
820002	Grass & Weed Control	348,110	0.14	358,000	0.12	358,000	0.11
820003	Grass & Weed Control - County	155,030	0.06	215,000	0.07	315,000	0.10
820004	Grass & Weed Control - State	321,200	0.13	280,500	0.10	285,000	0.09
820005	Tree & Shrub Maintenance	784,550	0.31	887,700	0.30	629,500	0.20
820006	Tree & Shrub Maint. - County	8,040	0.00	30,500	0.01	30,500	0.01
820007	Tree & Shrub Maintenance - State	17,270	0.01	20,000	0.01	20,000	0.01
820008	Tree & Shrub Maintenance - Grant	138,880	0.05	0	0.00	0	0.00
860000	Access Road Maintenance	92,710	0.04	78,800	0.03	78,000	0.02
861000	Bridge Maintenance	8,000	0.00	20,000	0.01	20,000	0.01
861001	Bridge Maintenance - County	2,200	0.00	0	0.00	0	0.00
862000	Surface Maintenance	602,340	0.24	652,510	0.22	660,000	0.21
862001	Surface Maintenance - County	0	0.00	2,000	0.00	2,000	0.00
862011	2020 Joint Sealing Program	0	0.00	160,000	0.05	100,000	0.03
863000	Shoulder Maintenance	7,690	0.00	11,000	0.00	11,200	0.00
863001	Shoulder Maintenance - County	0	0.00	500	0.00	500	0.00
864000	Sweeping & Flushing	434,500	0.17	382,000	0.13	435,000	0.14
864001	Sweeping & Flushing - County	70,430	0.03	65,000	0.02	66,000	0.02

TOTAL CITY BUDGETED FUNDS EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
864002	Sweeping & Flushing - State	17,760	0.01	18,500	0.01	18,800	0.01
866000	Roadside Cleanup	17,410	0.01	32,500	0.01	32,000	0.01
866001	Roadside Cleanup - County	22,470	0.01	36,500	0.01	36,500	0.01
866002	Roadside Cleanup - State	46,130	0.02	65,000	0.02	65,000	0.02
867000	Curb & Gutter Maintenance	1,280	0.00	3,500	0.00	3,500	0.00
868000	Storm Drain Maintenance	488,250	0.19	512,500	0.18	522,500	0.16
869000	Snow & Ice Removal	523,870	0.21	950,000	0.33	955,000	0.30
870000	Traffic Signs/Signals	338,900	0.13	275,000	0.09	290,000	0.09
870001	Traffic Signs/Signals - County	550	0.00	0	0.00	0	0.00
870002	Pavement Markings	2,140	0.00	69,490	0.02	72,000	0.02
	Total Other Services	4,449,710	1.05	5,126,500	1.15	5,006,000	1.05
	<u>CAPITAL OUTLAY</u>						
971000	Land Acquisition	169,490	0.07	29,380	0.01	2,000,000	0.63
972005	Dodge Park Improvements	28,650	0.01	0	0.00	0	0.00
972008	Park Improvements	84,950	0.03	479,690	0.16	225,000	0.07
972012	Community Garden	24,000	0.01	1,099,950	0.38	0	0.00
975000	Buildings & Improvements	625,440	0.24	987,900	0.34	1,182,000	0.37
975001	Municipal Bldg Modernization	182,930	0.07	476,920	0.16	100,000	0.03
975002	Library Renovations	37,520	0.00	120,000	0.00	0	0.00
975003	DPW Building	161,000	0.06	655,060	0.22	0	0.00
975005	DPW Storage Facilities	9,980	0.00	0	0.00	0	0.00
975011	Fire Station Renovations	0	0.00	0	0.00	4,500,000	1.41
975012	Misc. Fire Station Improvements	291,950	0.11	112,940	0.04	0	0.00
975019	Nature Preserve Trail	0	0.00	0	0.00	3,000,000	0.94
975020	Pickleball Complex	0	0.00	0	0.00	10,000,000	3.13
975021	Rotary Park Improvements	0	0.00	0	0.00	7,500,000	2.34
975022	Red Run Park Improvements	0	0.00	0	0.00	4,000,000	1.25
979000	Computer Equipment	325,820	0.13	250,600	0.09	1,361,300	0.43
979003	Financial System - Hardware	64,840	0.03	148,500	0.05	190,200	0.06
979006	Police Department - Car Computers	0	0.00	0	0.00	112,500	0.04
979007	Police Department -Software	0	0.00	17,000	0.01	0	0.00
979011	Fire Department - Hardware	71,690	0.03	77,500	0.03	20,600	0.01
982000	Machinery & Equipment	493,220	0.19	1,094,560	0.38	528,900	0.17
982001	Machinery & Equipment - Grant	454,850	0.18	460,690	0.16	0	0.00
984000	Vehicles	3,071,220	1.20	6,174,130	2.12	2,901,000	0.91
984001	Vehicles - Police Up fitting	188,440	0.07	249,910	0.09	210,000	0.07
986000	Major Drain Improvement	622,580	0.24	275,640	0.09	188,700	0.06
987000	Public Art	27,440	0.01	360,230	0.12	0	0.00
988000	Construction	671,560	0.26	22,770,900	7.82	16,063,000	5.02
988052	Velocity Parking Lot Repairs	0	0.00	513,190	0.18	0	0.00
988053	Gardner Street East	5,060	0.00	324,310	0.11	0	0.00
988076	M-59 Regional Median Improvements	0	0.00	18,220	0.01	0	0.00
988116	Mound Rd Reconst. I-696 to M-59	9,901,380	3.88	5,070,640	1.74	0	0.00
988117	Merrill Rd - 18-1/2 Mile to Dobry	300	0.00	0	0.00	0	0.00
988118	Gibson Drain Ch21 Drain	0	0.00	18,690	0.01	0	0.00
988124	Schoenherr - Plumbrook to Clinton Rvr	650	0.00	0	0.00	0	0.00
988130	19 Mile - Schoenherr to Clinton Rvr	3,150	0.00	0	0.00	0	0.00
988139	Sidewalk Repairs 14 Mile	21,440	0.01	692,800	0.24	0	0.00
988140	Metro Pkwy - Andrew to Dodge Park	9,120	0.00	801,860	0.28	0	0.00
988143	2022 Sidewalk Replacement Program	9,250	0.00	0	0.00	0	0.00
988144	Asphalt Resurfacing Fire Station	3,960	0.00	0	0.00	0	0.00

TOTAL CITY BUDGETED FUNDS EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
988145	Orban Drive Reconstruction	110	0.00	0	0.00	0	0.00
988146	Metro Pkwy - Ryan to Dequindre	18,440	0.01	0	0.00	0	0.00
988147	Ryan Road Resurfacing - Metro Pkwy	996,290	0.00	499,140	0.17	0	0.00
988148	2022 Concrete Sectional Replacement	15,560	0.01	0	0.00	0	0.00
988149	2022 Local Road Concrete Reconstr.	(13,500)	(0.01)	0	0.00	0	0.00
988150	Plumbrook Road Resurfacing	3,554,410	1.39	19,820	0.01	0	0.00
988152	Ryan Road Concrete Repairs	4,890	0.00	0	0.00	0	0.00
988153	Hayes Resurfacing - 18 Mile Rd to M59	60	0.00	0	0.00	0	0.00
988154	ITC Corr. Edison Court to Hall Road	126,700	0.05	2,447,620	0.84	0	0.00
988155	2022 Transportation Asset Mgmt Prgm	300	0.00	21,850	0.01	0	0.00
988156	14M & Van Dyke Innovation/Def Dist.	12,100	0.00	0	0.00	0	0.00
988158	Schoenherr Rd Resurfacing - 19 Mile Rd	1,397,590	0.55	428,620	0.15	0	0.00
988159	14 Mile Rd Resurfacing - Hayes	1,094,800	0.43	436,460	0.15	0	0.00
988160	Metro Pkwy Resurfacing - Mound Rd	1,956,650	0.77	582,420	0.20	0	0.00
988161	17 Mile Rd Bridge Replacement	636,830	0.25	340,940	0.12	0	0.00
988162	Metro Pkwy Study Mound to Van Dyke	19,750	0.01	93,240	0.03	0	0.00
988166	2023 Concrete Sectional Repair Prog.	1,950,430	0.76	155,090	0.05	0	0.00
988167	2023 Concrete Replacement Program	2,885,310	1.13	257,710	0.09	0	0.00
988168	Bonneville Drive Reconstruction	194,530	0.08	0	0.00	0	0.00
988169	Brentwood Drive Reconstruction	437,600	0.17	0	0.00	0	0.00
988170	Pondview Drive Reconstruction	885,450	0.35	14,560	0.01	0	0.00
988171	2023 Pedestrian Improvements	77,130	0.03	22,880	0.01	0	0.00
988172	City Hall West Parking Lot Impr.	28,620	0.01	0	0.00	0	0.00
988173	Metro Parkway Concrete	313,720	0.12	192,480	0.07	0	0.00
988174	Maple Lane Drive Developments	1,232,970	0.48	48,820	0.02	0	0.00
988175	M59 Shared Trail Dequindre - Van Dyke	250,870	0.10	680,120	0.23	0	0.00
988176	Moravian Dr. Resurfacing - Schoenherr	37,830	0.01	1,690,170	0.58	0	0.00
988178	Edison Court	17,320	0.01	616,380	0.21	0	0.00
988179	Lakeside Island Bridge	88,050	0.03	1,668,530	0.57	0	0.00
988180	2023 Sidewalk Gap Program	426,580	0.17	358,120	0.12	0	0.00
988181	M59 Rail Installation Dequindre	0	0.00	2,504,440	0.86	0	0.00
988183	M-53 Improvements - 18 Mile Rd	37,450	0.01	545,750	0.19	0	0.00
	Total Capital Outlay	36,246,720	13.78	56,906,370	19.50	54,083,200	16.91
	DEBT SERVICE						
992000	Principal	11,136,500	4.36	11,427,950	3.92	13,860,300	4.33
992001	Principal - Capital Bonds	1,040,000	0.41	1,075,000	0.37	1,110,000	0.35
993000	Interest	4,752,200	1.86	4,431,050	1.52	6,095,850	1.91
993002	Interest - MID	2,681,830	1.05	2,411,800	0.83	2,474,500	0.77
	Total Debt Service	19,610,530	7.68	19,345,800	6.64	23,540,650	7.36
	TRANSFERS OUT						
995101	Transfer to General Fund	2,500	0.00	2,500	0.00	2,500	0.00
995202	Transfer to Major Road Fund	1,000,000	0.39	1,000,000	0.34	500,000	0.16
995208	Transfer to P&R Fund	3,256,170	1.27	3,247,900	1.12	3,247,900	1.02
995301	Transfer to LTGO Debt Fund	2,962,360	1.16	2,958,400	1.02	6,560,350	2.05
995340	Transfer to Road Bond Debt	4,801,430	1.88	4,800,000	1.65	4,800,000	1.50
995401	Transfer to Capital Projects Fund	5,590,000	2.19	5,804,200	1.99	6,696,450	2.09
995404	Transfer to Facilities Fund	4,500,000	1.76	0	0.00	0	0.00
995406	Transfer to Sidewalk Rep. & Repl. Fund	0	0.00	0	0.00	10,000,000	3.13
995407	Transfer to Tree Preservation Fund	0	0.00	0	0.00	600,000	0.19
	Total Transfers Out	22,112,460	8.66	17,813,000	6.12	37,407,200	11.69
	Total City Budgeted Funds	\$255,463,650	100.00	\$291,188,750	100.00	\$319,878,000	100.00

**YEAR-END
NET POSITION COMPARISON
NON-BUDGETARY FUNDS**

Fund No.	Fund Name	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24 Actual
	PROPRIETARY FUNDS					
	<u>ENTERPRISE FUND</u>					
592	Water & Sewer Fund	\$13,145,167	\$14,763,753	\$12,591,003	\$12,537,662	\$16,936,846
	<u>INTERNAL SERVICE FUND</u>					
677	Self-Insurance Fund	6,231,018	5,022,857	4,080,328	2,676,434	2,757,193
	Total Proprietary Funds	19,376,185	19,786,610	16,671,331	15,214,096	19,694,039
	FIDUCIARY FUNDS					
	<u>TRUST FUNDS</u>					
731	General Employees Retirement System	102,783,780	125,747,503	101,257,884	104,544,764	107,602,473
732	Police & Fire Retirement System	207,375,720	267,892,453	219,710,351	236,079,647	246,252,997
737	Retiree Medical Benefits Fund	123,037,940	165,342,379	139,306,439	156,402,366	170,405,550
	Total Fiduciary Funds	433,197,440	558,982,335	460,274,674	497,026,777	524,261,020
	Total All Non-Budgetary Funds	\$452,573,625	\$578,768,945	\$476,946,005	\$512,240,873	\$543,955,059

This informational schedule is included in the budget document to illustrate fund balance reserves or "net position" of the City's non-budgeted funds. The net positions shown are recorded in the City's audited financial statements as of June 30th for each fiscal year end. By listing these net positions as supplementary information, all City Funds' reserves or net positions are now reflected in the City's budget document.

In accordance with the State's Uniform Budgeting Act and the City Charter, the City produces a budget for the required governmental fund types including the General Fund and Special Revenue Funds. Though not required, we also produce a budget for the Debt Service Funds, Capital Project Funds, Water & Sewer Operating Fund, and Component Units.

The Funds listed on this informational page do not require a budget. However, many of their revenues and expenditures are directly budgeted in other City Funds. For example, the Self-Insurance Fund, Retiree Medical Benefits Fund, and the General Employees and Police & Fire Retirement Systems derive most of their revenue from budgeted cross-charges from the General Fund and Water & Sewer Operating Fund. The Trust Funds are managed based on actuarial methods and assumptions approved by their fiduciary boards and by approved labor contracts. The Trust Funds' net position, however, has not been netted against long-term actuarially determined liabilities. The net position of the Trust Funds is restricted for future benefit payments. The net position of the Retiree Medical Benefits Fund excludes the provision for uninsured liabilities in order to reflect the amount of funds available to pay benefits as calculated in the retiree health actuarial study. The Water & Sewer Fund is used to record water & sewer operations, as well as water & sewer main improvements adopted by the City Council and found in the City's Capital Improvement Plan. The net position shown for the Water & Sewer Fund excludes investments in capital assets and amounts for long-term actuarially determined liabilities. The net position represents funds available for the completion of the City's water & sewer main system and for future infrastructure replacement needs as the City matures.

General Fund

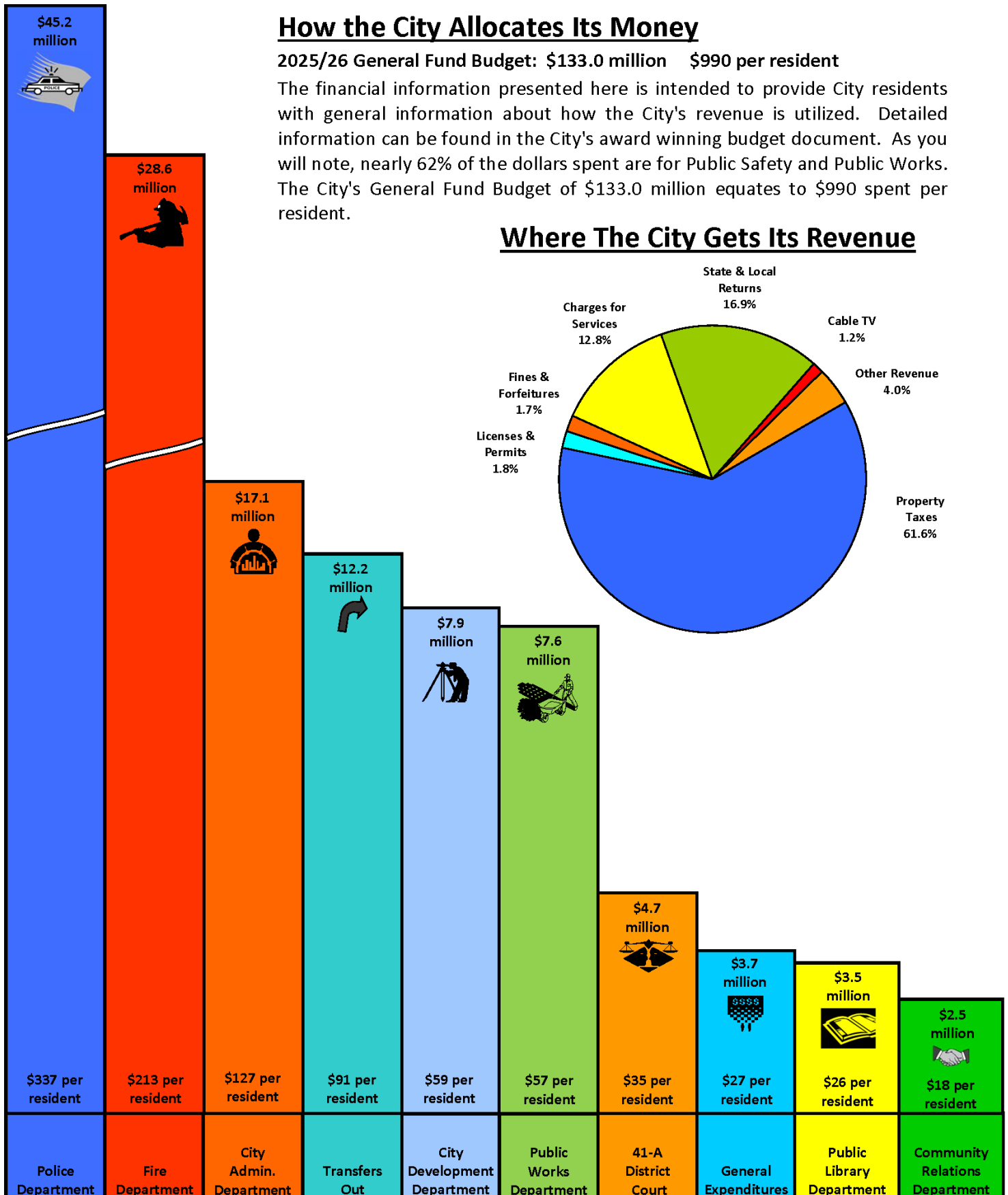


The General Fund is the City's major operating fund, providing the majority of the services available to our residents.

The services provided include City Administration, Public Library, Police, Fire, Public Works, City Development, Community Relations and the 41-A District Court.

Local property taxes and state shared revenues are the primary sources of revenue used to fund these services.

The General Fund also provides for Police and Fire Pensions. Revenue to cover this expenditure is generated by taxes levied exclusively for this purpose.



Trends & Summaries



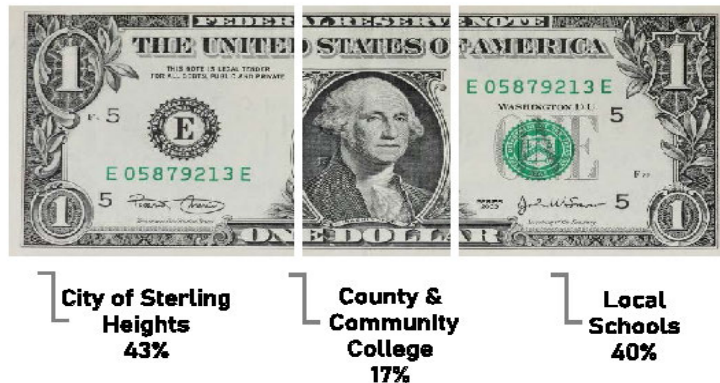
The Trends & Summaries section presents a concise synopsis of the General Fund's historical trends. Included is a wealth of useful information, both financial and demographic in nature, which should answer any questions the reader may have regarding the history behind the numbers. This history allows the reader to develop an idea of where Sterling Heights has come from and in what direction the community intends to go.

Graphs, tables and schedules numerically depict the relationship between revenues and expenditures. Historical data is presented by budgetary center, activity, and account.

Have you ever wondered how much of your total property tax bill goes to pay for City services and what you receive in City services for your tax dollar?

The average residential property tax bill is \$4,056 for those in the Utica Community School district and \$4,532 for those in the Warren Consolidated School district. Of this amount, the City receives 43%, or \$1,809, to fund all local City services such as police and fire protection, refuse collection, and snow plowing services. The average homeowner pays \$151 per month in City taxes.

	Utica Schools	Warren Schools
Average Residential Total Property Tax Bill: <i>(based on home with a market value of \$302,000 and taxable value of \$103,185)</i>	\$4,056	\$4,532
Average Residential Property Tax (City Portion Only):	\$1,809	\$1,809



The City of Sterling Heights spends an average of \$3,810 per parcel on the following general public programs and services. The funds are distributed as follows:

Cost of City Services			
Service	City Average Cost	% of Total	Average Residential Tax Paid Toward Service
Police Department	\$1,082	28 %	\$513
Fire Department	\$682	18 %	\$324
City Administration Department	\$408	11 %	\$194
Parks & Recreation	\$274	7 %	\$130
General Expenditures & Transfers	\$229	6 %	\$109
Refuse	\$202	5 %	\$96
City Development Department	\$187	5 %	\$89
Public Works	\$183	5 %	\$87
Pathways & Preservation	\$133	3 %	\$63
41-A District Court	\$110	3 %	\$52
Local Roads	\$107	3 %	\$51
Public Library Department	\$84	2 %	\$40
Debt Service	\$72	2 %	\$34
Community Relations Department	\$57	2 %	\$27
Total Per Parcel	\$3,810	100 %	\$1,809

Because the average amount of residential property tax the City receives is only \$1,809, you will see that property taxes for most households are not enough to support the services rendered. To make up the difference, the City relies on property taxes from businesses and other revenue sources such as state revenue sharing, grants, engineering and building permits and fees, court fines, and interest on investments.

RESIDENTIAL TAX RATES

(UTICA COMMUNITY SCHOOLS)

Taxing Entity	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<u>Tax Rate Shown in Mills</u>						
Utica Community Schools	9.500	9.500	9.500	9.500	9.500	9.500
Macomb County	4.415	4.372	4.320	4.320	4.291	4.264
Macomb Community College	1.439	1.425	1.408	1.408	1.398	1.389
Macomb Intermediate School District	4.730	4.685	4.630	4.710	4.770	4.739
Huron Clinton Metro Authority	0.210	0.209	0.207	0.207	0.206	0.205
S.M.A.R.T.	0.983	0.973	0.950	0.950	0.944	0.938
County Zoo/Veterans/DIA/Medical	0.356	0.353	0.355	0.359	0.357	0.354
Property Tax Administration Fee	0.478	0.382	0.378	0.378	0.380	0.389
STERLING HEIGHTS	16.207	16.674	16.380	16.380	16.582	17.532
Total Millage Rates	38.318	38.573	38.128	38.212	38.428	39.310
Average Residential Taxable Value	\$76,930	\$80,990	\$85,660	\$91,930	\$98,340	\$103,185
<u>Average Tax Rates Shown in Dollars</u>						
Utica Community Schools	\$731	\$769	\$814	\$873	\$934	\$980
Macomb County Government	340	354	370	397	422	\$440
Macomb Community College	111	115	121	129	137	\$143
Macomb Intermediate School District	364	379	397	433	469	\$489
Huron Clinton Metro Authority	16	17	18	19	20	\$21
S.M.A.R.T.	76	79	81	87	93	\$97
County Zoo/Veterans/DIA	35	29	30	33	35	\$37
Property Tax Administration Fee	29	31	32	35	37	\$40
STERLING HEIGHTS	1,247	1,350	1,403	1,506	1,631	\$1,809
Total Tax Bill	\$2,949	\$3,123	\$3,266	\$3,512	\$3,778	\$4,056

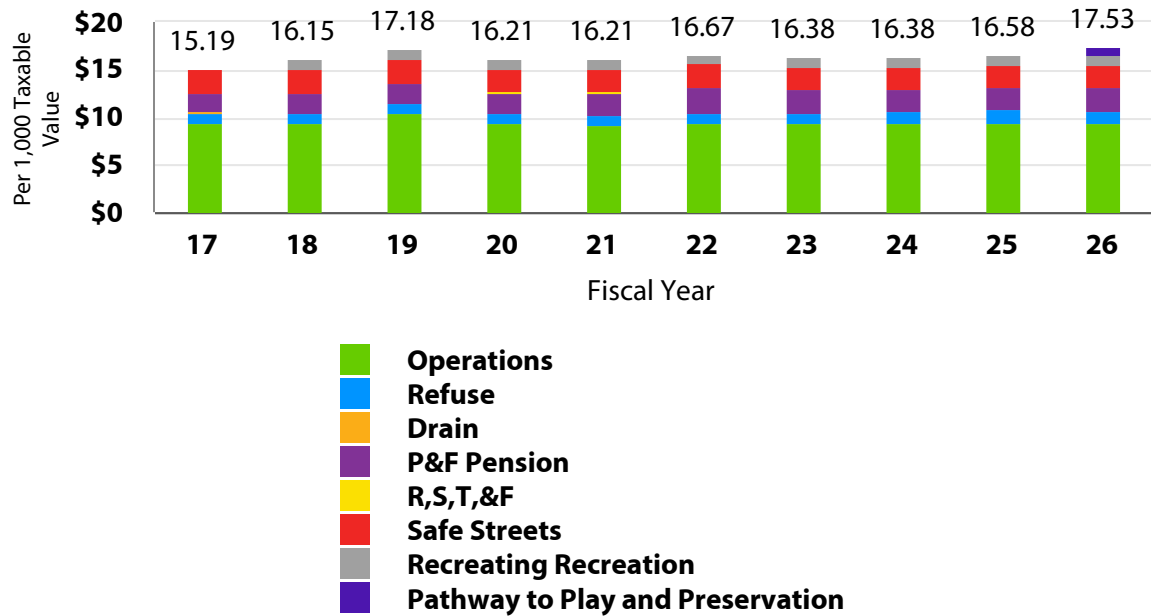
(WARREN CONSOLIDATED SCHOOLS)

Taxing Entity	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<u>Tax Rate Shown in Mills</u>						
Warren Consolidated Schools	16.138	15.845	13.462	14.226	14.060	14.060
Macomb County	4.415	4.372	4.320	4.320	4.291	4.264
Macomb Community College	1.439	1.425	1.408	1.408	1.398	1.389
Macomb Intermediate School District	4.730	4.685	4.630	4.710	4.770	4.739
Huron Clinton Metro Authority	0.210	0.209	0.207	0.207	0.206	0.205
S.M.A.R.T.	0.983	0.973	0.950	0.950	0.944	0.938
County Zoo/Veterans/DIA	0.455	0.353	0.355	0.359	0.357	0.354
Property Tax Administration Fee	0.446	0.445	0.417	0.417	0.426	0.435
STERLING HEIGHTS	16.207	16.674	16.380	16.380	16.582	17.532
Total Millage Rates	45.023	44.981	42.129	42.977	43.033	43.916
Average Residential Taxable Value	\$76,930	\$80,990	\$85,660	\$91,930	\$98,340	\$103,185
<u>Average Tax Rates Shown in Dollars</u>						
Warren Consolidated Schools	\$1,241	\$1,283	\$1,153	\$1,308	\$1,383	\$1,451
Macomb County Government	340	354	370	397	422	\$440
Macomb Community College	111	115	121	129	137	\$143
Macomb Intermediate School District	364	379	397	433	469	\$489
Huron Clinton Metro Authority	16	17	18	19	20	\$21
S.M.A.R.T.	76	79	81	87	93	\$97
County Zoo/Veterans/DIA	35	29	30	33	35	\$37
Property Tax Administration Fee	34	36	36	38	42	\$45
STERLING HEIGHTS	1,247	1,350	1,403	1,506	1,631	\$1,809
Total Tax Bill	\$3,464	\$3,642	\$3,609	\$3,950	\$4,232	\$4,532

Average Total Tax Bill	\$3,207	\$3,383	\$3,438	\$3,731	\$4,005	\$4,294

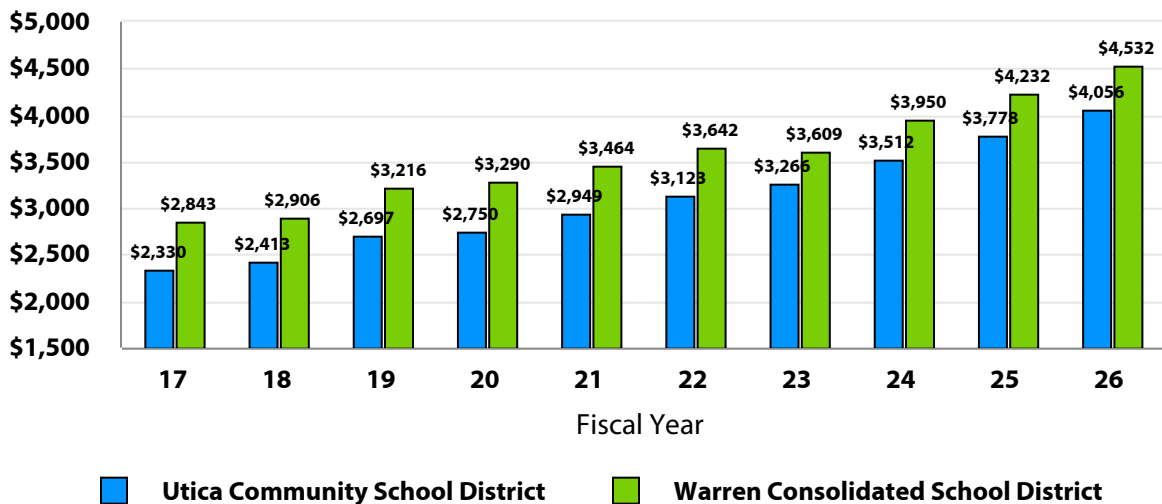
Non-City tax rates are estimated. School rates are for principal residences. Totals may not foot due to rounding.

City of Sterling Heights Millage Rates



This graph illustrates the millage rates for the various City millage levies.

Total Property Tax Bill Average Resident



This graph shows the total property tax bill for the average City resident residing in either the Utica Community School District (UCS) or the Warren Consolidated School District (WCS) for the past 10 years.

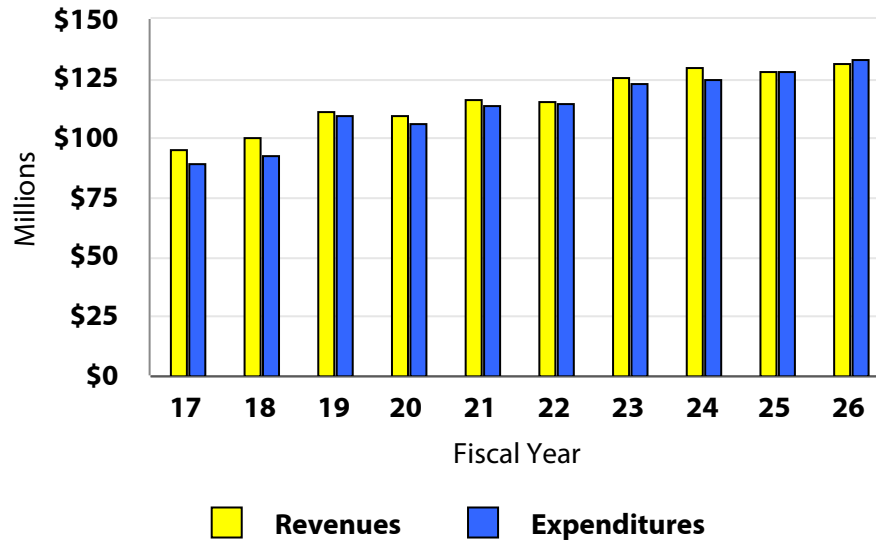
GENERAL FUND

REVENUES, EXPENSES & FUND BALANCE

Budgetary Centers	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted	2026/27 Projected	2027/28 Projected	2028/29 Projected
REVENUES									
City Operating Taxes	\$47,196,590	\$50,855,990	\$53,784,000	\$53,627,000	\$56,332,000	\$56,332,000	\$58,585,300	\$60,928,700	\$63,365,800
Refuse Tax	4,705,620	0	0	0	0	0	0	0	0
Police & Fire Pension Tax	12,556,550	12,956,740	13,819,000	13,842,000	15,280,000	15,280,000	2,401,100	2,449,100	2,498,100
Safe Streets Tax	8,071,380	8,674,570	9,214,000	9,136,000	9,493,000	9,493,000	22,751,600	23,206,600	23,670,700
Licenses & Permits	2,443,590	1,950,240	2,477,000	2,327,000	2,354,000	2,354,000	2,317,400	2,363,700	2,411,000
Federal/State/Local Returns	27,496,830	28,951,570	24,446,250	24,180,600	22,305,450	22,305,450	17,192,700	17,536,600	17,887,300
Fines & Forfeitures	2,383,370	2,019,270	2,255,500	1,971,000	2,272,000	2,272,000	5,347,500	5,454,500	5,563,600
Charges For Services	14,822,750	15,149,950	15,596,900	15,733,060	16,855,550	16,855,550	1,568,000	1,536,600	1,505,900
Other Revenue	3,923,870	7,548,510	4,819,260	5,566,700	5,242,650	5,242,650	9,777,800	10,071,100	10,373,200
Cable Revenue	1,982,580	1,763,680	1,800,000	1,600,000	1,600,000	1,600,000	15,399,960	16,682,745	16,649,605
Transfers In	10,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Total Revenues	125,593,130	129,873,020	128,214,410	127,985,860	131,737,150	131,737,150	135,343,860	140,232,145	143,927,705
EXPENDITURES									
City Administration Dept.	\$13,286,640	\$13,625,180	\$15,862,200	\$15,368,520	\$17,111,750	\$17,111,750	\$17,415,800	\$17,895,400	\$18,218,000
Public Library Department	2,870,910	3,062,830	3,219,720	3,132,970	3,472,600	3,472,600	3,507,200	3,604,700	3,651,000
Police Department	39,208,120	41,290,310	43,403,500	42,894,980	45,259,450	45,259,450	45,679,500	47,079,800	47,922,300
Fire Department	25,096,020	26,328,640	26,443,950	27,281,020	28,606,550	28,606,550	28,879,600	29,845,900	30,185,900
Public Works Department	6,760,760	6,739,340	7,449,700	7,034,900	7,618,550	7,618,550	7,751,300	7,970,600	8,136,200
Refuse Collection	4,846,810	0	0	0	0	0	8,008,100	8,223,600	8,319,800
City Development Dept.	5,598,550	7,386,390	9,622,820	9,301,330	7,900,900	7,900,900			
Community Relations Dept.	1,748,640	2,105,300	2,461,170	2,358,060	2,465,950	2,465,950	2,501,700	2,580,100	2,622,700
41-A District Court	3,654,420	3,949,340	4,396,030	4,353,380	4,706,400	4,706,400	4,764,900	4,893,000	4,944,300
General Expenditures	2,696,880	2,723,560	3,566,930	3,559,900	3,643,100	3,688,100	3,761,900	3,837,100	3,913,800
Transfers Out	17,236,170	17,308,530	13,010,500	13,010,500	11,686,450	12,175,150	12,933,100	13,202,400	13,479,800
Total Expenditures	\$123,003,920	\$124,519,420	\$129,436,520	\$128,295,560	\$132,471,700	\$133,005,400	\$135,203,100	\$139,132,600	\$141,393,800
Change in Fund Balance	2,589,210	5,353,600	(1,222,110)	(309,700)	(734,550)	(1,268,250)	140,760	1,099,545	2,533,905
Beginning Fund Balance	32,874,230	35,463,440	40,817,040	40,817,040	40,507,340	40,507,340	39,239,090	39,379,850	40,479,395
Ending Fund Balance	\$35,463,440	\$40,817,040	\$39,594,930	\$40,507,340	\$39,772,790	\$39,239,090	\$39,379,850	\$40,479,395	\$43,013,300

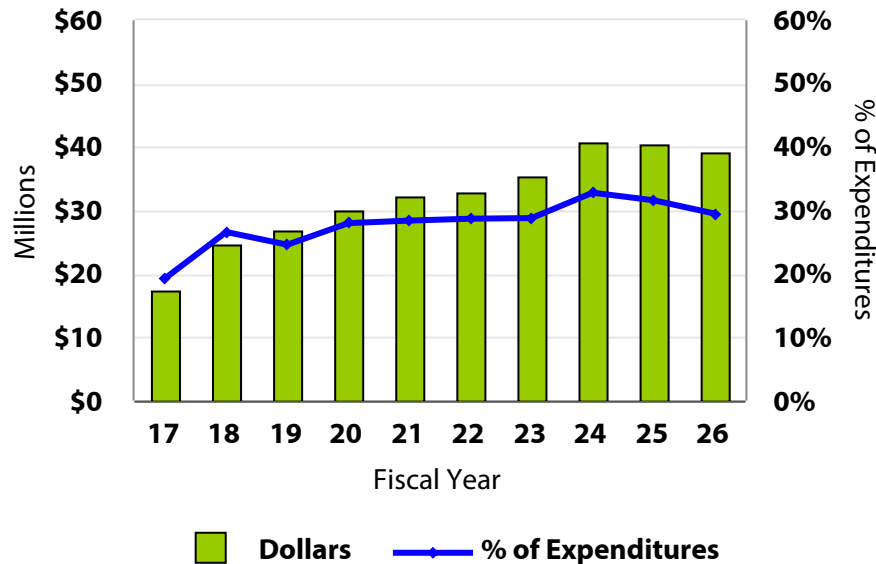
Note: The Refuse Collection department was converted to a Special Revenue Fund in the 2023-2024 fiscal year.

General Fund Revenues vs. Expenditures



The data presented plots revenues vs. expenditures in the General Fund.

General Fund Fund Balance



This graph illustrates the cumulative result of excess General Fund expenditures over revenues and total fund balance as a percent of General Fund expenditures.

TOTAL GENERAL FUND REVENUES

The General Fund derives its revenue from a variety of sources. Property Taxes and State & Local Returns make up the largest portion, followed by Charges for Services, Other Revenues, Licenses & Permits, Fines & Forfeitures, and Cable Television. *Figure 1R* summarizes General Fund revenues for five years, including the budget year. Each revenue source will be covered in detail in this section.

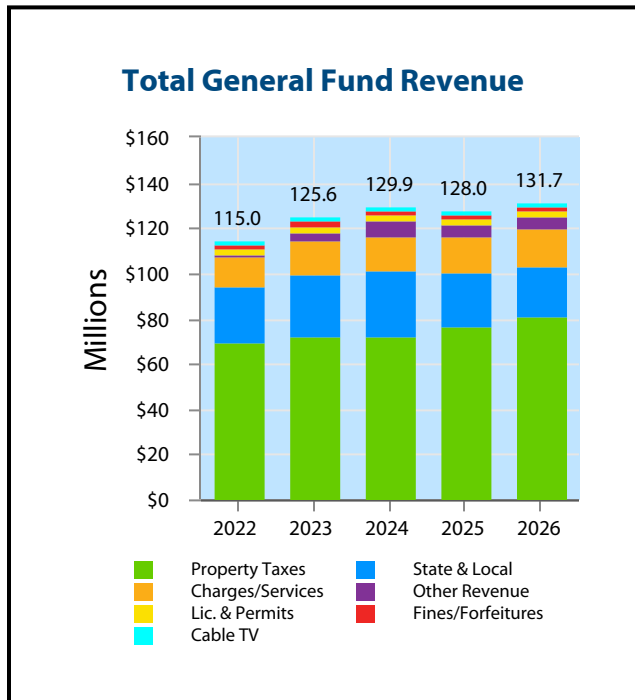


Figure 1R (Note: 2021-2023 Includes Refuse Tax Revenue)

CITY OPERATING TAX

The City's largest source of revenue is from property taxes. Tax revenues are based on two variables. The first is the assessed taxable property valuation of industrial, commercial, and residential parcels, both real and personal property. This valuation is called the TV or Taxable Valuation. The second variable is the application of a specific tax millage levy. Changes in either of these two variables directly correlate to changes in City tax revenue.

The City has six individual tax levies - the largest is for Operations. Over the past ten years, Operating Tax revenues have generally increased, primarily due to increases in taxable values. As a percent of total General Fund revenues, Operating Taxes have remained relatively stable over the last decade, hovering at around 40% of total revenues.

CITY MILLAGE RATES	2024/25 Adopted	2025/26 Proposed	Increase/ (Decrease)
City Operating	9.4940	9.4940	0.0000
Safe Streets	2.3694	2.3542	-0.0152
Recreating Recreation	0.9196	0.9137	-0.0059
Refuse Collection	1.3558	1.2462	-0.1096
Police & Fire Retirement	2.4435	2.5803	0.1368
Path. to Play and Pres.	0.0000	0.9439	0.9439
Total City Millage	16.5823	17.5323	0.9500

City-wide taxable values declined significantly from 2008 to 2017 due to the Great Recession, as well as the elimination of personal property tax on most manufacturing equipment. Values began to rise in 2018 and in 2025, seventeen years later, finally exceeded 2008 levels. (See *Figure 2R*.)

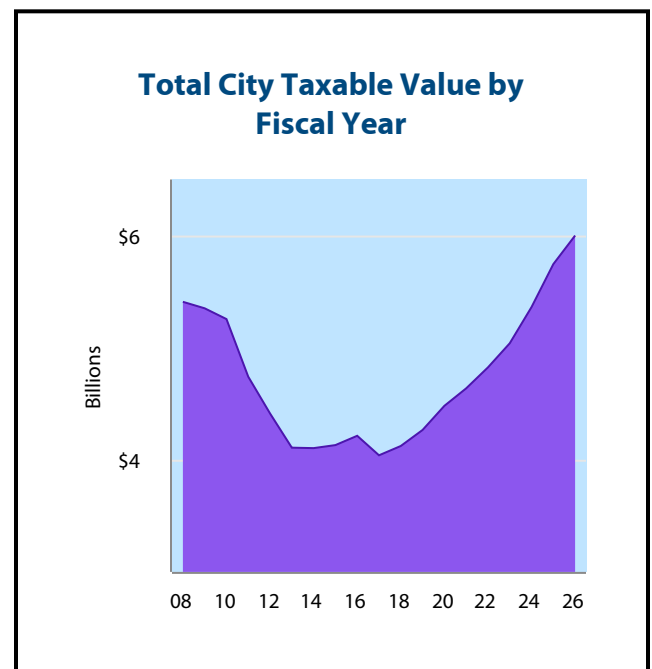


Figure 2R

As shown in *Figure 3R*, the 2025/26 budgeted Operating Tax revenue represents 42.7% of total General Fund revenues, a \$2.7 million, or 5.0% increase from the amount to be collected in 2025. The increase is the result of a 4.7% overall rise in the City's taxable value. There is no change to the General Operating Millage rate.

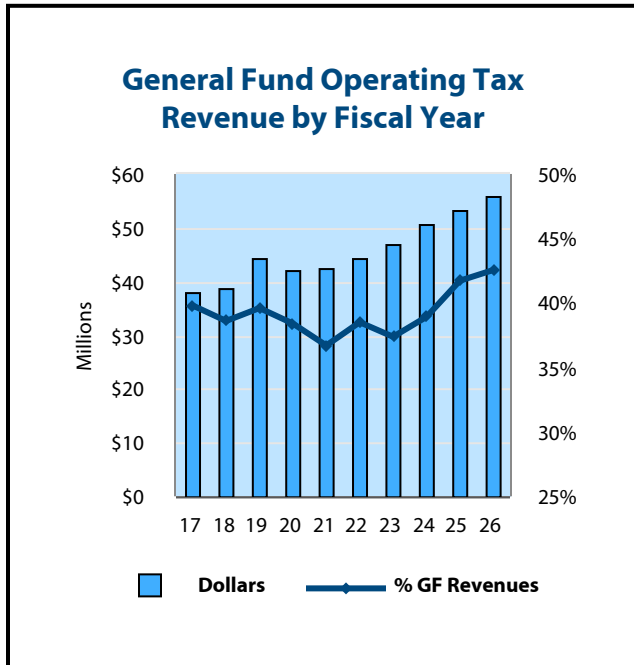


Figure 3R

Once again, the City will be subjected to a Headlee rollback which will reduce the maximum tax rate to 10.2146. This is a permanent reduction and limits the City's ability to capture revenue from new tax growth. Although Operating Tax revenue is currently not affected because the current millage rate is below the Headlee maximum, as shown in in *Figure 4R*, that gap has become smaller over time and could eventually decrease the amount of Operating Tax revenue collected. The Safe Streets millage, Recreating Recreation millage, and even the new Pathways to Play and Preservation millage are affected and are being collected at rates below the voter approved maximums.

The proposed Operations tax rate for 2025/26 is 9.4940 mills per \$1,000 Taxable Value which

remains below the 12.0 millage rate limit established by the City Charter and is 0.7206 mills below the reduced maximum levy. The City's total millage rate continues to be lower than half of cities in the State and is one of the lowest of any city in Macomb County.

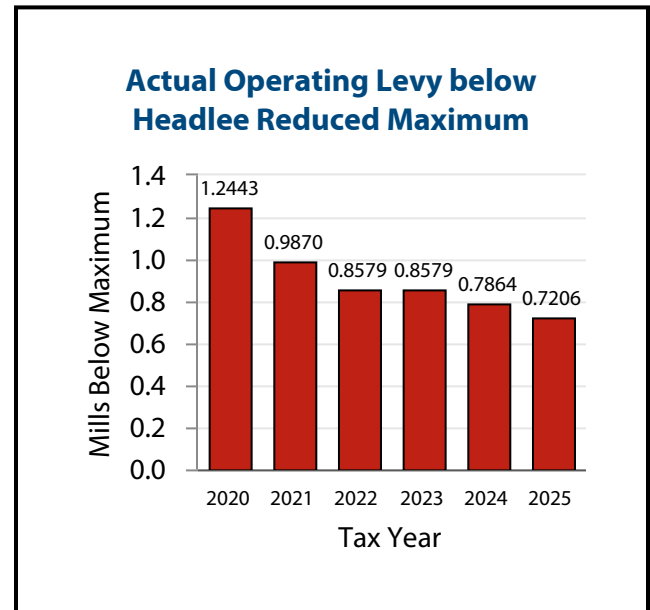


Figure 4R

The City's total taxable value for 2025/26 increased by 4.7% due to new construction and property turnover leading to the uncapping of assessments, and a 3.1% inflationary adjustment on all existing properties.

LICENSES AND PERMITS

The revenue source of Licenses and Permits represents fees charged by offices to individuals and businesses for the building of new structures as well as improvements made to existing structures. New structures that require permits include garages, sheds, decks, porches, and buildings. Improvements such as central air conditioning, furnace replacement, electrical and plumbing modifications, fences, and pools also require permits.

License and Permit revenues are primarily comprised of building revenues, which are represented in *Figure 5R*. Permit revenue has decreased since 2022 to its current level of about \$2.2 million due to less construction activity.

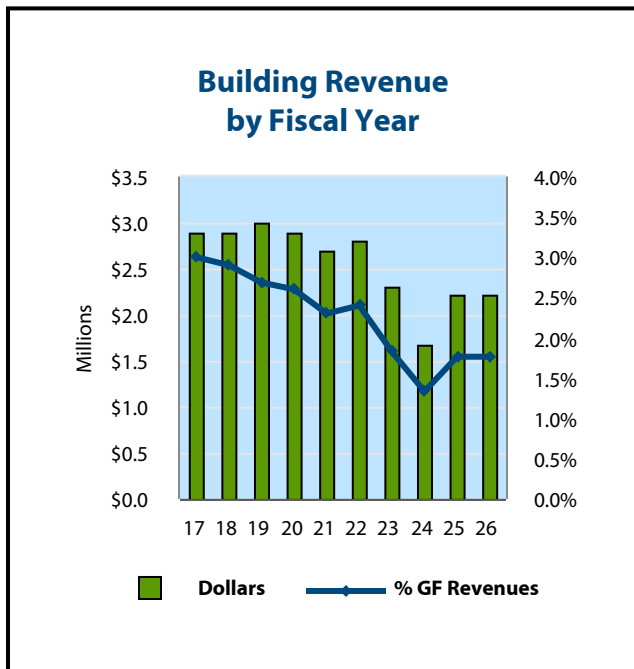


Figure 5R

For the current year building revenue is expected to remain stable due to continued development activity, including:

- Marketplace Cove – Multi-family residential (190 units)
- Chaldean Community Foundation (Phase 2) - 82 unit affordable housing development
- Cranberry Estates – Single-family condominiums (18 units)
- Warner Meadows - Single-family condominiums (38 units)
- Southeast Michigan Construction Academy – redevelopment of the prior Comcast facility into a trade school serving 500 students

In the 2025/26 Budget, License and Permit revenues represent 1.8% of total General Fund revenue sources, a \$27,000 or 1.2% increase from 2025 estimated collections. The 2025/26 budget assumes stable activity across all categories including Building Permit revenue, Business License fees, and Animal Licenses.

STATE AND LOCAL RETURNS

The second largest source of revenue to the General Fund is State & Local returns. This revenue is comprised of grants from the Federal, State, and County levels of government. The major revenue sources in this category are State Revenue Sharing and reimbursement from the State for lost Personal Property Tax revenue. Revenue sharing payments, made by the State to communities in Michigan from sales tax receipts, are distributed based on formulas that take into consideration population, government type, and taxable values per capita.

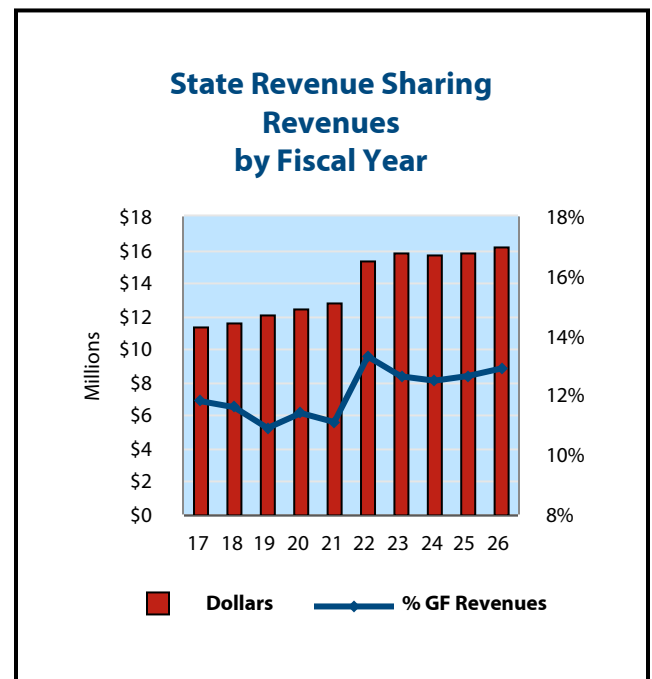


Figure 6R

In 2025/26, based on estimates received from the State of Michigan, the City will receive \$16.2 million in State Revenue Sharing, a increase of \$317,000 or

2.0% over what is estimated to be received in 2025. As shown in *Figure 6R*, State Revenue Sharing has been steadily increasing over the past decade. The State projection for 2026 includes an overall 2.4% increase to revenue sharing as proposed by the Governor.

Another significant source of revenue in this category is payments received from the State of Michigan for reimbursement of property tax losses on exempt personal property. The State reimbursement for losses is based on comparisons to 2013 taxable values. As a result, the City will never see reimbursements for exempt personal property added after 2013.

In 2025/26, State reimbursement for lost personal property tax is expected to be \$5.2 million. This estimate is based on a taxable value loss calculation from the City Assessor of over \$416 million. Although the City is reimbursed for the tax loss on this value, the amount reimbursed is limited to the tax rate from 2013, which is 1.3965 mills less than the adopted tax rate. As such, the City is losing nearly \$600,000 of property tax revenue annually over what is reimbursed from the State of Michigan.

In the 2025/26 Budget, total State & Local Return revenues represent 16.9% of General Fund revenue sources, a decrease of \$1.9 million or 7.8% below 2025 estimated receipts. The decrease is primarily one-time grant revenue received in the prior year related to the Lakeside development.

FINES & FORFEITURES

Fines and Forfeiture revenues are comprised of payments made by individuals or businesses that have violated various statutes, ordinances, or laws.

Included in this revenue center are library fines, court costs, parking fines, bond forfeitures, and default judgment fees. Nearly 98% of these revenues are generated and collected by the judicial branch of our municipal government, the City's 41-A District Court, working in conjunction with the Police Department.

41-A District Court Revenue by Fiscal Year

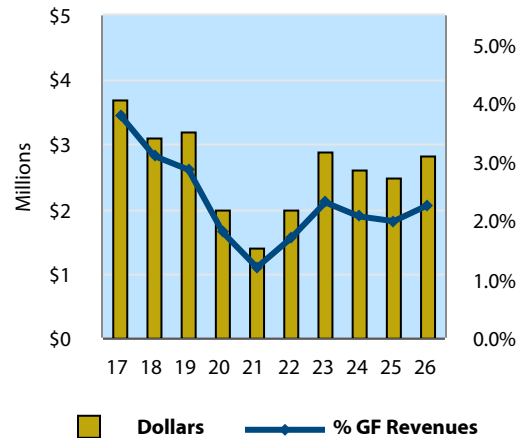


Figure 7R

Historical trends (*Figure 7R*) show 41-A District Court revenue decreasing since its peak in 2010, largely due to a decrease in the number of tickets issued. Court revenues were also significantly impacted in fiscal years 2020 and 2021 due to the COVID-19 pandemic, which led to an extended shutdown of the 41-A District Court. Court revenues increased in 2022 upon reopening and are expected to continue at current levels due to the formation of the directed patrol unit, which focuses on proactive policing and traffic enforcement. In addition, in the prior fiscal year, the Court instituted a garnishment program, which has increased the collection rate of unpaid fines.

Overall, Court revenues have declined from 5.1% of total General Fund revenues in 2010 to 2.3% in 2026. In total, Fines & Forfeiture revenues represent 1.7% of General Fund revenues.

CHARGES FOR SERVICES

Charges for Services consist of revenues received from individuals, businesses, and cross-charges from other City Funds. These monies reimburse the

General Fund for services provided by General Fund employees. The revenue accounts within this revenue center include Property Tax Administration fees, revenue from EMS transport services, Water & Sewer and Road Fund cross-charges, False Alarm fees, Engineering inspection and design charges, and Building review fees.

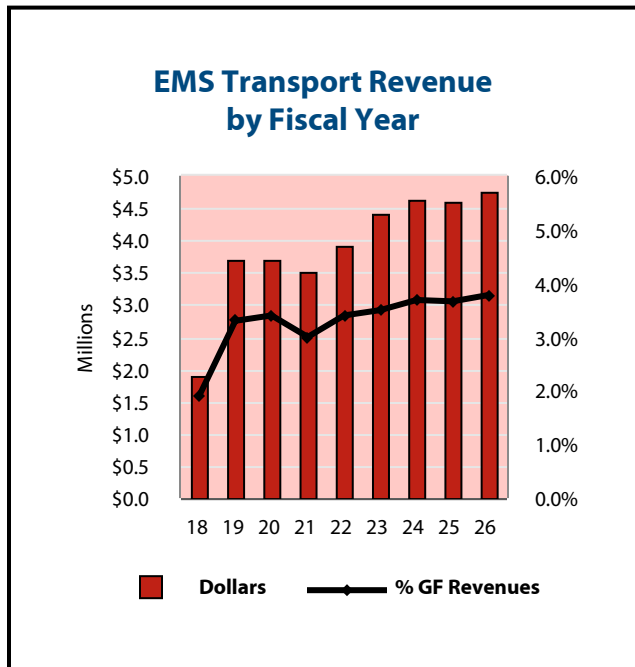


Figure 8R

Revenue from EMS Transport (*Figure 8R*) services is one of the largest sources of Charges for Services revenues. The Sterling Heights Fire Department assumed responsibility for EMS Transport in November 2017 and through the use of an outside medical services billing company, began billing Medicare, Medicaid, other insurance companies, commercial businesses and uninsured individuals for EMS Transport services. For 2025/26, EMS revenue is estimated at \$4.8 million, a \$150,000 or 3.3% increase over estimated collections in the current year. This increase is based on a steady increase in the numbers of runs and a consistent collection rate - currently at 85%.

Although not included in the 2025/26 budget estimates, the recent passage of of state legislation to opt in to the federal Ground Emergency Medical Transportation (GEMT) program will increase

revenue received for emergency transport of Medicaid patients. The City is estimated to receive an additional \$1 million annually. The anticipated additional funding will be used to hire four new Firefighter/EMTs to staff a peak demand ambulance unit in the current budget, as well as future staffing and equipment needs in the Fire Department. The Sterling Heights Fire Chief spearheaded this effort and was instrumental in obtaining this funding, which will benefit fire departments throughout Michigan.

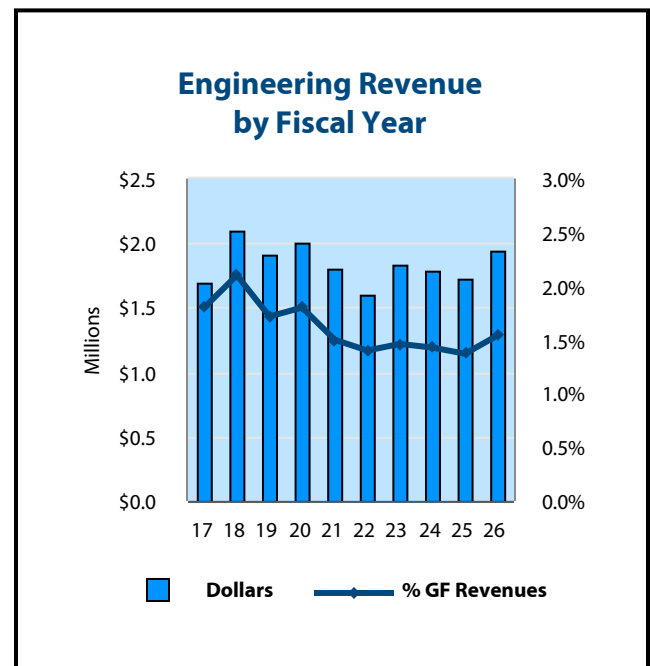


Figure 9R

Engineering revenues make up another large source of Charges for Services revenues. As shown in *Figure 9R*, Engineering revenues have remained relatively consistent since the passage of the Safe Streets proposal in 2015, as the General Fund receives a cross-charge from the Local Road Fund for the reimbursement of administration, design and inspection costs of neighborhood road repairs.

For 2025/26, Engineering Revenue is expected to increase by \$215,100 or 12.5% due to a larger investment in Local Road projects and the reconstruction of Clinton River Road.

In the 2025/26 Budget, Charges for Services revenues represent 12.8% of General Fund revenue sources, an increase of \$1.1 million or 7.1% above 2025 estimated receipts. This increase is primarily due to higher anticipated EMS revenue, an increase in revenue received from the property tax administration fee due to higher taxable values, and an increase in the cross charge from the Water & Sewer activity, primarily due to contractual wage increases.

OTHER REVENUE

Other Revenue includes revenues that cannot be easily classified in another revenue center. Included in this revenue center is Interest on Investments, Rental Income from different sources, sales of fixed assets, Reimbursements, and OUIL cost recovery fees.

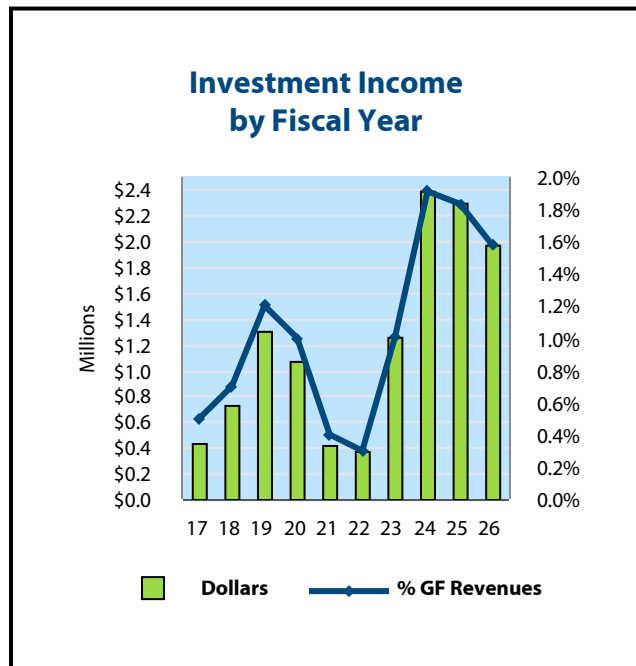


Figure 10R

Interest rates have continued at higher levels since 2023 when the Federal Reserve raised interest rates to their highest level since 2007. These high interest rates have continued into the current fiscal year. As such, Investment Income for fiscal year 2024/25 is estimated to be \$2.3 million and fall just

slightly, as the Fed begins to cut interest rates, in the proposed budget to total \$2 million for the General Fund.

In the 2025/26 Budget, Other Revenue represents 4.0% of General Fund revenue sources, a decrease of \$324,050 or 5.8% from 2025 estimates. This is primarily due an expected reduction in interest rates.

CABLE TV REVENUE

Cable Television Revenues are received from Comcast, AT&T, and Wide Open West (WOW!) as franchise fees between these companies and either the City or the State of Michigan. 83.3% of these fees repay the City for the use of our rights-of-way, while 16.7% of the fees reimburse the City for its cost of public access programming. Cable Revenue started to decrease for the first time in 2016/17. The rise in the phenomenon of "cord cutting", using the internet for television viewing as opposed to cable, is no doubt responsible for this decline. In 2025/26, Cable Revenue is estimated to remain flat at \$1.6 million, or 1.2% of General Fund revenue sources.

POLICE & FIRE PENSION TAX

The Police & Fire Pension Tax is another substantial source of revenue to the City. The annual millage rate is set at an amount sufficient to cover the City's actuarially required contribution to fund Police & Fire pensions. By dividing these projected expenditures by the City's taxable property valuation, an ad-valorem tax levy is calculated. The Police & Fire Tax millage rate is adjusted annually to cover the pension expenditures for which this revenue is restricted.

The required pension contribution increased \$794,550 to \$15.5 million for the 2025/26 fiscal year, (Figure 11R) primarily due to larger pay increases than expected. The millage rate required to collect the required contribution is 2.5803 a slight increase of 0.1368 mill over the prior year's millage rate. The

funding level of the plan for the period ended June 30, 2024 increased to 62.5% on an actuarial basis.

The City is committed to fully funding the Police & Fire Pension plan as well as adjusting actuarial assumptions when necessary.

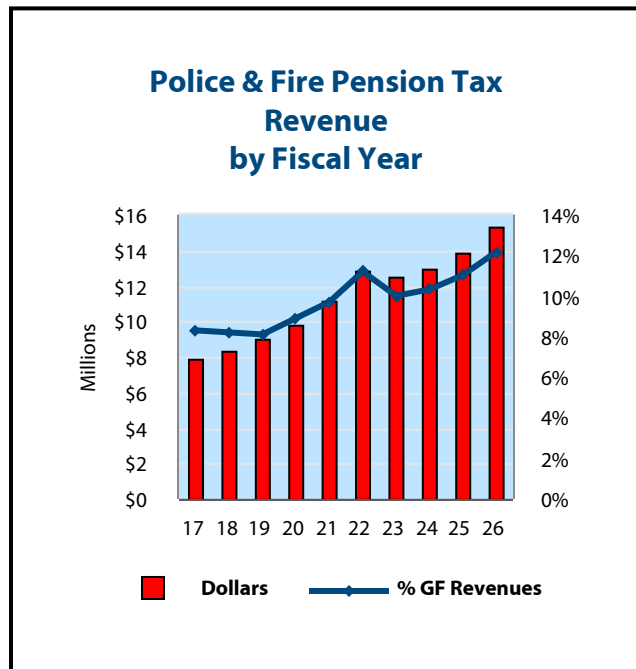


Figure 11R

In the 2025/26 Budget, the Police & Fire Pension Tax represents 11.6% of General Fund revenue sources.

SAFE STREETS TAX

The Safe Streets millage was originally approved by voters in November 2014 at 2.5 mills for six years. In November 2019, City residents renewed the millage for an additional ten years at 2.45 mills. Due to the Headlee rollbacks, this millage has been reduced to a maximum level of 2.3542 mills. 1.6009 of the 2.3542 mills will generate \$9.5 million in the General Fund to prevent staffing cuts to Police and Fire positions. The remaining 0.7533 mills will generate \$4.5 million in the Local Road Fund for asphalt and concrete repairs to neighborhood streets.

In the 2025/26 Budget, General Fund revenue from the Safe Streets Tax increased by \$353,000 or 3.9% over amounts collected in 2025 due to the increase in City taxable values. Safe Streets Tax revenue represents 7.2% of General Fund revenue sources.

This revenue source has been critical in allowing the City to avoid staff reductions in public safety, restoring capital purchases and infrastructure repairs that had been reduced during the economic downturn, and restoring General Fund reserves back to adequate levels.

FUND BALANCE

A budgeted Use of, or Contribution to, Fund Balance exists when there is an inequality between budgeted revenues and expenditures. If expenditures exceed revenues, a Use of Fund Balance is needed to balance the budget. If revenues exceed expenditures, then a Contribution to Fund Balance exists.

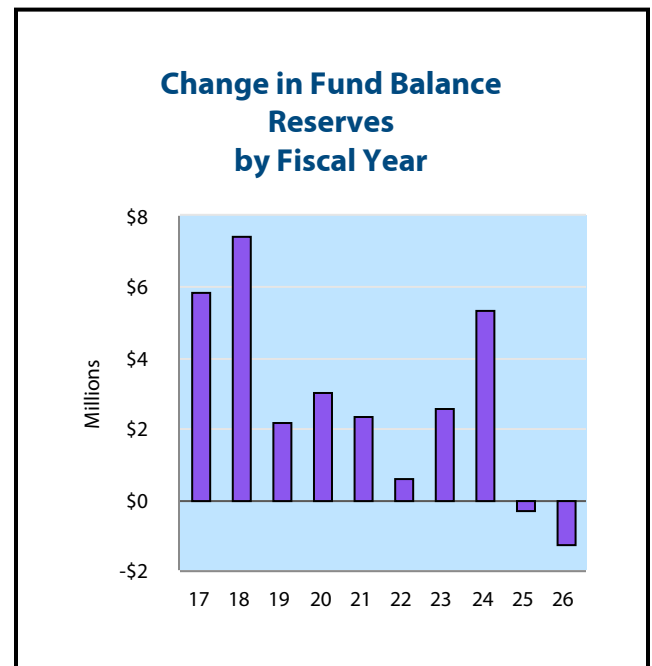


Figure 12R

As shown in *Figure 12R*, the City has regularly contributed to Fund Balance over the past ten years.

Estimates for fiscal year 2024/25 include a \$309,000 use of fund balance and the adopted 2025/26 budget includes a \$1,268,250 use of fund balance. This strategic use of fund balance is primarily due to the first-year front loading of wage increases and the advanced funding of four firefighter/EMTs. The cost of the EMT positions will be reimbursed to the General Fund through the future revenues received from the federal Ground Emergency Medical Transport program, which provides reimbursement to local agencies for the transport of Medicaid patients. The first-year front loading of labor increases will be offset in future years which have lower contractual wage increases. The end result will be a negation of this one-time use of fund balance in future years.

As seen in *Figure 13R*, the cumulative fund balance at the end of the 2025/26 fiscal year will total \$39.2 million or 29.5% of General Fund expenditures. The City maintains a very strong fund balance, while continuing to budget for critical needs, ensuring the City's continued strong financial position and ability to weather future economic downturns.

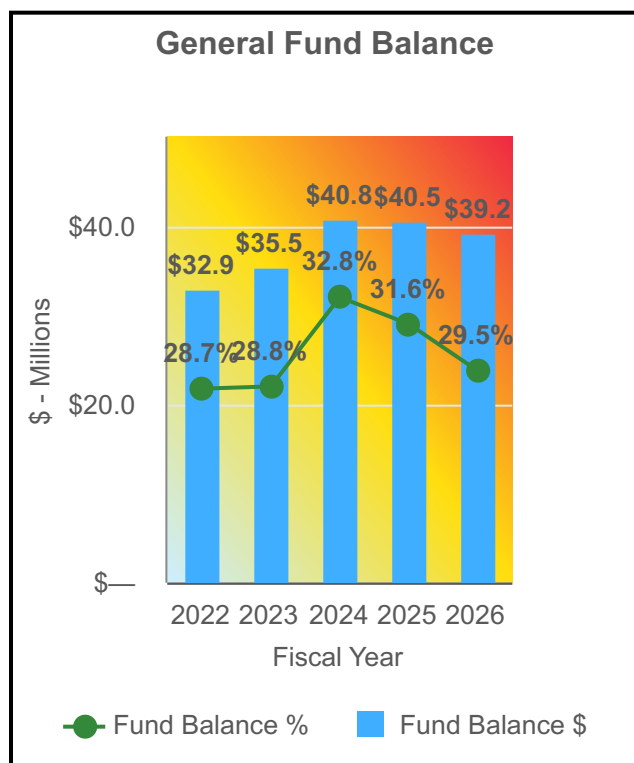


Figure 13R

OTHER CITY TAXES

The City's *Refuse Millage* is authorized by Michigan Public Act 298 of 2017 and is calculated each year to pay for the collection and removal of all garbage and recycling throughout the City. The refuse collection millage rate is adjusted annually to cover the projected cost of Refuse Fund expenditures, less any refuse collection fees paid by apartments, mobile home parks and school districts.

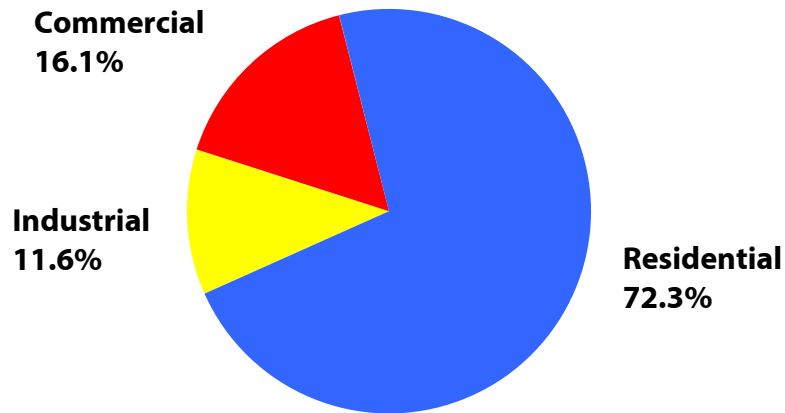
The current refuse contract expired in April 2024. The new waste hauling service includes automated cart collection and universal curbside recycling. These additional services plus inflationary increases, resulted in a 30% increase over the prior contract costs. The second year of the refuse contract included a 3% cost increase, however grant revenue received in the prior year for the purchase of recycling carts offset this increase resulting in a net millage decrease of 0.1096 mill to 1.2462.

The *Recreating Recreation* millage was approved by voters in November 2016 and is recorded in the Parks and Recreation Special Revenue Fund. This millage was approved at 0.97 mills, however due to Headlee rollbacks, the current maximum level for this millage is 0.9137. \$5.4 million will be generated for Parks and Recreation amenities.

In November 2024 voters approved the Pathway to Play and Preservation millage. Although this millage was approved at 0.95 mill, a Headlee rollback in the first year lowers the maximum rate to 0.9439. Revenue generated from the millage will total \$5.6 million in the first year and will be accounted for the the Pathways and Preservation Special Revenue fund.

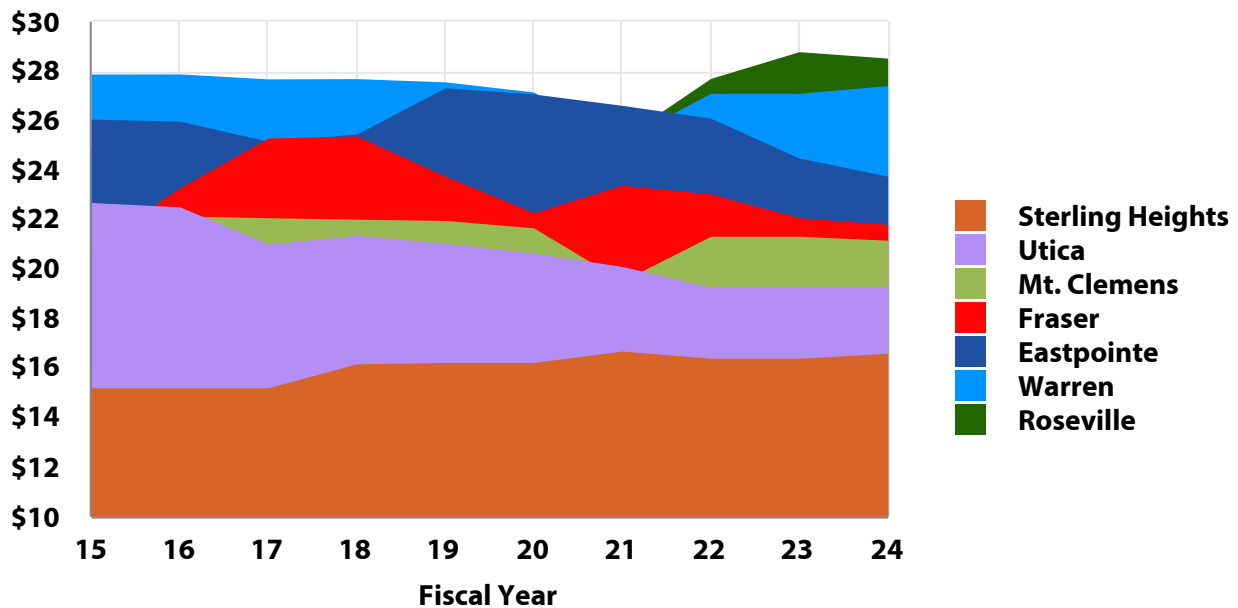
More detail on the **Refuse & Recycling Fund**, the **Parks & Recreation Fund**, and the **Pathways and Preservation Fund** can be found in the Special Revenues section of this document. ■

Property Taxes by Customer Class



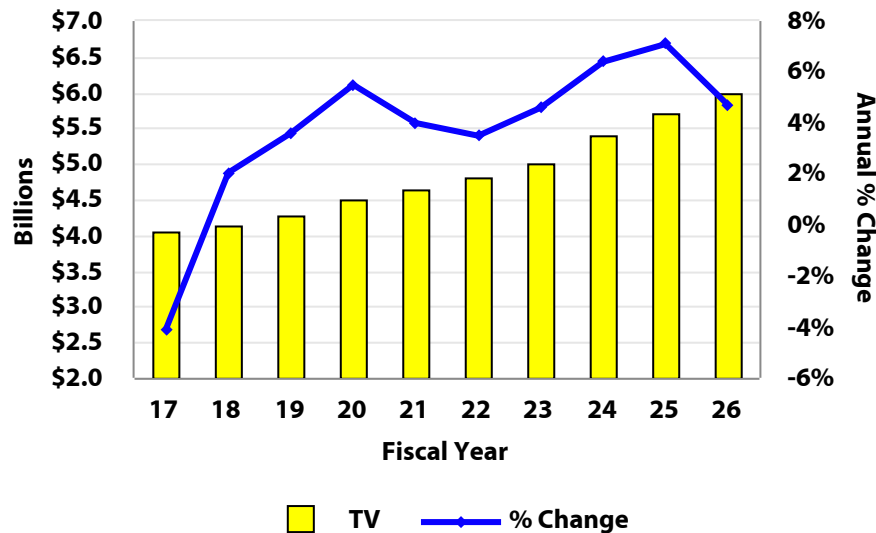
This graph illustrates the taxable value of property in the City as a percent by customer class.

Comparable Tax Rates of Surrounding Macomb County Cities Per \$1,000 TV



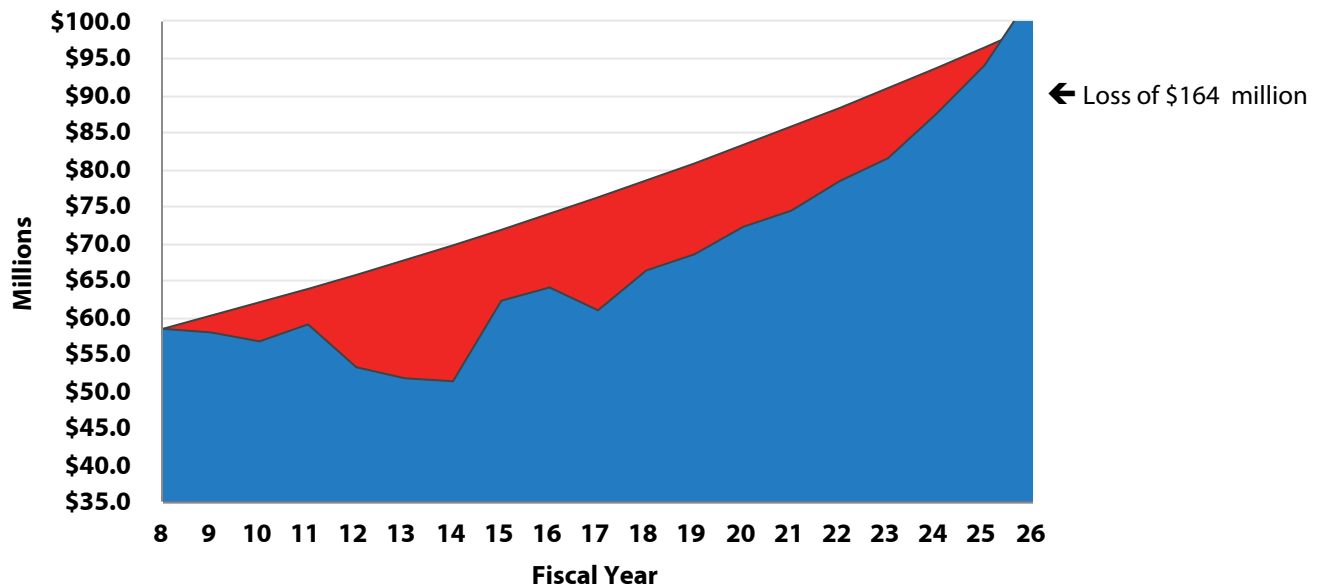
This graph illustrates the taxes levied by selected Macomb County cities for the past 10 years.

City Taxable Values (TV)



This graph illustrates the property value assessments for real and personal property in the City. The TV, along with the millage rate, determines the total property tax collected.

Property Tax Revenues



This graph illustrates that City property tax revenues historically increased, despite a declining City tax rate, due to inflationary property assessment increases and new development. Starting in 2009, revenues declined due to falling assessments, partially offset by a millage adjustment in 2011, 2015, 2018, and 2025.

GENERAL FUND

REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>CITY OPERATING TAXES</u>						
402000	City Operating Tax	\$50,667,960	39.01	\$53,857,000	42.01	\$56,207,000	42.67
412000	Delinquent Personal Property Tax	123,450	0.10	76,000	0.06	100,000	0.08
414000	Property Tax Refunds	(125,500)	(0.10)	(300,000)	(0.23)	(150,000)	(0.11)
445000	Penalties & Interest	190,080	0.15	151,000	0.12	175,000	0.13
	Total Operating Taxes	50,855,990	39.16	53,784,000	41.95	56,332,000	42.76
	<u>LICENSES & PERMITS</u>						
476000	Business Operating License	115,630	0.09	100,000	0.08	115,000	0.09
478000	Mobile / Temporary Vendor	12,170	0.01	5,000	0.00	5,000	0.00
479000	Liquor License	207,060	0.16	125,000	0.10	150,000	0.11
480000	Vending/Amusement Device Fee	9,540	0.01	3,000	0.00	5,000	0.00
490000	Electrical Registration & Permits	268,020	0.21	357,000	0.28	357,000	0.27
491000	Heating Registration & Permits	371,520	0.29	388,000	0.30	388,000	0.29
492000	Plumbing Registration & Permits	178,470	0.14	213,000	0.17	213,000	0.16
493000	Sign Registration & Permits	43,530	0.03	45,000	0.04	45,000	0.03
494000	Building Registration & Permits	550,610	0.42	1,000,000	0.78	850,000	0.65
495000	Fence Permits	15,350	0.02	20,000	0.02	15,000	0.01
496000	Fire Suppression Permits	45,670	0.04	60,000	0.05	45,000	0.03
497000	Animal Permits	26,300	0.02	56,000	0.04	56,000	0.04
498000	Non-Homestead Resident Insp. Fee	71,660	0.06	80,000	0.06	80,000	0.06
498001	Re-Inspection Code Enforcement Fee	34,710	0.03	25,000	0.02	30,000	0.02
	Total Licenses & Permits	1,950,240	1.51	2,477,000	1.93	2,354,000	1.79
	<u>STATE & LOCAL RETURNS</u>						
505000	Drug Enforce. Admin. - Federal	83,410	0.06	35,000	0.03	85,000	0.06
529000	Federal Grant - Other	1,862,670	1.43	206,650	0.16	309,850	0.24
540000	State Grants	1,034,580	0.80	2,407,000	1.88	40,000	0.03
544000	Drunk Driving Case Flow Assistance	10,000	0.01	6,500	0.01	8,500	0.01
548000	State Aid - Library	136,240	0.10	135,300	0.11	144,000	0.11
549000	Judges Salary Stand Payments	137,170	0.11	137,150	0.11	137,150	0.10
573000	Personal Prop. Tax Reimbursement	8,839,090	6.81	4,299,700	3.35	4,263,000	3.24
573001	Federal/State/Local Returns	968,440	0.75	932,500	0.73	937,950	0.71
574000	State Revenue Sharing	15,685,870	12.08	16,098,450	12.56	16,200,000	12.30
581000	County & Other Local Grants	790	0.00	0	0.00	0	0.00
583000	Macomb Auto Theft Squad - Grant	105,360	0.08	100,000	0.08	100,000	0.08
584000	County Contrib. - Library Penal Fines	87,950	0.07	88,000	0.07	80,000	0.06
	Total State & Local Returns	28,951,570	22.29	24,446,250	19.07	22,305,450	16.93
	<u>FINES & FORFEITURES</u>						
657000	Contempt Court Fines	2,020	0.00	3,000	0.00	10,000	0.01
657001	Ordinance Fines & Costs	1,740,080	1.34	2,000,000	1.56	2,000,000	1.52
657002	Municipal Civil Infractions	3,720	0.00	24,000	0.02	15,000	0.01
658000	Library Fines	22,890	0.02	20,000	0.02	22,000	0.02
660000	Driver Reinstatement Fee	12,090	0.01	10,000	0.01	10,000	0.01
660001	Default Judgment Fee	209,330	0.16	150,000	0.12	170,000	0.13
660002	Crime Victim Rights Admin. Fee	9,800	0.01	7,500	0.01	9,000	0.01
660003	Forensic Admin. Fee	0	0.00	15,000	0.01	10,000	0.01
663000	Bond Forfeitures	19,340	0.01	26,000	0.02	26,000	0.02
	Total Fines & Forfeitures	2,019,270	1.55	2,255,500	1.76	2,272,000	1.72

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GENERAL FUND

REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	CHARGES FOR SERVICES						
447000	Services - PTAF	2,426,790	1.87	2,500,000	1.95	2,694,100	2.05
602000	Mobile Home Tax	9,940	0.01	10,000	0.01	9,950	0.01
608000	Court Filing Fee	173,620	0.13	130,000	0.10	175,000	0.13
609000	Jury Demand Fee	1,450	0.00	1,200	0.00	2,000	0.00
610000	Garnishments - Filing Fee	118,640	0.09	125,000	0.10	125,000	0.09
611000	Attorney Fee Reimbursement	30,690	0.02	40,000	0.03	37,500	0.03
621000	Probation Oversight	74,310	0.06	57,000	0.04	62,000	0.05
621001	Probation Oversight - Grants	25,140	0.02	8,500	0.01	25,000	0.02
625000	Alcohol Assessment Fee	16,880	0.01	16,000	0.01	16,000	0.01
626000	Split/Combination Fee	9,480	0.01	12,800	0.01	13,000	0.01
626001	Recording Fees	3,400	0.00	4,000	0.00	4,000	0.00
626002	Vital Statistics	71,150	0.05	82,000	0.06	75,000	0.06
626003	Voter Lists	370	0.00	400	0.00	500	0.00
626004	Police & Fire Services	370,990	0.29	325,000	0.25	475,000	0.36
626005	Towed Vehicle Impound Fee	91,410	0.07	70,000	0.05	83,000	0.06
626007	Plan Review Fee	81,750	0.06	65,000	0.05	72,000	0.05
626008	Building Department Plan Review	199,160	0.15	410,000	0.32	300,000	0.23
626009	Passport Fees	90,410	0.07	100,000	0.08	90,000	0.07
626010	Copies & Forms	12,650	0.01	12,000	0.01	12,000	0.01
626011	Maps	90	0.00	100	0.00	100	0.00
626012	Police Reports	88,510	0.07	85,000	0.07	89,000	0.07
626014	Fire Reports	12,800	0.01	7,000	0.01	10,000	0.01
626015	PBT User Fee	220	0.00	100	0.00	100	0.00
626016	False Alarm Fees	128,470	0.10	45,000	0.04	50,000	0.04
626017	Notary Fee	3,370	0.00	1,000	0.00	3,500	0.00
626018	Application Fees	4,980	0.00	3,800	0.00	3,800	0.00
626019	Nuisance Abatement Revenue	122,600	0.09	200,000	0.16	200,000	0.15
626020	Non-Emergency Cost Recovery Fee	83,130	0.06	100,000	0.08	85,000	0.06
626021	ACO Service Fee	0	0.00	0	0.00	500	0.00
627000	Fire Permits, Fees, & Inspections	16,560	0.01	20,000	0.02	20,000	0.02
627005	Inspection Services-Projects-Other	14,200	0.01	140,000	0.11	100,000	0.08
627006	Inspection Services-City Projects	401,230	0.31	400,000	0.31	420,000	0.32
627007	Engineering Review Fee	74,860	0.06	150,000	0.12	100,000	0.08
627008	Engineering & Design - Project	1,198,660	0.92	1,200,000	0.94	1,200,000	0.91
627009	Building Number Assignments	1,290	0.00	500	0.00	500	0.00
627010	SESC Review Fee	16,180	0.01	25,000	0.02	30,000	0.02
627011	SESC Inspection Fee	85,910	0.07	100,000	0.08	85,000	0.06
627012	Easement Vacation	0	0.00	500	0.00	500	0.00
627013	ROW Permit Fees	8,100	0.01	10,000	0.01	6,000	0.00
635000	Municipal Services Fee	86,110	0.07	87,800	0.07	89,900	0.07
636000	Water & Sewer Activity	1,736,890	1.34	1,827,850	1.43	2,272,500	1.73
636001	Administrative Services - RR	79,500	0.06	123,850	0.10	182,000	0.14
636002	Administrative Services - Roads	217,830	0.17	250,000	0.19	215,000	0.16
636004	Admin Services-Water Distribution	642,410	0.49	817,700	0.64	864,650	0.66

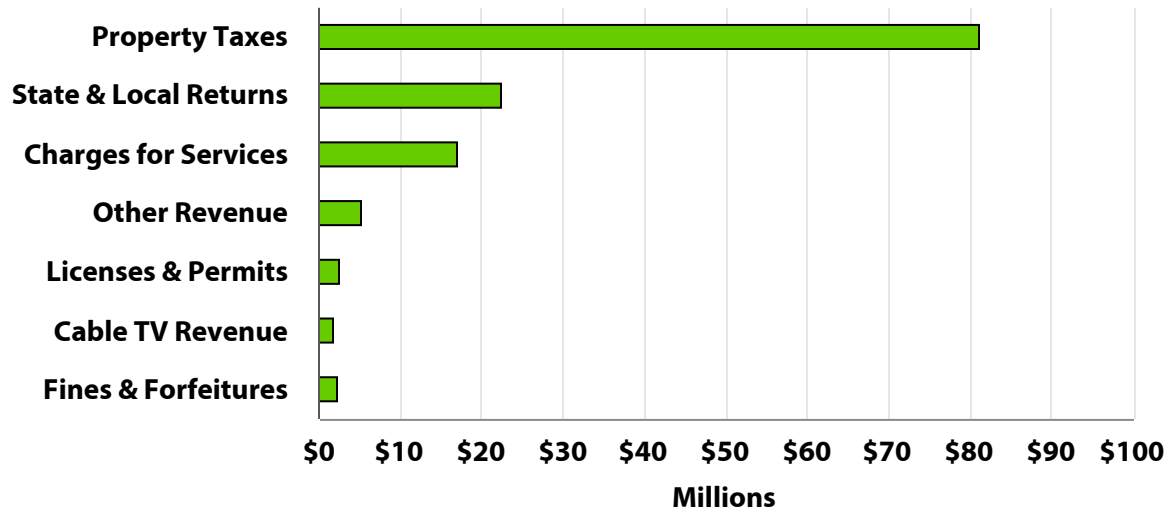
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GENERAL FUND

REVENUE SUMMARY BY ACCOUNT

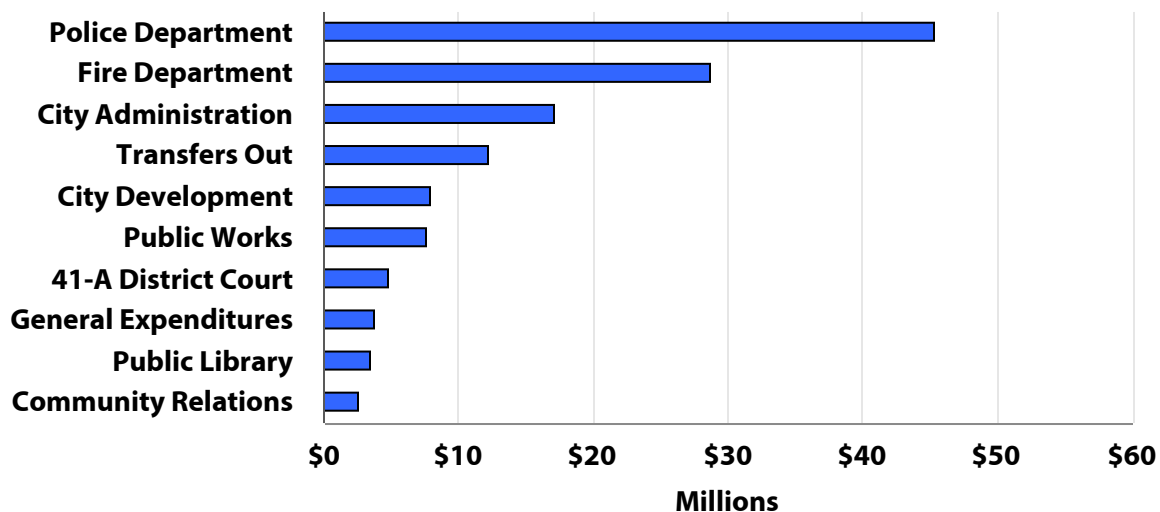
Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
636006	Administrative Services-Self Insurance	323,640	0.25	356,650	0.28	349,450	0.27
636007	Administrative Services-P&F Pension	1,000	0.00	1,000	0.00	1,000	0.00
636008	Labor Services - Roads	869,630	0.67	950,000	0.74	950,000	0.72
636009	Labor Services - Cross Charges	6,130	0.00	12,000	0.01	7,000	0.01
636010	Labor Services - Fleet Maintenance	43,030	0.03	58,000	0.05	55,000	0.04
636012	Supplies & Gasoline Revenue	93,440	0.07	90,000	0.07	100,000	0.08
636013	Parts-Vehicle Maintenance	110,310	0.08	115,000	0.09	115,000	0.09
637002	Treasury Transfer & Late Fees	75,150	0.06	78,000	0.06	80,000	0.06
638000	Transport Fees	4,631,490	3.57	4,235,150	3.30	4,750,000	3.61
640000	5% Cash Deposit	2,540	0.00	3,000	0.00	3,000	0.00
640001	Weed Cutting	73,010	0.06	64,000	0.05	68,000	0.05
640002	Board of Zoning Appeals Fees	12,510	0.01	13,000	0.01	13,000	0.01
640004	Ordinance Board of Appeals Fees	75,940	0.06	57,000	0.04	65,000	0.05
	Total Charges for Services	15,149,950	11.67	15,596,900	12.16	16,855,550	12.80
	<u>OTHER REVENUE</u>						
625001	Interpreter Fees	16,440	0.01	17,000	0.01	17,000	0.01
642008	Library Book Sales	80	0.00	50	0.00	50	0.00
665000	Interest on Investments	2,397,640	1.85	1,800,000	1.40	1,975,000	1.50
667001	Rental Income - DPS	442,160	0.34	459,050	0.36	443,550	0.34
667002	Rental - DPW - Impound Lot	73,500	0.06	63,000	0.05	63,000	0.05
667005	Rental - Towers	166,240	0.13	248,350	0.19	236,050	0.18
667007	Rental - Road Equipment	858,250	0.66	950,000	0.74	900,000	0.68
667008	Rental - Equipment - Cross Charges	5,000	0.00	8,000	0.01	8,000	0.01
670001	Unrealized Gain/Loss	1,499,990	1.15	0	0.00	0	0.00
673000	Sale of Fixed Assets	108,600	0.08	75,000	0.06	100,000	0.08
674006	Contributions & Donations	14,090	0.01	15,000	0.01	25,000	0.02
674009	Sterlingfest Revenue	393,870	0.30	429,960	0.34	450,000	0.34
676000	Reimbursements	904,090	0.70	400,000	0.31	500,000	0.38
676001	Reimbursements - Legal	14,140	0.01	25,000	0.02	25,000	0.02
676002	Reimbursements - Wages	0	0.00	177,550	0.14	315,000	0.24
676003	O.U.I.L. Recovery	34,800	0.03	25,000	0.02	25,000	0.02
677000	Miscellaneous Revenue	467,430	0.36	75,000	0.06	75,000	0.06
677008	Miscellaneous Revenue - Library	10,840	0.01	10,000	0.01	10,000	0.01
687000	Refunds & Rebates	27,860	0.02	16,300	0.01	50,000	0.04
687001	DC Plan Forfeitures	89,800	0.07	0	0.00	0	0.00
698000	Insurance Recovery & Subrogation	23,690	0.02	25,000	0.02	25,000	0.02
	Total Other Revenue	7,548,510	5.81	4,819,260	3.76	5,242,650	3.98
406000	P&F Pension Tax	12,956,740	9.98	13,819,000	10.78	15,280,000	11.60
407000	Safe Streets Tax	8,655,280	6.66	9,203,000	7.18	9,478,000	7.19
412001	Del. Personal Prop. Tax - Safe Streets	19,290	0.01	11,000	0.01	15,000	0.01
680000	Cable TV Revenue	1,763,680	1.36	1,800,000	1.40	1,600,000	1.21
699243	Transfer - Brownfield Redevelopment	2,500	0.00	2,500	0.00	2,500	0.00
	Total General Fund Revenue	\$129,873,020	100.00	\$128,214,410	100.00	\$131,737,150	100.00

General Fund Revenues by Revenue Category



This graph illustrates the amount budgeted for each revenue category.

General Fund Expenditures by Budgetary Center



This graph illustrates the amount budgeted for each budgetary center.

GENERAL FUND EXPENDITURES BY BUDGETARY CENTER

Activity Name	Activity No.	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
<u>LEGISLATIVE</u>					
1. City Council	101	\$307,750	\$360,250	\$370,200	2.8%
<u>CITY ADMINISTRATION DEPARTMENT</u>					
1. City Management	172/270	1,959,350	2,377,150	3,090,350	30.0%
2. City Clerk	215/262	1,222,840	1,701,420	1,462,250	-14.1%
3. Information Technology	228	2,021,460	2,332,930	2,538,700	8.8%
4. Assessing	257	1,122,150	1,372,390	1,410,350	2.8%
5. Financial Services	191/205	2,000,270	2,195,040	2,450,450	11.6%
6. Purchasing	233	499,770	566,190	621,550	9.8%
7. Facilities Maintenance	265	2,456,690	2,744,510	2,904,400	5.8%
8. Treasury	253	908,810	999,720	1,050,900	5.1%
9. Act 78 - Civil Service Commission	269	39,500	53,500	53,500	0.0%
10. General Employees Pension Board	274	46,630	64,100	64,100	0.0%
11. Legal	266	1,039,960	1,095,000	1,095,000	0.0%
Total City Administration Department		13,625,180	15,862,200	17,111,750	7.9%
<u>PUBLIC LIBRARY DEPARTMENT</u>					
1. Library	790	3,053,580	3,214,570	3,467,350	7.9%
2. Historical Commission	803	9,250	5,150	5,250	1.9%
Total Public Library Department		3,062,830	3,219,720	3,472,600	7.9%
<u>POLICE DEPARTMENT</u>					
1. Police Administration	305	6,368,620	6,689,750	7,063,500	5.6%
2. Police Investigations	310	9,219,870	9,498,900	10,051,250	5.8%
3. Police Operations	315	23,511,440	24,831,800	25,559,450	2.9%
4. Police Support Services	326	2,190,380	2,383,050	2,585,250	8.5%
Total Police Department		41,290,310	43,403,500	45,259,450	4.3%
<u>FIRE DEPARTMENT</u>					
1. Fire Administration	337	2,207,980	2,150,090	2,405,800	11.9%
2. Fire Extinguishment	338/339	22,572,480	22,633,190	24,367,750	7.7%
3. Fire Prevention	341	1,548,180	1,660,670	1,833,000	10.4%
Total Fire Department		26,328,640	26,443,950	28,606,550	8.2%

GENERAL FUND EXPENDITURES BY BUDGETARY CENTER

Activity Name	Activity No.	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
<u>PUBLIC WORKS DEPARTMENT</u>					
1. Fleet Maintenance	572	3,388,830	3,751,900	3,771,800	0.5%
2. Public Works Center	441	128,630	147,150	155,750	5.8%
3. Street Services	446	3,221,880	3,550,650	3,691,000	4.0%
Total Public Works Department		6,739,340	7,449,700	7,618,550	2.3%
<u>CITY DEVELOPMENT DEPARTMENT</u>					
1. Building	371	1,477,400	1,613,870	1,688,250	4.6%
2. Economic Development	728	1,392,790	2,735,850	600,950	-78.0%
3. Engineering	447	1,597,070	1,707,220	1,804,650	5.7%
4. Neighborhood Services	417	2,220,390	2,665,220	2,909,100	9.2%
5. Planning	701	658,520	848,360	843,850	-0.5%
6. Planning Commission	703	23,700	27,350	29,100	6.4%
7. Sustainability Commission	704	560	1,350	1,350	0.0%
8. Zoning Board of Appeals	702	15,960	23,600	23,650	0.2%
Total City Development Department		7,386,390	9,622,820	7,900,900	-17.9%
<u>COMMUNITY RELATIONS DEPARTMENT</u>					
1. Community Relations	261	2,102,980	2,458,620	2,463,350	0.2%
2. Arts Commission	802	0	100	100	0.0%
3. Beautification Commission	801	2,320	2,450	2,500	2.0%
Total Community Relations Department		2,105,300	2,461,170	2,465,950	0.2%
41-A DISTRICT COURT	286	3,949,340	4,396,030	4,706,400	7.1%
GENERAL EXPENDITURES	272	2,723,560	3,566,930	3,688,100	3.4%
TRANSFERS OUT	966	17,308,530	13,010,500	12,175,150	-6.4%
Total General Fund Expenditures		\$124,519,420	\$129,436,520	\$133,005,400	2.8%

Note: The Actual Column is rounded to the nearest \$10.

GENERAL FUND BUDGETARY CENTERS EXPENDITURES BY CATEGORY

Activity Name	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget
<u>CITY ADMINISTRATION DEPARTMENT</u>					
Personnel Services	\$7,719,200	\$8,309,030	\$8,682,230	\$10,189,540	\$11,201,550
Supplies	251,380	499,280	449,850	531,460	483,350
Other Charges	3,749,280	4,478,330	4,493,100	5,141,200	5,426,850
Total	11,719,860	13,286,640	13,625,180	15,862,200	17,111,750
<u>PUBLIC LIBRARY DEPARTMENT</u>					
Personnel Services	2,252,110	2,263,580	2,446,840	2,609,220	2,841,000
Supplies	252,170	275,630	266,030	276,600	286,650
Other Charges	293,750	331,700	349,960	333,900	344,950
Total	2,798,030	2,870,910	3,062,830	3,219,720	3,472,600
<u>POLICE DEPARTMENT</u>					
Personnel Services	34,834,440	36,231,990	38,227,900	40,172,910	41,852,950
Supplies	195,880	250,610	261,880	230,240	278,100
Other Charges	2,796,010	2,725,520	2,800,530	3,000,350	3,128,400
Total	37,826,330	39,208,120	41,290,310	43,403,500	45,259,450
<u>FIRE DEPARTMENT</u>					
Personnel Services	22,741,740	23,638,490	24,734,430	24,888,320	27,089,600
Supplies	359,560	332,310	322,070	431,500	387,700
Other Charges	947,030	1,125,220	1,272,140	1,124,130	1,129,250
Total	24,048,330	25,096,020	26,328,640	26,443,950	28,606,550
<u>PUBLIC WORKS DEPARTMENT</u>					
Personnel Services	4,497,270	4,480,400	4,639,230	5,115,400	5,258,400
Supplies	1,632,040	1,687,640	1,627,670	1,732,900	1,712,450
Other Charges	521,250	592,720	472,440	601,400	647,700
Total	6,650,560	6,760,760	6,739,340	7,449,700	7,618,550
<u>REFUSE</u>					
Personnel Services	143,700	159,460	0	0	0
Supplies	14,840	7,190	0	0	0
Other Charges	4,459,960	4,680,160	0	0	0
Total	4,618,500	4,846,810	0	0	0
<u>CITY DEVELOPMENT DEPARTMENT</u>					
Personnel Services	4,873,650	4,970,560	5,649,610	6,124,520	6,729,000
Supplies	21,660	23,770	27,510	31,550	29,900
Other Charges	359,020	604,220	1,709,270	3,466,750	1,142,000
Total	5,254,330	5,598,550	7,386,390	9,622,820	7,900,900

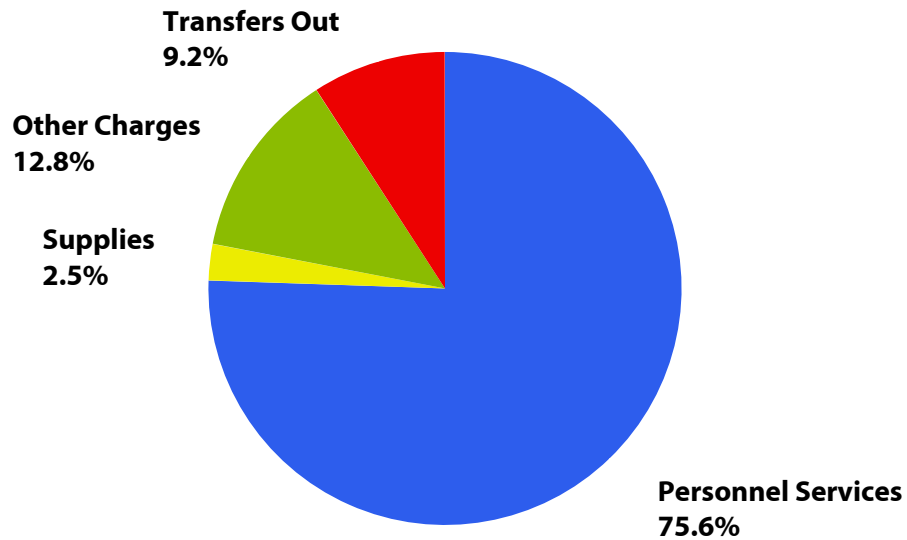
GENERAL FUND BUDGETARY CENTERS EXPENDITURES BY CATEGORY

Activity Name	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget
<u>COMMUNITY RELATIONS DEPARTMENT</u>					
Personnel Services	1,124,120	1,173,100	1,294,060	1,374,190	1,508,150
Supplies	44,250	47,480	51,290	57,230	57,250
Other Charges	385,080	528,060	759,950	1,029,750	900,550
Total	1,553,450	1,748,640	2,105,300	2,461,170	2,465,950
<u>41-A DISTRICT COURT</u>					
Personnel Services	3,330,310	3,269,490	3,450,040	3,786,980	4,084,850
Supplies	48,670	59,820	84,680	53,720	60,050
Other Charges	247,620	325,110	414,620	555,330	561,500
Total	3,626,600	3,654,420	3,949,340	4,396,030	4,706,400
<u>GENERAL EXPENDITURES</u>					
Personnel Services	230	19,250	10,980	10,000	10,000
Supplies	30,140	25,880	14,630	26,650	27,350
Other Charges	3,376,860	2,651,750	2,697,950	3,530,280	3,650,750
Total	3,407,230	2,696,880	2,723,560	3,566,930	3,688,100
<u>TRANSFERS OUT</u>					
Transfers Out	12,994,780	17,236,170	17,308,530	13,010,500	12,175,150
<u>TOTAL EXPENDITURES BY CATEGORY</u>					
Personnel Services	81,516,770	84,515,350	89,135,320	94,271,080	100,575,500
Supplies	2,850,590	3,209,610	3,105,610	3,371,850	3,322,800
Other Charges	17,135,860	18,042,790	14,969,960	18,783,090	16,931,950
Capital Outlay	0	0	0	0	0
Transfers Out	12,994,780	17,236,170	17,308,530	13,010,500	12,175,150
Total General Fund	\$114,498,000	\$123,003,920	\$124,519,420	\$129,436,520	\$133,005,400

Note: Actual Columns are rounded to the nearest \$10.

The Refuse Collection department was converted to a Special Revenue Fund in the 2023-2024 fiscal year.

General Fund Expenditures by Expenditure Category



Total General Fund Budget of \$133,005,400

This graph illustrates expenditures by category as a percent of the General Fund. Personnel Services, for example, comprises 75.6% of total General Fund expenditures.

GENERAL FUND

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023/24 Actual		2024/25 Budget		2025/26 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>PERSONNEL SERVICES</u>						
703000	Wages-Elected & Appointed	\$274,360	0.22	\$297,800	0.23	\$305,800	0.23
704000	Wages & Salaries-Permanent	38,608,480	31.01	44,895,880	34.69	49,195,300	36.99
704001	Sick Time Buy Back	543,780	0.44	453,850	0.35	450,850	0.34
704002	Health Insurance Allowance	158,500	0.13	156,000	0.12	165,000	0.12
705000	Wages-Salaries - Temp/Part Time	2,036,060	1.64	2,765,310	2.14	2,962,750	2.23
706000	Wages-Salaries - Occasional	55,230	0.04	220,000	0.17	125,000	0.09
708000	Overtime	3,973,120	3.19	3,124,800	2.41	3,213,450	2.42
708001	Compensatory Time Buy Back	2,387,860	1.92	1,483,490	1.15	1,397,900	1.05
708003	Overtime - F.L.S.A.	58,440	0.05	85,000	0.07	63,250	0.05
709000	Other Benefits/Reimbursements	123,190	0.10	136,650	0.11	137,100	0.10
710000	Longevity	774,950	0.62	821,660	0.63	878,600	0.66
711000	Holiday Pay	1,403,500	1.13	1,542,800	1.19	1,686,100	1.27
713500	Car Allowance	4,000	0.00	5,000	0.00	4,000	0.00
714000	Food Allowance	119,790	0.10	120,000	0.09	125,000	0.09
715000	Clothing Allowance	390,330	0.31	403,800	0.31	417,350	0.31
717000	FICA	1,793,330	1.44	2,101,020	1.62	2,293,400	1.72
718000	Worker's Compensation	422,630	0.34	470,850	0.36	514,500	0.39
719000	Unemployment Compensation	10,980	0.01	10,000	0.01	10,000	0.01
720000	Pension - General Emp Retirement	3,490,800	2.80	3,426,700	2.65	3,492,550	2.63
720001	Pension - Police and Fire Retirement	13,917,720	11.18	14,754,000	11.40	15,548,550	11.69
720002	Defined Contribution - Employer	765,170	0.61	992,920	0.77	1,227,150	0.92
721000	Health Insurance	8,222,110	6.60	7,447,100	5.75	7,831,250	5.89
721001	Health Insurance - Retirees	7,892,250	6.34	6,656,500	5.14	6,368,250	4.79
721003	Retiree Health Savings - City	839,610	0.67	951,400	0.74	1,113,300	0.84
722000	Dental Insurance	438,220	0.35	456,750	0.35	506,600	0.38
723000	Life Insurance	92,660	0.07	102,200	0.08	112,500	0.08
724000	Eye Care Insurance	38,040	0.03	41,150	0.03	42,850	0.03
725000	Disability Insurance - Long Term	82,490	0.07	96,650	0.07	107,600	0.08
725001	Disability Insurance - Short Term	217,720	0.17	251,800	0.19	279,550	0.21
	Total Personnel Services	89,135,320	71.58	94,271,080	72.83	100,575,500	75.62
	<u>SUPPLIES</u>						
729000	Postage	439,900	0.35	463,100	0.36	432,150	0.32
730000	Publications	34,830	0.03	38,350	0.03	24,200	0.02
741000	Ammunition	74,870	0.06	78,610	0.06	90,000	0.07
742000	Dog Care Supplies	9,750	0.01	13,400	0.01	13,400	0.01
750000	Fuels & Lubricants	762,070	0.61	841,000	0.65	801,000	0.60
750001	Fuel & Lube Inventory	25,490	0.02	26,400	0.02	26,950	0.02
751000	Operating Supplies	728,870	0.59	780,190	0.60	781,000	0.59
751001	Operating Supplies - Federal Funds	0	0.00	1,200	0.00	1,200	0.00
751002	Operating Supplies - Non-Federal	22,590	0.02	50,000	0.04	30,250	0.02
751003	Supplies - School Programs	10,940	0.01	11,600	0.01	11,600	0.01
758000	Computer Software	260	0.00	1,500	0.00	1,500	0.00
759000	Parts & Sublet Services	771,490	0.62	834,500	0.64	850,000	0.64

GENERAL FUND

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023/24 Actual		2024/25 Budget		2025/26 Budget	
		Dollars	%	Dollars	%	Dollars	%
785000	Books	224,550	0.18	232,000	0.18	259,550	0.20
	Total Supplies	3,105,610	2.49	3,371,850	2.61	3,322,800	2.50
	<u>OTHER CHARGES</u>						
802000	Audit & Accounting Services	79,930	0.06	90,950	0.07	82,750	0.06
803000	Computer Consultant Services	0	0.00	7,140	0.01	3,000	0.00
806000	Legal Services - Other	61,240	0.05	95,000	0.07	88,600	0.07
806001	Legal Services - City Attorney	984,730	0.79	1,020,000	0.79	1,020,000	0.77
806002	Legal Services - Judges	12,160	0.01	14,000	0.01	10,200	0.01
807000	Medical Services	37,850	0.03	37,700	0.03	35,700	0.03
807001	Medical Services - Grant	154,640	0.12	0	0.00	0	0.00
808000	Reporting Services	27,900	0.02	27,000	0.02	28,100	0.02
810000	Other Fees	122,870	0.10	145,050	0.11	140,950	0.11
815000	Liability Insurance	1,506,490	1.21	1,506,500	1.16	1,506,700	1.13
815001	Other Insurance	0	0.00	600,000	0.46	660,000	0.50
818000	Software Maintenance Fees	1,369,460	1.10	1,564,770	1.21	1,730,500	1.30
819000	Interpreter Fees	84,750	0.07	61,800	0.05	65,000	0.05
819001	Witness Fees	60	0.00	500	0.00	0	0.00
819002	Juror Fees	3,430	0.00	5,000	0.00	5,000	0.00
820000	Weed Cutting	61,780	0.05	50,000	0.04	50,000	0.04
826000	Other Contracted Services	4,563,440	3.66	5,464,390	4.22	5,393,250	4.05
826003	Contracted Services - Sage Home	40	0.00	10,000	0.01	10,000	0.01
826004	Other Contracted Services - Grant	129,310	0.10	267,000	0.21	267,000	0.20
826007	Nuisance Abatement Expense	173,510	0.14	200,000	0.15	200,000	0.15
826008	Contracted - Nuisance Abatements	(34,500)	(0.03)	0	0.00	0	0.00
826014	Animal Collection	57,930	0.05	70,000	0.05	85,000	0.06
829000	Hazardous Waste Disposal	1,730	0.00	2,900	0.00	2,900	0.00
830000	Recruiting Costs	7,920	0.01	40,500	0.03	52,500	0.04
880000	Community Promotion	41,040	0.03	77,900	0.06	0	0.00
902000	Publishing	12,880	0.01	21,100	0.02	18,900	0.01
903000	Printing	153,040	0.12	166,350	0.13	171,200	0.13
921000	Electric	464,130	0.37	476,000	0.37	507,750	0.38
922000	Telephone	65,720	0.05	72,600	0.06	72,600	0.05
922001	Fiber Optic Lease Charges	65,860	0.05	66,600	0.05	65,850	0.05
923000	Gas - Fuel - Oil	139,920	0.11	159,000	0.12	155,250	0.12
924000	Street Lighting	885,640	0.71	880,000	0.68	1,045,000	0.79
925000	Water	244,540	0.20	307,300	0.24	306,800	0.23
930000	Building Maintenance	485,030	0.39	505,900	0.39	528,000	0.40
930001	Equipment Maintenance	287,620	0.23	334,090	0.26	328,850	0.25
930003	Vehicle Maintenance	33,820	0.03	66,300	0.05	40,000	0.03
930004	Radio Maintenance	21,060	0.02	9,250	0.01	27,950	0.02
930005	Retention Pond Maintenance	103,630	0.08	125,000	0.10	127,500	0.10
944000	Hydrant Rental	187,900	0.15	193,500	0.15	197,350	0.15
945000	Other Rental	242,500	0.19	288,300	0.22	276,850	0.21
955000	Mileage	820	0.00	900	0.00	400	0.00

GENERAL FUND

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023/24 Actual		2024/25 Budget		2025/26 Budget	
		Dollars	%	Dollars	%	Dollars	%
956000	Local Meetings	20,920	0.02	24,050	0.02	25,200	0.02
956001	Special Events	6,110	0.00	9,100	0.01	9,100	0.01
956002	Sterlingfest	388,620	0.31	436,050	0.34	450,000	0.34
957000	Memberships & Dues	181,430	0.15	204,750	0.16	199,850	0.15
958000	Education & Training	298,470	0.24	445,250	0.34	467,400	0.35
958001	Education & Training - Grant	5,120	0.00	14,900	0.01	14,900	0.01
958004	Tuition Reimbursement - Police	5,000	0.00	5,000	0.00	14,000	0.01
958006	Tuition Reimbursement - Fire Admin.	0	0.00	12,000	0.01	12,000	0.01
958999	Education & Training	11,280	0.01	11,650	0.01	11,650	0.01
959000	Donation Expense Non-Capital	10,870	0.01	5,100	0.00	4,000	0.00
962000	Miscellaneous Expense	167,350	0.13	198,950	0.15	216,450	0.16
962001	Misc Exp - Cash - Short/Over	(80)	0.00	0	0.00	0	0.00
967000	Lakeside Development Expenditures	33,050	0.03	386,000	0.30	200,000	0.15
967001	Lakeside Development Expenditures	1,000,000	0.80	2,000,000	1.55	0	0.00
	Total Other Charges	14,969,960	12.02	18,783,090	14.51	16,931,950	12.73
	<u>TRANSFERS OUT</u>						
995202	Transfer to Major Road Fund	1,000,000	0.80	1,000,000	0.77	500,000	0.38
995208	Transfer to P&R Fund	3,256,170	2.61	3,247,900	2.51	3,247,900	2.44
995301	Transfer to LTGO Debt Fund	2,962,360	2.38	2,958,400	2.29	2,960,350	2.23
995401	Transfer to Capital Projects Fund	5,590,000	4.49	5,804,200	4.48	5,466,900	4.11
995404	Transfer to Facilities Imp. Fund	4,500,000	3.61	0	0.00	0	0.00
	Total Transfers Out	17,308,530	13.90	13,010,500	10.05	12,175,150	9.16
	Total General Fund	\$124,519,420	100.00	\$129,436,520	100.00	\$133,005,400	100.00

Note: The Actual Column is rounded to the nearest \$10.

General Fund Expenditure History



This graph illustrates the expenditure category history for the General Fund.

***You don't have to see the whole staircase,
just take the first step.***

~ Martin Luther King, Jr. ~

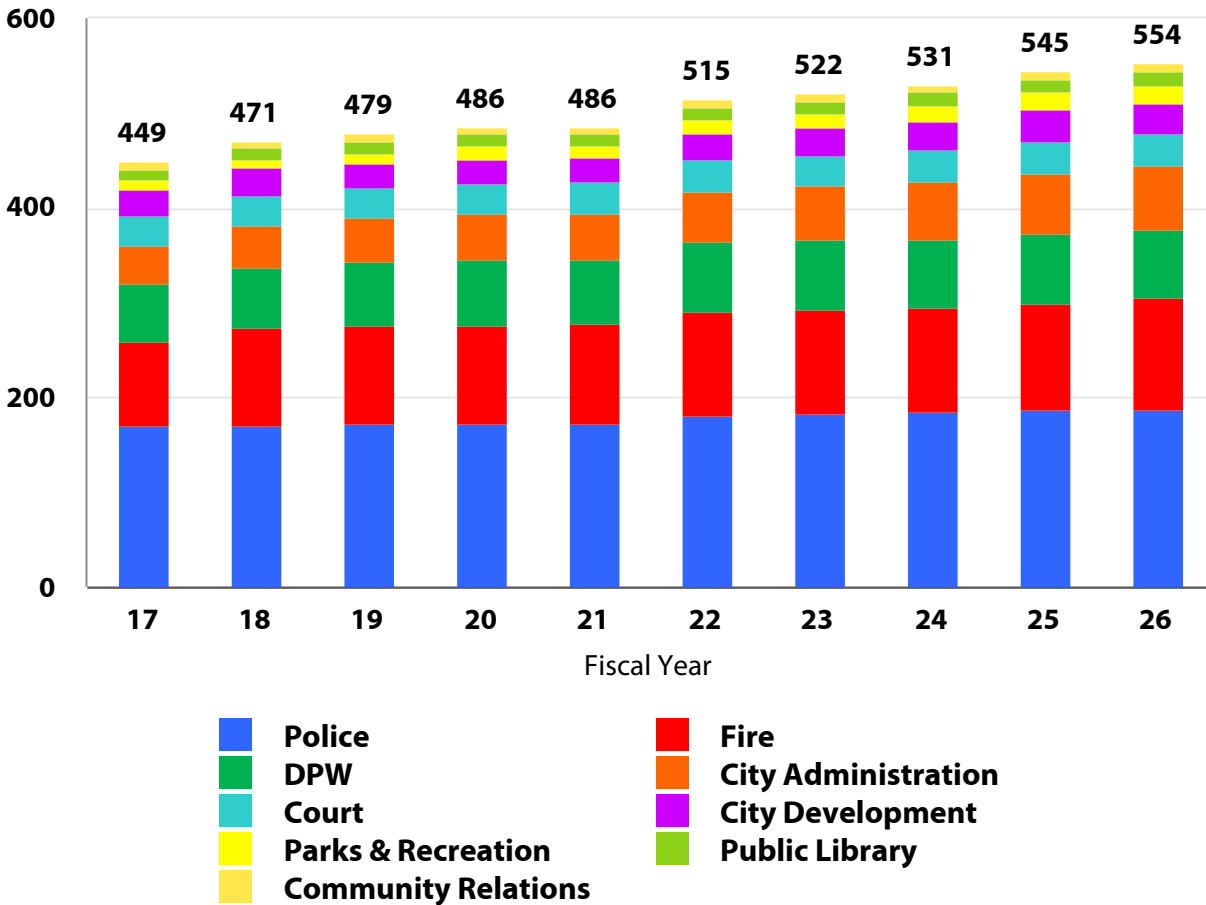


Personnel Summary



The Personnel Summary portion of the City budget represents a historical summary of all personnel related information. This information includes graphs showing the number of full-time personnel employed by the City, along with fringe benefit expenses. Also presented is a breakdown of the personnel assigned within each activity, and the budgeted wages for each position.

Full-time Personnel History by Department



This graph illustrates the number of full-time employees by department for the past 10 years.

HEADCOUNT SUMMARY BY DEPARTMENT

OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
<u>CITY ADMINISTRATION DEPARTMENT</u>						
CITY MANAGEMENT	6	2	6	2	7	1
CITY MANAGEMENT - HUMAN RESOURCES	5	1	5	1	6	15
CITY CLERK	7	1	8	1	7	0
FACILITIES MAINTENANCE	5	4	7	2	7	2
INFORMATION TECHNOLOGY	7	2	7	1	7	0
ASSESSING	8	3	8	3	8	1
FINANCIAL SERVICES	8	2	8	2	9	1
UTILITY SERVICES	5	0	5	0	5	0
PURCHASING	4	0	4	0	4	0
TREASURY	6	1	6	1	6	1
TOTAL CITY ADMINISTRATION DEPARTMENT	61	16	64	13	66	21
<u>PUBLIC LIBRARY DEPARTMENT</u>	14	25	14	26	14	26
<u>POLICE DEPARTMENT</u>						
POLICE ADMINISTRATION	19	2	20	2	18	0
POLICE INVESTIGATIONS	43	0	44	0	45	0
POLICE OPERATIONS	107	30	106	30	108	30
POLICE SUPPORT SERVICES	16	1	17	1	17	1
TOTAL POLICE DEPARTMENT	185	33	187	33	188	31
<u>FIRE DEPARTMENT</u>						
FIRE ADMINISTRATION	8	2	9	1	10	0
FIRE EXTINGUISHMENT	96	0	96	0	100	0
FIRE PREVENTION	6	1	9	0	8	0
TOTAL FIRE DEPARTMENT	110	3	114	1	118	0
<u>PUBLIC WORKS DEPARTMENT</u>						
FLEET MAINTENANCE	13	3	13	3	13	2
STREET SERVICES	21	10	21	5	21	5
TOTAL PUBLIC WORKS DEPARTMENT	34	13	34	8	34	7
<u>CITY DEVELOPMENT DEPARTMENT</u>						
BUILDING	8	0	10	0	10	0
ECONOMIC DEVELOPMENT	1	0	1	0	1	0
ENGINEERING	9	1	9	1	9	0
NEIGHBORHOOD SERVICES	8	16	8	17	9	15
PLANNING	4	2	4	2	4	0
TOTAL CITY DEVELOPMENT DEPARTMENT	30	19	32	20	33	15

HEADCOUNT SUMMARY BY DEPARTMENT

OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
COMMUNITY RELATIONS DEPARTMENT	8	3	8	4	9	2
41-A DISTRICT COURT	33	12	34	10	34	10
TOTAL GENERAL FUND	475	124	487	115	496	112
REFUSE & RECYCLING	0	5	0	5	0	5
PARKS & RECREATION FUND	17	3	19	3	19	3
<u>WATER & SEWER FUND</u>						
WATER & SEWER ADMINISTRATION	8	1	8	1	8	2
WATER DISTRIBUTION	14	5	14	5	14	5
SEWAGE COLLECTION	17	4	17	4	17	3
TOTAL WATER & SEWER FUND	39	10	39	10	39	10
TOTAL ALL FUNDS	531	142	545	133	554	130

PERSONNEL DETAILED SUMMARY

Current Pay Range	OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
	<u>CITY ADMINISTRATION DEPARTMENT</u>						
	<u>CITY MANAGEMENT</u>						
249,480	City Manager	1		1		1	
187,000	Assistant City Manager	0		1		2	
60,000 - 75,000	Assistant City Manager (P.T.)		0		0		1
144,000 - 170,000	Finance & Budget Director	1		1		1	
N/A	DEI Officer	1		0		0	
67,756 - 84,265	Budget Management Coordinator	1		1		1	
61,328 - 76,162	Special Projects Coordinator	1		2		2	
N/A	Management Services Specialist	1		0		0	
N/A	Management Services Specialist (P.T.)		1		1		0
N/A	Intern (P.T.)		1		1		0
	Total	6	2	6	2	7	1
	<u>CITY MANAGEMENT - HUMAN RESOURCES</u>						
N/A	Assistant City Manager	1		1		0	
160,000	Human Resources Director	0		0		1	
N/A	Human Resources & Benefits Manager	1		1		0	
61,328 - 76,162	Risk Management Coordinator	1		1		1	
71,609 - 90,022	Lead HR Coordinator	0		0		1	
61,328 - 76,162	Human Resources Coordinator	2		2		3	
18,000	Intern (P.T.)		1		1		15
	Total	5	1	5	1	6	15
	<u>CITY CLERK</u>						
144,000 - 170,000	City Clerk	1		1		1	
115,000 - 141,000	Deputy City Clerk	0		1		1	
N/A	Clerk Coordinator	1		1		0	
54,541 - 67,734	Management Services Specialist	1		1		1	
60,000 - 70,000	Management Assistant	1		1		1	
58,000 - 68,000	Elections Assistant	1		1		1	
58,000 - 68,000	Administrative Assistant	1		1		1	
53,000 - 62,000	Senior Clerk	1		1		1	
N/A	Intern (P.T.)		1		1		0
	Total	7	1	8	1	7	0
	<u>FACILITIES MAINTENANCE</u>						
N/A	Facilities Maintenance Director	1		0		0	
125,000 - 151,000	Facilities Maintenance Manager	0		1		1	
73,473 - 92,366	Facilities Maintenance Superintendent	1		1		1	
69,000 - 79,000	Lead Facilities Maintenance Mechanic	2		2		2	
62,000 - 72,000	Facilities Maintenance Mechanic	1		3		3	
50,673 - 58,846	Facilities Maintenance Mechanic (P.T.)		3		1		1
43,589 - 54,051	Account Clerk (P.T.)		0		0		1
N/A	Clerk Typist (P.T.)		1		1		0
	Total	5	4	7	2	7	2
	<u>INFORMATION TECHNOLOGY</u>						
140,000 - 166,000	Information Technology Director	1		1		1	
88,218 - 114,520	Information Technology Coordinator	1		1		1	
77,007 - 99,967	GIS/CAD Coordinator	1		1		1	
63,791 - 80,000	GIS Specialist	1		1		1	
67,011 - 83,220	Senior Systems Analyst	1		2		2	
63,791 - 80,000	Information Technology Specialist	2		1		1	
N/A	Intern (P.T.)		2		1		0
	Total	7	2	7	1	7	0

PERSONNEL DETAILED SUMMARY

Current Pay Range	OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
	<u>ASSESSING</u>						
129,000 - 155,000	City Assessor	1		1		1	
108,000 - 123,000	Assessing Coordinator	1		1		1	
88,000 - 100,000	Appraiser III	3		1		2	
33,846 - 38,462	Appraiser III (P.T.)		1		1		1
77,000 - 89,000	Appraiser II	1		1		1	
68,000 - 78,000	Appraiser I	2		2		1	
63,000 - 73,000	Appraiser Aide	0		2		2	
N/A	Intern (P.T.)		2		2		0
	Total	8	3	8	3	8	1
	<u>FINANCIAL SERVICES</u>						
134,000 - 160,000	Assistant Finance & Budget Director	1		1		1	
129,000 - 155,000	Controller	1		1		1	
115,000 - 141,000	Finance Manager	0		0		1	
67,756 - 84,265	Accountant	3		3		3	
58,000 - 68,000	Senior Account Clerk	3		3		3	
33,333 - 41,333	Account Clerk (P.T.)		1		1		1
N/A	Intern (P.T.)		1		1		0
	Total	8	2	8	2	9	1
	<u>UTILITY SERVICES</u>						
67,756 - 84,265	Accountant	1		1		1	
60,000 - 70,000	Management Assistant	1		1		1	
58,000 - 68,000	Senior Account Clerk	1		1		1	
50,000 - 62,000	Account Clerk	2		2		2	
	Total	5	0	5	0	5	0
	<u>PURCHASING</u>						
125,000 - 151,000	Purchasing Manager	1		1		1	
71,609 - 90,022	Purchasing Coordinator	1		1		1	
61,328 - 76,162	Purchasing Specialist	1		1		1	
58,000 - 68,000	Administrative Assistant	1		1		1	
	Total	4	0	4	0	4	0
	<u>TREASURY</u>						
129,000 - 155,000	City Treasurer	1		1		1	
71,609 - 90,022	Treasury Services Coordinator	1		1		1	
67,000 - 77,000	Treasury Services Specialist	0		1		0	
60,000 - 70,000	Management Assistant	1		0		1	
58,000 - 68,000	Senior Account Clerk	1		1		1	
50,000 - 62,000	Account Clerk	2		2		2	
38,461 - 47,692	Account Clerk (P.T.)		1		1		1
	Total	6	1	6	1	6	1
	Total City Administration Department	61	16	64	13	66	21
	<u>PUBLIC LIBRARY DEPARTMENT</u>						
140,000 - 166,000	Public Library Director	1		1		1	
68,764 - 86,675	Library Service Area Coordinator	2		2		2	
63,791 - 80,000	Public Relations & Programs Coordinator	1		1		1	
61,248 - 76,434	Librarian	4		4		4	
52,136 - 66,065	Librarian (P.T.)		8		8		8
68,000 - 78,000	Library Circulation Supervisor	1		1		1	
63,000 - 73,000	Library Services Specialist	1		1		1	
62,000 - 72,000	Library Assistant III	1		1		1	
58,000 - 68,000	Library Assistant II	2		2		3	
54,000 - 63,000	Library Assistant I	1		1		0	
30,460 - 40,568	Library Programming Specialist (P.T.)		0		1		1

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PERSONNEL DETAILED SUMMARY

Current Pay Range	OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
28,923 - 37,180	Library Clerk (P.T.)		6		6		6
9,688 - 10,734	Library Page (P.T.)		10		10		11
N/A	Intern (P.T.)		1		1		0
	Total Public Library Department	14	25	14	26	14	26
	<u>POLICE DEPARTMENT</u>						
	<u>POLICE ADMINISTRATION</u>						
150,000 - 176,000	Chief of Police	1		1		1	
149,833 - 154,242	Deputy Police Chief	1		1		1	
142,762 - 146,969	Captain	1		1		1	
132,244 - 136,820	Lieutenant	1		2		2	
117,892 - 124,518	Sergeant	3		3		3	
65,975 - 104,015	Police Officer	4		4		4	
N/A	Social Worker	2		2		0	
41,422 - 66,236	Secretary to Chief	1		1		1	
40,320 - 64,239	Administrative Secretary	5		5		5	
N/A	Intern (P.T.)		2		2		0
	Total	19	2	20	2	18	0
	<u>POLICE INVESTIGATIONS</u>						
142,762 - 146,969	Captain	1		1		1	
132,244 - 136,820	Lieutenant	2		2		2	
117,892 - 124,518	Sergeant	5		6		6	
69,274 - 109,141	Detective	30		30		30	
65,975 - 104,015	Police Officer	3		3		4	
40,320 - 64,239	Administrative Secretary	1		1		1	
33,978 - 56,048	Technical Secretary	1		1		1	
	Total	43	0	44	0	45	0
	<u>POLICE OPERATIONS</u>						
142,762 - 146,969	Captain	1		1		1	
132,244 - 136,820	Lieutenant	4		4		4	
117,892 - 124,518	Sergeant	16		15		15	
65,975 - 104,015	Police Officer	85		85		87	
40,320 - 64,239	Administrative Secretary	1		1		1	
	Crossing Guards (P.T.)		30		30		30
	Total	107	30	106	30	108	30
	<u>POLICE SUPPORT SERVICES</u>						
117,892 - 124,518	Sergeant	1		1		1	
65,975 - 104,015	Police Officer	1		1		1	
50,982 - 63,310	Animal Control Specialist	0		1		1	
47,810 - 60,263	Animal Control Officer	3		3		3	
41,422 - 66,236	Evidence Clerk	1		1		1	
40,320 - 64,239	Administrative Secretary	4		4		4	
40,320 - 64,239	Data Analyst	1		1		1	
40,320 - 64,239	Terminal Agency Coordinator	1		1		1	
33,978 - 56,048	Technical Secretary	4		4		4	
43,387 - 58,551	Criminal Investigations Assistant (P.T.)		1		1		1
	Total	16	1	17	1	17	1
	Total Police Department	185	33	187	33	188	31
	<u>FIRE DEPARTMENT</u>						
	<u>FIRE ADMINISTRATION</u>						
150,000 - 176,000	Fire Chief	1		1		1	
151,000	Division Chief/Assistant Fire Chief	1		2		2	
139,200	Chief of Training	1		1		1	

PERSONNEL DETAILED SUMMARY

Current Pay Range	OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
130,000	EMS Coordinator	1		1		1	
130,000	Mobile Integrated EMS Health Coordinator	0		0		1	
124,000	Fire Instructor	1		1		1	
67,000 - 77,000	Fire Services Specialist	1		1		1	
60,000 - 70,000	Management Assistant	1		1		1	
58,000 - 68,000	Administrative Assistant	1		1		1	
N/A	Clerk Typist (P.T.)		1		0		0
N/A	Intern (P.T.)		1		1		0
	Total	8	2	9	1	10	0
	<u>FIRE EXTINGUISHMENT</u>						
132,203	Battalion Chief	3		3		3	
120,000 - 128,000	Captain-Advanced Life Support	4		4		5	
113,208 - 120,755	Captain	2		2		1	
110,000 - 117,500	Lieutenant-Advanced Life Support	15		15		15	
105,000	Sergeant - Fire Engine Operator	9		9		9	
70,000 - 102,000	Fire Fighter-Advanced Life Support	51		51		51	
68,600 - 99,960	Fire Fighter-Fire Engine Operator	12		12		12	
55,000 - 80,000	Fire Fighter - EMT	0		0		4	
	Total	96	0	96	0	100	0
	<u>FIRE PREVENTION</u>						
139,200	Fire Marshal	1		1		1	
132,500	Community Risk Reduction Officer	0		1		1	
N/A	Mobile Integrated EMS Health Coordinator	0		1		0	
124,000	Fire Inspector	4		4		4	
109,700	Fire Prevention Specialist	1		1		1	
50,000 - 62,000	Account Clerk	0		1		1	
N/A	Account Clerk (P.T.)		1		0		0
	Total	6	1	9	0	8	0
	Total Fire Department	110	3	114	1	118	0
	<u>PUBLIC WORKS DEPARTMENT</u>						
	<u>FLEET MAINTENANCE</u>						
82,215 - 108,097	Division Supervisor	1		1		1	
68,005 - 82,215	Mechanic	11		11		11	
61,433 - 74,628	Storekeeper	1		1		1	
25,500 - 27,000	Seasonal Laborer (P.T.)		2		2		2
N/A	Intern		1		1		0
	Total	13	3	13	3	13	2
	<u>STREET SERVICES</u>						
82,215 - 108,097	Division Supervisor	1		1		1	
68,766 - 82,215	Equipment Operator A	1		1		1	
64,554 - 77,749	Equipment Operator B	7		8		8	
64,554 - 77,749	Traffic Sign Worker	2		2		2	
64,554 - 77,749	Street Services Inspector	1		1		1	
61,433 - 74,628	Equipment Operator C	5		4		4	
50,750 - 72,573	Laborer	4		4		4	
25,500 - 27,000	Seasonal Laborer (P.T.)		10		5		5
	Total	21	10	21	5	21	5
	Total Public Works Department	34	13	34	8	34	7
	<u>CITY DEVELOPMENT DEPARTMENT</u>						
	<u>BUILDING</u>						
125,000 - 151,000	Building Official	1		1		1	
100,000 - 120,000	Assistant Building Official	1		1		1	
96,563 - 113,000	Building Plan Review Coordinator	1		1		1	

PERSONNEL DETAILED SUMMARY

Current Pay Range	OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
86,250 - 102,000	Building Inspector	2		2		2	
86,250 - 102,000	Electrical Inspector	1		1		1	
86,250 - 102,000	Mechanical Inspector	1		2		2	
86,250 - 102,000	Plumbing Inspector	1		2		2	
	Total	8	0	10	0	10	0
	<u>ECONOMIC DEVELOPMENT</u>						
N/A	Building Services Specialist - Velocity	1		1		0	
115,000 - 141,000	Economic Development Specialist	0		0		1	
	Total	1	0	1	0	1	0
	<u>ENGINEERING</u>						
139,000 - 165,000	City Engineer	1		1		1	
108,000 - 123,000	Lead Civil Engineer	1		1		1	
93,000 - 108,000	Civil Engineer II	2		3		3	
77,000 - 89,000	Civil Engineer I	1		0		0	
88,000 - 98,000	Construction Coordinator	1		1		1	
72,000 - 92,000	Engineering Aide	3		3		3	
N/A	Intern (P.T.)		1		1		0
	Total	9	1	9	1	9	0
	<u>NEIGHBORHOOD SERVICES</u>						
144,000 - 170,000	City Development Director	1		1		1	
96,563 - 105,938	Code Enforcement Coordinator	1		1		1	
75,938 - 87,188	Neighborhood Property Maintenance Code Officer	1		1		1	
67,011 - 83,220	HUD Program Coordinator	1		1		2	
N/A	HUD Program Coordinator (P.T.)		0		1		0
60,000 - 70,000	Management Assistant	3		3		3	
58,000 - 68,000	Administrative Assistant	1		1		1	
53,127 - 59,243	Code Enforcement Officer (P.T.)		13		13		13
40,308 - 42,154	Account Clerk (P.T.)		0		0		2
N/A	Clerk Typist (P.T.)		2		2		0
N/A	Intern (P.T.)		1		1		0
	Total	8	16	8	17	9	15
	<u>PLANNING</u>						
134,000 - 160,000	City Planner/City Development Manager	0		1		1	
N/A	City Planner	1		0		0	
N/A	Asst. City Planner/City Development Manager	1		0		0	
125,000 - 151,000	Assistant City Planner	0		1		1	
93,146 - 113,543	Sustainability Planner	0		0		1	
67,011 - 83,220	Planner II	1		1		1	
N/A	Planner I	1		1		0	
N/A	Intern		2		2		0
	Total	4	2	4	2	4	0
	Total City Development Department	30	19	32	20	33	15
	<u>COMMUNITY RELATIONS DEPARTMENT</u>						
136,000 - 162,000	Community Relations Director	1		1		1	
115,000 - 141,000	Marketing and Communications Manager	0		0		1	
N/A	Marketing and Communications Coordinator	1		1		0	
70,232 - 88,291	Broadcast Services Coordinator	1		1		1	
58,513 - 73,392	Marketing Specialist	0		1		2	
58,513 - 73,392	Broadcast Programming Specialist	1		1		1	
58,513 - 73,392	Digital Content Coordinator	1		1		1	
54,541 - 69,088	Community Relations and Event Planning Specialist	1		1		1	
53,143 - 66,406	Citizen Services Specialist	1		1		1	
N/A	Printing Technician II	1		0		0	

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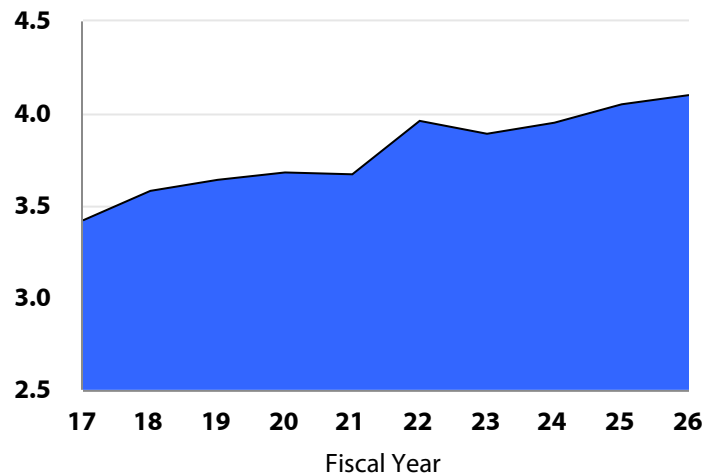
PERSONNEL DETAILED SUMMARY

Current Pay Range	OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
32,228 - 35,840	Printing Technician I (P.T.)		0		1		1
38,643	Graphic Specialist (P.T.)		1		1		1
N/A	Intern (P.T.)		2		2		0
	Total Community Relations Department	8	3	8	4	9	2
	<u>41-A DISTRICT COURT</u>						
45,724	Judge	3		3		3	
156,500	Magistrate	1		1		1	
129,850	Court Administrator	1		1		1	
92,950	Chief Probation Officer	1		1		1	
93,400	Clerk of the Court	1		1		1	
77,550	Court Recorder	3		3		3	
72,150	Court Officer	3		3		3	
63,050	Probation Officer	1		1		1	
38,197	Probation Officer (P.T.)		1		1		1
36,461 - 53,333	Deputy Clerk	19		20		20	
20,272 - 26,225	Deputy Clerk (P.T.)		6		3		3
	Security Guards (P.T.)		5		5		6
N/A	Intern (P.T.)		0		1		0
	Total 41-A District Court	33	12	34	10	34	10
	Total General Fund	475	124	487	115	496	112
	<u>REFUSE AND RECYCLING FUND</u>						
43,590 - 54,051	Account Clerk (P.T.)		1		1		1
25,500 - 27,000	Seasonal Laborer (P.T.)		4		4		4
	Total Refuse and Recycling Fund	0	5	0	5	0	5
	<u>PARKS & RECREATION FUND</u>						
140,000 - 166,000	Parks & Recreation Director	1		1		1	
115,000 - 141,000	Parks & Recreation Manager	0		0		1	
73,473 - 92,366	Recreation Superintendent	4		4		4	
63,791 - 80,000	Recreation Supervisor	3		2		2	
49,434 - 57,190	Recreation Supervisor (P.T.)		0		0		1
N/A	Marketing Specialist	0		1		0	
50,982 - 63,310	Recreation Specialist	2		2		2	
N/A	Recreation Specialist (P.T.)		1		1		0
60,000 - 70,000	Management Assistant	0		1		1	
58,000 - 68,000	Administrative Assistant	1		1		1	
53,000 - 62,000	Program & Services Assistant	2		2		2	
32,267 - 48,297	Program & Services Assistant (P.T.)		1		1		2
69,000 - 79,000	Lead Parks Maintenance Mechanic	0		1		1	
62,000 - 72,000	Parks Maintenance Mechanic	2		3		3	
53,000 - 62,000	Senior Clerk	1		1		1	
N/A	Clerk Typist	1		0		0	
N/A	Intern (P.T.)		1		1		0
	Total Parks & Recreation Fund	17	3	19	3	19	3
	<u>WATER & SEWER FUND</u>						
	<u>WATER & SEWER ADMINISTRATION</u>						
150,000 - 176,000	Public Works Director	1		1		1	
91,857 - 122,308	Operations Manager	1		1		1	
85,768 - 113,173	General Supervisor	2		2		2	
82,215 - 108,097	Environmental & Safety Services Supervisor	1		1		1	
58,000 - 68,000	Administrative Assistant	1		1		1	
58,000 - 68,000	Senior Account Clerk	1		1		1	
50,000 - 62,000	Account Clerk	0		0		1	

PERSONNEL DETAILED SUMMARY

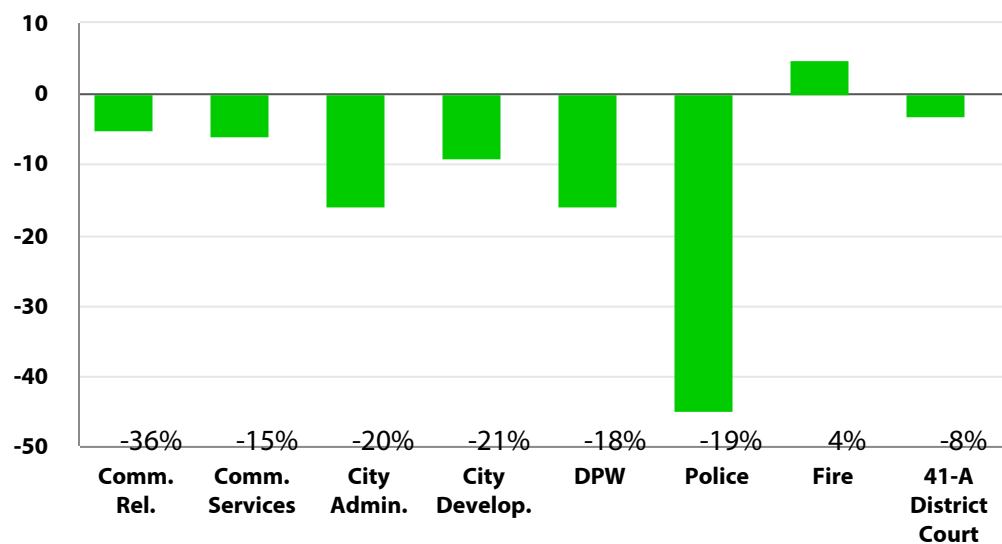
Current Pay Range	OFFICE	Budget 2023/24		Budget 2024/25		Budget 2025/26	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
N/A	Clerk Typist	1		1		0	
25,500 - 27,000	Seasonal Laborer (P.T.)		1		1		2
	Total	8	1	8	1	8	2
	<u>WATER DISTRIBUTION</u>						
82,215 - 108,097	Division Supervisor	1		1		1	
72,065 - 91,857	Maintenance Supervisor	1		1		1	
64,554 - 77,749	Water Inspector	2		2		2	
64,554 - 77,749	Water Service Worker	5		8		8	
61,433 - 74,628	Meter Repair/Installer	3		0		0	
50,750 - 72,573	Laborer	2		2		2	
50,000 - 62,000	Account Clerk		0		0		1
N/A	Clerk Typist (P.T.)		1		1		0
26,500 - 27,000	Seasonal Laborer (P.T.)		4		4		4
	Total	14	5	14	5	14	5
	<u>SEWAGE COLLECTION</u>						
82,215 - 108,097	Division Supervisor	1		1		1	
65,518 - 78,713	Plant Operator/Mechanic	3		3		3	
64,554 - 77,749	Sewer Service Worker (Clean)	2		2		2	
64,554 - 77,749	Water/Sewage Inspector	3		3		3	
64,554 - 77,749	Sewer Service Worker (Maint.)	1		1		1	
50,750 - 72,573	Laborer	7		7		7	
25,500 - 26,250	Seasonal Laborer (P.T.)		4		4		3
	Total	17	4	17	4	17	3
	Total Water & Sewer Fund	39	10	39	10	39	10
	Total All Funds	531	142	545	133	554	130

Full-time Employees per 1,000 Population



This graph illustrates the number of City employees per 1,000 residents.

Full-time Staffing Reductions By Department Since 2002



Despite recent headcount additions, the City's full-time staffing is still down by 95 positions or 15% since 2002.

Legislative



The Sterling Heights City Council (L-R)
Councilman Michael V. Radtke Jr., Councilwoman Maria G. Schmidt,
Mayor Pro Tem Liz Sierawski, Mayor Michael C. Taylor,
Councilwoman Barbara A. Ziarko, Councilwoman Deanna Koski,
Councilman Henry Yanez.

MISSION STATEMENT: *To represent the residents of the City of Sterling Heights in a responsible and judicious manner, ensuring their health, safety, and well-being.*

KEY GOALS

- ***To provide policy direction to City Administration in the implementation and evaluation of various City programs.***
- ***To ensure the City's long-term financial stability by seeking alternative revenue sources.***
- ***To preserve and improve the City's infrastructure and economic base.***
- ***To enhance communications between the residents and City government through cable programming, focus groups, surveys, and other written material.***
- ***To promote a legislative agenda dedicated to neighborhood safety, economic development, environmental issues, and traffic enforcement.***

The Sterling Heights City Council assumes many duties and responsibilities. Unlike the Mayor/Council form of government, separation of powers between the elected Mayor and Council does not exist in Sterling Heights. The legislative powers of the Council are shared equally among all members. The Mayor and Council members are collectively responsible for establishing policy and adopting a budget, as well as hiring, directing, and evaluating the City Manager, the chief administrator responsible for the City's administrative operations. The City Council also appoints, directs and evaluates the City Attorney.

One of the main duties of the City Council is to establish policies. Priorities include the adoption of goals and objectives, the establishment of priorities

for public services, and the approval of programs throughout the City. This also includes the approval and amendment of the operating and capital budgets, approval of expenditures and payments, and grant applications. The City Council also ratifies contracts, adopts zoning ordinances and changes, and resolves appeals.

The City Council acts indirectly in a supervisory role as part of its duties and responsibilities. Direction is given to City Administration through the City Council regarding the implementation and evaluation of various programs. Residents' concerns are forwarded to City Administration by the City Council.

The Sterling Heights City Council represents the City in various local, regional, state, and national boards, commissions and committees, provides public leadership, and communicates with constituents about various issues. Public leadership is provided by the City Council through verbal and written communications with constituents. The wishes of the constituents are brought forth and addressed at the City Council meetings. Ultimately, the City Council is responsible for the arbitration of conflicting interests that arise during the course of City Business.

City Council studies the issues, reviews alternatives, and determines the best course of public policy.■



City Council

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Regular City Council Meetings	24	24	24	24	24	24
	Special City Council Meetings	6	5	6	4	5	5
	Public Hearings Held	10	13	8	10	7	8
	Ordinances and Amendments Adopted	8	9	13	10	8	8
	Agenda Items Reviewed and Acted Upon	397	371	427	425	418	415
	City Council Members Attending Training Sessions	16	17	12	18	14	18
	"Nice Neighbor" Awards Presented	1	2	1	4	4	4
Effectiveness	City Council Member Attendance at Council Mtgs.	98%	98%	97%	100%	98%	100%
	% Legislative Items Acted on within 1 Month	100%	100%	100%	100%	100%	100%
	% Diff. from Proposed to Adopted Budget (G.F.)	-1.10%	0.00%	0.00%	0.00%	0.00%	0.00%
	Activity Expenditures as % of General Fund	0.22 %	0.24 %	0.25 %	0.28 %	0.26 %	0.28 %

City Council

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

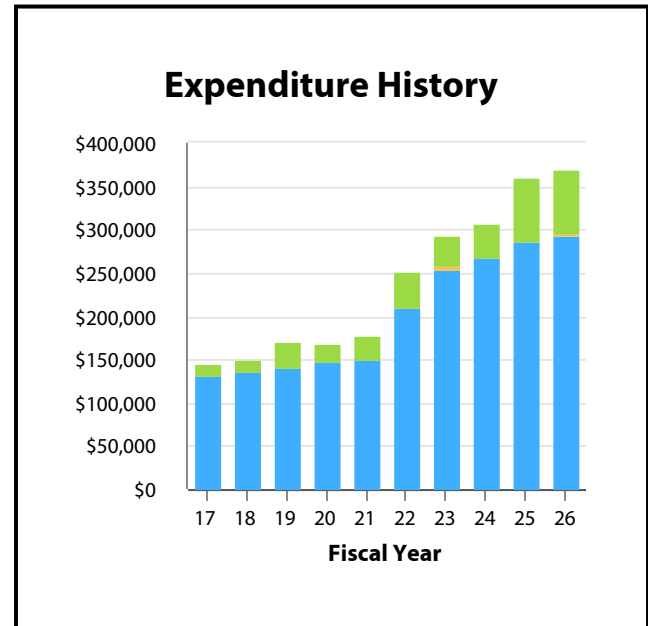
The total budget increased by 2.8%.

Personnel Services - Total Increase of \$8,600 or 3.0% due to wage adjustments as determined by the Elected Officials Compensation Committee at the meeting held on March 3, 2025.

Supplies - There is no change to the Supplies budget.

Other Charges - Total Other Charges increased \$1,350 or 1.8% primarily due to inflationary increases in the cost of local meetings and memberships.

Capital - There is no Capital proposed for this activity.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

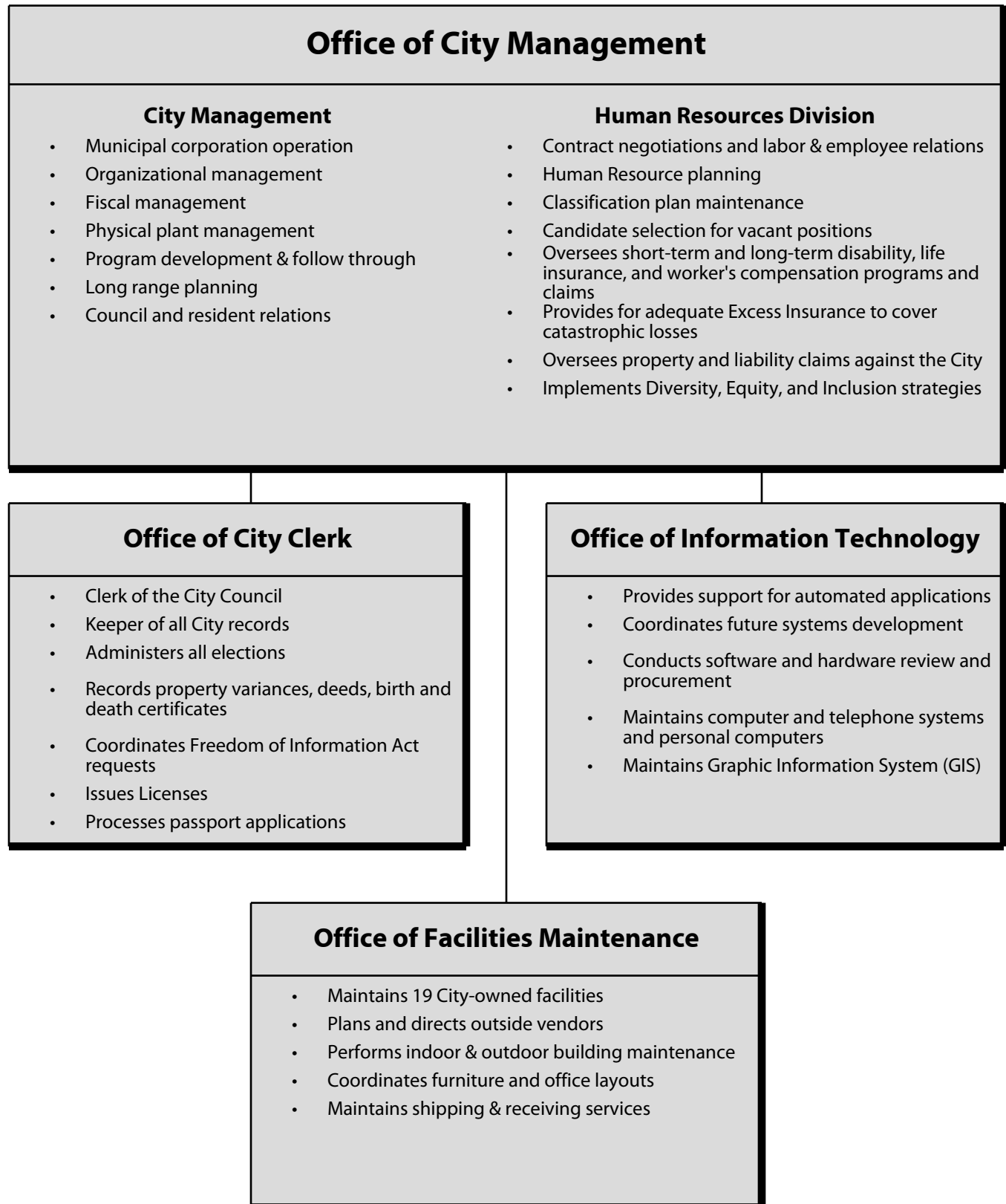
	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$267,640	\$285,750	\$285,750	\$294,350	\$294,350
Supplies	150	1,050	750	1,050	1,050
Other Charges	39,960	73,450	49,300	74,800	74,800
Total	\$307,750	\$360,250	\$335,800	\$370,200	\$370,200

City Administration Department



FUNCTIONAL ORGANIZATION CHART

City Administration Department



FUNCTIONAL ORGANIZATION CHART

City Administration Department

Office of City Management

Finance & Budget Division

- Manages and administers the activities of the Finance & Budget division
- Prepares annual operating and capital budgets
- Responsible for expenditure cost control & revenue monitoring
- Prepares Water & Sewer rate analysis
- Performs City rates & fees studies
- Conducts internal audits
- Manages the City's Performance Measurement Program
- Performs position & salary analysis
- Prepares financial analysis, Strategic Plan, Forecasts & Budget Reports
- Conducts management studies
- Coordinates capital improvements

Office of Financial Services

- Responsible for the proper recording of all City activities in the General Ledger and subsidiary ledgers
- Produces the Annual Comprehensive Financial Report (ACFR)
- Issues all water and sewer bills and maintains related account balances
- Process all City payroll and related fringe benefits payments
- Processes all payments for goods and services purchased by the City
- Responsible for debt management including coordination of bond sales
- Implements and coordinates all Government Accounting Standards Boards (GASB) financial reporting changes.

Office of Treasury

- Administers revenue collection, tax, and special assessments programs
- Administer cash management and banking programs
- Coordinates and records the activities of both City pension funds
- Treasurer - Police & Fire and General Employees' retirement systems
- Administers investment policy

Office of Assessing

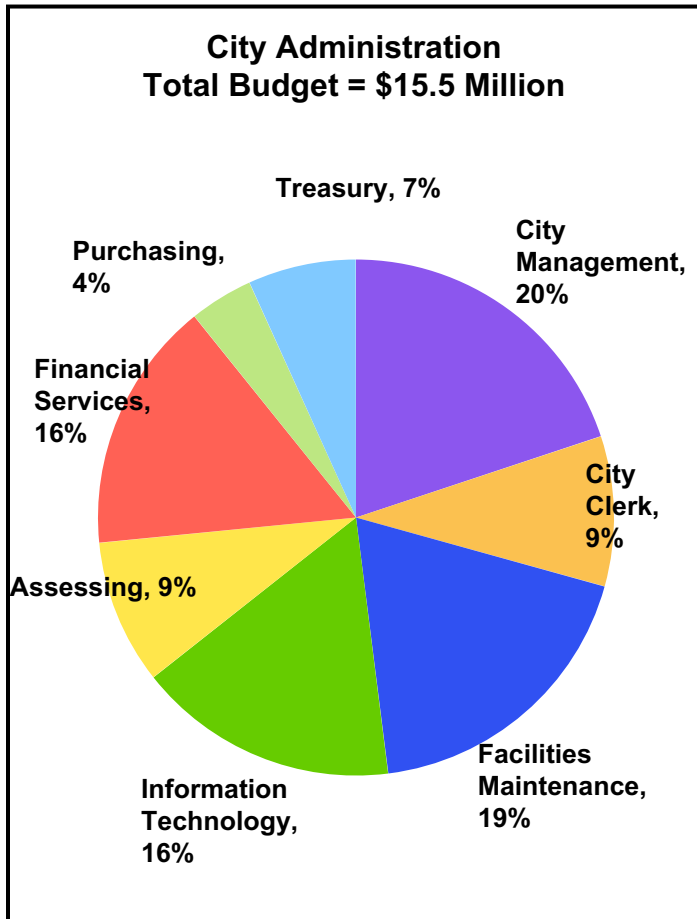
- Ensures equitable assessments
- Maintains assessment roll with current data
- Assesses residential, real and personal commercial, and industrial properties
- Represents City in tribunals
- Maintains field sheets for resident's review
- Processes tax abatements
- Conducts Board of Review hearings

Office of Purchasing

- Procures goods and services at lowest reasonable cost
- Responsible for encumbrance system
- Maintains vendor files
- Coordinates and monitors all City purchase requisitions

DEPARTMENT AT A GLANCE

City Administration Department



PERSONNEL SUMMARY

	2025/26	
	Full Time	Part Time
City Management	13	16
City Clerk	7	0
Facilities Maintenance	7	2
Information Technology	7	0
Assessing	8	1
Financial Services	14	1
Purchasing	4	0
Treasury	6	1
Total Department	66	21

FUNDING LEVEL SUMMARY

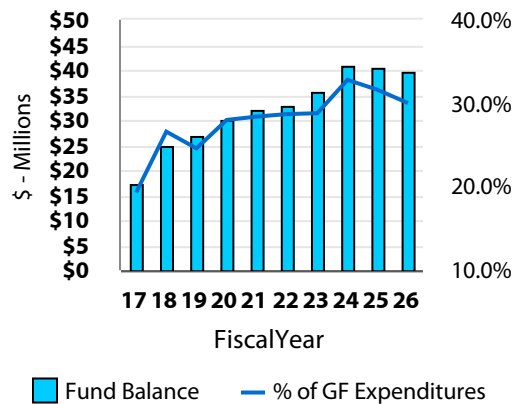
	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
City Management	\$2,023,260	\$1,959,350	\$2,377,150	\$3,090,350	30.0%
City Clerk	1,356,530	1,222,840	1,701,420	1,462,250	-14.1%
Facilities Maintenance	2,469,920	2,456,690	2,744,510	2,904,400	5.8%
Information Technology	1,729,590	2,021,460	2,332,930	2,538,700	8.8%
Assessing	1,113,560	1,122,150	1,372,390	1,410,350	2.8%
Financial Services	1,859,330	2,000,270	2,195,040	2,450,450	11.6%
Purchasing	411,230	499,770	566,190	621,550	9.8%
Treasury	834,760	908,810	999,720	1,050,900	5.1%
Total Department	\$11,798,180	\$12,191,340	\$14,289,350	\$15,528,950	8.7%
Personnel Services	\$8,054,010	\$8,414,590	\$9,903,790	\$10,907,200	10.1%
Supplies	495,560	449,460	530,010	481,900	-9.1%
Other Charges	3,248,610	3,327,290	3,855,550	4,139,850	7.4%
Total Department	\$11,798,180	\$12,191,340	\$14,289,350	\$15,528,950	8.7%

Excludes Legal Activity and Boards and Commissions.

KEY DEPARTMENTAL TRENDS

City Administration Department

Cumulative General Fund Balance



General Fund Balance has increased for the last ten years to its projected level of \$39.8 million, which is 30% of General Fund expenditures. A healthy fund balance is critical to the City's ability to weather future economic downturns.

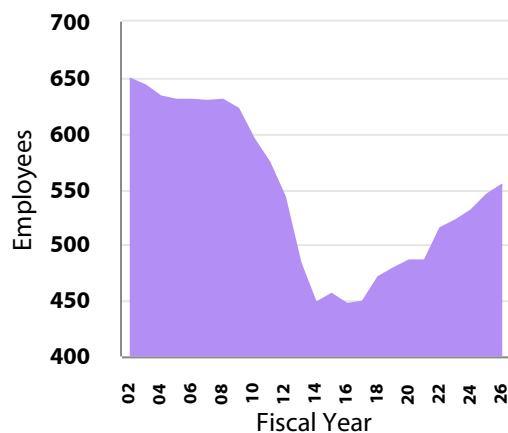
Macomb City Tax Rates (2024)

1.	Roseville	28.51
2.	Center Line	28.29
3.	Warren	27.40
4.	Eastpointe	23.74
5.	St. Clair Shores	23.54
6.	Fraser	21.79
7.	Mount Clemens	21.15
8.	Utica	19.25
9.	Memphis	18.08
10.	STERLING HEIGHTS	16.58
11.	Richmond	15.50
12.	New Baltimore	11.79

Macomb Average: 21.30 mills

The City's property tax rate is lower than 46% of Michigan cities. It is also one of the lowest of any city in Macomb County. The tax rate in Sterling Heights is 4.72 mills below the average of all cities in Macomb County. The tax rate in Warren, for example, is over 10.82 mills or 65% higher than in Sterling Heights.

City's Full-time Staffing



The proposed budget includes 9 new positions, to increase full-time positions to a total of 554. Although we have been able to add key positions in order to continue to provide exceptional service to residents, there are still 95 less full-time employees than the peak level seen in 2002. The City has the lowest full-time employee staffing ratio per 1,000 residents of our comparable communities.

Full-Time Employees Per 1,000 Residents

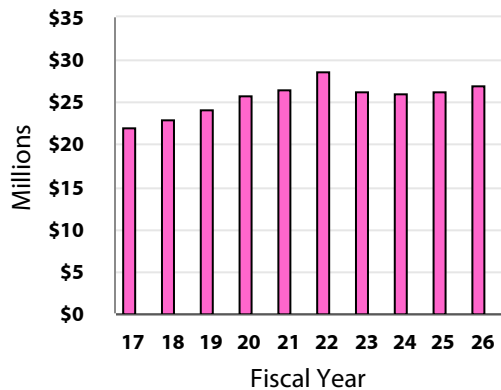
1.	Lansing	8.2
2.	Grand Rapids	8.2
3.	Southfield	7.9
4.	Dearborn	7.9
5.	Ann Arbor	6.7
6.	Livonia	6.4
7.	Warren	5.7
8.	Farmington Hills	4.7
9.	Troy	4.6
10.	Sterling Heights	4.1

Based on proposed staffing data and the 2020 census, Sterling Heights has 4.1 full-time employees per 1,000 residents – the lowest of our benchmark communities. Despite having the fourth largest population, Sterling Heights has the fewest employees.

KEY DEPARTMENTAL TRENDS

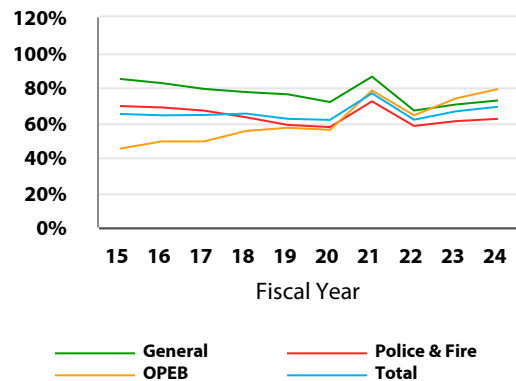
City Administration Department (continued)

Contributions to Fund Retirement Liabilities



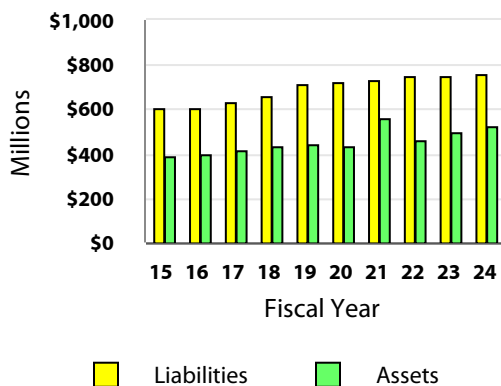
The City annually contributes 100% of the actuarially required funding for all long-term retiree liabilities including police & fire pensions, general employee pensions, and retiree medical.

City Retirement Plans Percent Funded



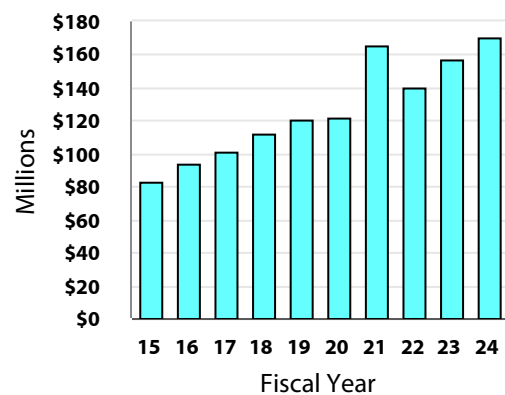
All three plans saw an increase in funding levels as of the 6/30/2024 valuation primarily due to investment gains. The General Employees pension system and retiree medical plans are closed to new members. In addition, all employee pensions and medical benefits have been reduced with new labor contracts.

Long-Term Retirement Assets vs. Liabilities



\$524 million has been set aside to fund future long-term retirement liabilities. The City has worked hard to reduce the growth of the liabilities by changing future retiree benefits and eliminating benefits for new hires.

Retiree Medical Fund Net Assets



The City has dramatically increased the assets being set aside to pay for future retiree medical benefit costs. We now have over twice the assets we had only ten years ago, and we continue to fully fund these liabilities each year, unlike many communities. In addition, the City has reduced the cost of the benefits for all employees, and benefits have been completely eliminated for new hires.

MISSION STATEMENT: *To effectively and efficiently manage the delivery of City services in accordance with the guidelines and policies established by the Mayor and City Council.*

KEY GOALS

- ***To identify key priorities and establish management procedures that develop and effectively utilize City resources.***
- ***To create a results-oriented budget for City operations and capital improvements that encourages accountability, flexibility, and creativity in response to community needs.***
- ***To provide leadership, coordination and administrative support to City departments.***
- ***To hire the most qualified employees using selection methods based on merit and equal opportunity.***
- ***To work in partnership with the City Council to achieve the City's mission and goals.***
- ***To provide risk management activities, which will safeguard all City assets in the most cost effective manner.***

As the City's Chief Administrative Officer, the City Manager is ultimately responsible for all operations of the municipal corporation.

The Manager's work can be summarized into five distinct categories including organizational, fiscal, physical plant management, program development and follow-through, and long-range planning. Each requires daily planning and organizing of ongoing programs and services.

The City Manager is responsible for creating new and innovative City programs and services. Public policy issues are researched and analyzed in anticipation of future needs and problems.

Maintaining good relations with the Mayor and City Council is an important aspect of this office. This involves maintaining effective communications, and

being available to the City Council. This office must present an image that conveys vitality, professionalism, and quality service to private agencies, organizations, groups, and residents.

The Finance & Budget Director oversees the Assessing, Financial Services, Purchasing and Treasury offices. The City's budget is prepared in accordance with the State Budgeting Act. This office monitors the City's financial and service performance through budget amendments, forecasts, quarterly budget reports, and the management of the City's performance measurement program. The Capital Improvement Plan, Citizen's Guide to Finances, water and sewer rate studies, benchmarking and performance reports, financial & demographic trend reviews, department audits, and revenue studies are also prepared.

The Human Resources function administers programs including employee education and development, labor and employee relations, human resource planning, and equal opportunity reporting. This office also administers all short-term disability, long-term disability, worker's compensation, and Family & Medical Leave Act requests. Labor negotiations and grievance processing are conducted with 12 different bargaining units representing over 99% of the City's workforce. Loss control and risk management functions are also performed by this office. ■



City Management

2025/26 INTENTION STATEMENTS

(City Management)

1. To provide oversight of Pathways to Play and Preservation, to ensure time commitments and full scope of work approved by the voters is honored.
2. To implement the unprecedented Defense Partnership with the City of Warren.
3. To provide continued oversight and direction for new Assistant City Manager positions.
4. To develop more formal leadership discussions with stakeholders including MCC, County, State, and Federal Legislators, School Districts, Sterling Heights Area Community Foundation, and the like.
5. To ensure the Sterling Heights Area Community Foundation (SHACF) completes the necessary Visioning process in order to solidify ongoing in-kind support from the City.
6. To provide oversight along with the new ACM of Board and Commission training, retention, recruitment and communication strategy.
7. To provide oversight and assistance with the City's enhanced Economic Development program including renewal of the City's SmartZone, restricted Velocity services, increased personnel, Lakeside City Center, Warren-Sterling Defense Initiative, and Redevelopment districts.
8. To provide input and assistance to the City's newly created AI Task Force to ensure this technology is being implemented in a meaningful and cost-effective manner.
9. To help the Community Mental Wellness Task Force implement of the newly developed strategic plan.
10. To work with Assistant City Managers and Directors to pursue DPW and SHFD accreditation and Library District strategies.
11. To work with the Traffic Calming Task Force to continue implanting measures outlined in the strategic plan including State and Federal funding.

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Admin. Policy & Procedure Orders Reviewed/Updated	8	0	3	8	3	8
	False Alarm Appeals Received	6	15	15	15	20	18
	False Alarm Appeals Completed	10	13	14	15	20	18
	Special Projects Initiated	9	13	16	12	15	14
	Policy Resolutions Presented to Council	6	1	4	4	2	4
	Legislative Issues Monitored	35	45	39	25	27	30
	Interoffice Meetings Facilitated	333	323	379	350	335	330
	Development Project Meetings	64	84	80	75	80	80
	Resident/Business Meetings Facilitated	56	55	68	55	54	55
	Intergovernmental Membership Meetings	92	81	89	80	84	80
	New Programs & Policies Developed	2	3	2	4	2	3
	Residential/Business Inquiry Responses Sent	71	83	99	80	100	100
	Presentations Created	24	25	21	25	28	25
	Weekly City Connect Newsletters Distributed	53	52	52	52	52	52
	Conferences Attended/Business Travel	2	4	7	7	6	6
Efficiency	Activity Expenditures as % of General Fund	1.45 %	1.64 %	1.57 %	1.84 %	1.86 %	2.32 %

City Management

2025/26 PERFORMANCE OBJECTIVES

(Finance & Budget)

1. To collaborate with Utility Services and the Water & Sewer Department to analyze the impact of a dynamic pricing model for water and sewer rates. (City Goal 1, 3, 16)
2. To coordinate the bond issuance to fund the implementation of the projects approved through the Pathway to Play and Preservation Millage, including visits from rating agencies. (City Goal 1, 3, 8)
3. To coordinate project timelines and implementation plans to ensure that the Pathway to Play and Preservation projects are implemented in a timely, cost-effective manner, ensuring adherence to allocated budgets. (City Goal 1, 2, 3, 8)
4. To implement a succession plan for the Finance & Budget office to ensure a seamless transition resulting from potential retirements. (City Goal 2, 5, 6)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	City Budgeted Funds Monitored (Millions)	\$219.9	\$247.5	\$257.0	\$291.2	\$285.2	\$318.4
	Budget Amendments Prepared	2	2	2	2	2	2
	Internal Budget Transfers Completed	35	34	99	50	100	100
	City Council Agenda Statements Reviewed	356	389	403	360	386	400
	Bond Issuances	2	0	0	0	0	0
	Travel Requests Reviewed for Policy Compliance	120	180	152	160	160	160
Efficiency & Effectiveness	City Bond Rating (Moody's, Fitch, S & P)	Aa2,AA,AA	Aa2,AA,AA	Aa2,AA,AA	Aa2,AA,AA	Aa2,AA,AA	Aa2,AA,AA
	City's Fiscal Indicator Score	0	0	0	0	0	0
	General Fund Expenditures Per Capita	\$852	\$916	\$927	\$963	\$955	\$990
	Government Debt Per Capita	\$1,757	\$1,653	\$1,574	\$1,455	\$1,737	\$1,643
	OPEB Ann'l Recomm. Contrib. Funded (Millions)	\$8.20	\$8.10	\$7.50	\$7.10	\$7.10	\$6.90
	OPEB Trust Funding Status	64.0%	73.7%	79.0%	77.0%	79.0%	80.0%
	Accuracy Forecasting Expenditures - General Fund	98.1%	97.8%	96.9%	99.0%	99.0%	99.0%
	Accuracy Forecasting Revenues - General Fund	98.3%	98.9%	99.9%	99.0%	99.0%	99.0%
	Years Rec'd. G.F.O.A. Distinguished Budget Award	35	36	37	38	38	39

City Management

2025/26 PERFORMANCE OBJECTIVES

(Human Resources)

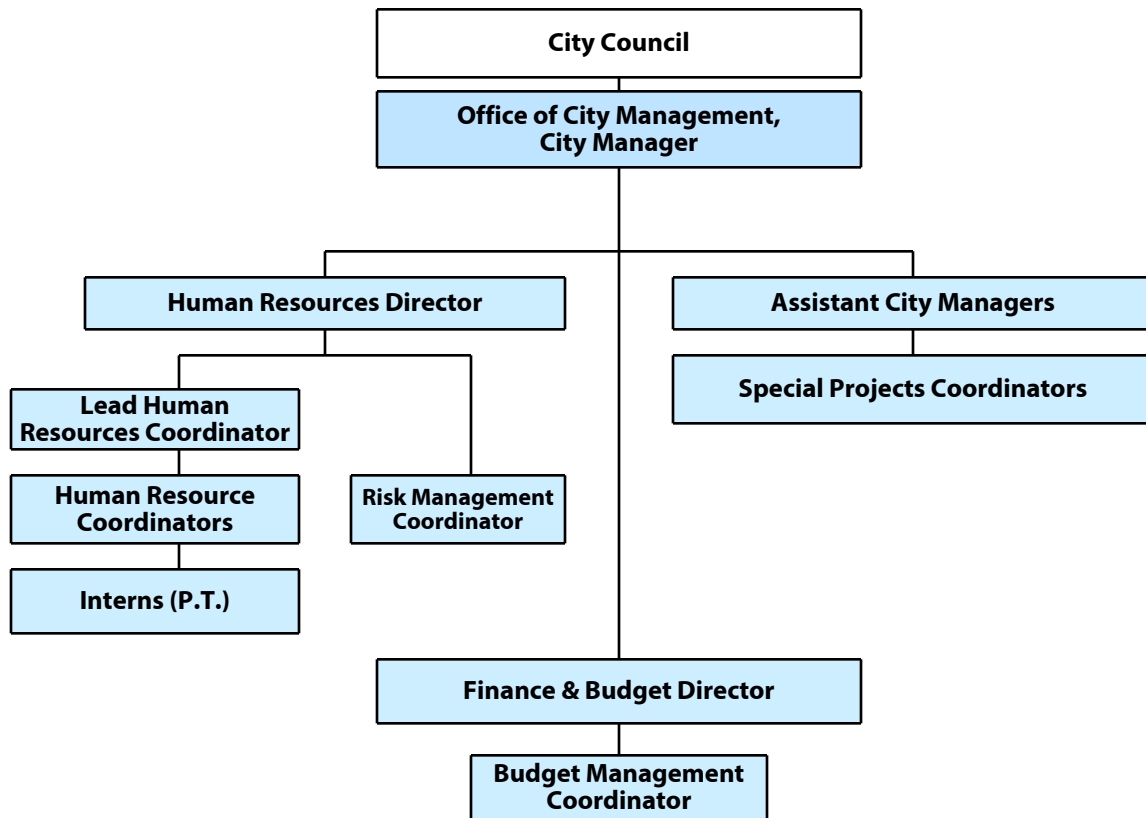
1. To negotiate two new collective bargaining agreements. (City Goal 1, 2, 6)
2. To elevate the Office of Human Resources in core competencies and functions of employee engagement and development, talent acquisition, and benefits administration. (City Goal 1, 2, 3, 6).

3. To enhance the Risk management function by providing accurate information and quality services, both internally and to the public. (City Goal 1, 2, 6)
4. To enhance and build upon equitable resources, practices, and procedures that support and foster belonging and inclusiveness. (City Goal 1, 2, 4, 6)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Promotional Job Postings	52	57	48	61	44	53
	Open Competitive Job Postings	57	50	40	42	70	56
	Applications Reviewed & Processed	1,151	2,212	2,315	1,755	2,012	1,884
	Employees Hired (Full-time/Part-time)	51/137	39/109	34/100	37/87	30/292	34/190
	Police/Fire Promotional Tests	2	4	3	3	6	6
	Labor Contracts Settled	6	2	2	6	6	6
	Worker's Compensation Incident Reports	74	51	57	50	45	48
	New Short-Term Disability Claims Opened	27	13	21	26	25	26
	Life Insurance Claims	0	4	2	1	1	1
	New Worker's Compensation Claims	37	64	55	40	35	38
	Liability/Property Claims	192	159	145	109	95	102
	Liability/Property Incident Reports	97	131	115	97	87	92
	# of Labor Grievances	2	6	3	4	4	4
	# of Worker's Comp Claims	37	64	55	43	35	29
	Job Related Automobile Accidents	55	59	49	51	48	50
	New Lawsuits/Lawsuits Closed	7/6	7/10	9/5	5/7	7/8	6/8
	Retirees/Beneficiaries Receiving Medical Benefits	637	642	659	648	642	645
Efficiency & Effectiveness	Avg. # Work Days to Complete External Recruitment	60	47	52	55	55	55
	Avg. # Work Days to Complete Internal Recruitment	30	29	25	27	27	27
	% of Grievances Resolved Before Arbitration	100%	84%	66%	88%	75%	82%
	Total FTE's Per 1,000 Residents	3.8	3.9	4.0	4.0	4.0	4.1
	Full-time Employee Turnover Rate (Excl. Retirements)	5.0%	6.0%	5.1%	7.2%	4.0%	5.5%
	Workforce Diversity	3.3%	4.7%	4.4%	4.0%	4.5%	5.0%
	# of Employees Not Completing Probation	1	10	3	11	0	0
	Cost to Recruit & Hire a Full-time General Employee	\$1,079	\$1,085	\$276	*	*	*
	Worker's Comp Claims Paying Compensation	5	23	18	13	16	15
	W/C Lost Work Days Due to Injury	462	588	416	273	525	399

*Cost is calculated on "Actual" columns only.

City Management



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
City Manager	1	1	1
Assistant City Manager	1	2	2
Assistant City Manager (P.T.)	0	0	1
Finance & Budget Director	1	1	1
DEI Officer	1	0	0
Human Resources Director	0	0	1
Human Resources & Benefits Manager	1	1	0
Budget Management Coordinator	1	1	1
Lead Human Resources Coordinator	0	0	1
Human Resources Coordinator	2	2	3
Risk Management Coordinator	1	1	1
Special Projects Coordinator	1	2	2
Management Services Specialist	1	0	0
Management Services Specialist (P.T.)	1	1	0
Intern (P.T.)	2	2	15
Total	14	14	29

City Management

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

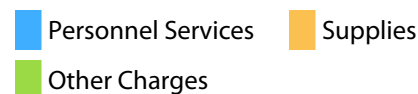
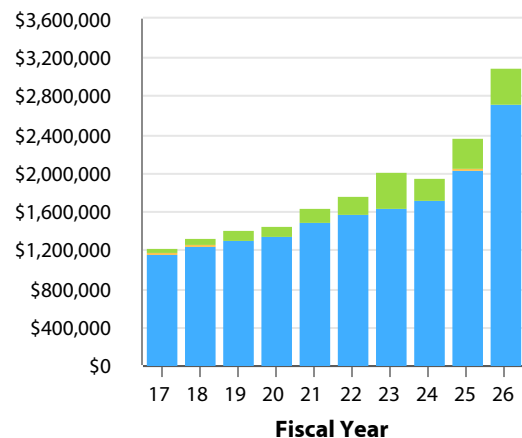
The total budget increased by 30.0%.

Personnel Services - Total Increase of \$678,060 or 33.2%, primarily due to contractual wage adjustments and increased healthcare costs. Two additional Human Resource positions were approved in the prior year's budget at final amendment and the entire cost of the Intern program has been moved to the Human Resource Office. A part-time Assistant City Manager position is also included to support the newly appointed employees.

Supplies - Total Supplies increased \$1,200 or 17.4%. The additional funding will be used to bolster mailing communications with retirees.

Other Charges - Total Other Charges increased \$33,940 or 10.4%. Additional Education and Training funding of \$11,550 is included for new positions. Recruiting costs increased \$12,000 for additional professional recruitment and assessment center expenses. Increases were also included for budgeting software and the printing of the budget document.

Expenditure History



Capital - There are no capital items proposed for this office.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,728,040	\$2,044,940	\$1,988,590	\$2,723,000	\$2,723,000
Supplies	6,290	6,900	7,600	8,100	8,100
Other Charges	225,020	325,310	383,800	359,250	359,250
Total	\$1,959,350	\$2,377,150	\$2,379,990	\$3,090,350	\$3,090,350

MISSION STATEMENT: *The office of the City Clerk serves the community with exceptional customer service. We efficiently manage the election process and safeguard the vital, historical, and permanent records of the City, providing transparency while strengthening the public's trust in government operations.*

KEY GOALS

- ***To provide accurate and efficient record keeping by incorporating the use of modern technology to streamline programs whenever possible.***
- ***To assist City Council by expediting information to them that will aid in establishing policy and by communicating Council's actions regarding items on the agenda.***
- ***To facilitate efficient management of the election process by keeping abreast of proposed and current legislation and any new technological developments relating to the election field.***
- ***To oversee and monitor the license application process to ensure that appropriate inspections and/or investigations are completed thus protecting public safety.***

The City Clerk's Office is responsible for many diverse functions of the City, acting as both an internal and external office.

The City Clerk attends and records all City Council meetings. A summary report of Council's actions is prepared and distributed. The City Clerk also prepares the tentative and final agendas with the assistance of the City Manager. All public hearing notices are posted and submitted for publishing by the City Clerk's Office.

As Keeper of the Records, the Clerk maintains and/or records the following City documents: Boards and Commissions meeting minutes, bids, summonses, lawsuits and legal documents, property variances and deeds, and birth and death certificates. The City Clerk also processes passport applications and requests filed under the Freedom of Information Act.

The City Clerk receives and processes all applications for Boards and Commissions. The business registry is annually updated to ensure that information utilized by various City offices is accurate. Specialty business license applications are also filed with the City Clerk. The dog license program ensures that dogs receive their mandatory vaccinations in order to protect the health and welfare of City residents.

The Elections staff registers potential new voters, processes absentee ballot applications, hires and supervises precinct workers, tabulates election results, verifies nominating petitions, and conducts tests on the election program to detect errors prior to an election.

In addition to these services, the City Clerk also serves as administrative liaison to the Act 78 Civil Service Commission, Local Officials Compensation Commission, and the Election Commission.■



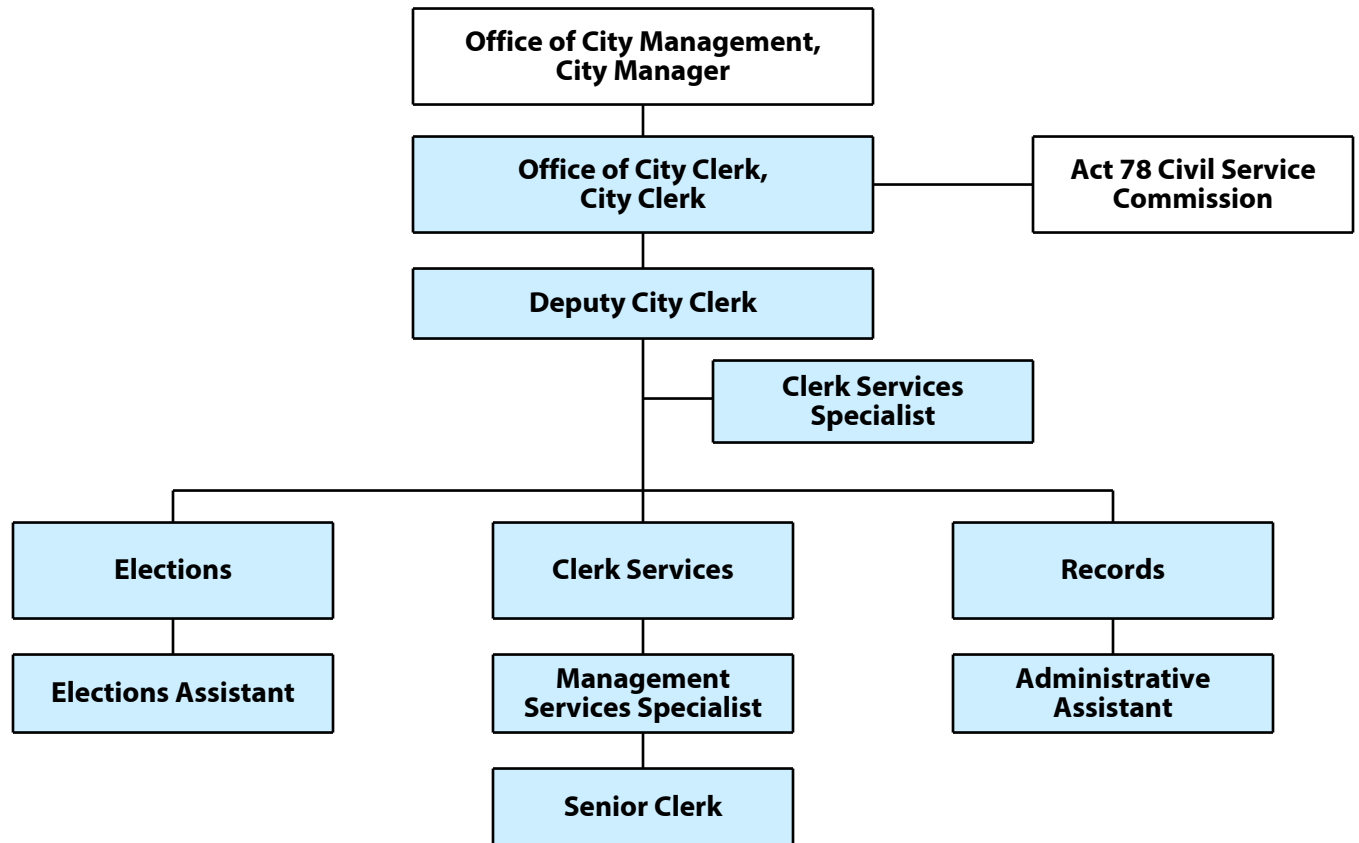
City Clerk

2025/26 PERFORMANCE OBJECTIVES

1. To seek out professional development opportunities for staff in order to enhance efficiency, ensure compliance with municipal regulations, and support the City Clerk's office in achieving its operational goals. (City Goal 1, 2, 3, 4, 5, 6)
2. To continue improving internal procedures to enhance efficiency and reduce costs. (City Goal 1, 2, 3, 5, 6, 23)
3. To establish a records retention training program for department records liaisons to support the City's goal of ensuring effective records management. (City Goal 1, 2, 3, 5, 6, 23)
4. To develop a comprehensive Business Licensing Guide to enhance the experience of business owners operating within the City. (City Goal 1, 2, 3, 5, 6, 23, 24)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Council Agenda Items Processed	409	389	451	400	450	450
	Council Actions Correspondence E-mailed & Mailed	583	546	530	500	500	500
	Number of Registered Voters (November)	99,390	101,557	105,488	106,000	107,000	107,000
	Voter Reg. Processed - New & Status Changes	22,377	38,605	35,553	40,000	40,000	25,000
	Absent Voter Applications Mailed	44,558	23,403	28,501	20,000	45,000	2,500
	Absent Voter Ballots Mailed	31,754	34,894	31,896	60,000	55,000	25,000
	Elections Conducted	3	3	1	2	2	2
	# of Voters Voting at Polls (November)	7,134	31,506	0	25,000	28,397	8,700
	# of Voters Voting Early In-Person (November)	0	0	0	15,000	20,283	6,000
	# of Voters Voting Absentee (November)	12,517	21,052	0	30,000	25,618	8,000
	Business Licenses - New	1,088	352	191	200	200	200
	Business Licenses - Renewals	499	922	1,259	2,000	2,000	2,200
	Class C Liquor Licenses Approved (New/Transferred)	0	5	9	3	3	3
	Licenses Issued (Specialty Licenses)	46	76	126	50	50	500
	Dog Licenses Issued	4,051	3,905	3,613	5,000	4,000	4,000
	# of Passport Applications Accepted	700	2,398	1,714	1,200	1,200	1,600
	Freedom of Information Requests Processed	334	373	332	350	400	400
	Documents Recorded	95	103	93	120	120	120
	Birth & Death Certificates Processed	833	781	789	800	800	800
	Pieces of Outgoing Mail Processed	119,076	153,445	127,776	125,000	125,000	125,000
	Board/Commission Applications on File	218	304	427	220	450	450
Efficiency	% of Registered Voters Voting (November)	19.77 %	51.04 %	0.00 %	70.00 %	69.18 %	21.00%
	% of License Applications Reviewed within 48 Hours	100 %	100 %	100 %	100 %	100%	100%
	% of FOIA Requests Resp. to within Legal Limits	100 %	100 %	100 %	100 %	100%	100%
	Activity Expenditures as % of General Fund	0.97 %	1.10 %	0.98 %	1.31 %	1.24 %	1.10 %

City Clerk



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
City Clerk	1	1	1
Deputy City Clerk	0	1	1
Clerk Services Specialist	0	0	1
Clerk Coordinator	1	1	0
Management Services Specialist	1	1	1
Management Assistant	1	1	0
Elections Assistant	1	1	1
Administrative Assistant	1	1	1
Senior Clerk	1	1	1
Intern	1	1	0
Total	8	9	7

City Clerk

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

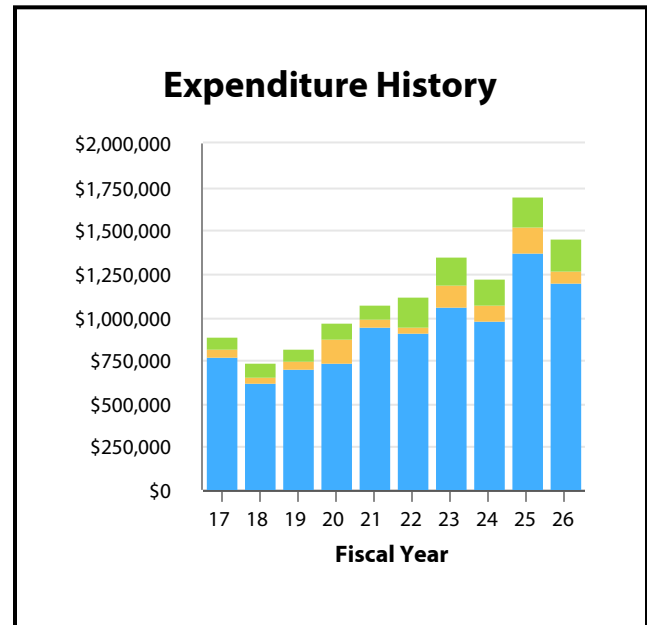
The total budget decreased by 14.1%.

Personnel Services - Total Decrease of \$178,570, or 13.0% due to contractual wage adjustments, as well as:

- Decrease in part-time and occasional wages of \$214,000 due to the Presidential election in the prior year
- The elimination of the Clerk Coordinator position due to a retirement. This position was replaced by a Deputy City Clerk position, which included a six-month overlap in the prior year, partially offset by:
- Increases due to contractual wage adjustments and healthcare cost inflation

Supplies - Total Supplies decreased \$65,510, or 45.9% primarily due to higher postage and supply costs in the prior year due to the Presidential election.

Other Charges - Total Other Charges increased \$4,910 or 2.7% primarily due to additional agenda management software for Boards and Commissions. Printing costs increased \$10,000 as the City is responsible for printing local election ballots. These increases are partially offset by a reduction in animal licensing fees and building rentals for elections.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

Capital - No capital is proposed for this office.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$983,250	\$1,377,920	\$1,308,240	\$1,199,350	\$1,199,350
Supplies	95,640	142,760	107,760	77,250	77,250
Other Charges	143,950	180,740	176,400	185,650	185,650
Total	\$1,222,840	\$1,701,420	\$1,592,400	\$1,462,250	\$1,462,250

MISSION STATEMENT: To support the staff and community through ensuring the functionality, comfort, sustainability, and efficiency of the built environment - the buildings we live and work in and their surrounding infrastructure.

KEY GOALS

- ***To operate efficiently, reduce unnecessary spending and effectively maintain the City's facilities.***
- ***To oversee outside contractors/vendors to ensure the quality of materials and workmanship on projects and adherence to all applicable state and City codes.***
- ***To meet all safety standards prescribed by state and federal regulations.***
- ***To conduct preventative maintenance programs on all mechanical, electrical, and plumbing equipment, ensuring it operates at safe and optimum efficiency.***
- ***To ensure the turf and landscaping at municipal building sites are cut, trimmed and upgraded in accordance with maintenance schedules.***
- ***To provide snow and ice control at municipal building sites.***

The primary goal of Facilities Maintenance is to maintain all City facilities in a safe, clean, and economical manner for the benefit of the residents and staff of the City of Sterling Heights.

The Facilities Maintenance Superintendent plans and directs the operations of the maintenance staff, as well as all outside contracted work and vendors. The overseeing of outside contractors and vendors ensures the quality of workmanship and materials on projects and the adherence of all applicable State and City codes, while meeting all safety standards prescribed by State and federal

regulations. The maintenance staff is the “nuts and bolts” component of a wide range of projects that have been constructed and completed in-house.

The maintenance staff also ensures that through preventative maintenance programs, all mechanical, electrical, and plumbing equipment operates at safe and optimum efficiency. The staff maintains all interior and exterior surfaces that require painting throughout the year to ensure that facilities stay attractive year round.

Facilities Maintenance is responsible for housekeeping services at eleven City facilities on a daily basis. This service ensures that residents and employees of Sterling Heights have clean and safe facilities to carry on their day-to-day business.

The staff assists all departments with furniture transfers and office furniture and equipment layout to help ensure that personnel and equipment are properly and ergonomically situated.

To ensure that all municipal grounds are well maintained, the following activities are undertaken: grass cutting and trimming, turf maintenance, tree and shrub trimming, planting and replacement of flowers/plants/trees, and fertilizer/herbicide application at all municipal sites. When conditions warrant, snow and ice are removed at all municipal sites. ■



Facilities Maintenance

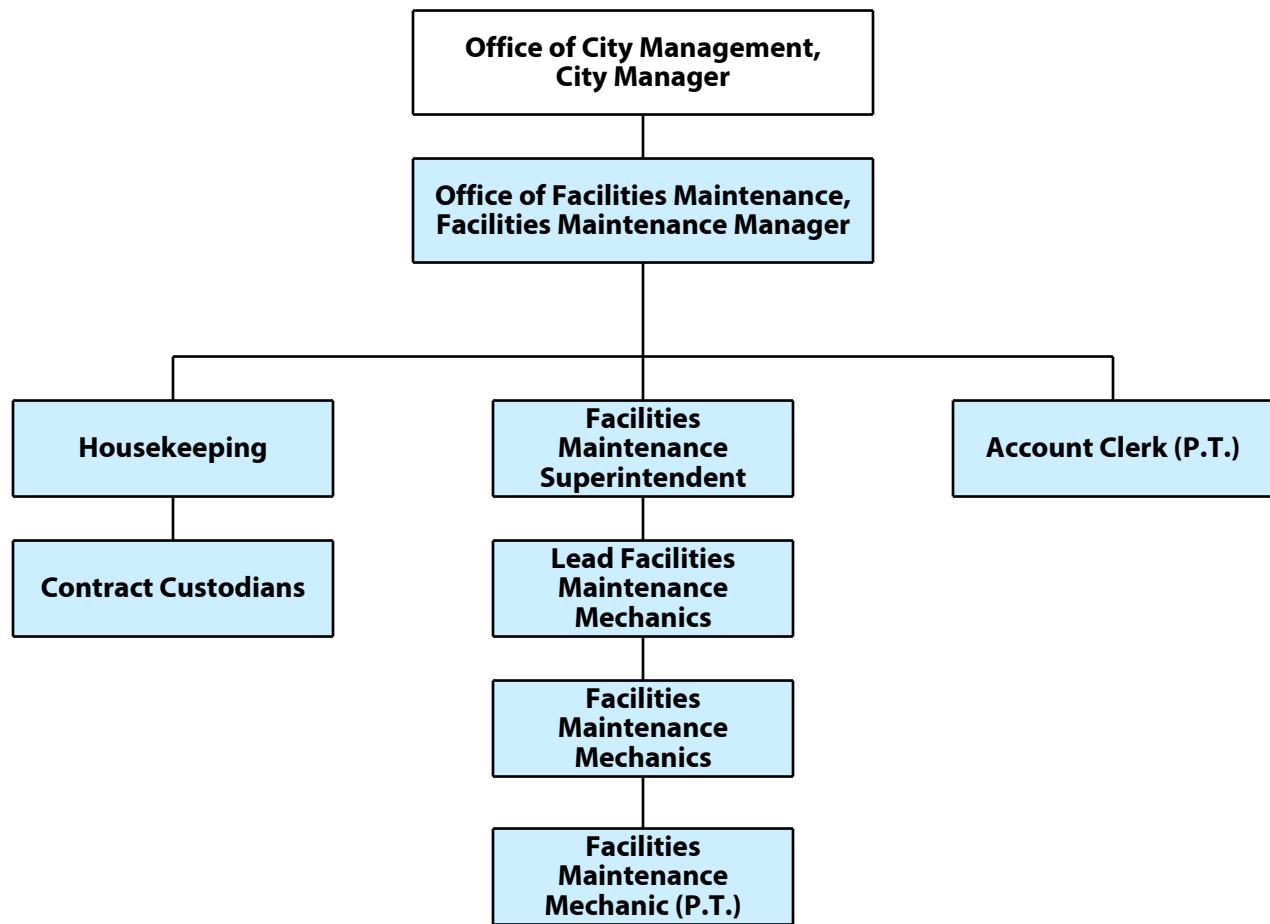
2025/26 PERFORMANCE OBJECTIVES

1. To continue to collaborate with all city departments to ensure quality of service is maintained to the excellence our residents and employees have come to know. (City Goal 3, 4, 6)
2. To operate efficiently, reduce unnecessary spending, and maintain all city facilities. (City Goal 3, 8)
3. To conduct preventative maintenance programs in all City buildings, to ensure safe and optimal efficiency. (City Goal 1, 2, 6)
4. To effectively oversee and manage service contractors to ensure accountability, safety, performance, and quality of service. (City Goal 1, 3, 16)
5. To develop a long-term plan to create more work and storage space throughout our city buildings that will meet departmental needs. (City Goals 4, 5, 6)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	# of City Facilities	18	20	21	21	22	22
	City Facilities Supported - Square Feet	509,438	509,438	544,438	513,036	546,638	546,638
	City Facilities Receiving Daily Housekeeping - Sq. Ft.	379,368	379,368	382,666	382,868	382,868	382,868
	Renovations/Projects Supervised/Coordinated	\$1,869,830	\$638,560	\$681,840	\$887,520	\$1,317,750	\$417,000
	Cuttings/Trimming - 15 Mun. Sites (Subcontracted)	37	35	35	36	36	36
	Snow/Ice Control Call-Ins	29	29	19	29	29	29
	Preventive Maintenance Cycles	12	12	12	12	12	12
	Maintenance/Custodial Service Requests Processed	3,361	3,336	3,686	4,000	4,000	4,000
	Active Service Contracts	26	28	30	30	32	32
	FedEx/UPS Packages Processed	1,916	1,961	1,645	2,000	2,736	3,000
	Security Badges Created/Replaced	402	337	299	300	350	350
	Meetings with Directors Regarding Building Issues	44	N/A	36	60	36	36
	Voting Precincts (Assembled & Delivered)	107	95	45	126	135	42
Efficiency & Effectiveness	% of Emergency Calls Responded to within 30 mins.	100%	100%	100%	100%	100%	100%
	% of Service Requests Met within 15 days	95%	99%	90%	99%	98%	100%
	Hrs. Spent for Building Maintenance Per 1,000 s.f.	16	22	20	23	24	24
	Overtime/Comp Hours Worked	543	896	748.5	900	900	1,000
	Cost to Complete In-House Maintenance Requests	\$334,523	\$339,180	\$387,207	*	*	*
	Cost for Janitorial Services Per s.f.	\$1.69	\$1.80	\$1.71	\$2.05	\$2.05	\$2.05
	Value of City Facilities (millions)	\$125.0	\$125.0	\$159.0	\$128.0	\$161.0	\$190.0
	Activity Expenditures as % of General Fund	1.88%	2.01%	1.97%	2.12%	2.10%	2.18%

*Cost is calculated for "Actual" columns only.

Facilities Maintenance



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Facilities Maintenance Director	1	0	0
Facilities Maintenance Manager	0	1	1
Facilities Maintenance Superintendent	1	1	1
Lead Facilities Maintenance Mechanic	2	2	2
Facilities Maintenance Mechanic	1	3	3
Facilities Maintenance Mechanic (P.T.)	3	1	1
Account Clerk (P.T.)	0	0	1
Clerk Typist (P.T.)	1	1	0
Total	9	9	9

Facilities Maintenance

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

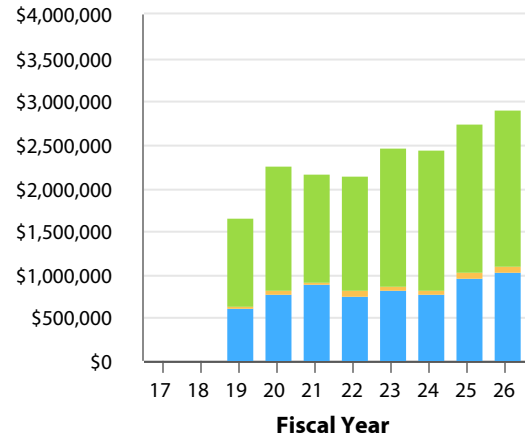
The total budget increased by 5.8%.

Personnel Services - Total Increase of \$70,740 or 7.2% is primarily due to contractual wage increases, partially offset by savings in health insurance costs due to changes in coverages.

Supplies - Total Supplies increased \$7,750 or 12.8%. \$5,000 will be used to fund replacements in LED lighting and related components as many are out of warranty. \$2,750 is designated for cost increases to office supplies, tools, and general maintenance supplies.

Other Charges - Total Other Charges increased \$81,400 or 4.8%. \$75,000 will be dedicated to striping and maintaining City campus parking lots. These costs were previously accounted for in the Capital Fund. Lawn maintenance contracts are also expected to increase by \$20,000 and building maintenance funding increased \$25,500 for upkeep across all City buildings. This includes a \$7,000 lighting control agreement that will reduce costs for service calls and parts. Offsetting savings of \$35,000 is anticipated due a decreased need for annual irrigation maintenance and painting services.

Expenditure History



■ Personnel Services
 ■ Supplies
 ■ Other Charges

Capital - This department will administer \$217,000 in capital funds for various projects and equipment. Notable works include repairs to the Upton House for \$15,000, new police station boilers for \$100,000, and new signage for council chambers for \$7,000. Other significant purchases comprise of \$30,000 for HVAC upgrades at Fire Station #4 and a \$65,000 Trailer Mounted Boom Lift to improve workplace safety.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$786,410	\$977,560	\$920,020	\$1,048,300	\$1,048,300
Supplies	46,470	60,500	61,500	68,250	68,250
Other Charges	1,623,810	1,706,450	1,706,550	1,787,850	1,787,850
Total	\$2,456,690	\$2,744,510	\$2,688,070	\$2,904,400	\$2,904,400

MISSION STATEMENT: *The Office of Information Technology is committed to excellence and ensuring the business of government is efficient by providing an information technology infrastructure and applications that are reliable, long-term, financially viable and secure.*

KEY GOALS

- *To respond to the needs of end-users in a timely and pleasant manner.*
- *To share query solutions with end-users to encourage self-reliance whenever possible.*
- *To collaborate with user departments to ensure state-of-the-art status on all computer systems.*
- *To standardize computer workstations throughout the City.*

The goals and objectives of the Information Technology (I.T.) Office are approved by the City Manager and established by prioritizing the technology needs of the City's operating departments. I.T. continually strives to improve the dissemination of City information using expanded communications, computing technology, and effective telecommunications oversight.

The three major areas of responsibility within the Information Technology activity are: Network Administration, Maintenance, and Operations. The Network Administration section is responsible for the development and maintenance of the Wide Area Network (WAN). This WAN supports the voice and data communication needs of the City. I.T. provides stable and reliable network and enterprise technology systems to support the effective and efficient operation of City business. This section also assumes the responsibility for all security, configuration and back up of permanent data files.

The Maintenance section is responsible for assisting all City offices in the implementation and support of enterprise applications. The responsibility for troubleshooting hardware and software issues falls within this area. Hardware support is provided to all Windows workstations. The goal of this section is to standardize workstation hardware and software whenever possible. All communication devices, with the exception of the 800MHz radio system, are also maintained by the Office of Information Technology.

The Operations area provides support to all workstations, printers, telephone desk sets, telephone wall units and all wireless communication devices, such as cellular devices and smartphones.

Information Technology also oversees the Geographical Information System (GIS) Department. The GIS Department creates and maintains the City's interactive GIS map that is a visual representation of the City's spatial data. Users are able to navigate the GIS map to see relevant information from various established GIS datasets, such as tax parcels, zoning, road centerlines, storm and sanitary sewer lines, and water mains. The GIS Department has created mobile applications that enables the collection of GIS data via cellphone, allowing users easier access to the wealth of data contained in the system.■



Information Technology

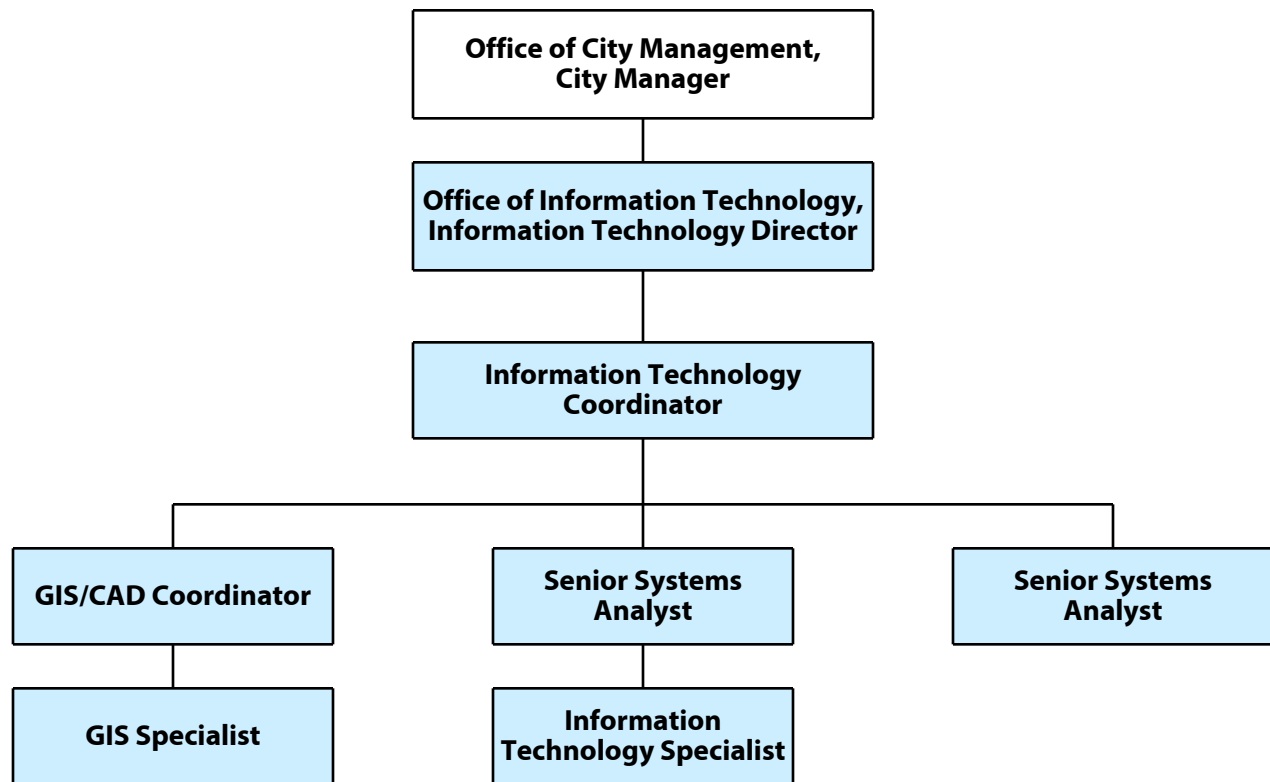
2025/26 PERFORMANCE OBJECTIVES

1. To replace the VSAN and migrate the existing environment into the new VSAN environment and replace the existing SC5020 SAN with the new SAN. (City Goal 6, 17, 18)
2. To complete the updates in the data center in City Hall. This project will consolidate wiring and networking equipment into the cabinets. (City Goal 6, 17, 18)
3. To successfully implement workstation replacement in the Court and IT, and successfully implement MDC and modem replacement for year one of the Police Department. (City Goal 6, 17, 18)
4. To continue the security overlay program for cyber security protection and detection, while establishing and educating employees on computer security policies. (City Goal 6, 17, 18)
5. To replace the current BS&A servers with the new BS&A server environment and storage. (City Goal 6, 17, 18)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Hardware Platforms Supported (Windows, Unix, etc.)	5	5	5	5	5	5
	Applications/Database Systems Supported	39	39	40	41	40	40
	"Help Desk" Communications Received	6,273	6,453	6,235	6,800	6,400	6,600
	Computers Supported (Desk/Laptops)	650	647	655	655	658	660
	MDC's and Tablets Supported	252	220	237	240	243	245
	Printers Supported	84	85	89	86	89	89
	Land Line Telephones Supported	575	577	584	585	589	590
	Mobile Telephones Supported	157	154	161	162	170	170
	E-Mail Accounts Supported	700	700	657	700	638	640
	Servers Maintained	115	122	114	125	124	124
	Network Equipment Maintained (Routers/Switches)	86	85	89	92	89	89
	Wireless Access Point/Infrastructure Maintained	195	171	175	185	181	181
	% of "Help Desk" Issues Resolved w/i 8 hrs.	90%	90%	90%	90%	90%	90%
Efficiency & Effectiveness	# of Computers/Tablets/MDC's per FTE	1.52	1.47	1.48	1.47	1.47	1.46
	Telephone Problems Resolved within 1 day	90%	90%	90%	90%	90%	90%
	% of Revolving 5-yr. Technology Plan Implemented	80%	90%	99%	95%	99%	99%
	% of Time Computer Network Down	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
	Overtime/Comp Hours Required to Meet Demand	756	755	679	750	750	750
	Average Annual Cost to Support a PC	\$226	\$349	\$416	*	*	*
	Cost to Support User Systems	\$334,895	\$389,600	\$633,060	*	*	*
	Activity Expenditures as % of General Fund	1.30 %	1.41 %	1.62 %	1.80 %	1.80 %	1.91 %

*Cost is calculated for "Actual" columns only.

Information Technology



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Information Technology Director	1	1	1
Information Technology Coordinator	1	1	1
GIS/CAD Coordinator	1	1	1
GIS Specialist	1	1	1
Senior Systems Analyst	1	2	2
Information Technology Specialist	2	1	1
Intern (P.T.)	2	1	1
Total	9	8	8

Information Technology

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 8.8%.

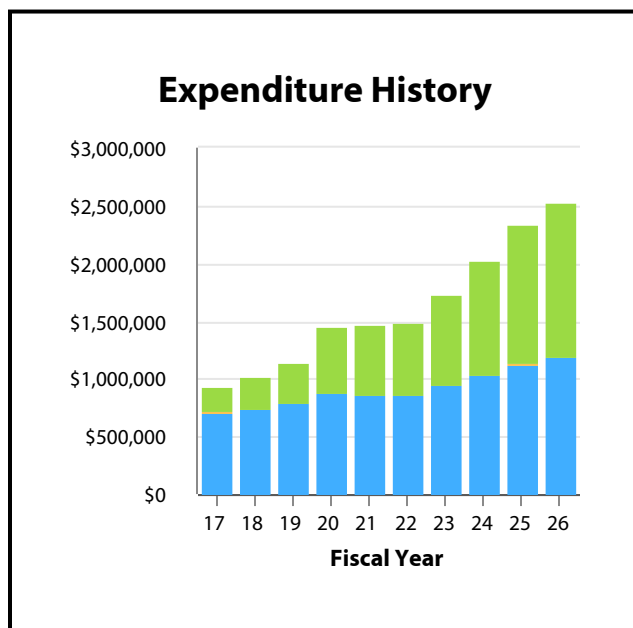
Personnel Services - Total Increase of \$62,420 or 5.5% is primarily due to contractual wage increases, partially offset by savings in health insurance costs due to changes in coverages.

Supplies - Total Supplies remains the same as in the prior year with total funds budgeted at \$2,150. This funding is used for office supplies and software used in testing.

Other Charges - Total Other Charges increased \$143,350 or 12.0%. Software expenditures increased \$165,900 primarily to due to inflationary price increases. New software proposed includes \$40,000 for the renewal of Virtual Desktop software (previously purchased with ARPA funds). \$40,800 will be needed to maintain the wireless connection in Dodge Park and additional security training software through Arctic Wolf is included for \$28,600.

Non-software related changes include removal of funding of \$18,750 used for a security gap assessments. This is now handled by software. Funding of \$24,000 is also included for the next phase of the FlySafe Drone readiness program. Training costs decreased \$5,750 due to additional GIS training attended in the prior year.

Capital - This department will oversee several capital projects including replacements of the



■ Personnel Services
 ■ Supplies
 ■ Other Charges

Virtual Storage Area Network (VSAN) and the Storage Area Network System at a total project cost of \$1.35 million. Five years of maintenance costs will be included in the purchase. These required replacements ease the burden on the City's server infrastructure which is approaching its ninth year in service. \$122,000 will be used to invest in new servers for the financial system. 62 computers across several departments will be replaced at a cost of \$68,200, as a part of the regular PC replacement plan, all of which include a 3-year warranty.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,040,980	\$1,135,180	\$1,120,190	\$1,197,600	\$1,197,600
Supplies	1,110	2,150	2,150	2,150	2,150
Other Charges	979,370	1,195,600	1,188,080	1,338,950	1,338,950
Total	\$2,021,460	\$2,332,930	\$2,310,420	\$2,538,700	\$2,538,700

MISSION STATEMENT: *To promote and foster positive interaction between the Office of Assessing and the taxpayers of the City of Sterling Heights by ensuring that all assessments are accurate, fair, equitable, and lawful.*

KEY GOALS

- *To provide an accurate and equitable assessment annually for residential, commercial, industrial, and personal property.*
- *To provide accurate and timely implementation of Primary Residence Exemption requests.*
- *To inform taxpayers, residents, and potential investors of new or pertinent assessment information.*
- *To ensure that recipients of Industrial Facilities Tax Exemptions comply with all program requirements.*
- *To meet and/or exceed all State Tax Commission and Macomb County Equalization Department requirements.*

The primary and continuing goal of the Assessing activity is to achieve fair and equitable assessments in all classes of property.

Assessments are used in conjunction with the millage rates adopted by legislative bodies to generate property taxes guaranteeing revenues for the operation of all local governing units.

This activity continues to introduce new technology, update existing programs, and develop cost-saving practices to allow for the efficient operation of equipment and personnel. To achieve this goal, extensive research in all phases of residential, commercial, industrial, and personal property must be conducted. These include: 1) gathering sales data on vacant property and homes, 2) compiling rental and lease information for

apartments, 3) assembling commercial and industrial information, and 4) auditing personal property accounts. This research process must be done annually to maintain equitable valuations in all classes of property.

At the conclusion of this research, a computerized listing, or assessment roll, containing the property identification number, property address and legal description, school district, property classification and tentative state equalized and taxable values for all properties in the City is generated. The assessment roll is the only record in the City that ties the property owner of record with the legal description and/or property address. It is in constant use by taxpayers, appraisers, and real estate personnel. Assessing information is available online via the City's website at www.sterlingheights.gov.

The Assessing Office is monitored closely by higher taxing authorities (e.g. Macomb County Equalization Department and State Tax Commission) to make sure all necessary guidelines are followed. It is a difficult task, but the end result will benefit the taxpayers of Sterling Heights.■



Assessing

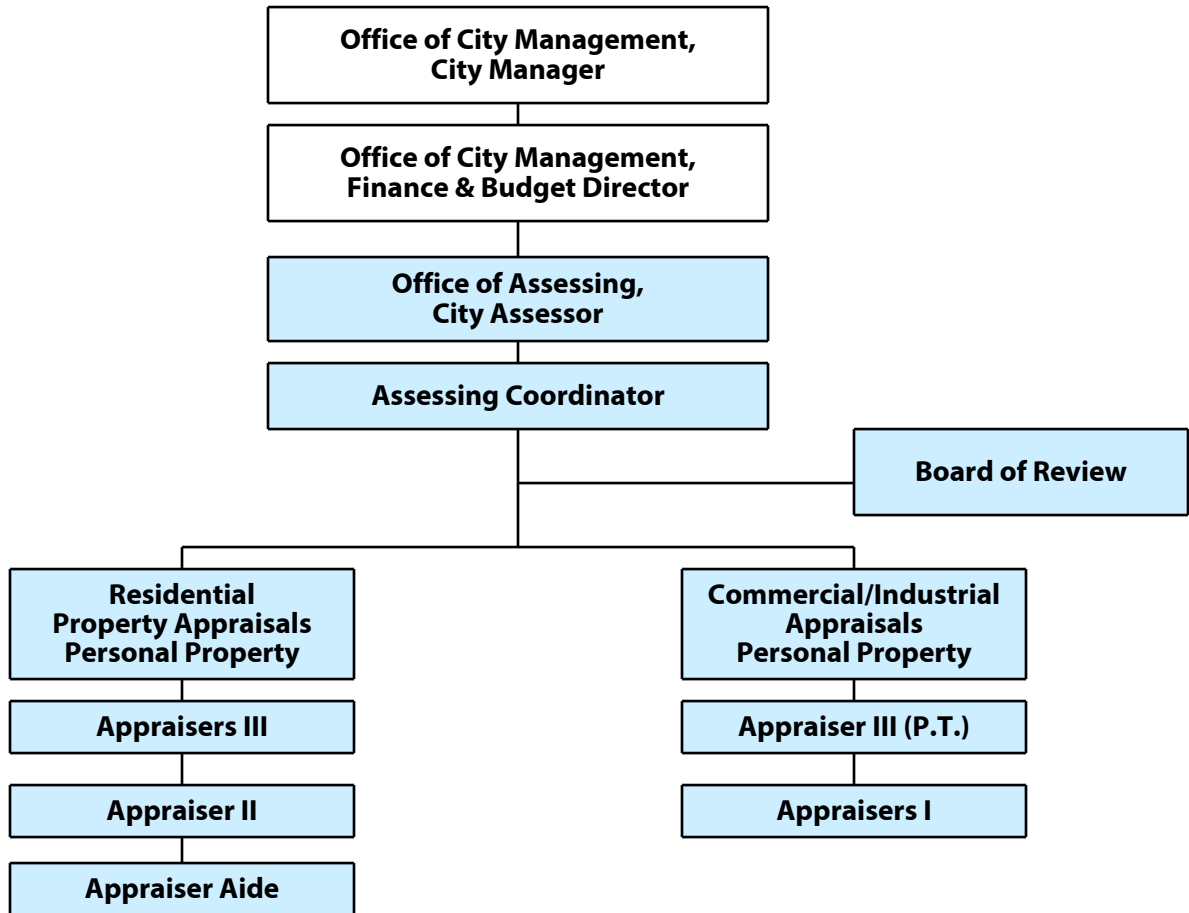
2025/26 PERFORMANCE OBJECTIVES

1. To provide taxpayers online access to information regarding land value and economic condition factor studies. (City Goal 1, 13)
2. To create and publish an online policy regarding personal property, including the annual canvas, processes for information collection, roll maintenance, and review of all forms and database entries. (City Goal 2)
3. To create and publish an online policy regarding access to assessment records including assessing office hours, how a taxpayer may arrange a meeting to discuss an inquiry, how requests for inspection of records will be handled, and response time for taxpayer inquiries. (City Goal 2)

		2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Assessment Notices Processed - Real/Personal	45,927	45,512	45,093	46,700	46,000	46,000
	Residential Property Appraisals (including Partial)	122	95	50	200	80	200
	Commercial/Industrial Property Appraisals - Real	184	185	176	220	160	220
	Reappraisals Conducted	200	200	350	800	200	800
	Full Tax Tribunal Applications - Businesses	23	21	29	50	42	40
	Board of Review Appeals	525	487	191	275	230	275
	Value Appeals	32	79	65	100	70	100
	Poverty Exemptions	36	28	36	35	56	60
	Assessor Corrections	235	154	131	120	100	120
	Land Divisions/Combinations Processed	13	14	16	20	15	25
	Resident Assessing Online Retrievals	193,599	177,773	156,685	200,000	200,000	200,000
	Deeds & Property Owner Updates	5,433	3,932	3,573	4,000	3,500	4,000
	Property Transfer Affidavits Processed	3,505	2,842	2,700	3,500	3,000	3,500
	Homestead Exemption Affidavits Processed	4,299	3,382	2,866	3,000	3,000	3,000
	Veterans Exemptions	222	226	236	230	261	265
	Residential Digital Sketches Created	3,041	2,327	801	1,500	700	1,500
	Average Residential Tax Valuation	\$80,990	\$85,660	\$91,934	\$98,340	\$98,337	\$101,400
	Average Residential Market Valuation	\$208,110	\$230,450	\$255,526	\$284,000	\$284,014	\$306,735
	IFEC's/328's Personal Property Exemptions Approved	0	1	1	5	2	5
	Total Invest. Resulting from IFEC's/328's (millions)	\$0	\$25	\$26	\$25	\$4	\$25
Efficiency & Effectiveness	I.F.T. Roll & Certify. Status Reported by Deadline	100%	100%	100%	100%	100%	100 %
	Total I.F.T. Valuation as a % of City Tax Base (TV)	2.5%	2.2%	2.1%	2.5%	2.5%	2.5%
	% Change in City Tax Base (TV)	4.71%	6.40%	6.70%	4.50%	4.00%	4.00%
	% Site Plans Reviewed within 2 days	100%	100%	100%	100%	100%	100%
	% Land Divisions/Comb. Processed w/i 3 days	100%	100%	100%	100%	100%	100 %
	Equalization Factor	1.000	1.000	1.000	1.000	1.000	1.000
	Average Cost to Appraise a Residential Parcel	\$3.36	\$3.82	\$7.92	*	*	*
	Activity Expenditures as % of General Fund	0.93%	0.91%	0.90%	1.06%	0.97%	1.06%

*Cost is calculated for "Actual" columns only.

Assessing



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
City Assessor	1	1	1
Assessing Coordinator	1	1	1
Appraiser III	3	1	2
Appraiser III (P.T.)	1	1	1
Appraiser II	1	1	1
Appraiser I	2	2	2
Appraiser Aide	0	2	1
Intern	2	2	0
Total	11	11	9

Assessing

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

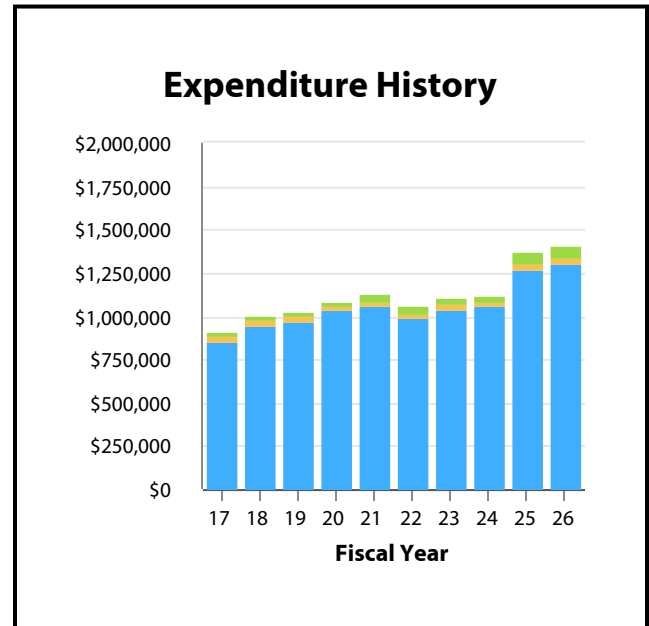
The total budget increased by 2.8%.

Personnel Services - Total Increase of \$37,810 or 3.0% is primarily due to contractual wage increases partially offset by reduced health insurance costs due to changes in coverages.

Supplies - Total Supplies increased \$1,450 or 4.8%, based on an expected postal rate change of 5% and inflationary increases for daily supplies.

Other Charges - Total Other Charges decreased \$1,300 or 1.9% primarily due to a reduction in training costs as several employees completed assessing certification programs in the prior year.

Capital - There is no capital proposed for this office.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,061,850	\$1,274,290	\$1,178,070	\$1,312,100	\$1,312,100
Supplies	27,170	30,150	30,150	31,600	31,600
Other Charges	33,130	67,950	41,750	66,650	66,650
Total	\$1,122,150	\$1,372,390	\$1,249,970	\$1,410,350	\$1,410,350

MISSION STATEMENT: *To provide competent and comprehensive financial services to the City and its residents.*

KEY GOALS

- *To meet all payroll and related reporting deadlines on a timely basis with a tolerance of zero defects.*
- *To provide timely payments to vendors after appropriate internal approvals have been granted.*
- *To ensure an annual audit is performed, and that an Annual Comprehensive Financial Report is distributed to City Council and available to all residents.*
- *To serve all water and sewer customers with accurate and timely billing and collections.*

The Financial Services activity is directly responsible for all financial records, payroll, accounts payable, bond sale activity, benefit plan activities and annual audit completion and reporting.

Financial Services develops and maintains tracking systems for funds, projects, grants, capital assets and other financial information. This office prepares required work papers, schedules and financial statements to complete the annual external audit and the award winning [Annual Comprehensive Financial Report \(ACFR\)](#) as well as annual reports to the State of Michigan and compliance reports for state and federal granting agencies. This office also prepares monthly reports for City Council, City management and City departments, as well as other specifically required periodic reports.

Payroll processing and record keeping for all City employees is executed in Financial Services. This processing includes data input and coordination of insurance benefits, withholding and reporting of income taxes, maintenance of records and payment of all other deductions. Payroll processing and record keeping functions are performed for 11

bargaining units and two (2) employee groups, all with unique benefits.

Financial Services processes all accounts payable and related bill listings are generated for approval at each regularly scheduled City Council meeting.

The Utility Services Division of Financial Services is responsible for the monthly water and sewer bills that are prepared for residential, industrial and commercial customers. Delinquent account reports are generated and transferred to tax rolls after approval by the City Manager on a semi-annual basis.■



Financial Services

2025/26 PERFORMANCE OBJECTIVES

(Financial Services)

1. To analyze and implement new Governmental Accounting Standards effective for the year ended June 30, 2026, including GASB 103 (Financial Reporting Model Improvements) and GASB 104 (Disclosure of Certain Capital Assets) into the audited financial statements. (City Goal 7, 8)
2. To improve internal controls across all financial functions. (City Goal 1, 3, 4, 7, 8)
3. To design and implement a training program for the City financial systems. (City Goal 2, 3, 8)
4. To review, improve, and make a timelier reconciliation process in Payroll and Accounts Payables. (City Goal 3, 8)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Bank Statements Reconciled	42	36	36	36	36	36
	General Journal Entries Processed	2,076	2,859	2,171	2,000	2,200	2,200
	Accounts Payable Invoices Processed	16,938	16,853	15,590	16,900	19,000	19,200
	Accounts Payable Checks Issued	5,762	6,212	5,955	6,000	7,400	6,500
	# of ACH Payments Issued to Vendors	170	150	120	160	130	150
	# of Payments Paid via Virtual Payment Card	601	537	464	600	550	600
	Revenue from Virtual Pymt Card Rebate Program	23,866	22,302	20,135	20,000	48,000	48,000
	Accounting Funds Maintained	33	33	35	34	37	37
	Federal Grants Tracked	36	38	35	35	35	35
	Audit Work papers Prepared	608	612	618	625	459	480
	Active Assets Tracked	5,723	6,044	6,096	5,800	6,022	6,150
	Active Vendors	1,144	2,309	2,529	2,500	2,700	2,700
	Payroll Checks & Deposit Notices Generated	26,391	26,930	25,863	26,000	27,000	26,000
Efficiency & Effectiveness	Avg. Days to Compile Monthly Financial Statements	15.0	14.0	14.0	14.0	14.0	14
	% of A/P Checks Issued Without Error	99.5 %	99.6 %	98.8 %	99.0 %	96.0 %	96.0 %
	% of Payroll Checks Issued Without Error	99.5 %	98.5 %	99.0 %	99.0 %	99.0 %	99.0 %
	% of Payments Paid Electronically	11.8 %	10.0 %	8.9 %	11.2 %	11.8 %	12.5 %
	Active Employees Receiving Compensation/Benefits	1,686	1,831	1,893	1,820	2,035	2,050
	Financial Statement Correcting Entries by Auditors	0	0	0	0	0	0
	Financial Admin. of Federal Grant Expenditures	\$4,165,910	\$7,891,478	\$5,215,010	\$4,000,000	\$5,491,784	\$4,000,000
	Cost for an Independent Auditor to Perform Audit	\$114,704	\$117,018	\$98,000	\$121,786	\$98,000	\$102,900
	Years Rec'd GFOA Annual Comprehensive Financial Report Award	35	36	37	38	38	39
	Cost to Process an Accounts Payable Invoice	\$11.36	\$11.76	\$12.12	*	*	*
	Cost of Payroll Service Per Employee	\$323	\$328	\$338	*	*	*
	Activity Expenditures as % of General Fund	1.32 %	1.51 %	1.61 %	1.70 %	1.66 %	1.84 %

Financial Services

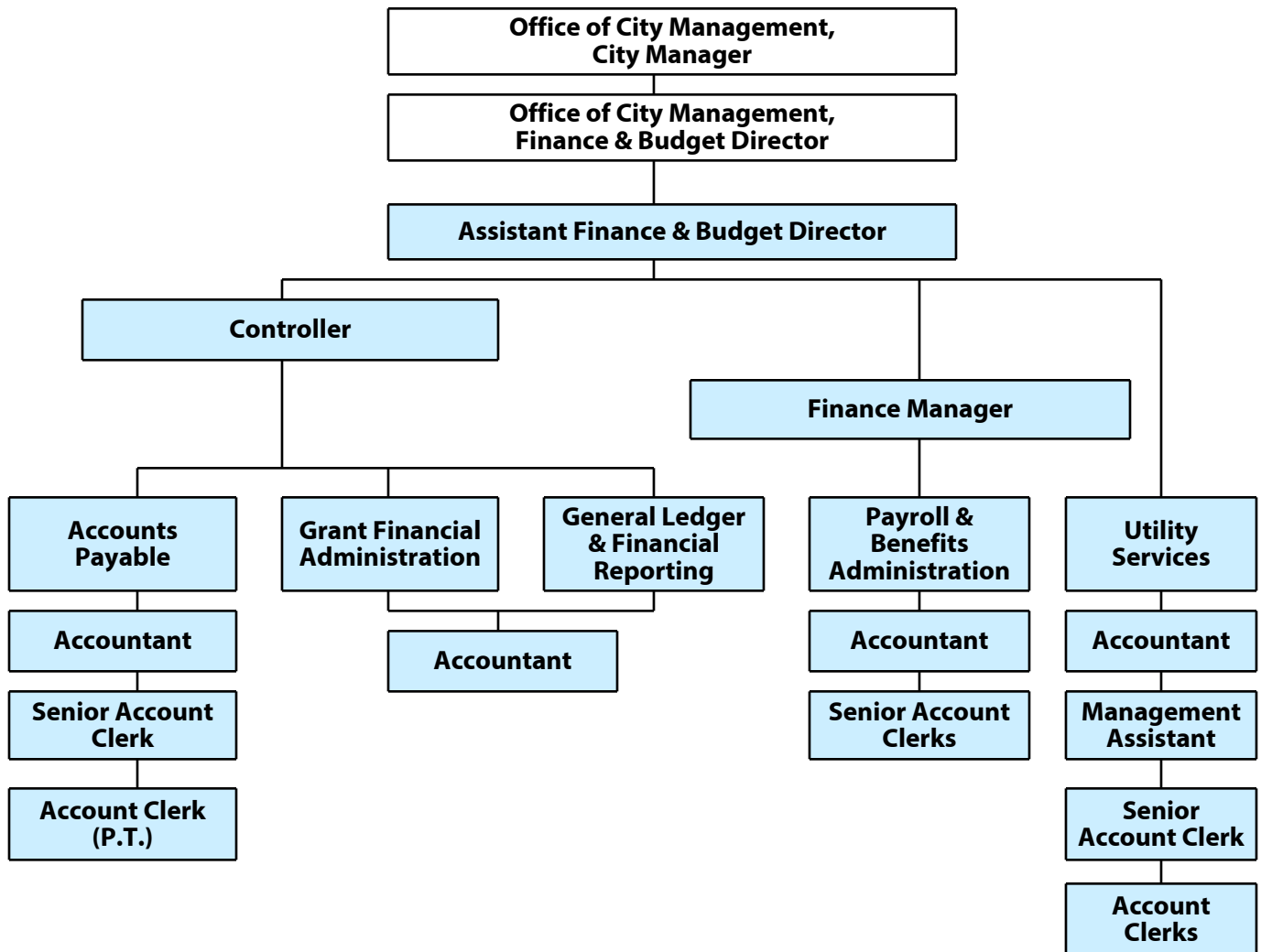
2025/26 PERFORMANCE OBJECTIVES

(Utility Services)

1. To collaborate with the Finance and Budget Office and the Water & Sewer Department to analyze the impact of a dynamic pricing model for water & sewer rates. (City Goal 1, 3, 5)
2. To research and potentially implement a resident facing water-assessment program, to help residents conserve water through efficiency upgrades and behavioral changes. (City Goal 1, 14, 25)
3. To continue to promote paperless water billing and water bill auto pay. (City Goal 24, 25)
4. To collaborate with the Community Relations Department and the Department of Public Works to create an educational social media campaign for residents highlighting water conservation, self-diagnostic tactics, and useful information about Water & Sewer services. (City Goal 1, 6, 25)
5. To implement a user-friendly streamlined payment experience for residents. (City Goal 1, 23, 24)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Water and Sewer Bills Issued	214,768	479,509	480,339	480,000	480,000	480,000
	E-Bills Issued	9,195	30,691	58,287	54,000	70,000	80,000
	E-Bill & Auto Pay Credits	0	0	4,077	0	5,050	8,000
	% of E-Bill & Auto Pay Credits in Total Accounts	0	0	10.0 %	0	12.7 %	20.0 %
	Final Water Bills Prepared	1,837	1,439	1,339	1,000	1,000	1,000
	Water & Sewer Customer Bill Online Retrievals	84,333	243,084	279,758	290,000	300,000	310,000
	Water & Sewer Auto Pay Customers	2,325	7,188	9,428	10,000	10,000	11,000
	Water & Sewer Online Payment Transactions	56,222	162,056	186,505	200,000	200,000	210,000
	Water & Sewer Budget Billing Customers	80	98	92	100	100	100
	Service Orders Processed by Utility Billing	4,021	4,518	2,386	3,000	3,000	3,000
	Water Smart Registered Users	0	0	4,340	0	5,642	8,000
	% of Water Smart Registered Users in Total Accounts	0	0	11.0 %	0	14.2 %	20.0 %
	Water Bill Adjustments	5,924	10,585	7,114	7,000	6,500	7,000
Efficiency	% of Estimated Water Bills Issued	N/A	3.0%	0.3 %	1.0 %	1.0 %	1.0 %

Financial Services



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Assistant Finance & Budget Director	1	1	1
Controller	1	1	1
Finance Manager	0	0	1
Accountant	4	4	4
Management Assistant	1	1	1
Senior Account Clerk	4	4	4
Account Clerk	2	2	2
Account Clerk (P.T.)	1	1	1
Intern	1	1	0
Total	15	15	15

Financial Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

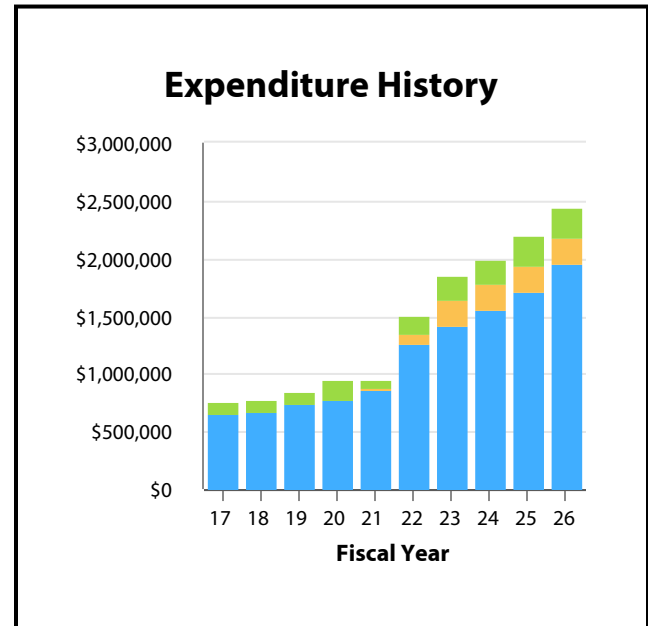
The total budget increased by 11.6%.

Personnel Services - Total Increase of \$246,310 or 14.4% is primarily due to contractual wage adjustments and the addition of the Finance Manager position as part of succession planning.

Supplies - Total Supplies increased \$4,900 or 2.1% primarily due to anticipated postage increases for the mailing of water bills.

Other Charges - Total Other Charges increased \$4,200 or 1.6%. Additional funding of \$5,250 is included for attendance at the National Government Finance Officers Association's yearly conference in Chicago. Software expenditures decreased by \$4,850 due to the one-time purchase of additional time clocks in the prior year. The upcoming fiscal year also includes \$3,600 for ACA reporting and forms required for compliance with federal guidelines.

Capital - There is no capital proposed for this office.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,564,460	\$1,708,340	\$1,640,240	\$1,954,650	\$1,954,650
Supplies	219,080	230,350	230,650	235,250	235,250
Other Charges	216,730	256,350	255,000	260,550	260,550
Total	\$2,000,270	\$2,195,040	\$2,125,890	\$2,450,450	\$2,450,450

MISSION STATEMENT: *To procure goods and services at the lowest competitive price and to maintain efficiency, quality and ethical standards while acting in the City's best interest.*

KEY GOALS

- ***To ensure that the maximum number of vendors are contacted in order to obtain the best possible price and quality.***
- ***To research products and services to ensure quality, particularly in large purchases.***
- ***To participate in statewide and local cooperatives to broaden purchasing operations and to obtain better pricing by combining orders with multiple communities.***
- ***To monitor purchasing histories and activities identifying areas where purchases can be consolidated to allow for further cost reduction.***
- ***To provide guidance to departments and vendors regarding purchasing practices.***

The procurement of goods and services is an integral part of the quality control procedures currently being applied to all levels of the organization. Several policies and procedures are in place to ensure that all purchase requisitions are screened for compliance.

The use of several different purchasing methods allows for the purchase of goods and services at the lowest competitive price. Examples include: online requisitioning, cooperative purchasing, quantity purchases, Requests for Proposals, purchasing cards and an online e-procurement program that allows registered vendors instant access to bids and quotes. Having these alternatives available allows for a more expedient method of procuring goods and services.

Surplus items such as vehicles, furniture, computer equipment, police related items, etc. are disposed of through GovDeals.com, an online liquidity service marketplace.

The issues involving ethical standards of purchasing are continually monitored to maintain the highest level of standards. These issues include establishing policies and procedures, preparing specifications, and the testing and inspecting of materials and supplies purchased by and for the City.

Purchasing is also responsible for encumbering and monitoring all purchase requisitions through the BS&A software system, which coordinates with the modules used by the City's other financial and management offices. The encumbrance module strengthens the control and reporting procedures of the City.

Additional Purchasing responsibilities include training personnel on the use of online requisitioning, purchasing cards, and Internet purchases of office supplies. Determination is made for equipment replacement, service contracts, and/or vendor performance.■



Purchasing

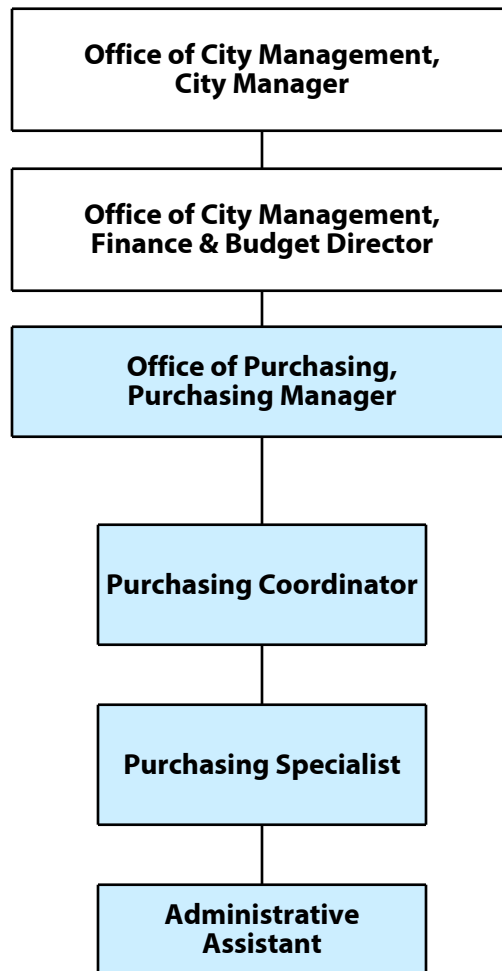
2025/26 PERFORMANCE OBJECTIVES

1. To streamline document review process with shared real time edit using office 365. (City Goal 1, 2, 23, 24, 25)
2. To incorporate live stream technology for public bid opening improving transparency among bidders. (City Goal 1, 2, 23, 24, 25)
3. To coordinate and reduce paper files through a centralized document scanning project. (City Goal 5, 23)
4. To modify purchasing ordinance to current industry standards for comparable municipal organizations. (City Goal 6, 8)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Purchase Orders Processed	1,497	1,463	1,542	1,500	1,500	1,500
	Bid Solicitation Occurrences	47	66	63	80	60	60
	Total # of Bid Responses Reviewed	147	190	239	225	300	300
	Electronic Bids Reviewed	147	190	239	225	300	300
	Surplus Item Auctions Conducted	91	131	99	100	115	115
	Agenda Items Presented to City Council	155	131	155	150	180	180
	Written Quotation Solicitation Occurrences	9	3	1	5	5	5
	Written Quotation Responses Reviewed	30	9	8	15	15	15
	# of Employees Assigned a Purchasing Card	78	75	77	80	81	81
	Purchasing Card Transactions	3,694	4,161	4,240	4,000	4,000	4,000
Efficiency & Effectiveness	% of P.O.'s Processed within 5 days	95%	95%	95%	95%	96%	0.96
	Avg. Days to Process a P.O. (informal/formal pricing)	7/30	7/30	7/30	7/30	5/45	5/45
	Online Procurement System - Registered Vendors	16,411	20,331	26,558	25,300	28,000	28,000
	Revenue from Sale of Surplus Property	\$116,131	\$212,613	\$236,700	\$150,000	\$125,000	125,000
	Dollar Value of Purchasing Card Transactions	\$828,164	\$837,432	\$754,874	\$830,000	\$870,000	\$870,000
	Cost to Issue a Purchase Order	\$60	\$67	\$66	*	*	*
	Average Cost to Go Out to Bid	\$1,248	\$1,223	\$1,055	*	*	*
	Total Dollar Value of Purchase Orders	\$47.9M	\$31.4M	\$37.0M	\$35.0M	\$40.0M	\$40.0M
	Revenue from Purchasing Card Rebate Program	\$10,488	\$10,994	\$9,350	\$10,000	\$10,000	\$10,000
	Activity Expenditures as % of General Fund	0.42%	0.33%	0.40%	0.44%	0.44%	0.47%

*Cost is calculated for "Actual" columns only.

Purchasing



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Purchasing Manager	1	1	1
Purchasing Coordinator	1	1	1
Purchasing Specialist	1	1	1
Administrative Assistant	1	1	1
Total	4	4	4

Purchasing

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

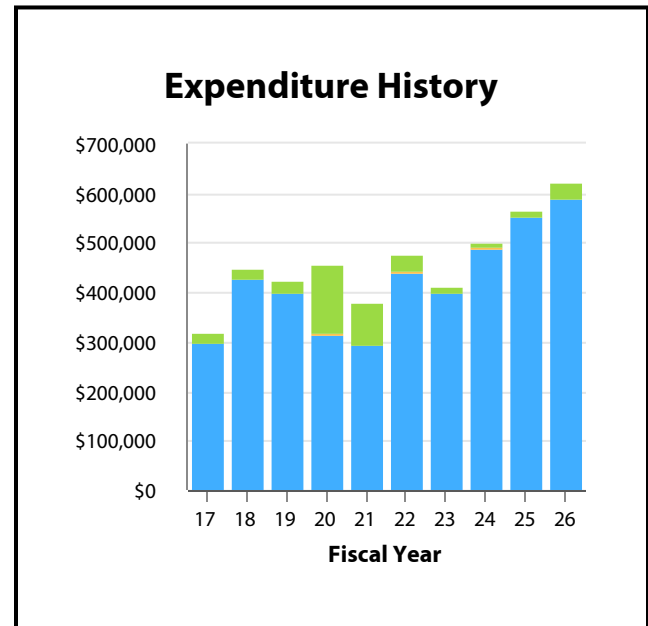
The total budget increased by 9.8%.

Personnel Services - Total Increase \$36,010 or 6.5% primarily due to contractual wage increases and higher health insurance costs.

Supplies - Total Supplies is proposed to stay the same as the prior year with a total budget of \$1,500 for office supplies, postage and professional publication subscriptions.

Other Charges - Total Other Charges increased \$19,350 or 180.0% primarily due to the addition of funding for the continuation of city-wide digitization of documents and files to aid in record retention.

Capital - There is no Capital proposed for this office.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$490,600	\$553,940	\$552,370	\$589,950	\$589,950
Supplies	1,150	1,500	1,500	1,500	1,500
Other Charges	8,020	10,750	8,350	30,100	30,100
Total	\$499,770	\$566,190	\$562,220	\$621,550	\$621,550

MISSION STATEMENT: *To accurately bill and collect all City revenues on a timely basis and invest idle funds prudently while establishing and accomplishing strategic financial objectives of the City.*

KEY GOALS

- ***To effectively administer tax programs in accordance with all applicable laws.***
- ***To administer cash management programs with the goal of decreasing costs and increasing earnings.***
- ***To assist in administering the City's two pension funds: Police & Fire and General Employees.***
- ***To assist in developing and implementing programs to reduce costs, increase revenues, and add efficiencies.***

Treasury is responsible for the receipt, deposit, control, and distribution of all receipts (taxes, water and sewer, and all other revenues) of the City on a daily basis.

A major function of Treasury is the investment of available City funds. The City utilizes Internet technology to provide current market information to allow timely purchases and trades, thus decreasing costs and increasing earnings.

Treasury also bills, collects, and maintains all special assessments for water, sewer, pavement, sidewalks, and drains.

Other responsibilities involve acting as Treasurer and trustee for both the Police & Fire and the General Employees Retirement Systems. Through prudent investment strategies, both systems continue to maximize investment earnings.

The Treasurer provides administrative support to the Corridor Improvement Authority (CIA), the Brownfield Redevelopment Authority, and the Local Development Finance Authority (LDFA). The

Brownfield Redevelopment Authority reviews and processes applications for potential development on contaminated sites while the CIA and LDFA work to enhance commercial districts in the City by offering development incentives in order to increase economic vitality within these districts.

Treasury is also responsible for the various defined contribution plans (401(A) and 457 plans) and the defined benefit plan (General Employee's Retirement System or GERS) sponsored by the City. Duties related to the GERS include day-to-day administration of the system, preparing agendas and packets for monthly meetings, coordinating with money managers and service providers for quarterly performance meetings, assisting the system's legal actuary and custodial bank to ensure timely and proper benefit payments to retired employees.

The office also compiles and provides all required data to complete the annual actuarial valuation for both defined benefit pension plans and the bi-annual actuarial valuation of the retiree health and other post employment benefits trust fund. ■



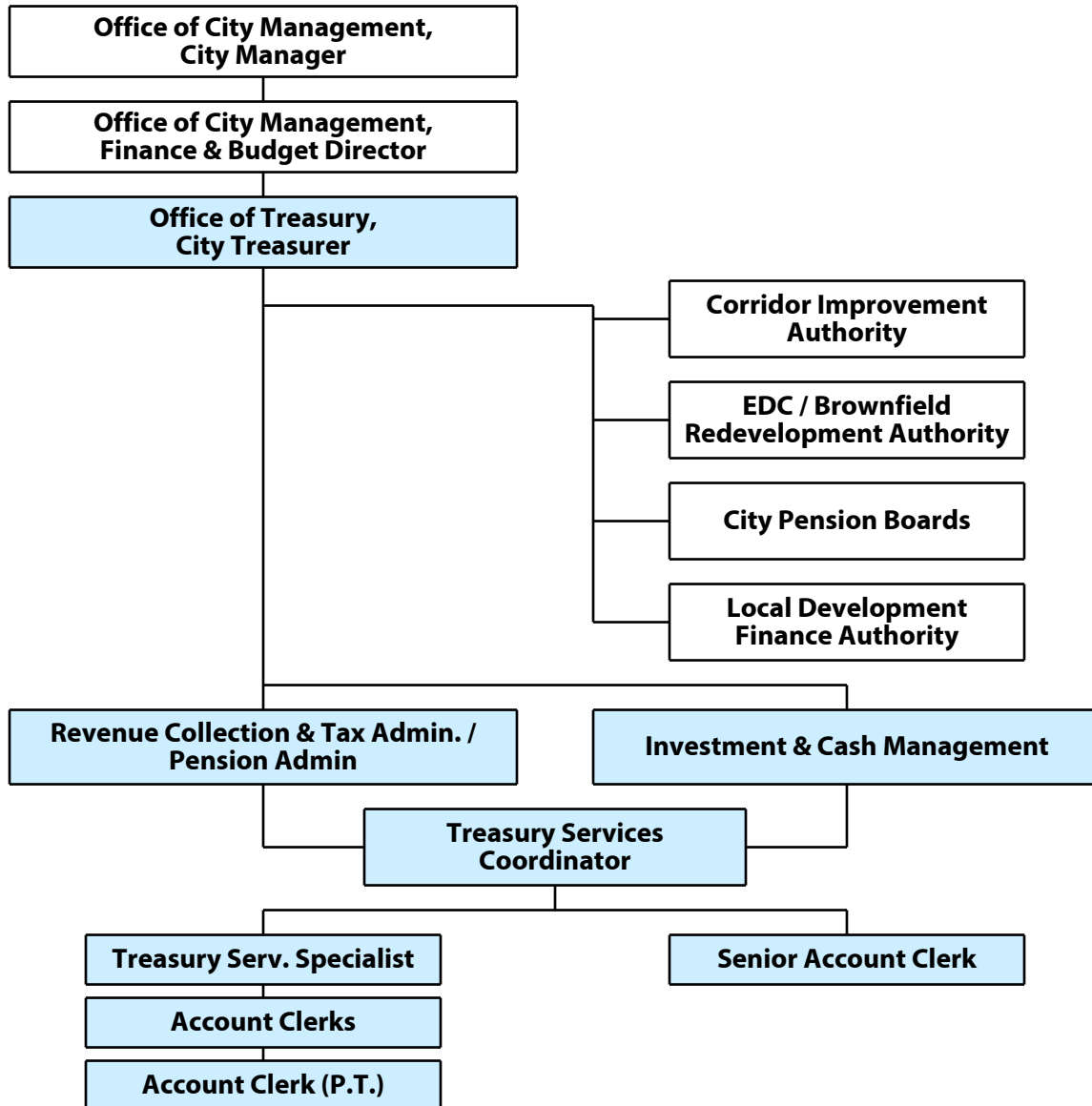
Treasury

2025/26 PERFORMANCE OBJECTIVES

1. To investigate an alternative method for OUIL record keeping and accounting. (City Goal 1, 2, 3, 4, 23)
2. To investigate an alternative method for false alarm record keeping and accounting. (City Goal 1, 2, 3, 4, 23)
3. To collaborate with the City Clerk's office to establish an online payment portal for business license renewals. (City Goal 1, 2, 3, 4, 8, 23, 24)
4. To collaborate with Utility Services to establish a more robust & user-friendly online payment portal for resident's water bills, with the goal of a seamless interface with WaterSmart. (City Goal 1, 2, 3, 4, 8, 23, 24)
5. To establish an automated Interactive Voice Response (IVR) system that is easy for residents to understand and make payments over the phone. (City Goal 1, 2, 3, 4, 8, 23, 24)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Tax Bill Payments Processed - Manually (incl. partials)	20,835	19,646	19,214	23,000	20,000	20,000
	Tax Bill Payments Processed - Electronically (escrows)	34,495	35,484	36,136	37,500	38,000	40,000
	Tax Bill Payments Processed - Lock Box	21,567	20,216	18,748	21,500	16,000	16,000
	Tax Bill Payments Processed - Online (website)	12,148	13,633	14,541	14,500	16,000	18,000
	Special Assessment Parcels Billed	81	80	153	206	130	122
	Invoices Billed	2,623	4,232	2,996	5,000	3,000	3,000
	Investments Bought/Sold - Number of Transactions	150	115	158	150	100	100
	Resident Tax Online Retrievals	81,968	92,451	92,127	94,000	70,000	90,000
	Cash Receipts Processed by Treasury Personnel	45,282	61,325	58,488	62,500	54,000	54,000
	Citywide Online Payments Received	102,281	224,063	240,977	240,000	250,000	260,000
	Dollar Value of All Online Transactions (Millions)	\$45.0	\$58.3	\$65.6	\$65.0	\$70.0	\$75.0
	Defined Contribution Active Employees	187	198	206	210	215	220
	Defined Benefit Active GERS Employees	66	58	54	52	49	44
	Defined Benefit Active PFRS Employees	265	270	269	270	270	270
	GERS Retirements Processed	9	7	3	3	5	5
	GERS Retirees/Beneficiaries Receiving Benefits	363	362	357	367	360	365
	Pension Calculations Prepared (P&F and GERS)	36	40	22	30	15	20
Efficiency & Effectiveness	% of Real & Personal City Prop. Tax Levy Collected	97%	98%	97%	98%	98%	98%
	% of Prop. Tax Parcels Turned Delinquent to County	5.64%	5.03%	4.61%	5.00%	5.00%	5.00%
	Average Rate of Return on Investments	1.05%	1.68%	2.86%	2.50%	3.50%	4.00%
	Average 2-Year T-Note Rate	0.69%	2.66%	4.43%	3.00%	4.15%	3.98%
	% of Portfolio Invested in Active Market	81.7%	85.1%	82.5%	85.0%	85.0%	85%
	Total Interest Earnings - Budgeted Funds (Millions)	\$0.6	\$2.9	\$5.0	\$3.5	\$3.5	\$3.0
	P&F Pension System - % Funded (per actuarial val.)	62.0%	62.2%	62.5%	63.0%	63.0%	63.5%
	GERS - % Funded (per actuarial val.)	73.5%	73.7%	74.0%	74.0%	74.5%	75.0%
	Ratio of Active GERS Employees to GERS Retirees	1:5.64	1:6.16	1:6.63	1:7.0	1:7.52	1:8.51
	GERS Internal Rate of Return GASB	(14.3%)	11.0%	9.6%	7.2%	9.3%	9.0%
	PFRS Internal Rate of Return GASB	(15.3%)	12.3%	9.5%	7.3%	9.2%	8.9%
	Ratio of Active P&F Employees to P&F Retirees	1:1.70	1:1.72	1:1.57	1:1.75	1:1.20	1:1.21
	Activity Expenditures as % of General Fund	0.71%	0.68%	0.73%	0.77%	0.72%	0.79%

Treasury



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
City Treasurer	1	1	1
Treasury Services Coordinator	1	1	1
Treasury Services Specialist	0	1	0
Management Assistant	1	0	1
Senior Account Clerk	1	1	1
Account Clerk	2	2	2
Account Clerk (P.T.)	1	1	1
Total	7	7	7

Treasury

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 5.1%.

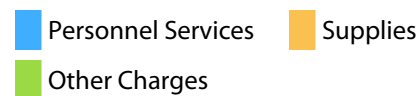
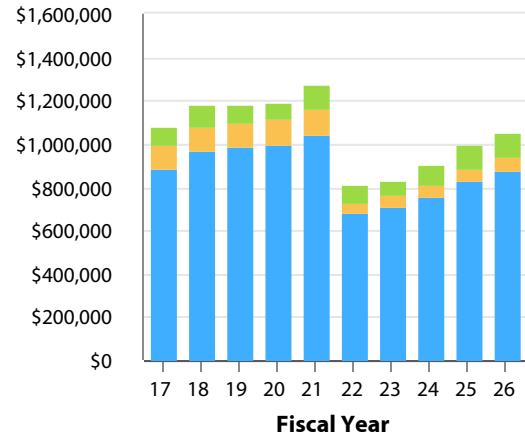
Personnel Services - Total Increase \$50,630 or 6.1% primarily due to contractual wage increases and higher health insurance costs.

Supplies - Total Supplies increased \$2,100 or 3.8%. \$1,100 will be used to replace a non-functioning receipt printer. Postage for property tax billing is estimated to increase \$3,900 in the upcoming fiscal year.

Other Charges - Total Other Charges decreased \$1,550 or 1.4%. Banking and credit card processing fees are expected to decrease by \$3,000 based on historical actual expenditures. Software maintenance fees increased by \$1,600. This includes BS&A modules utilized by the Treasury Office, as well as software for investment tracking and false alarm billing.

Capital - There is no capital proposed for this office.

Expenditure History



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$759,000	\$831,620	\$756,850	\$882,250	\$882,250
Supplies	52,550	55,700	58,600	57,800	57,800
Other Charges	97,260	112,400	106,160	110,850	110,850
Total	\$908,810	\$999,720	\$921,610	\$1,050,900	\$1,050,900

The budget is not just a collection of numbers, but an expression of our values and aspirations.

~ Jack Lew ~

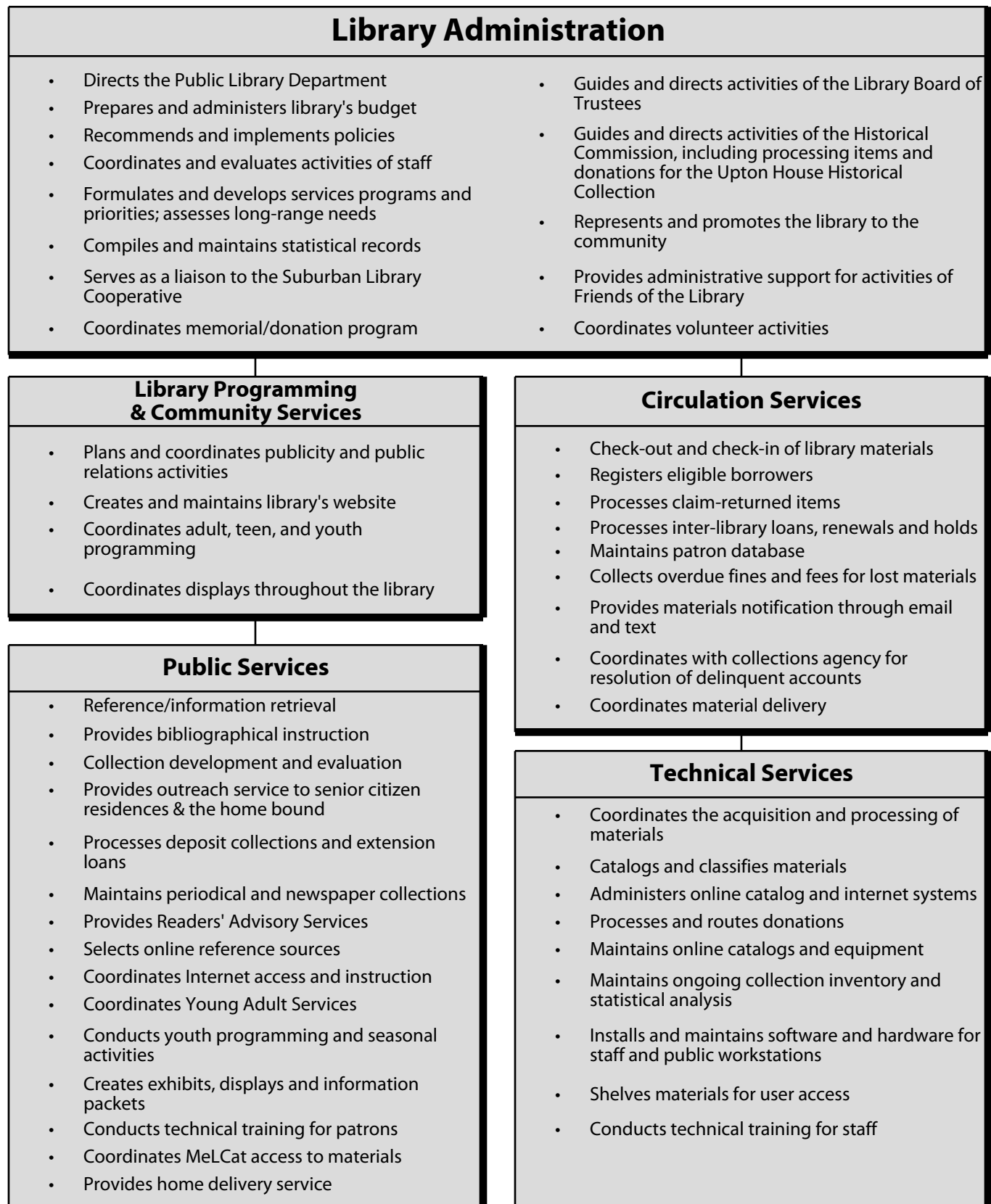


Public Library Department



FUNCTIONAL ORGANIZATION CHART

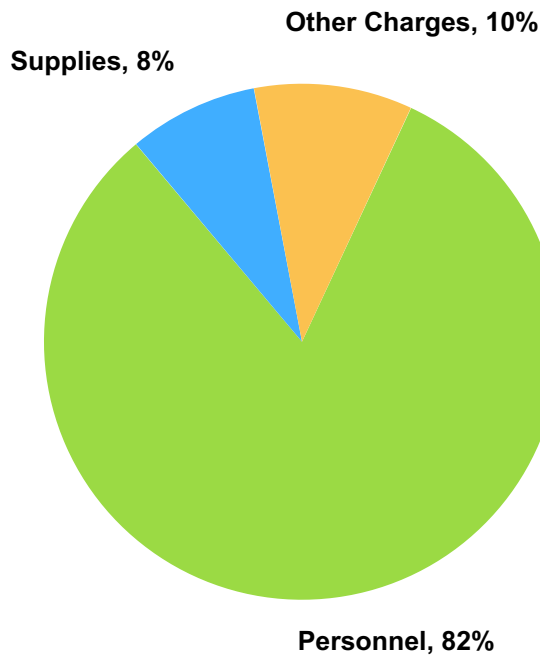
Public Library Department



DEPARTMENT AT A GLANCE

Public Library Department

Public Library
Total Budget = \$3.5 Million



PERSONNEL SUMMARY

	2025/26	
	Full Time	Part Time
Public Library	14	26
Total Department	14	26

FUNDING LEVEL SUMMARY

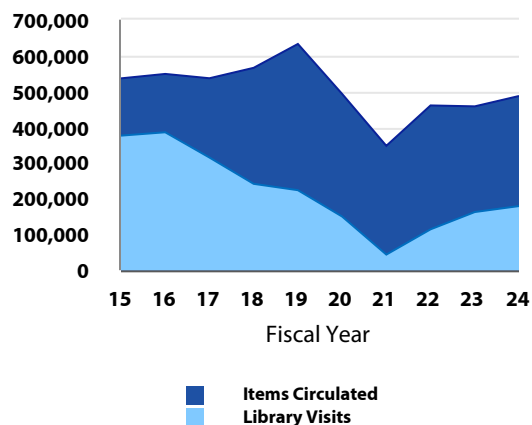
	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
Public Library	\$2,864,080	\$3,053,580	\$3,214,570	\$3,467,350	7.9%
Total Department	\$2,864,080	\$3,053,580	\$3,214,570	\$3,467,350	7.9%
Personnel Services	\$2,263,580	\$2,446,840	\$2,609,220	\$2,841,000	8.9%
Supplies	269,890	257,460	272,050	282,000	3.7%
Other Charges	330,610	349,280	333,300	344,350	3.3%
Total Department	\$2,864,080	\$3,053,580	\$3,214,570	\$3,467,350	7.9%

Excludes Historical Commission.

KEY DEPARTMENTAL TRENDS

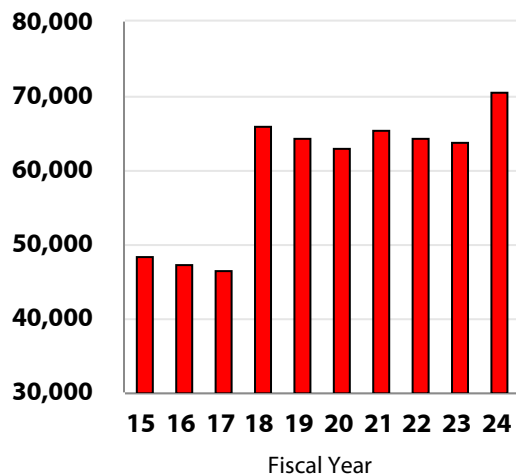
Public Library Department

**Library Visits
& Items Circulated**



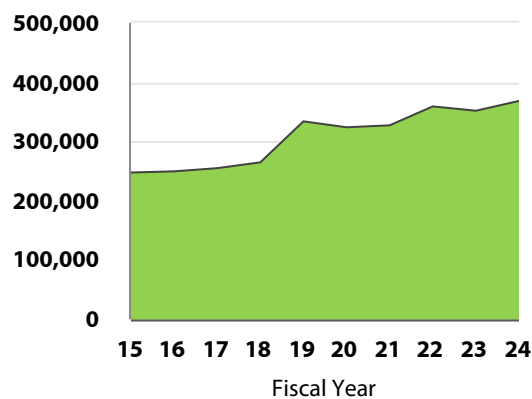
Patronage in 2024 increased with an additional 17,000 recorded visits compared to the prior year. Visits totaled 179,222 and 486,722 items were circulated. Visits and circulation continue to rise back up to pre-pandemic levels.

Registered Borrowers



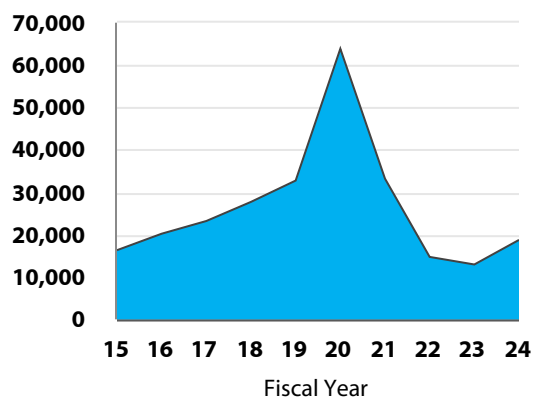
Registered borrowers continued to grow in 2024 as a result of increased efforts to promote the Library at various events, outreach visits and in the local school districts. An additional 6,747 Library cards were issued in 2024, for a cumulative total of 70,608.

**Total Collection of Library
Materials**



The Library's collection has steadily grown over the last ten years. Total materials in 2024 were 368,160. New offerings were predominantly digital materials including E-books, music, movies, and comics.

**Program
Attendance**



In the years following the pandemic, the Library observed a sharp decline in program attendance due to the conclusion of virtual and curbside events. In 2024 the City recorded an additional 5,800 attendees. Interest is expected to rise as the Library focuses on the variety and quantity of new offerings.

MISSION STATEMENT: *To encourage innovative living through literacy, discovery, and community while striving for an engaged community where all can discover, learn, and grow.*

KEY VALUES

- **Community Focus:** *Deeply understand and match resources to local needs.*
- **Continuous Improvement:** *Encouraging ongoing growth and development personally, professionally, and organizationally.*
- **Learning:** *Empowering the community through life-long learning and professional development opportunities.*
- **Welcoming:** *Inviting everyone in through engaging staff, spaces, and services.*
- **Open-Minded:** *Remaining adaptable and unbiased in serving community needs.*
- **Forward Thinking:** *Pioneering creative and resourceful new approaches.*
- **Inclusion:** *Ensuring access for all through outreach, connections, and comprehensive resources.*

The Sterling Heights Public Library offers a full range of services for all community residents. Activities such as preschool story times, adult, teen and youth summer reading programs, computer and Internet assistance, film festivals, book talks, author visits, consumer interest programs, reference and readers' advisory services, a library of things collection, and a wide selection of books, online reference sources, digital collections and audiovisual materials provide residents with excellent educational opportunities.

Digital information retrieval is offered with the online catalog of 21 libraries in the Suburban Library Cooperative. The Library also participates in the MeLCat statewide catalog and delivery system,

allowing City residents to borrow materials from hundreds of public, school and academic libraries throughout Michigan. Other services include full-text online magazine and newspaper reference sources, Internet access at public workstations, wireless Internet access and an early literacy area with educational software applications and games, an interactive art board, and other early literacy materials.

The Library's website, www.shpl.net, serves as a guide to the wealth of resources provided by the Library providing access to thousands of full-text electronic books, audiobooks, digital magazines, downloadable music and an online tutoring service. Home delivery service is also available for those not able to get to the Library.

The Library has an international language collection of popular fiction and magazines in 22 languages, and a unique collection of English as a second language materials. For patrons with visual disabilities, the Library provides large print and audio books. Additionally, the Library has an art garden with a hand-painted mural as a backdrop, as well as an oversize chess/checker board, outdoor musical instruments, and other outdoor games for residents to enjoy.

The Library is committed to quality service that satisfies the individual and enriches the community.■



Library

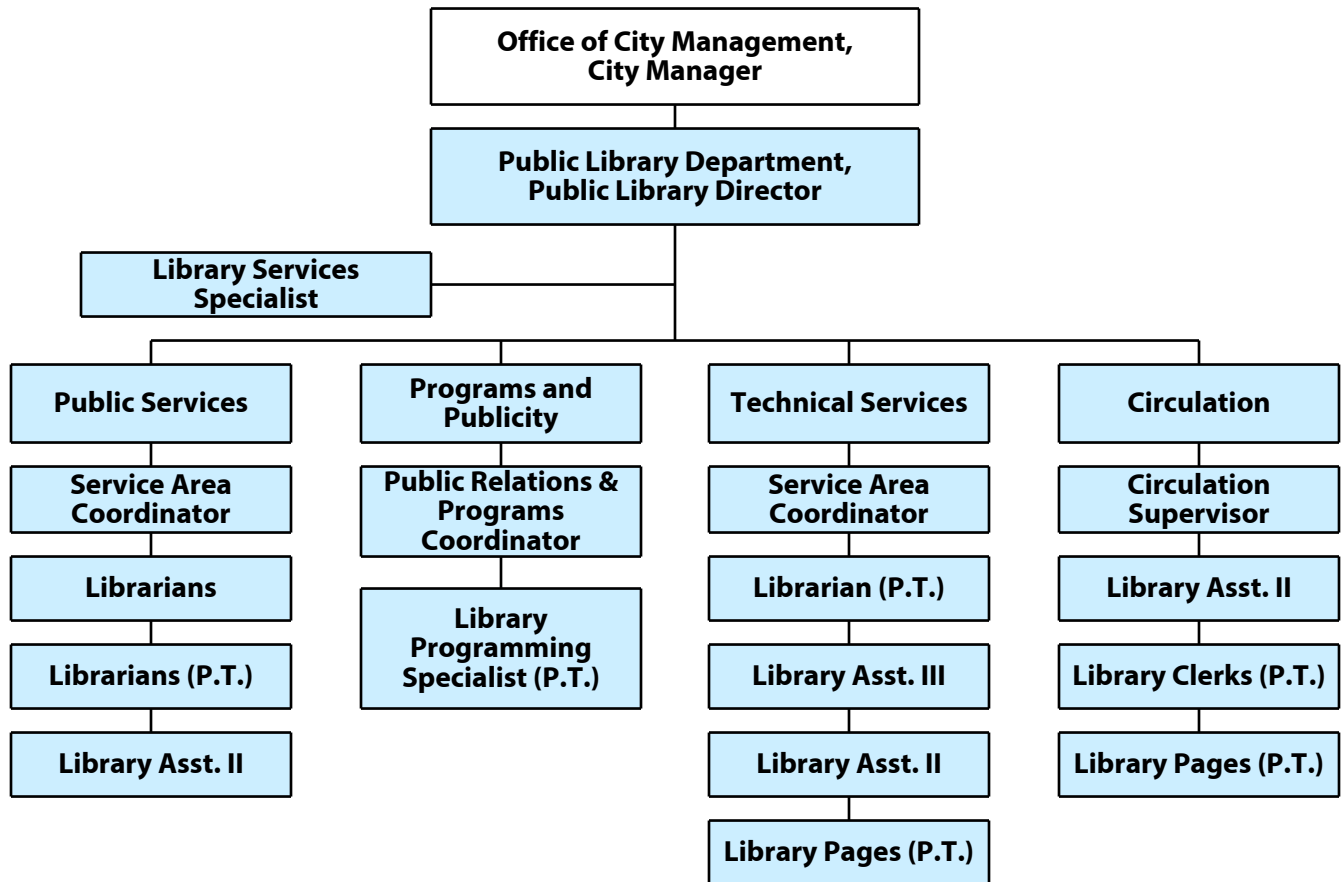
2025/26 PERFORMANCE OBJECTIVES

1. To reinvigorate the “1,000 Books Before Kindergarten” program emphasizing the importance of early literacy with recognition by City Council. (City Goal 1, 4, 6, 19)
2. To implement the 24/7 Library branch at Red Run Park. (City Goal 1, 4, 6, 19)
3. To increase outreach to Sterling Heights based public school facilities, preschools, and day care centers. (City Goal 1, 4, 6, 19)
4. To increase the circulation of the Library of Things collection. (City Goal 1, 4, 6, 19)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Library Registered Borrowers	64,287	63,861	70,608	67,000	68,000	69,000
	Library Visits	114,189	162,525	179,222	165,000	165,000	165,000
	Virtual Visits to the Library's Website*	497,343	154,944	148,231	120,000	200,000	210,000
	Total Collection of Physical Library Materials	211,694	189,611	182,287	190,000	175,000	170,000
	Total Collection of Digital Library Materials	147,251	162,009	185,873	185,000	195,000	205,000
	Physical Items Circulated	342,953	345,773	349,879	350,000	350,000	345,000
	Digital Items Circulated	117,431	112,027	136,843	125,000	130,000	135,000
	Number of Programs	546	626	787	600	700	730
	Program Attendance	14,733	12,945	18,747	14,000	16,000	17,000
	Reference & General Information Requests	44,940	47,617	47,550	46,000	40,000	40,000
	Annual Hours of Library Operation	2,919	2,949	2,902	2,900	2,900	2,900
	In-Library Use of Materials	14,103	22,313	35,080	25,000	25,000	25,000
	# of Items-Loaned to Other Libraries	59,758	45,243	37,788	40,000	38,000	36,000
	# of Items Borrowed from Other Libraries	57,795	46,509	40,406	35,000	35,000	33,000
	Electronic Database Usage	89,002	8,326	13,824	10,000	15,000	17,000
	Public Internet Computer Sessions	23,140	27,675	27,224	25,000	20,000	18,000
	Wireless Computer Users	18,241	28,807	29,294	30,000	28,000	26,000
	Outreach Visits	421	490	484	460	480	500
Efficiency & Effectiveness	Volunteer Hours	4,734	5,261	5,466	5,300	5,000	5,000
	Donations Added to Collection	302	298	228	200	200	200
	Total Room Usage	2,361	2,375	3,697	3,000	3,800	3,800
	Registered Borrowers as a % of Population	49%	47%	53%	50%	51%	51%
	Library Materials per Capita	2.71	2.62	2.74	2.79	2.75	2.79
	Circulation of Materials per Capita	3.47	3.41	3.62	3.54	3.57	3.57
	% of Hold Material Requests Filled within 30 days	80%	91%	98%	95%	98%	98%
	Full-time Equivalent Staff Per 1,000 Population	0.20	0.20	0.20	0.20	0.20	0.20
	Library Cost Per Capita	\$21.08	\$21.32	\$22.73	\$23.93	\$23.28	\$25.81
	Total Cost Per Library Registered Borrower	\$43.45	\$44.85	\$43.25	\$47.85	\$46.00	\$50.61
	Activity Expenditures as % of General Fund	2.44%	2.33%	2.45%	2.48%	2.44%	2.61%

*Excludes direct visits to the library catalog effective September 2022.

Library



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Public Library Director	1	1	1
Library Service Area Coordinator	2	2	2
Public Relations & Programs Coordinator	1	1	1
Librarian	4	4	4
Librarian (P.T.)	8	8	8
Library Programming Specialist (P.T.)	0	1	1
Circulation Supervisor	1	1	1
Library Services Specialist	1	1	1
Library Assistant III	1	1	1
Library Assistant II	2	2	3
Library Assistant I	1	1	0
Library Clerk (P.T.)	6	6	6
Library Page (P.T.)	10	10	11
Intern (P.T.)	1	1	0
Total	39	40	40

Library

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 7.9%.

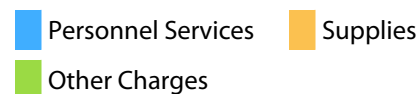
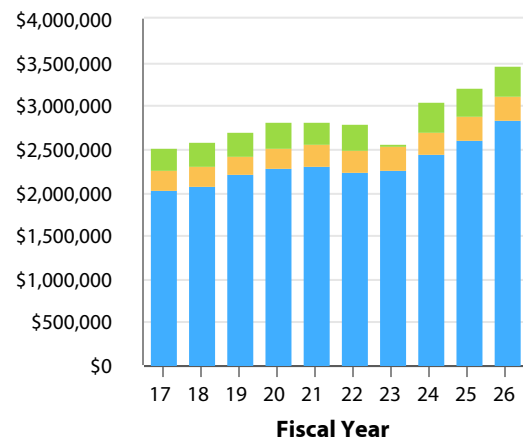
Personnel Services - Total Increase of \$231,780 or 8.9% is primarily due to contractual wage increases and higher health insurance costs.

Supplies - Total Supplies increased \$9,950 or 3.7%. An inflationary increase to the collections budget of \$13,150 includes an expansion of the digital offerings through Hoopla. The Supplies budget includes the purchase of a television for the library; however a net decrease of \$3,200 is primarily due to a one time expenditure in the prior year for improvements to the outdoor space between the Library and the Police Department.

Other Charges - Total Other Charges increased \$11,050 or 3.3%. Notable changes to spending include \$3,000 for utility costs, \$2,950 for the Suburban Library Cooperative, and \$2,300 in price increases for services such as Canva, Kanopy, and Creative Bug Database.

Capital - There is no proposed capital for this office.

Expenditure History



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$2,446,840	\$2,609,220	\$2,517,610	\$2,841,000	\$2,841,000
Supplies	257,460	272,050	272,000	282,000	282,000
Other Charges	349,280	333,300	338,210	344,350	344,350
Total	\$3,053,580	\$3,214,570	\$3,127,820	\$3,467,350	\$3,467,350

Police Department



FUNCTIONAL ORGANIZATION CHART

Police Department

Police Administration

- Administration of department's divisions
- Provides public information and responses to citizen complaints
- Coordinates departmental responses to litigation
- Coordinates all Police administrative and personnel activity as they relate to City Business
- Monitors and process all expenditures including payroll
- Oversees budgeting and auditing for the department
- Oversees state accreditation
- **Community Service Unit** - provides crime prevention and public safety information
- **Training Bureau** - coordinates training, monitors changes in law, responds to lawsuits
- **Special Investigations Bureau** - conducts background investigations
- Investigates allegations of misconduct by department members
- Regulates the sale of alcoholic beverages
- **Case Managers** - responds to issues related to mental health concerns and homelessness
- Coordinates with the Safe Homes Task Force to address hoarding issues

Police Investigations

- **Detective Bureau** - handles cases involving adults, case law, conducts follow-ups
- Investigates check fraud, serves warrants and performs technical polygraph examinations
- **Youth Bureau** - handles cases involving juveniles, case law, conducts follow-ups and includes three School Resource officers
- **Crime Suppression Unit** - enforces all controlled substance violations, gambling, prostitution, and other vice crimes
- **Community Response Unit** - conducts surveillance, apprehends people committing criminal acts

Police Operations

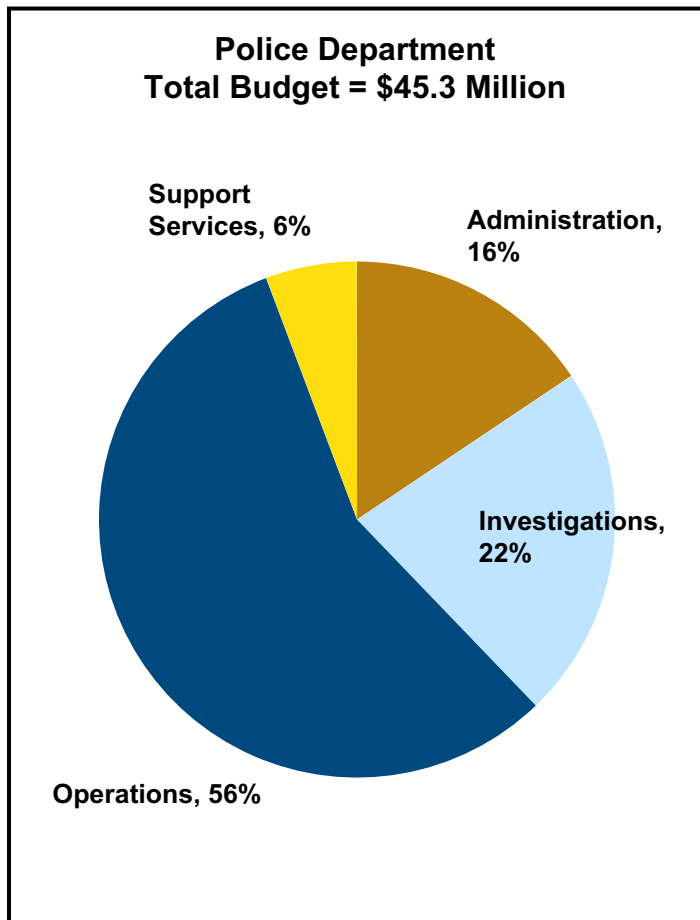
- **Traffic Safety Bureau** - investigates vehicle accidents, assists the injured, enforces traffic codes
- Coordinates all Crossing Guard activity with Warren Consolidated and Utica Community Schools
- **Patrol Bureau** - suppresses criminal wrongdoing, first response to emergencies, enforces State and City laws, maintains the peace, collects evidence and maintains the canine program.

Police Support Services

- **Records Bureau** - collects, analyzes and reports performance data, process handgun permits, maintains evidence and property
- Inputs source documents into the department computer system and generates reports as required by various agencies
- Maintains files of active warrants for wanted persons and file jackets on arrested people
- **Animal Control Unit** - responds to and investigates animal nuisance complaints and violations

DEPARTMENT AT A GLANCE

Police Department



PERSONNEL SUMMARY

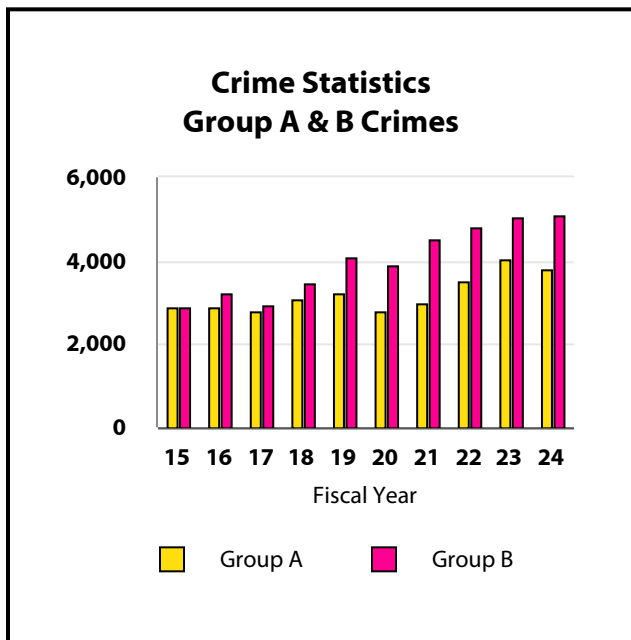
	2025/26	
	Full Time	Part Time
Police Administration	18	0
Police Investigations	45	0
Police Operations	108	30
Police Support Services	17	1
Total Department	188	31

FUNDING LEVEL SUMMARY

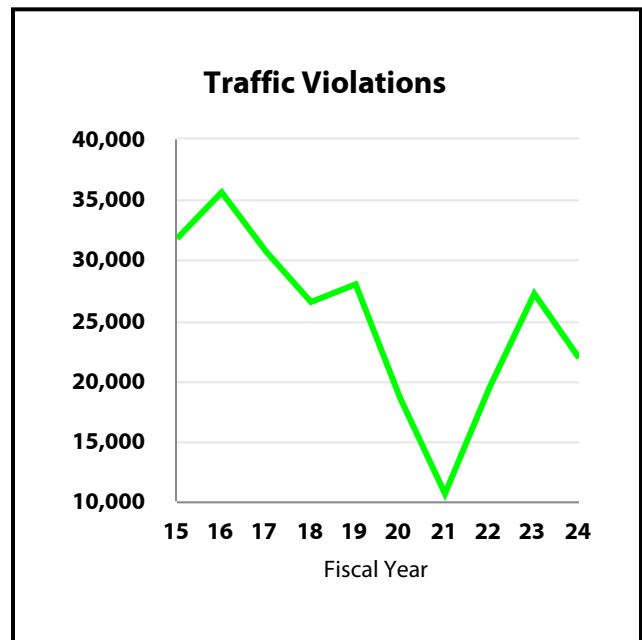
	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
Police Administration	\$6,037,770	\$6,368,620	\$6,689,750	\$7,063,500	5.6%
Police Investigations	8,667,270	9,219,870	9,498,900	10,051,250	5.8%
Police Operations	22,403,310	23,511,440	24,831,800	25,559,450	2.9%
Police Support Services	2,099,770	2,190,380	2,383,050	2,585,250	8.5%
Total Department	\$39,208,120	\$41,290,310	\$43,403,500	\$45,259,450	4.3%
Personnel Services	\$36,231,990	\$38,227,900	\$40,172,910	\$41,852,950	4.2%
Supplies	250,610	261,880	230,240	278,100	20.8%
Other Charges	2,725,520	2,800,530	3,000,350	3,128,400	4.3%
Total Department	\$39,208,120	\$41,290,310	\$43,403,500	\$45,259,450	4.3%

KEY DEPARTMENTAL TRENDS

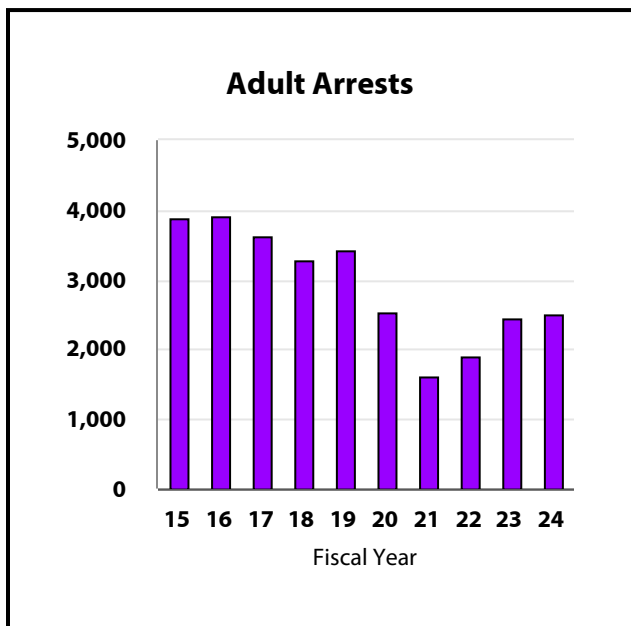
Police Department



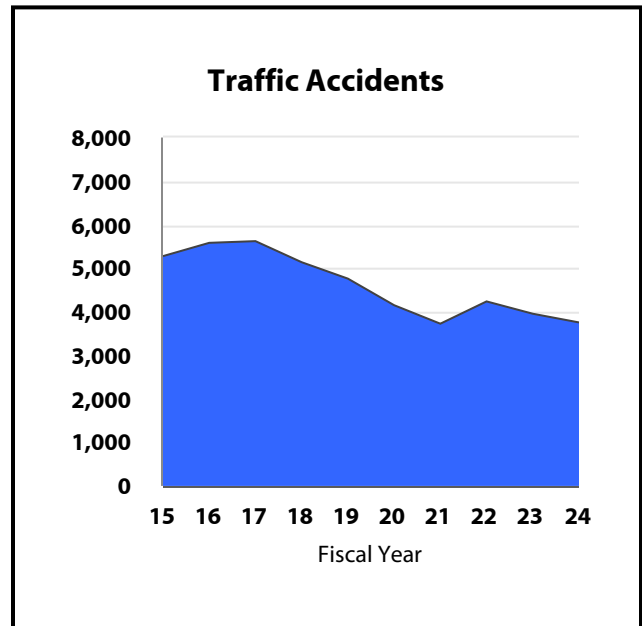
Although Group B crime rates have increased over the past five years, overall crime rates are significantly lower than the national average. Sterling Heights was again named the safest big city in Michigan for the sixth year in a row, according to FBI crime statistics. Group A crimes include murder, robbery, burglary, car theft, damage to property, larceny, and retail fraud. Group B crimes include assault, family trouble, OUIL and disorderly conduct.



Traffic violations rose as the department initiated a multi-faceted strategy to increase traffic enforcement by concentrating on high accident areas and locations where residents expressed a concern. Less violations were issued in 2024 when compared to the previous year due to vacancies in the traffic bureau. Violations totaled 21,884 compared with 2023's total violations of 27,204.



Arrests in 2024 totaled 2,507. This metric was greatly influenced during the pandemic as officers were advised to release on certain arrest warrants. At this time the department has returned to pre-pandemic arrest protocol. As such, arrests are expected to return to levels previously observed.



In 2024 the City observed less traffic accidents than the year prior. This trend is in spite of continued growth in Sterling Heights and in neighboring communities. The Police department's success in this metric is due to a robust schedule of patrols and other proactive policing techniques.

MISSION STATEMENT: *To provide effective, efficient and ethical police services through the management of allocated human and physical resources.*

KEY GOALS

- ***To provide leadership, coordination and support to the Department's four divisions.***
- ***To conduct thorough investigations on prospective City employees, liquor license applicants, and any internal allegations of serious misconduct.***
- ***To provide staff training in various areas of law enforcement to reduce liability and improve services.***
- ***To provide public education in areas of crime prevention, personal safety, and child protection.***
- ***To coordinate special projects that will provide for a more effective and efficient service to the public.***
- ***To coordinate crime fighting efforts with other law enforcement agencies, utilizing the latest in crime analysis software and technology.***
- ***To coordinate the citywide Emergency Response Program.***
- ***To provide the SMART Moves Program throughout the schools.***

The Chief of Police is responsible for the overall management of police services in the community. Reporting to the City Manager, the Chief and his staff plan, organize and direct all Police Department operations to provide a safe and orderly environment for residents and visitors. The Chief is also responsible for media relations, and manages responses to citizen complaints and inquiries.

The Police Chief is assisted by a Deputy Police Chief and three Captains. The Deputy Police Chief provides administrative support, handles special projects, assists in the development of policies and procedures, and aids in the development and administration of the annual budget. The Deputy Police Chief will also assist the Chief

in the selection, placement, training, safety, and discipline of personnel. The Police Captains each command one of the three divisions within the department.

The Special Investigations Bureau (S.I.B.) investigates allegations of misconduct by Police Department members, and incidents that may result in civil litigation. This Bureau also conducts background investigations for employment and licensing and enforces laws regulating the sale of alcohol and prepares the Department's response to litigation.

The Community Service Unit is responsible for all social media, the Skills Mastery and Resilience Training (SMART) Moves Program, the Community Outreach and Engagement (CORE) program, the Citizen's Police Academy, Community Emergency Response Team (CERT), Citizens on Patrol (COP), Quick Response Team (QRT), and planning public relation events. Case managers handle issues concerning mental health throughout the City.

The Training Bureau identifies training needs and provides officers with the necessary equipment to effectively perform their jobs.

The Administrative Captain and the Police Administration staff prepare the annual budget, monitor and process all expenditures, oversee audits and are responsible for the Department's inventory. This Division also administers personnel matters and processes the Department's payroll. ■



Police Administration

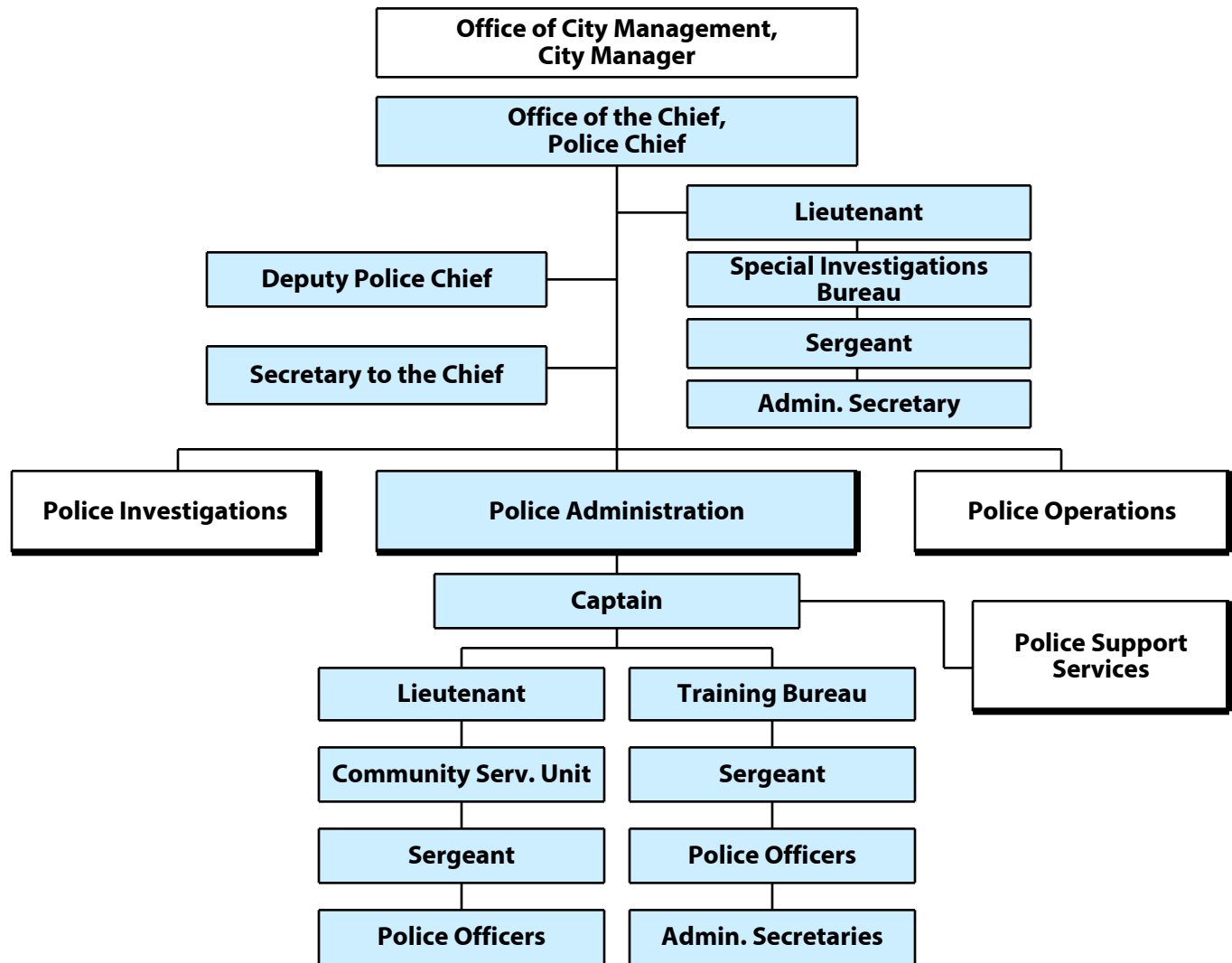
2025/26 PERFORMANCE OBJECTIVES

1. To collaborate with the Police, Fire, Legal, and City Development departments to develop and implement balanced short-term rental regulations that protect property owners, residents, and the community while mitigating negative impacts and preserving neighborhood integrity. (City Goal 4, 6, 9, 12, 13, 14)
2. To re-establish a cadet program to streamline police recruitment and enhance hiring by offering academy sponsorships through the MCOLES Public Safety Academy Assistance Program. (City Goal 1, 3, 4, 5, 6, 9, 14)
3. To host Community Emergency Response Team (CERT) games. (City Goal 1, 4, 9, 10, 11)
4. To expand the Community Services Bureau to include grant funded Crisis Response Unit to respond to mental health calls. (City Goal 1, 2, 3, 4, 9, 11)
5. To finalize the design and budget for the Police Department's jail renovation and begin demolition to create new training and workspaces. (City Goal 2, 3, 4, 5, 6, 9)
6. To host large scale, multi-jurisdictional/state emergency response training at Lakeside which will include police, fire, and civilian volunteers. (City Goal 1, 4, 9, 10, 11)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Public Education Programs Presented	400	450	450	450	450	450
	Security/Safety Presentations	47	50	80	80	80	80
	Elementary and Middle School Programs	15	21	220	225	260	260
	Citizen's Police Academy Programs	2	2	2	2	2	2
	Drug Outreach Program-QRT/Hope Not Handcuffs	60	106	246	150	218	220
	General Orders Issued or Amended	56	36	31	55	22	25
	School Safety Program - Students Impacted	1,600	1,650	2,000	2,000	2,250	2,250
	Training Seminars Attended - Department-wide	287	314	298	340	330	340
	Employment Background Investigations	217	177	187	150	120	130
	Internal Affairs Investigations	51	63	86	90	66	70
	Liquor License Background Investigations	9	18	15	15	6	10
	Other Special Investigations Bureau Investigations	146	139	236	110	82	95
	Liquor & Tobacco Inspections/Observations	122	120	101	120	104	110
	Liquor License Violations	3	0	1	2	1	1
	CORE Deployments	155	255	290	300	350	350
	COPS Program Participants	15	20	25	30	32	32
	Citizen's Police Academy Participants	50	50	50	50	50	50
Efficiency	Employment Background Investigations - % Hired	93%	96%	94%	95%	88%	90%
	# of Complaints per Officer	0.02	0.03	0.04	0.05	0.03	0.03
	Department Cost per Capita	\$285	\$292	\$307	\$324	\$319	\$337
	Division Expenditures as % of General Fund	4.97%	4.91%	5.11%	5.17%	5.20%	5.31%

*Cost is calculated for "Actual" columns only.

Police Administration



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Chief of Police	1	1	1
Deputy Police Chief	1	1	1
Captain	1	1	1
Lieutenant	1	2	2
Sergeant	3	3	3
Police Officer	4	4	4
Social Worker	2	2	0
Secretary to Chief	1	1	1
Administrative Secretary	5	5	5
Intern	2	2	0
Total	21	22	18

Police Administration

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 5.6%.

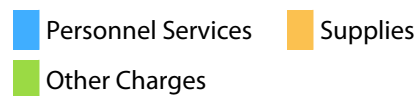
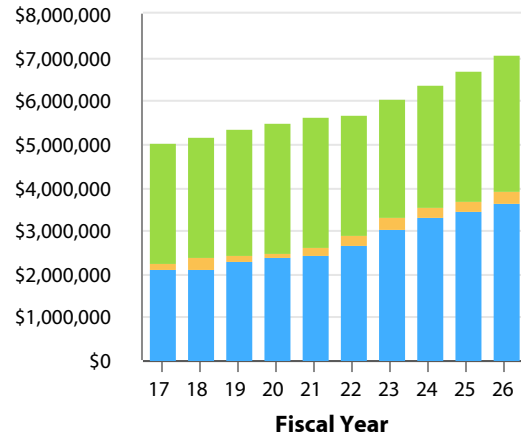
Personnel Services - Total Increase of \$197,840 or 5.7% is primarily due to contractual wage adjustments and an increase to the required contribution to the Police and Fire Retirement System of \$26,700. This is partially offset by the elimination of two Social Worker positions, which are now contracted out and funded through the Opioid Fund.

Supplies - Total Supplies increased \$47,860 or 20.8%. The City is anticipating an increased number of new hires which will require additional uniforms, ammunition, and firearms.

Other Charges - Total Other Charges increased \$128,050 or 4.3%. Macomb County Dispatch services increased \$40,000 and \$80,000 is proposed for a contracted Case Worker for the grant funded Crisis Assistance Response & Engagement (CARE) Team. \$15,000 was added for additional animal collection and \$14,000 is proposed to fund the Police Academy for two newly hired Police Officers.

Offsetting savings were realized in Building Maintenance and Other Rental - due to the one-time rental of a microfiche digitizing machine in the prior year.

Expenditure History



Capital - One replacement vehicle will be purchased for this office for a Citizens on Patrol Vehicle. It is estimated to cost \$43,000.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$3,310,650	\$3,465,160	\$3,562,580	\$3,663,000	\$3,663,000
Supplies	261,880	230,240	227,170	278,100	278,100
Other Charges	2,796,090	2,994,350	2,878,350	3,122,400	3,122,400
Total	\$6,368,620	\$6,689,750	\$6,668,100	\$7,063,500	\$7,063,500

MISSION STATEMENT: *To deliver professional, effective and efficient investigative services to the community.*

KEY GOALS

- ***To quickly respond to complainants and/or victims.***
- ***To create a safer community through the vigorous enforcement of controlled substance laws and other vice crimes.***
- ***To assist school administrators in the creation of a safe and secure learning environment within the City's schools.***
- ***To foster close working relationships with other law enforcement professionals to accomplish the Division's mission.***
- ***To conduct timely and thorough investigations of criminal activity and process these cases through the appropriate criminal justice system.***
- ***To efficiently and effectively provide accurate and timely information to various entities in accordance with state statutes.***

The primary responsibility of the Investigations Division is the investigation and prosecution of criminal activity occurring within the City.

The Investigations Division consists of five squads of detectives. The Detective Bureau consists of two squads that investigate criminal activity involving persons 18 and over. This includes the processing of arrest warrants, and the presentation of evidence in court. The Detective Bureau has one detective assigned to the Macomb Auto Theft Squad (MATS) and one detective assigned to the United States Marshals and Homeland Security Investigations on a part-time, as-needed basis. In addition, two detectives operate the computer crimes unit

responsible for the processing of digital forensic evidence.

The Fugitive Apprehension Surveillance Team (FAST) is a five-member unit, made up of four Police Officers and one Sergeant. The CRU conducts focused directed patrols in plain clothes in the areas of surveillance, gathering intelligence, and taking appropriate enforcement action in order to identify, arrest, successfully prosecute and otherwise deter criminal activity.

The Youth Bureau examines all law violations involving persons 17 years of age and younger. The Youth Bureau is also responsible for the investigation and subsequent prosecution of all cases involving child abuse and neglect. The Youth Bureau has three School Resource Officers. One is assigned to each local high school.

The Crime Suppression Unit is a group of detectives that enforces all controlled substance violations, gambling, prostitution and other vice crimes. Additionally, this unit coordinates with federal, state and local task forces to address organized drug trafficking issues, conduct surveillance, and apprehend persons actively committing criminal acts. This Unit also has personnel assigned to Drug Enforcement Administration and the FBI Violent Crimes Task Force.

Victim assistance and citizen satisfaction are key objectives to our approach toward lessening the effects of crime on our community. Detectives work in close partnership with social response agencies, such as Turning Point, Macomb County Victims Assistance Unit, Elder Justice Alliance, Forensics Nurses Examiner Program, and Crime Stoppers.■



Police Investigations

2025/26 PERFORMANCE OBJECTIVES

1. To increase awareness of the Elder Justice Alliance Multi-Disciplinary Team to help detectives further their investigations of elder financial and physical abuse crimes and provide resources to victims. (City Goal 2, 10, 24)
2. To increase awareness of Human Trafficking, by having additional detectives attend trainings and conferences hosted by the Macomb County Anti-Human Trafficking Task Force. (City Goal 6, 9, 14)

	Performance Indicators	2021/22	2022/23	2023/24	2024/25	2024/25	2025/26
		Actual	Actual	Actual	Budget	Estimate	Budget
Output	Total Detective Bureau Cases Assigned	4,129	4,711	4,490	4,500	4,666	4,700
	Adult Investigative Cases	3,367	4,052	3,755	3,700	3,990	4,000
	Juvenile Investigative Cases	762	659	735	700	676	700
	Auto Theft Investigative Cases	167	228	192	175	172	175
	Theft from Auto Invest. Cases (Incl. Parts/Access.)	98	70	40	50	44	50
	Crime Suppression Unit (CSU) Investigative Cases	420	361	249	300	270	270
	Total Interviews Conducted	21,892	22,303	29,331	28,000	30,390	30,000
	Arrest Warrants Obtained	1,000	1,118	1,126	1,250	1,158	1,200
	Search Warrants Obtained/Executed	554	616	741	675	772	770
	Fugitive Apprehensions	N/A	N/A	116	110	110	112
	Flock Camera Hot List Hits	N/A	N/A	7,667	10,970	10,970	11,190
	Criminal Surveillance	1,929	1,676	1,529	1,600	1,478	1,500
	Federal Forfeiture Cases Processed	50	9	22	30	14	20
	State Forfeiture Cases Processed	59	72	35	40	34	35
	School Resource Officers - # of Hrs. Assisting Schools	4,380	4,967	4,324	4,350	4,439	4,400
	Fugitive Apprehensions	0	0	116	0	110	110
	Flock Hot List Hits	0	0	7,667	0	11,000	11,000

Items marked "N/A" were not previously recorded by this office.

Police Investigations

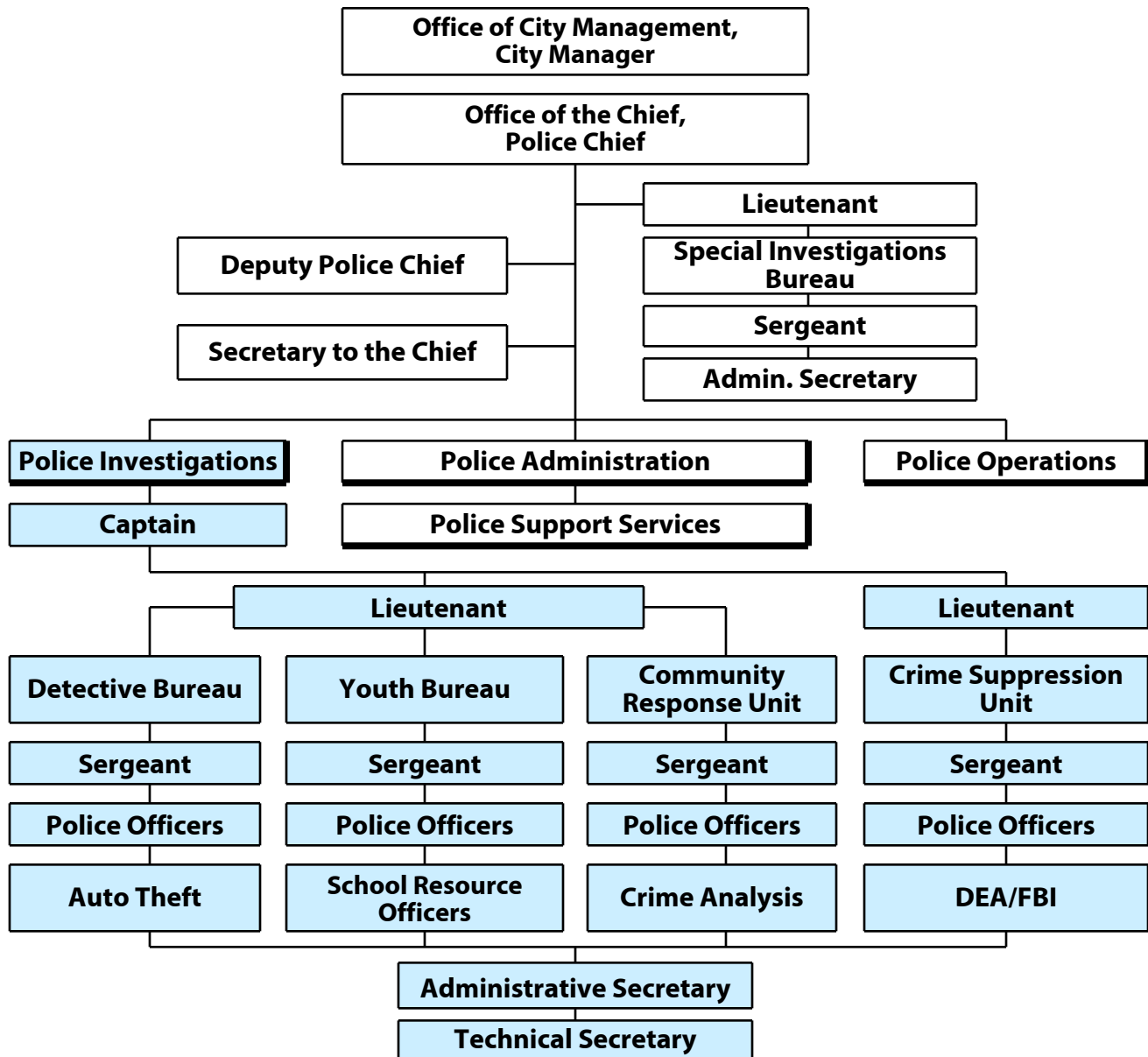
2025/26 PERFORMANCE OBJECTIVES

3. To assist Youth Bureau personnel in evaluating social media threats by attending Social Media Threat Assessment classes hosted by the school districts. (City Goal 2, 9, 11)
4. To increase the use of various technological platforms to help identify suspects, witnesses, and victims to help solve crimes. (City Goal 2, 9, 23)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Efficiency & Effectiveness	% of Petitions Obtained vs. Requested	92%	87%	83%	95%	91%	90%
	% of Arrest Warrants Obtained vs. Requested	80%	86%	83%	85%	82%	85%
	Detective Bureau Cases per Investigator	258	295	249	250	252	250
	Crime Suppression Unit Cases per Investigator	84	73	62	70	54	55
	% of Part I Violent Crimes Cleared	55%	57%	58%	45%	52%	55%
	Part I Violent Crimes Cleared Per Sworn Dept. FTE	0.7	0.7	0.7	0.8	0.7	0.7
	Juvenile Arrests Violent Crimes - % of Total Arrests	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%
	% of Part I Property Crimes Cleared	21%	35%	23%	20%	23%	20%
	Part I Property Crimes Cleared Per Sworn Dept. FTE	1.4	1.7	1.4	1.3	1.3	1.3
	Juvenile Arrests Property Crimes - % of Total Arrests	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
	Auto Theft Ratio Per 1,000 Population	1.3	0.5	1.4	1.4	1.2	1.3
	Division Expenditures as % of General Fund	7.26%	7.05%	7.40%	7.34%	7.52%	7.56%

*Cost is calculated for "Actual" columns only.

Police Investigations



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Captain	1	1	1
Lieutenant	2	2	2
Sergeant	5	6	6
Police Officer	33	33	34
Administrative Secretary	1	1	1
Technical Secretary	1	1	1
Total	43	44	45

Police Investigations

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

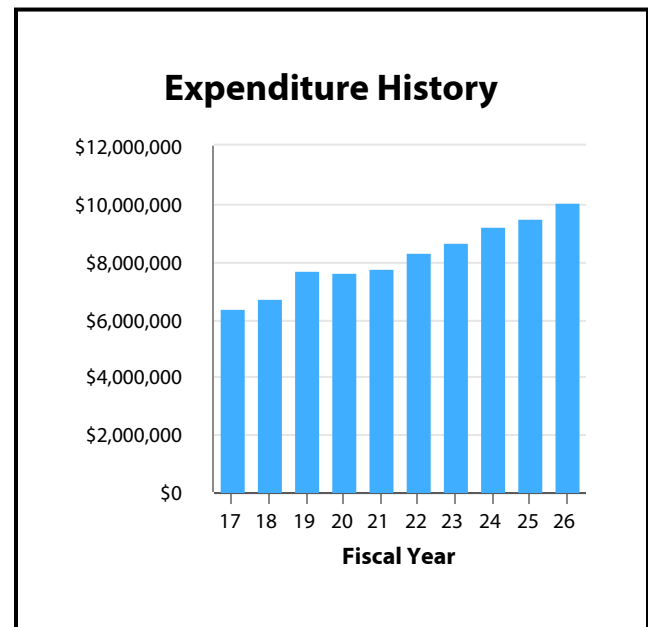
The total budget increased by 5.8%.

Personnel Services - Total Increase of \$552,350 or 5.8% is primarily due to contractual wage adjustments and an increase to the required contribution to the Police and Fire Retirement System pf \$96,100. An additional School Resource Officer was also add for Warren Consolidated Schools, which will be partially funded by the school district.

Supplies - All Supplies for the Police Department are budgeted in Police Administration.

Other Charges - All Other Charges for the Police Department are budgeted in Police Administration, except miscellaneous expenses. Funding for investigative materials will remain the same at \$5,000.

Capital - Capital for this office includes \$294,000 for replacement vehicles purchased through the Public Safety Forfeiture Fund.



Personnel Services
Supplies
Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$9,215,430	\$9,493,900	\$9,642,500	\$10,046,250	\$10,046,250
Supplies	0	0	0	0	0
Other Charges	4,440	5,000	5,000	5,000	5,000
Total	\$9,219,870	\$9,498,900	\$9,647,500	\$10,051,250	\$10,051,250

MISSION STATEMENT: *To function as the primary first responder to scenes requiring police assistance and enforcing laws in an effort to maintain a safe community.*

KEY GOALS

- ***To suppress criminal activity; respond to crimes and emergencies; conduct preliminary investigations; and collect forensic evidence.***
- ***To enforce compliance with state laws, traffic laws, and local ordinances; and to arrest or cite violators as necessary.***
- ***To provide prompt and efficient service to the public.***
- ***To provide a safe environment for vehicular and pedestrian traffic by implementing effective traffic safety strategies and providing traffic and pedestrian safety information.***

Police Operations is divided into two Bureaus: Patrol and Traffic Safety. The Division commander is a Captain who reports directly to the Chief of Police.

The Patrol Bureau is responsible for the suppression of all criminal wrongdoing. Patrol personnel are the first responders to most emergency situations. They conduct the initial investigation of all reported incidents of crime. The Evidence Technicians from within this Bureau locate and collect forensic evidence in support of criminal cases. Other responsibilities include maintaining peace, ensuring order at public gatherings, enforcing State and City laws and ordinances, and mediating disputes.

Four officers are assigned to the K-9 program. The dogs are trained in narcotics and tracking. These officers and their partners are not only involved in criminal apprehension, but in the identification of

illegal contraband. They have been recognized with national awards and honors.

The Traffic Safety Bureau investigates motor vehicle collisions, assists the injured, and impounds disabled vehicles at accident scenes. They enforce motor carrier laws, investigate abandoned autos, and are the primary traffic enforcement agency for state and local traffic codes. This Bureau trains and maintains a cadre of part-time adult school crossing guards. These crossing guards ensure direct street safety for elementary and junior high students in grades K-9.

The Special Response Team (SRT) is a unit of Police Operations which reports to the Police Operations Captain. The SRT is responsible for special operations where appropriate, such as crisis negotiations, active shooter situations, hostage situations, barricade situations, sniper situations, high-risk apprehension, high-risk warrant service, and other highly tactical situations.■



Police Operations

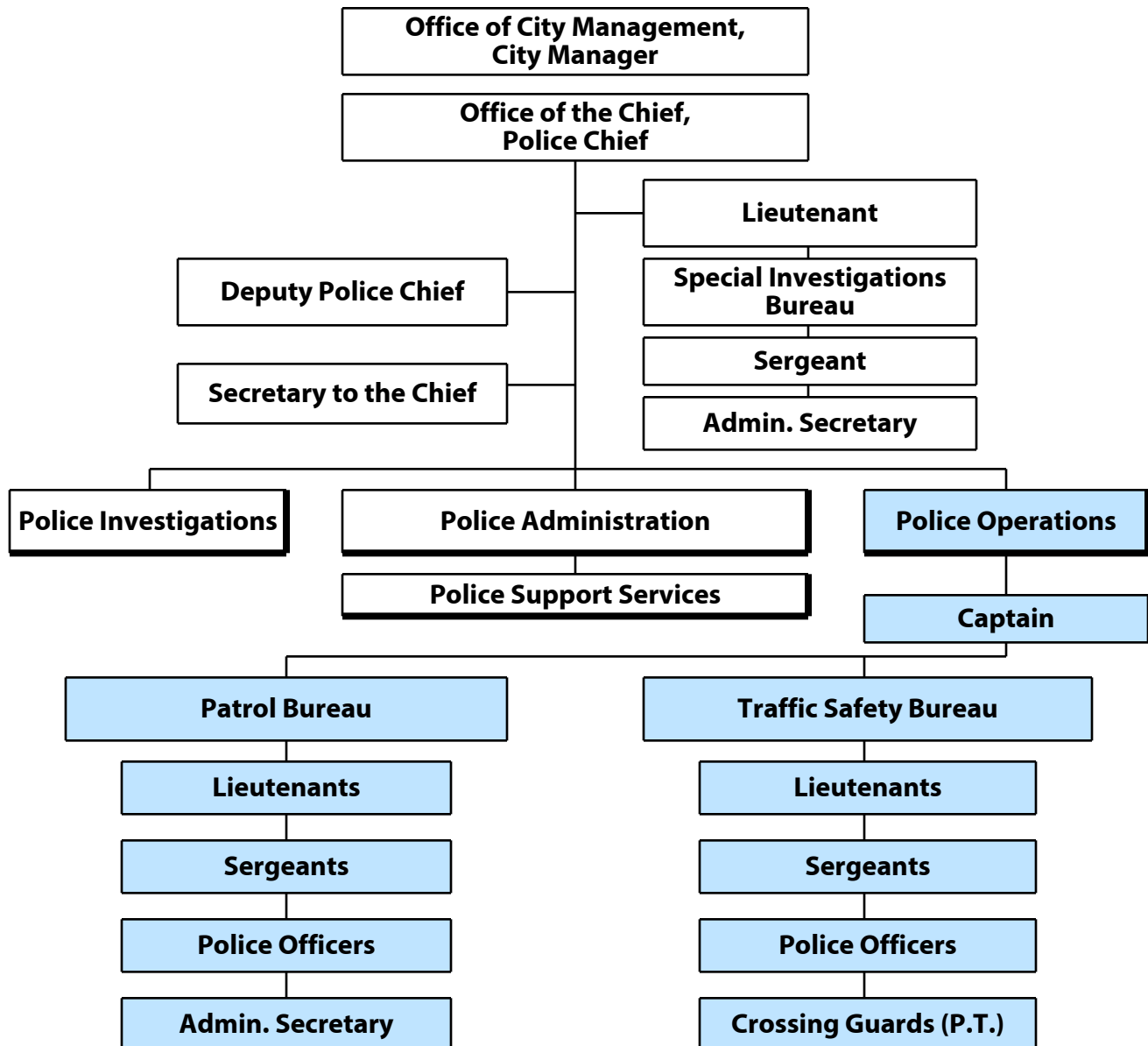
2025/26 PERFORMANCE OBJECTIVES

1. To update the transparency dashboard showing number of overdoses and deaths in the City to keep the public informed of the opioid crisis. It will also show the success of the COMEBACK-Quick Response Team and Re-Direct programs. (City Goal 6, 10, 25)
2. To host a traffic awareness forum at the library to educate the public regarding the innovative traffic calming measures being developed by the Traffic Calming Task Force, including bike lanes crosswalks, e-bikes, and speed humps. (City Goal 6, 9, 14, 17)
3. To create a two-week enforcement detail for the Traffic Safety Bureau to enforce traffic at the City's intersections with the highest number of injury accidents in attempt to reduce the number of accidents, including public awareness by coordinating with local news. (City Goal 6, 9)
4. To create an enforcement detail for Directed Patrol Unit for pro-active traffic and street crime enforcement in the neighborhoods. (City Goal 6, 9)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Police Incident Reports Completed	113,662	121,455	106,196	125,000	101,508	105,000
	Group A Crime Reports	3,486	4,047	3,776	4,300	4,092	4,100
	Group B Crime Reports	4,803	5,041	5,079	4,700	5,400	5,000
	Vehicular Accident Reports	4,237	3,954	3,754	4,500	3,840	4,000
	All Other Rpts. (incl. cases prev. not given case #)	101,136	108,413	93,587	111,500	88,176	90,000
	Adults/Juveniles Arrested	1,888/38	2,454/7	2,507/5	2,400/6	2,772/24	2,700/20
	Total Traffic Violations Issued	19,459	27,204	21,884	25,000	20,664	21,000
	Motor Carrier Violations Issued	31	166	138	30	144	150
	Residential Traffic Enforcement Violations	1,209	1,315	1,518	1,400	1,584	1,500
	SMART Radar Trailer Deployments	927	474	539	1,500	1,617	1,600
	K-9 Unit Deployments	217	338	212	300	240	250
	OUIL Arrests	165	249	278	275	288	290
	SWAT/SRT Call-outs	18	7	7	12	7	10
Efficiency & Effectiveness	Group A Crimes per 1,000 Population	26.3	30.1	28.1	32.0	30.5	30.5
	Group B Crimes per 1,000 Population	36.2	37.5	37.8	35.0	40.2	37.2
	# of Incident Reports per Sworn Division Personnel	1,072	794	952	1,100	1,025	1,050
	# of Injury Traffic Accidents per 100,000 Pop.	594	589	607	*	*	*
	# of Traffic Fatalities Per 100,000 Population	7.5	3.7	2.9	*	*	*
	% of Total Sworn Personnel in Traffic & Patrol	68%	72%	65%	68%	65%	65%
	OUIL Arrests Per 1,000 Residents	1.2	1.9	2.1	2.0	2.1	2.2
	Division Expenditures as % of General Fund	18.99%	18.21%	18.88%	19.18%	18.91%	19.22%

*Calculated for "Actual" columns only.

Police Operations



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Captain	1	1	1
Lieutenant	4	4	4
Sergeant	16	15	15
Police Officer	85	85	87
Administrative Secretary	1	1	1
Crossing Guards (P.T.)	30	30	30
Total	137	136	138

Police Operations

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 2.9%.

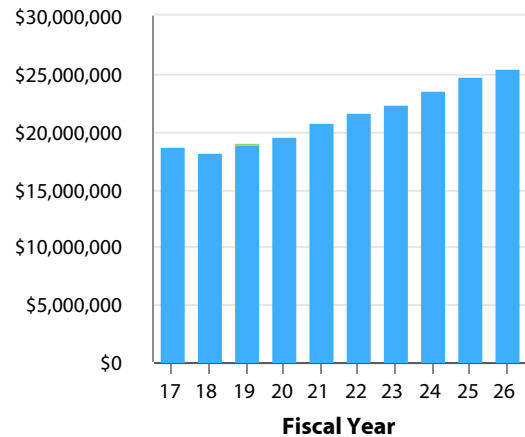
Personnel Services - Total Increase of \$727,650 or 2.9% is primarily due to contractual wage adjustments and an increase to the required contribution to the Police and Fire Retirement System of \$327,150. Two additional Police Officers were added for the grant-funded Crisis Assistance Response & Engagement (CARE) Team.

Supplies - All Supplies for the Police Department are budgeted in Police Administration.

Other Charges - Other Charges remains the same with a total budget of \$1,000.

Capital - Capital funding for this department is \$791,950 for vehicles, equipment and new technology needs. \$690,000 of this budget falls under the annual vehicle replacement plan, replacing ten vehicles each year to maintain an efficient and modern fleet. The remaining funds will be used to replace modems in police vehicles for \$112,500 and upgrade batteries in handheld radios for \$27,650. Officers will be moving to twelve hour shifts, requiring longer radios to have longer battery life. The boilers will also be replaced at the police station.

Expenditure History



Personnel Services
Supplies
Other Charges

The Public Safety Forfeiture Fund is used to provide equipment for this office as well. Notable purchases involve ballistic helmets for the special response team for \$30,350. This team will also receive three additional sniper rifles for \$25,750. Five additional FLOCK cameras are proposed for \$19,450 for the first year with an annual cost of \$15,000. A replacement K-9 Officer is also included due to an upcoming retirement.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$23,511,440	\$24,830,800	\$24,265,430	\$25,558,450	\$25,558,450
Supplies	0	0	0	0	0
Other Charges	0	1,000	1,000	1,000	1,000
Total	\$23,511,440	\$24,831,800	\$24,266,430	\$25,559,450	\$25,559,450

MISSION STATEMENT: *To function as the Police Department's main information center.*

KEY GOALS

- ***To collect, maintain and disseminate information to the public as needed.***
- ***To input report information into the computer database in compliance with state and federal guidelines.***
- ***To properly receive, record and store property and criminal evidence.***
- ***To monitor, enforce and educate the public regarding the City's Animal Control Regulatory Ordinance and to impound stray or neglected animals as necessary.***
- ***To provide prompt, efficient service when public requests for service are received.***

The Support Services Division is one of four divisions within the Police Department. The Division commander is a Sergeant who reports to a Lieutenant. The Captain oversees the Records Bureau and the Animal Control Unit.

The Records Bureau serves as the information center for businesses, attorneys and the public. The Records Bureau collects, maintains, and distributes reports of crimes, incidents, vehicular accidents and other matters of interest to the public and those needed for police operations. Records personnel respond to all police-related document requests filed under the Freedom of Information Act. They receive, process and monitor file jackets pertaining to arrested persons. Records personnel input source documents into the Department's computer system and generate reports as required by the State of Michigan, the Federal Bureau of

Investigations (FBI) and other Police Department personnel.

The Records Bureau also maintains the inventory of all recovered or confiscated property, items of evidence, impounded motor vehicles and property in conjunction with other City departments. Personnel process all applications for the purchase of handguns and concealed weapon permits.

The Computer Services function of the Records Bureau provides for the capture and retrieval of information designated by statute and/or the needs of the Department. The Lab Technician is responsible for processing all photographic evidence. This area assists other City departments in processing photographs and serves as a resource to the Department's Evidence Technicians and Police Investigations Division.

The Animal Control Unit patrols, responds to and investigates reported violations of the City and State's Animal Control Regulatory Ordinance and other animal nuisance complaints.■



Police Support Services

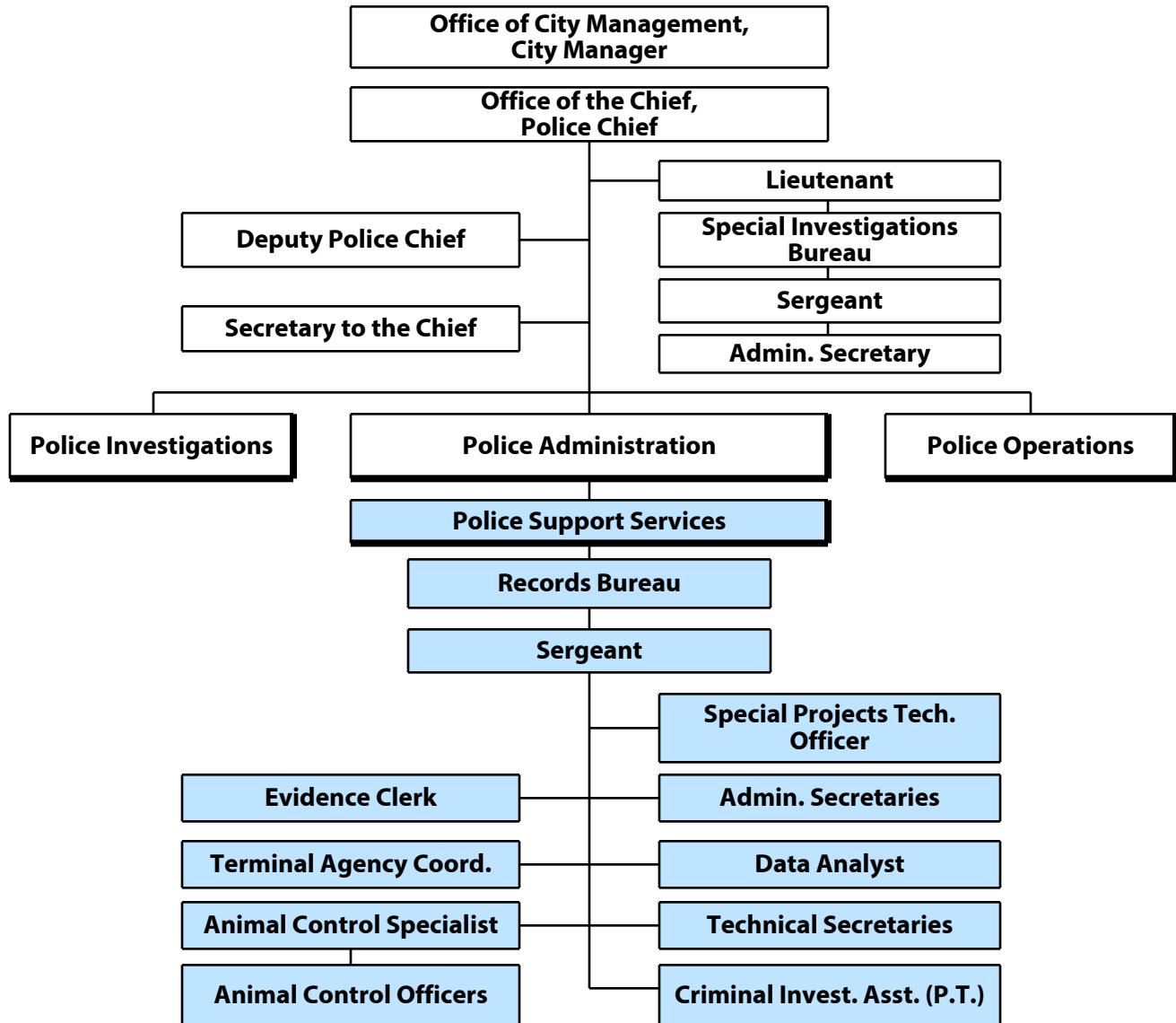
2025/26 PERFORMANCE OBJECTIVES

1. To verify, update, and remove Computerized Criminal History Information on all arrestees from the inception of the Police Department to comply with state laws. (City Goal 4, 7, 10, 23)
2. To streamline the arrest warrant entry process to enhance officer safety and increase critical information sharing from the time calls are received, and officers are dispatched. (City Goal 2, 4, 5, 6, 9, 10, 11, 14, 23)
3. To reduce inventory of old, unneeded items in the property firearm/ammunition vault to allow space for new property. (City Goal 1, 5, 6, 7, 8, 9, 13, 23)
4. To implement the Training, Equipment, and Employee personnel modules in the RMS information system to centralize personnel/equipment information. (City Goal 1, 2, 3, 5, 6, 7, 9, 23)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Incidents Processed into Computer	113,662	121,455	106,224	115,000	101,508	105,000
	Police Reports Provided on Request	5,420	6,150	6,842	5,500	5,174	5,300
	Gun Permits Obtained	4,074	3,335	3,015	3,200	2,642	3,000
	Responses by Animal Control	4,393	4,243	4,217	4,500	4,608	4,600
	Background Clearance Letters Processed	939	826	1,058	1,100	1,132	1,100
	Freedom of Information Act Requests	1,180	1,438	1,796	1,700	1,872	1,800
	Arrests Processed	1,926	2,461	2,512	2,400	2,808	2,800
	Pieces of Evidence Collected	3,714	4,639	4,102	4,100	4,653	4,700
	Prescription Drug Take Back (Lbs.)	846	1,008	1,058	1,100	1,080	1,100
Efficiency & Effectiveness	% of FOIA Requests Resp. to within Legal Limits	100%	100%	100%	100%	100%	100%
	Outsourced Dispatch Operations Cost	\$2.0M	\$2.1M	\$2.1M	\$2.3M	\$2.2M	\$2.3M
	Outsourced Detention Facility Cost	\$272,600	\$10,400	\$10,500	\$20,000	\$13,000	\$15,000
	Division Expenditures as % of General Fund	1.82%	1.71%	1.76%	1.84%	1.80%	1.94%

*Cost is calculated for "Actual" columns only.

Police Support Services



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Sergeant	1	1	1
Police Officer	1	1	1
Animal Control Specialist	0	1	1
Animal Control Officer	3	3	3
Evidence Clerk	1	1	1
Administrative Secretary	4	4	4
Data Analyst	1	1	1
Terminal Agency Coordinator	1	1	1
Technical Secretary	4	4	4
Criminal Investigations Assistant (P.T.)	1	1	1
Total	17	18	18

Police Support Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 8.5%.

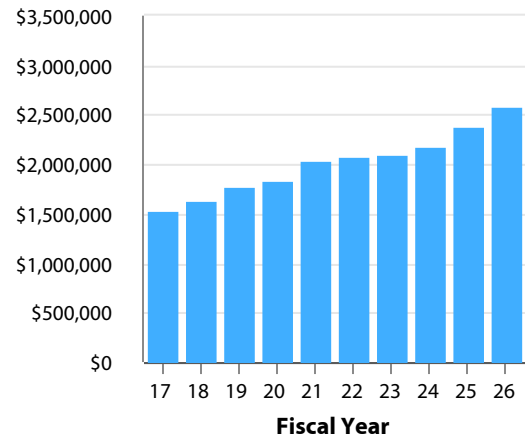
Personnel Services - Total Increase of \$202,200 or 8.5% is primarily due to contractual wage adjustments and an increase to the required contribution to the Police and Fire Retirement System of \$8,650.

Supplies - All Supplies for the Police Department are budgeted in Police Administration.

Other Charges - All Other Charges for the Police Department are budgeted in Police Administration.

Capital - This office will receive a replacement animal control van for \$45,000.

Expenditure History



Personnel Services Supplies
Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$2,190,380	\$2,383,050	\$2,312,950	\$2,585,250	\$2,585,250
Supplies	0	0	0	0	0
Other Charges	0	0	0	0	0
Total	\$2,190,380	\$2,383,050	\$2,312,950	\$2,585,250	\$2,585,250

The only limit to our realization of tomorrow will be our doubts of today.

~ Franklin D. Roosevelt ~

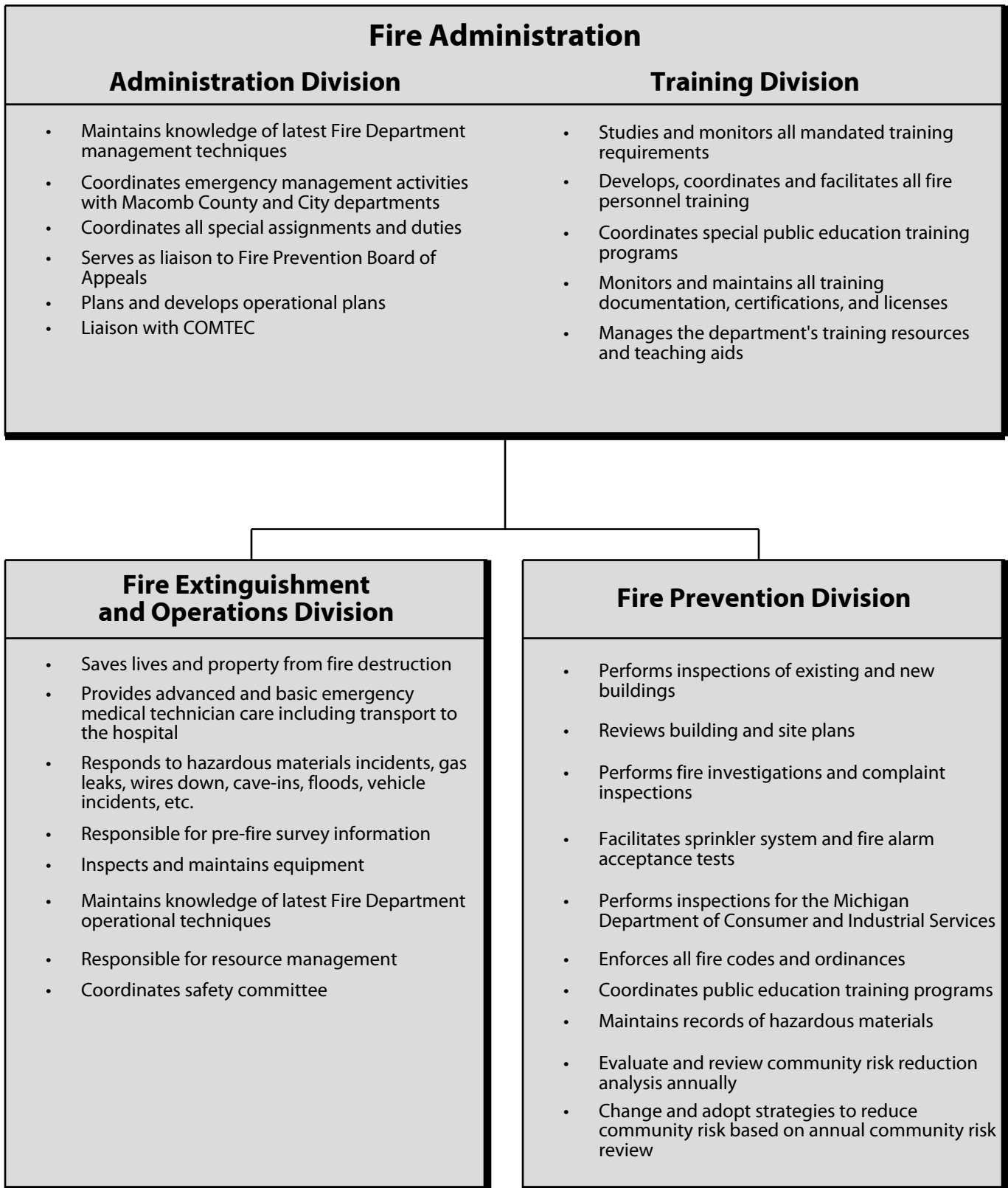


Fire Department



FUNCTIONAL ORGANIZATION CHART

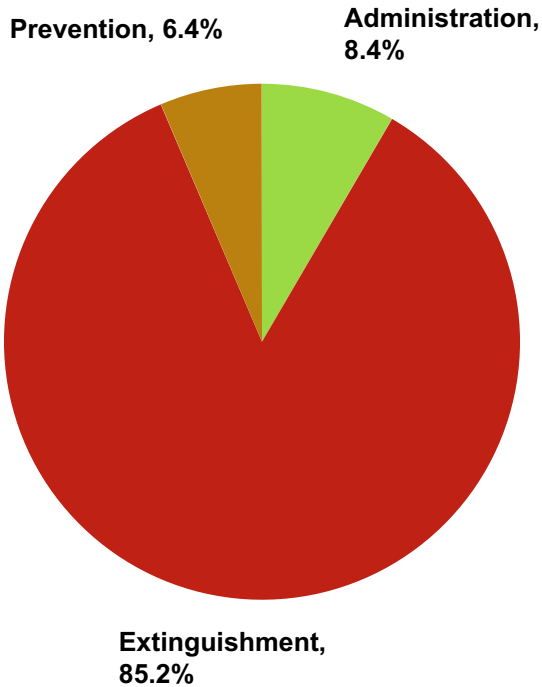
Fire Department



DEPARTMENT AT A GLANCE

Fire Department

Fire Department
Total Budget = \$28.6 Million



PERSONNEL SUMMARY

	2025/26	
	Full Time	Part Time
Fire Administration	10	0
Fire Extinguishment	100	0
Fire Prevention	8	0
Total Department	118	0

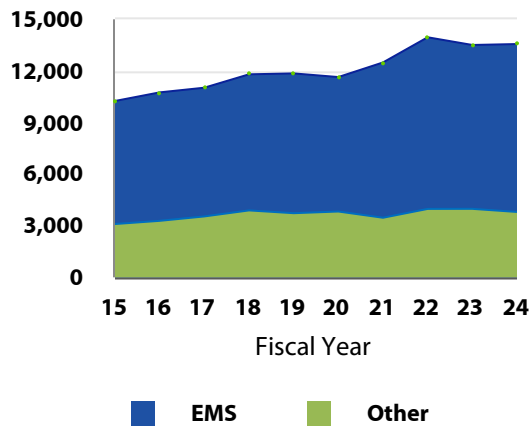
FUNDING LEVEL SUMMARY

	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
Fire Administration	\$2,175,560	\$2,207,980	\$2,150,090	\$2,405,800	11.9%
Fire Extinguishment	21,461,530	22,572,480	22,633,190	24,367,750	7.7%
Fire Prevention	1,458,930	1,548,180	1,660,670	1,833,000	10.4%
Total Department	\$25,096,020	\$26,328,640	\$26,443,950	\$28,606,550	8.2%
Personnel Services	\$23,638,490	\$24,734,430	\$24,888,320	\$27,089,600	8.8%
Supplies	332,310	322,070	431,500	387,700	-10.2%
Other Charges	1,125,220	1,272,140	1,124,130	1,129,250	0.5%
Total Department	\$25,096,020	\$26,328,640	\$26,443,950	\$28,606,550	8.2%

KEY DEPARTMENTAL TRENDS

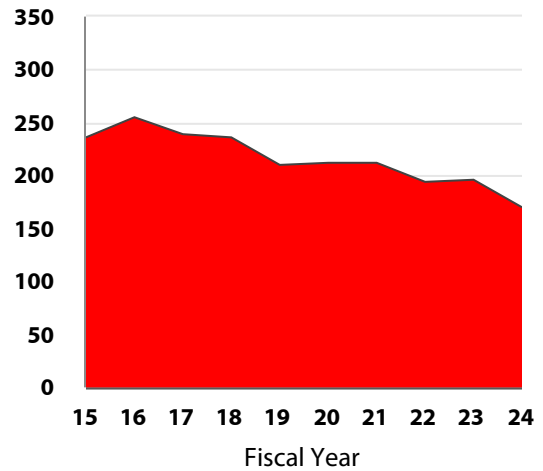
Fire Department

Emergency Medical & HazMat/Other Incidents



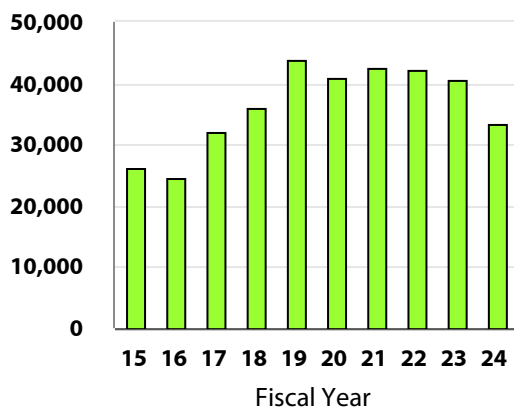
There has been an overall increase in the number of emergency medical runs and other incidents due to an aging population. The City's medical rescue services continue to receive high marks from patients and the survival rate of heart attack victims is one of the best in the nation.

Fire Incidents



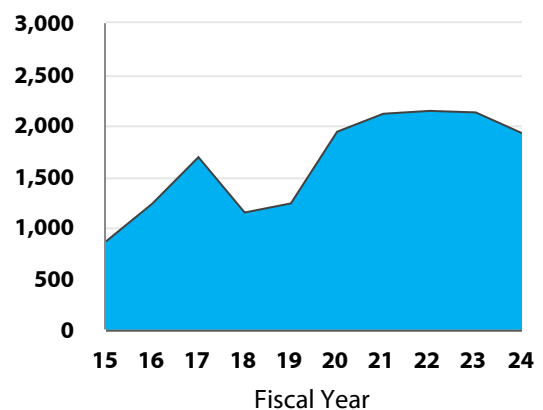
Over the past ten years, the number of fires has declined by 15%. The recorded number of fires in 2024 was 170. The City currently averages fewer than one fire incident per week at each of the City's five fire stations.

Training Hours Completed



The City's firefighters devote many hours during the year toward in-house formalized training provided by the Fire Training division. In recent years, training has been necessary for Advanced Life Support, Hazardous Materials, Building Collapse Rescue, Peer Fitness, and Weapons of Mass Destruction education. Training hours decreased in 2024 due to changes in personnel in this department.

Fire Inspections Conducted



Fire inspections declined due to a decrease in the number of Fire Inspectors. In 2016, two additional Fire Inspector positions were created. As a result, inspections increased by 43%. The number of inspections decreased in 2024 as a result of job vacancies.

MISSION STATEMENT: *To provide effective and efficient services in times of crisis through preparation, prevention, response, and community outreach.*

KEY GOALS

- *Adapt to the evolving needs of our community.*
- *To develop and ensure our members have the knowledge, skills, and abilities to provide premier services for fire, medical, and hazardous material. and disaster emergencies.*
- *To research and implement new services, procedures, and equipment.*
- *To strive for continuous improvement and provide high-quality progressive services to the community.*
- *To manage resources effectively to continue to provide premier service to our community and membership.*

Fire Administration is responsible for providing resources and supervision to support premier service to the residents of the City of Sterling Heights.

The Fire Chief directs the planning and development of all Fire Department programs. The Fire Chief must keep informed of the latest fire techniques to develop policies that improve and enhance the operations of the Department. This will ensure that the Fire Department is providing the finest fire extinguishment and emergency medical service available to the City's residents.

Maintaining discipline and adherence to Fire Department policies rests with the Fire Chief. The Fire Chief stays active with other agencies in the County and throughout the State to foster professional working relationships to ensure that mutual aid is efficient during times of need.

Resource management is another part of administration. Preparing the annual Fire Department budget is a large part, as well as the ongoing process of revenue and expenditure monitoring. The support staff maintains all records, files, and employee time records, coordinates public relations and educational activities, and performs data entry and mail distribution functions.

Fire Administration is responsible for the analysis of and development of strategies and programs to reduce community risks. Through the development of methods, programs, and community collaboration our goal is to reduce risks and increase community health, wellness, and resiliency.

The Fire Training Division develops, coordinates, facilitates, and conducts training to ensure that all personnel are proficient in the operation of all departmental equipment and technical skills. The State and federal governments, and the firefighters' collective bargaining agreement have mandated new programs and standards. With these new standards, there are certain training packages that must be delivered, certification processes that must be met, standards that must be adhered to, and accurate documentation that must be prepared for all aspects of these programs.■



Fire Administration

2025/26 PERFORMANCE OBJECTIVES

(Administration)

1. To prepare the organization to transition from the National Fire Incident Reports System to the new national Emergency Response information System as required by the National Fire Administration. (City Goal 1, 2, 3, 6, 8, 9, 10, 11, 12)
2. To assess response plans and ensure the most appropriate resource are sent on emergency runs. (City Goal 1, 2, 9, 10, 11, 14)
3. To continue the development of a succession plan to prepare the Fire Administration division for anticipated vacancies. (City Goal 1, 2, 9, 10, 11, 14)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Incident Reports Reviewed for Quality	18,130	17,831	17,657	17,600	17,800	17,800
	Employee Evaluations Conducted/Tracked	245	374	304	300	350	350
	APPO's and Standard Operating Guidelines Reviewed	293	314	300	300	300	300
	Freedom of Information Act Requests	137	155	135	100	100	100
	Staff/Battalion Meetings Conducted	40	75	115	50	50	50
	Presentations to Civic Groups/Organizations	43	52	81	30	32	32
	Employee/Civilian Citations Processed	241	9	111	40	30	30
	Service Complaints Processed	11	16	39	10	10	10
	Safety-Suggestions Processed	19	28	6	15	15	15
	EOC Activations/Emerg. Responses/Train. Exercises	1	6	5	1	2	1
Efficiency	% of Incident Reports Reviewed for Quality	100%	100%	100%	100%	100%	100%
	% Employee Evaluations Conducted on Time	100%	100%	100%	100%	100%	100%
	% of Safety Suggestions Acted Upon within 90 Days	100%	100%	100%	100%	100%	100%
	Department Cost per Capita	\$181	\$176	\$197	\$188	\$203	\$213
	Division Expenditures as % of General Fund	1.66 %	1.77 %	1.77 %	1.66 %	1.72 %	1.81 %

Fire Administration

2025/26 PERFORMANCE OBJECTIVES

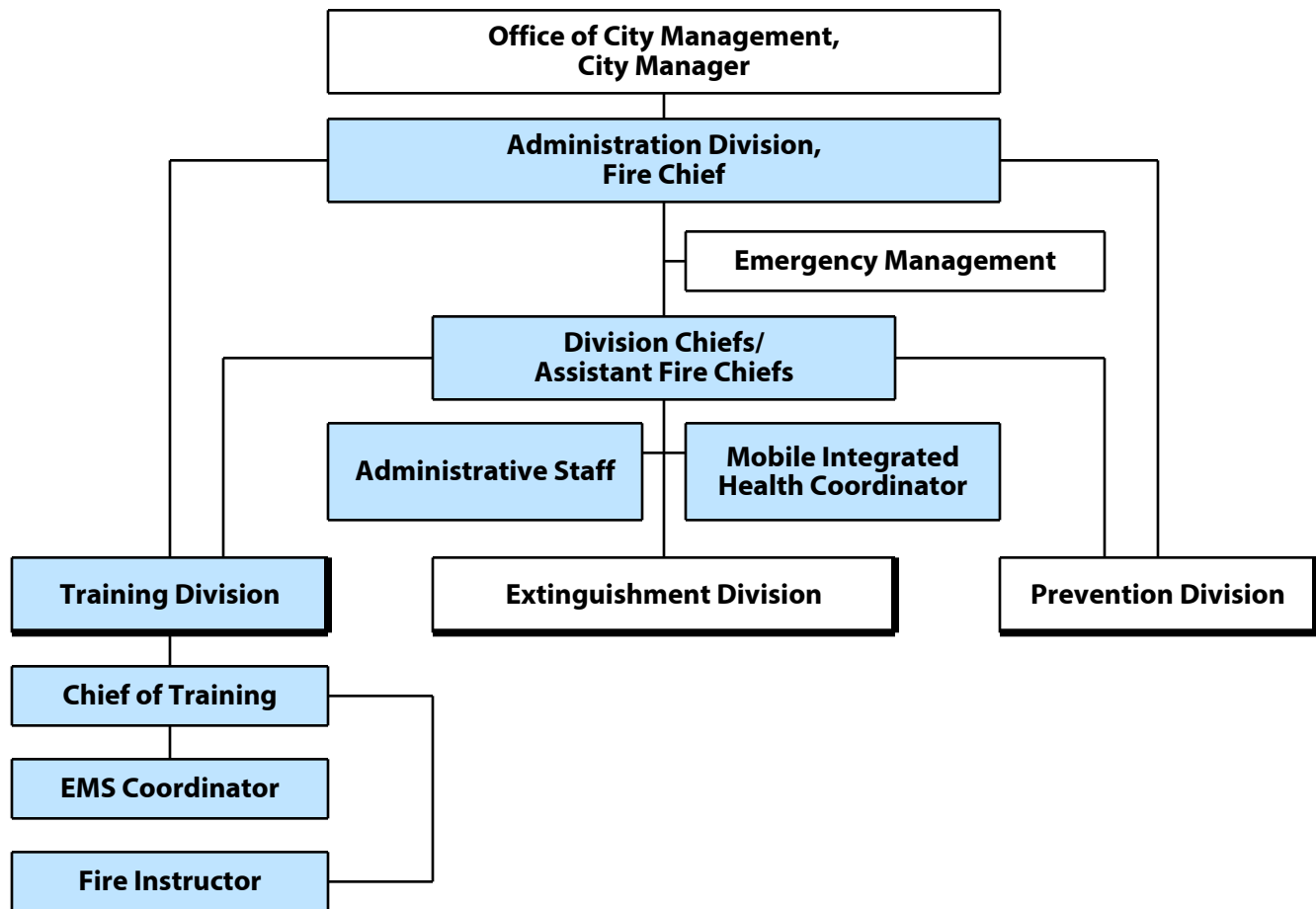
(Training)

1. To increase the number of formal training hours coordinated by the training division by 10% in the next fiscal year. (City Goal 2, 4, 6, 9, 11)
2. To ensure that all sworn personnel complete the Blue Card incident Command program in the next fiscal year. (City Goal 2, 4, 6, 7, 9, 10, 11)
3. To establish in-house training for state-certified fire officer courses including, Fire Officer I, II, III, Fire Instructor, and Blue Card incident Command System. (City Goal 2, 4, 6, 9, 11)
4. To coordinate education for all sworn personnel in the new national Emergency Response System during the next fiscal year. (City Goal 2, 4, 6, 9, 11)
5. To coordinate a tabletop exercise with the Emergency Services Operations Group (ESOG) to ensure City staff is prepared for an emergency. (City Goal 2, 4, 6, 9, 11)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Total Formal Training Hours Coordinated	42,159	40,596	33,448	43,704	33,448	42,000
	Hours of Fire Officer Training	12,849	10,418	4,714	8,896	4,713	7,500
	Hours of EMS Training	5,096	4,981	5,436	5,988	5,436	5,500
	Hours of Fire Suppression Training	2,724	2,504	1,412	2,963	1,412	1,500
	Hours of Hazardous Materials Training	1,221	795	926	679	926	1,500
	Hours of Professional Development Training	2,105	2,696	1,412	2,963	1,474	3,000
	Hours of Physical Training	10,056	10,020	10,213	11,041	10,213	10,200
	Hours of Technical Rescue Training	1,543	1,625	653	1,649	653	1,500
	Hours of All Other Training	5,496	4,676	5,097	5,349	5,097	5,000
	Residents Receiving Formal Public Education	2,552	2,397	616	2,186	616	2,500
	Students Receiving Fire Safety Tours	0	190	2,212	5,000	2,212	225
	Individuals Receiving CPR Instruction	225	338	240	343	240	225
	Paramedic/EMT License Applications Processed	36	39	32	31	32	40
	Procedures Developed and Updated	66	85	124	107	96	100
	Days of Work Lost Due to Injury	225	31	148	50	83	75
Efficiency	% of Right-to-Know Training Completed	100%	87%	100%	100%	100%	100%
	Avg. Training Hrs. per Budgeted Sworn Personnel	394	383	385	408	309	400
	Training Division Cost per Fire Fighter	\$3,411	\$3,653	\$3,676	*	*	*

*Cost is calculated for "Actual" columns only.

Fire Administration



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Fire Chief	1	1	1
Division Chief/Assistant Fire Chief	1	2	2
Chief of Training	1	1	1
EMS Coordinator	1	1	1
Fire Instructor	1	1	1
Fire Services Specialist	1	1	1
Mobile Integrated Health Coordinator	0	0	1
Management Assistant	1	1	1
Administrative Assistant	1	1	1
Clerk Typist (P.T.)	1	0	0
Intern (P.T.)	1	1	0
Total	10	10	10

Fire Administration

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

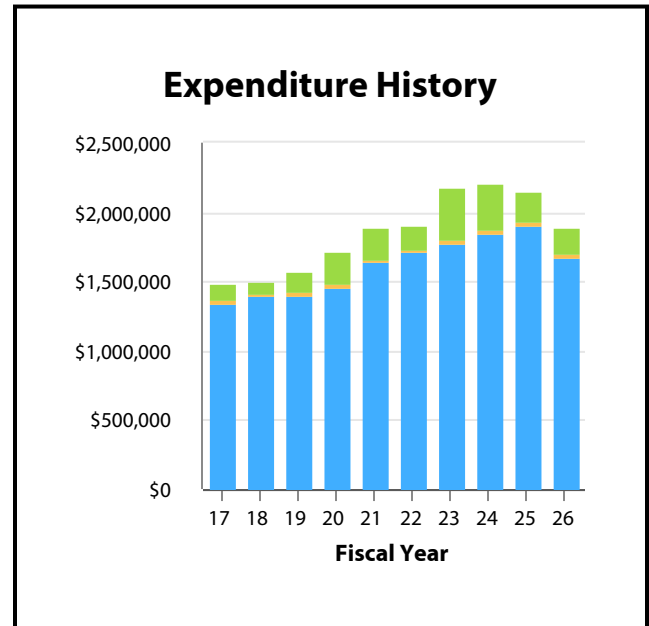
The total budget increased by 11.9%.

Personnel Services - Total Increase of \$278,150 or 14.6% is primarily due to:

- Contractual wage adjustments
- The transfer of the Mobile Integrated EMS Health Coordinator position to Fire Administration from Fire Prevention
- Cost increases in health insurance
- An increase to the required contribution to the Police & Fire pension fund of \$19,350

Supplies - Total Supplies increased \$600 or 2.0%. This increase is for office supplies and live burn training materials.

Other Charges - Total Other Charges decreased \$23,040 or 10.8% primarily due one-time funding for Blue Card Simulation training software and Ground Emergency Medical Transport (GEMT) program advocacy in the prior year.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

Capital - Capital for this office includes the purchase of two new administration vehicles totaling \$112,000 for the new Assistant Fire Chief and the Mobile EMS Health Coordinator and a replacement Lucas Chest Compression System for \$16,500.

Funding of \$4.5 million is also included for Phase I of the \$9.0 million renovation of Fire Station #5.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,849,690	\$1,907,200	\$1,973,050	\$2,185,350	\$2,185,350
Supplies	25,040	30,400	30,400	31,000	31,000
Other Charges	333,250	212,490	208,490	189,450	189,450
Total	\$2,207,980	\$2,150,090	\$2,211,940	\$2,405,800	\$2,405,800

MISSION STATEMENT: *To reduce deaths and limit pain and suffering through proper emergency medical services while preserving, protecting, and minimizing loss of property from fire.*

KEY GOALS

- *To provide the highest quality fire protection possible thereby saving lives and property from the ravages of fire.*
- *To provide the highest quality advanced life support delivery system possible thereby saving lives and minimizing the effects of medical emergencies and injuries.*
- *To provide for community betterment through Fire Department sponsored public education.*

The primary function of the Fire Extinguishment Division is to save lives, minimize property from loss, and reduce the time needed to recover from medical emergencies, fires, and man-made or natural disasters in the City of Sterling Heights.

Fire Extinguishment Division personnel follow regulations, recommended practices, and guidelines of the Superfund Amendment Reauthorization Act (SARA), National Fire Academy's Incident Command System (NFA-IC), and the National Fire Protection Association (NFPA), to efficiently manage a wide spectrum of emergency events safely with the proper techniques and needed equipment.

The Division's three battalions respond to a wide variety of incidents including medical issues, hazardous material leaks and spills, down wires, vehicle accidents, cave-ins, floods, technical rescue, and much more in addition to providing fire protection service. Fire Extinguishment Division personnel also provide public education and fire safety programs to the residents of our community.

The Fire Department provides the transportation services for all emergency medical patients who need to be taken to the hospital. A cost effective program was developed to provide a significant increase in the service delivery of emergency medical services to our residents, with no increase in funding to the department. This should reduce response times to all incidents throughout the City.

This Division also performs pre-incident surveys of major buildings in the City to develop plans to reduce risk to personnel and damage to the facility in the event of fire or other destructive events.

Division personnel are responsible for the daily maintenance of all emergency response apparatus, emergency medical equipment, as well as maintaining the five fire stations.

To maintain proficiency in multiple skills, firefighters attend daily training in emergency medicine, fire ground tactics and operations, vehicle accident victim extrication, search & rescue, hazardous materials, and emergency situation management. In addition to their training, firefighters receive the continuing education required to maintain their various levels of licensure and certification.

The Fire Extinguishment Division works diligently to provide skilled professionals to successfully mitigate emergencies and raise public awareness of safety, in a cost-effective manner.■



Fire Extinguishment

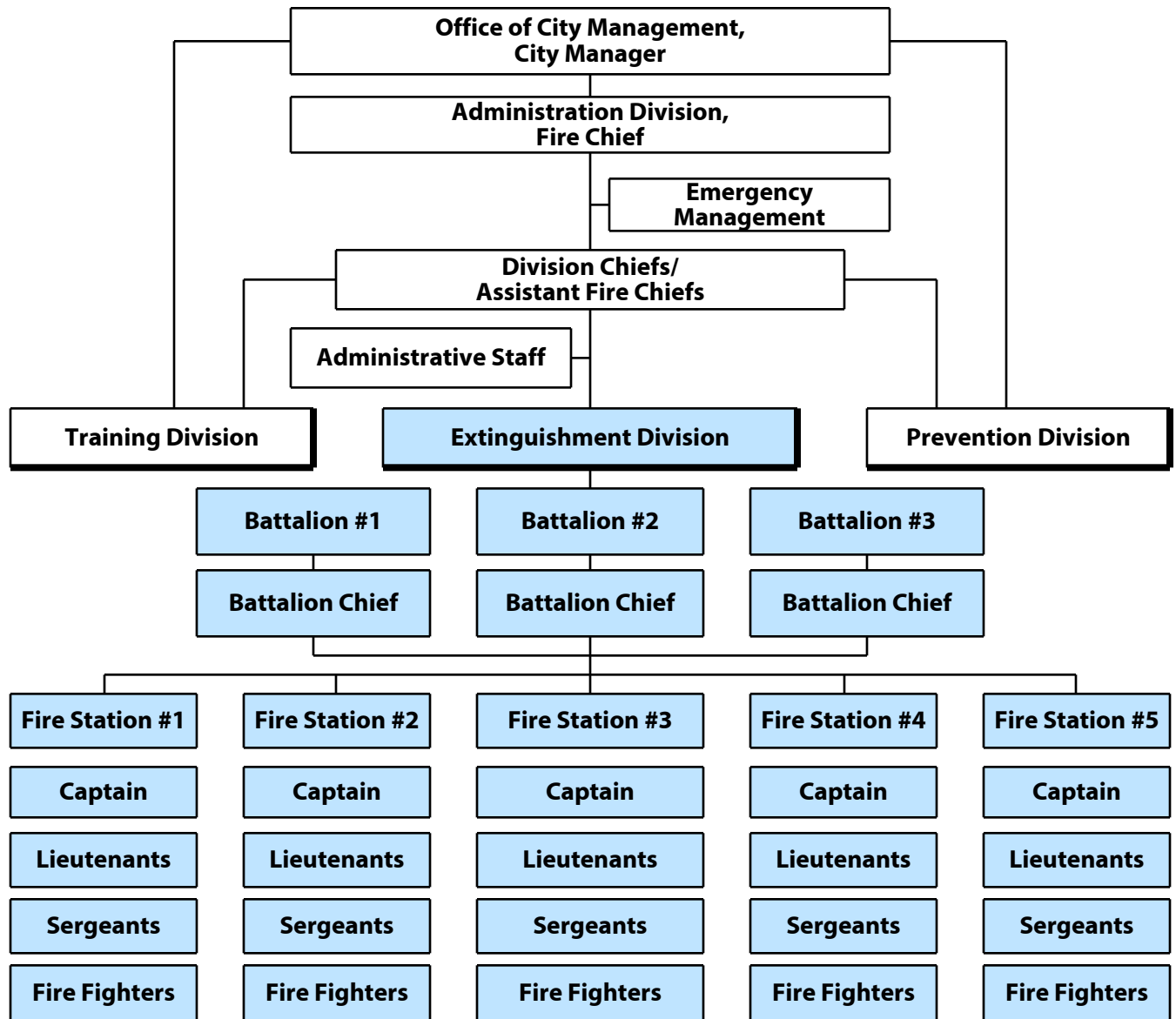
2025/26 PERFORMANCE OBJECTIVES

1. To implement that Medical Priority Dispatch for EMS calls to ensure the most appropriate resources are sent on emergency and non-emergency runs. (City Goal 1, 2, 9, 10, 11, 14)
2. To implement a peak time staffing EMS unit(s) to respond to low acuity calls utilizing the medical priority dispatch system. (City Goal 1, 2, 9, 10, 11, 14)
3. To review and evaluate firefighter injuries to develop solutions that can be implemented to reduce the amount of loss time due to firefighter injuries. (City Goal 1, 2, 9, 10, 11, 14)
4. To continue to develop a succession plan and officer development program to prepare members for career advancement due to retirements. (City Goal 1, 2, 9, 10, 11, 14)
5. To ensure medical priority dispatch and peak-time staffing deployment, and develop a quality control process to verify that dispatch priorities align with patient assessments and response resources in 85% of emergency medical calls. (City Goal 1, 2, 9, 10, 11, 14)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Total Fire Department Incidents	18,130	17,832	17,657	17,600	17,702	18,233
	Fire Incidents	194	196	170	215	165	190
	Hazardous Material Incidents	174	145	123	100	125	130
	EMS-Related Incidents	13,957	13,509	13,563	13,200	13,406	13,800
	All Other Incidents	3,804	3,982	3,801	3,000	4,006	4,126
	Total Patients Transported to Hospitals	10,528	10,256	10,616	10,000	10,510	10,825
	Priority 1 Patients	510	537	745	600	675	695
	Priority 2 Patients	4,179	4,160	5,919	4,400	5,683	5,854
	Priority 3 Patients	5,839	5,559	3,952	5,000	4,152	4,277
	Ambulance Only Runs	3,222	3,142	3,902	3,500	4,123	4,500
	Collection Recovery Rate/Avg. recovery per incident	85%/\$377	92%/\$432	85%/\$432	85%/\$395	85%/\$395	85%/\$399
	Transports handled by another agency	29	24	36	30	17	50
	Mutual Aid Provided/Received (Man Hours)	226/80	91/35	127/38	100/80	161/21	125/20
Efficiency & Effectiveness	Average Scene Time (Hours) per Fire/ALS Incident	1.0/.21	1.1/.21	1.3/.21	1.0/.20	1.2/.21	1.0/2.00
	Fire Fighter Injuries/Deaths	67/0	64/0	62/0	*	*	*
	Civilian Fire Related Injuries/Deaths	9/0	6/0	17/2	*	*	*
	% of Emg. Incidents Responded w/i 5 Min. Fire/EMS	79%/65%	78%/64%	80%/64%	80%/80%	71%/60%	75%/75
	Average EMS Response Time - Minutes	5.4	5.3	5.7	5.0	6.1	6.3
	Division Expenditures as % of General Fund	18.10 %	17.45 %	18.13 %	17.49 %	18.22 %	18.32 %

*Calculated for "Actual" columns only.

Fire Extinguishment



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Battalion Chief	3	3	3
Captain-Advanced Life Support	4	4	5
Captain	2	2	1
Lieutenant-Advanced Life Support	15	15	15
Sergeant - Fire Engine Operator	9	9	9
Fire Fighter-Advanced Life Support	51	51	51
Fire Fighter-Fire Engine Operator	12	12	12
Fire Fighter - EMT	0	0	4
Total	96	96	100

Fire Extinguishment

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

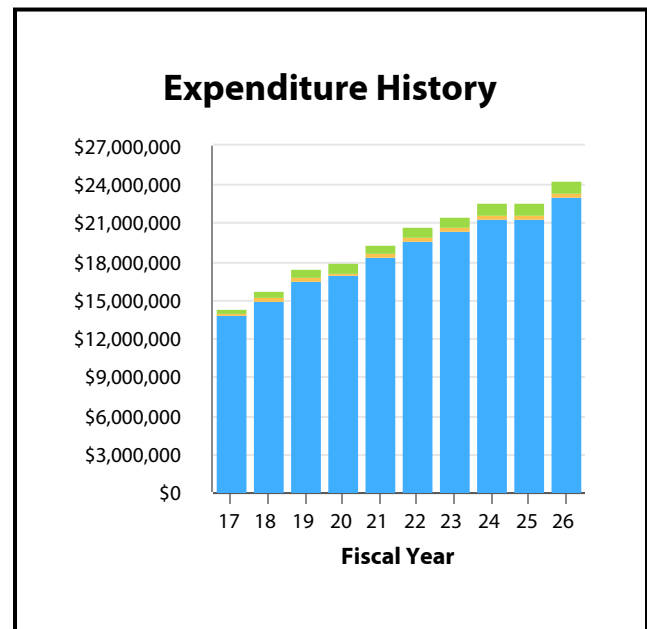
The total budget increased by 7.7%.

Personnel Services - Total Increase \$1,761,600 or 8.3%

- Contractual wage adjustments
- \$360,000 for the addition of four Firefighter EMTs to staff a peak time ambulance
- \$296,000 increase in the required contribution to the Police & Fire pension system

Supplies - Total Supplies decreased \$55,200 or 13.8%. \$29,650 of funding was reappropriated in the prior year's budget for the purchase of protective clothing. The remainder of the decrease is to align the account with historical average spending.

Other Charges - Total Other Charges increased \$28,160 or 3.1%. The most notable changes include \$11,650 for radio retemplating and \$26,150 in increased utility costs. Offsetting these, the ambulance maintenance budget was decreased \$26,300 based on historical trends.



Personnel Services Supplies Other Charges

Capital - The capital budget includes a replacement Fire Pumper for \$722,000 and \$36,000 to replace a Ford Maverick, which will be repurposed as a Code Enforcement vehicle. Equipment replacement totaling \$168,000 is proposed for multi-year replacement plans, including LifePaks, power cots, fire hoses, AEDs and SCBA bottles. The final year of the multi-year project to replace mobile computers and modems is also included.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$21,336,560	\$21,320,450	\$22,110,750	\$23,082,050	\$23,082,050
Supplies	297,030	401,100	353,700	345,900	345,900
Other Charges	938,890	911,640	911,390	939,800	939,800
Total	\$22,572,480	\$22,633,190	\$23,375,840	\$24,367,750	\$24,367,750

MISSION STATEMENT: *To ensure structures are built and maintained in accordance with the adopted fire prevention code, and to reduce and ultimately eliminate fire and life safety hazards through diligent code enforcement and public fire education.*

KEY GOALS

- ***To reduce fire incident rates to the lowest achievable level in inspectable buildings.***
- ***To remove and ultimately eliminate fire hazards through diligent code enforcement efforts.***
- ***To educate the commercial/business/ industrial community in fire and life safety methodology.***
- ***To educate residents in fire safety practices, thereby reducing residential fire incidents and ultimately eliminating fatal and large loss residential fires.***

The Fire Prevention Division is responsible inspections of existing buildings, new buildings, fire systems, and hazardous homes.

The division also reviews all site plans, building plans and fire systems to ensure compliance with fire codes.

Investigations into suspicious fires can include photography, State/Federal Reporting, arson follow-up, and evidence preservation.

The Fire Investigations division performs D.S.S. Fire System Acceptance Test Inspections of adult foster care, child day care, and child foster care facilities. The division also performs State inspections of clinics, health care facilities, and schools.

Public fire education is conducted at health care facilities, and for senior citizens, industrial personnel, and commercial & mercantile personnel. Child fire safety programs are conducted in all schools and include juvenile fire setter intervention.

This Division is also responsible for capacity inspections, complaint inspections and investigations, environmental hazard mitigation, fire emergency preparedness, and referrals to other City departments.

Fire Prevention personnel are actively involved in legislative improvements. The staff is active in the International Association of Arson Investigators, the Oakland Macomb Fire Prevention Society, attends required certification training, schedules and attends meetings with Building, Planning, Engineering, Public Works, Police, and the Macomb County Health Department. Meetings are also held as necessary with architects and contractors.

The Fire Prevention Division prepares an annual report based on the files that are maintained throughout the year. This Division maintains files on all buildings located in the City.

The Fire Prevention Division is the lead division on all fire code enforcement and related issues and the coordination of efforts between the Fire Department and other City departments responsible for code and ordinance enforcement. The Fire Prevention Division uses a third party reporting company to ensure compliance to the fire code.■



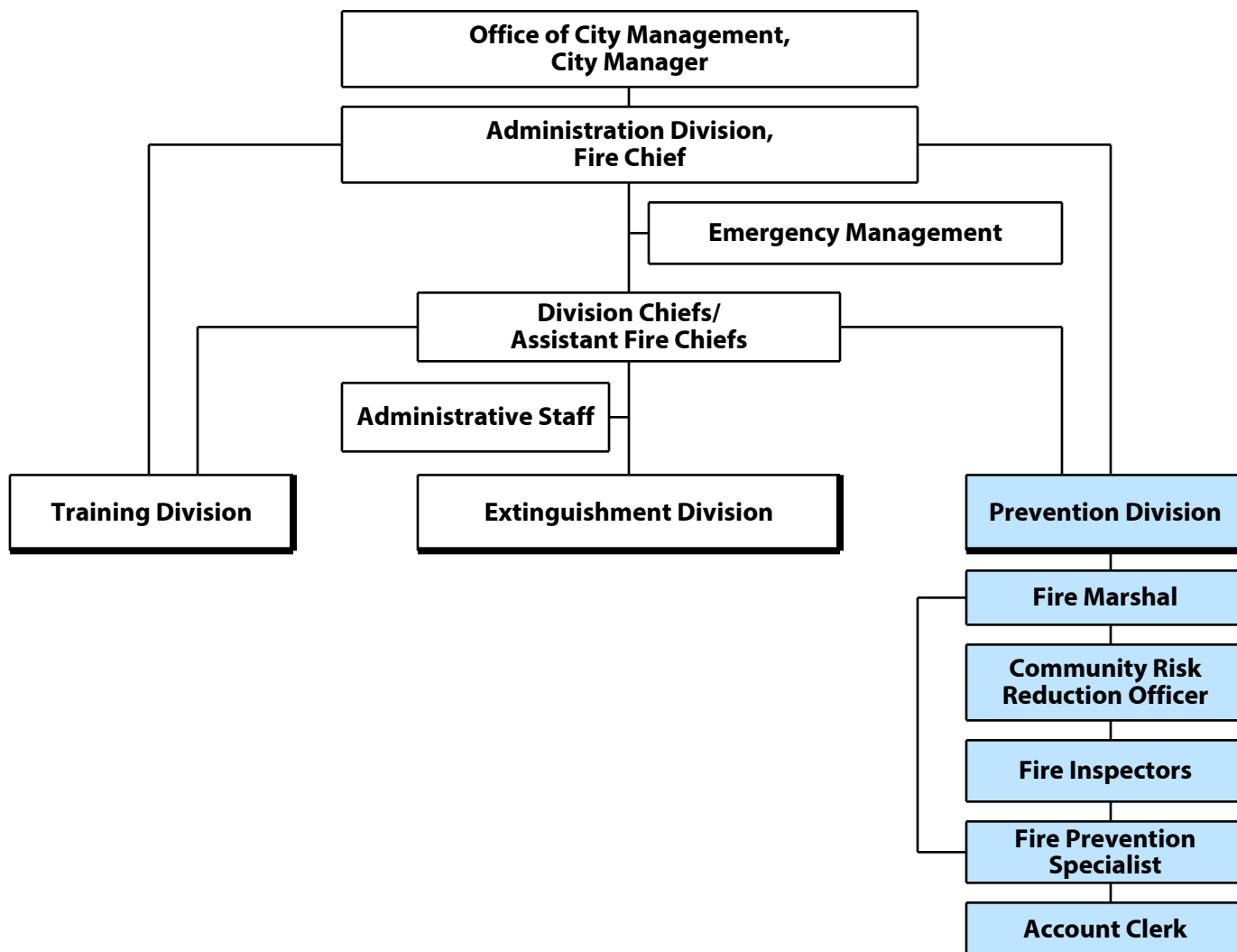
Fire Prevention

2025/26 PERFORMANCE OBJECTIVES

1. To adopt the 2024 International Fire Code (IFC) as the City's Fire Code. (City Goal 4, 9, 13, 19)
2. To research and implement an alternative fire inspection records system that will better communicate with other software to create an operational awareness of current risks and inspections. (City Goal 4, 6, 9, 13, 19)
3. To train and transition personnel to their new roles as Fire Marshal and Community Risk Reduction Officer. (City Goal 4, 9, 13, 19)
4. To continue to increase our general inspection numbers and achieve/maintain 100% compliance of our high-risk inspections. (City Goal 4, 9, 13, 19)
5. To continue to prepare the Fire Prevention Division for the implementation of NFPA 1321 Standard for Fire Investigation Units. (City Goal 4, 9, 13, 19)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Total Inspections Conducted	2,141	2,126	1,923	2,100	2,300	2,300
	Use Permit, Bldg. Permit & General Inspections	641	922	725	650	600	600
	Specialty License & Hazardous Bldg. Inspections	690	300	321	500	400	500
	Witnessed Acceptance Test Inspections	159	186	159	200	200	200
	Reinspections of Violations	610	652	660	500	1,000	500
	Citizen Assistance Inspections	41	66	58	100	50	100
	High Risk & Complex Code Enf. Issues/Total Hours	86/694	59/279	86/222	75/1,100	75/700	75/1,000
	IROL's Submitted & Reviewed	2,332	2,164	1,954	2,200	2,200	2,200
	Violations Discovered and Issued	2,913	1,136	1,244	3,000	2,500	3,000
	Investigations (Fire and Other)/Total Hours	128/775	83/564	82/778	100/800	100/800	100/800
Efficiency & Effectiveness	Plan Reviews (sites, buildings, alarms)	282	269	425	250	320	320
	% Bus. Receiving Violations during Inspections	85%	64%	63%	90%	80%	90%
	Value of Non-Residential Fire Loss	\$2,720,450	\$4,935,900	\$3,923,700	\$4,000,000	\$3,000,000	\$4,000,000
	Value of Residential Fire Loss	\$2,808,650	\$3,325,177	\$2,696,674	\$3,500,000	\$5,000,000	\$5,000,000
	% of Solicited Inspections Performed w/i 1 Day	90%	95%	95%	95%	95%	95%
	% of Inspectable Occupancies Experiencing Fires	0.050%	0.050%	0.010%	0.050%	0.001%	0.050%
	Inspections Conducted Per Inspector*	612	532	498	600	600	600
	% of Site Plans Reviewed within 20 Days	100%	90%	100%	100%	100%	100%
	Division Expenditures as % of General Fund	1.23%	1.19%	1.24%	1.28%	1.32%	1.38%

Fire Prevention



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Fire Marshal	1	1	1
Community Risk Reduction Officer	0	1	1
Mobile Integrated EMS Health Coordinator	0	1	0
Fire Inspector	4	4	4
Fire Prevention Specialist	1	1	1
Account Clerk	0	1	1
Account Clerk (P.T.)	1	0	0
Total	7	9	8

Fire Prevention

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 10.4%.

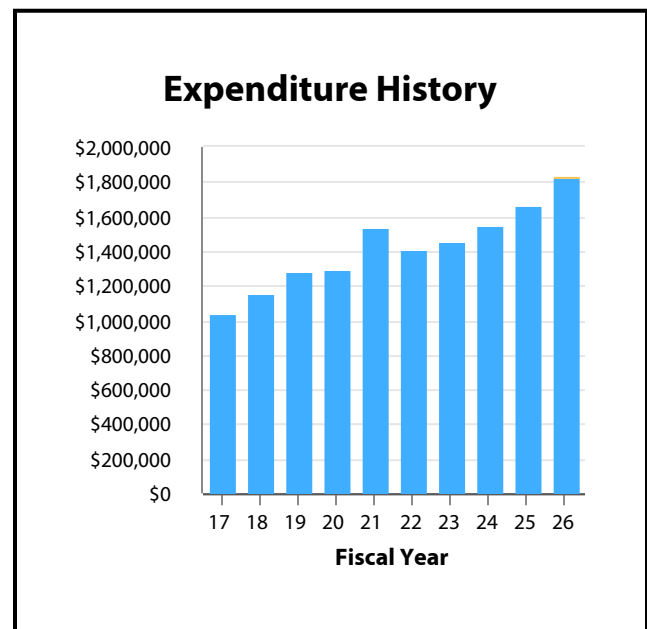
Personnel Services - Total Increase \$161,530 or 9.7%

- Contractual wage adjustments
- An increase to the required contribution to the Police & Fire pension system of \$22,100, partially offset by,
- The transfer of the Mobile EMS Health Coordinator position to the Administration division

Supplies - A total of \$10,800 is proposed to fund additional equipment for Fire Inspector trucks, which will eliminate the use of the on-call truck when all of the Fire Prevention trucks are in service.

Other Charges - All Other Charges for this division are budgeted in Fire Administration.

Capital - A total of \$56,600 in vehicles and equipment is proposed. \$36,000 is for a new vehicle for the Community Risk Reduction Officer and the remaining \$20,600 is designated for replacement iPad Pros and mounts.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,548,180	\$1,660,670	\$1,693,240	\$1,822,200	\$1,822,200
Supplies	0	0	0	10,800	10,800
Other Charges	0	0	0	0	0
Total	\$1,548,180	\$1,660,670	\$1,693,240	\$1,833,000	\$1,833,000

The time to repair the roof is when the sun is shining...

~ John F. Kennedy ~

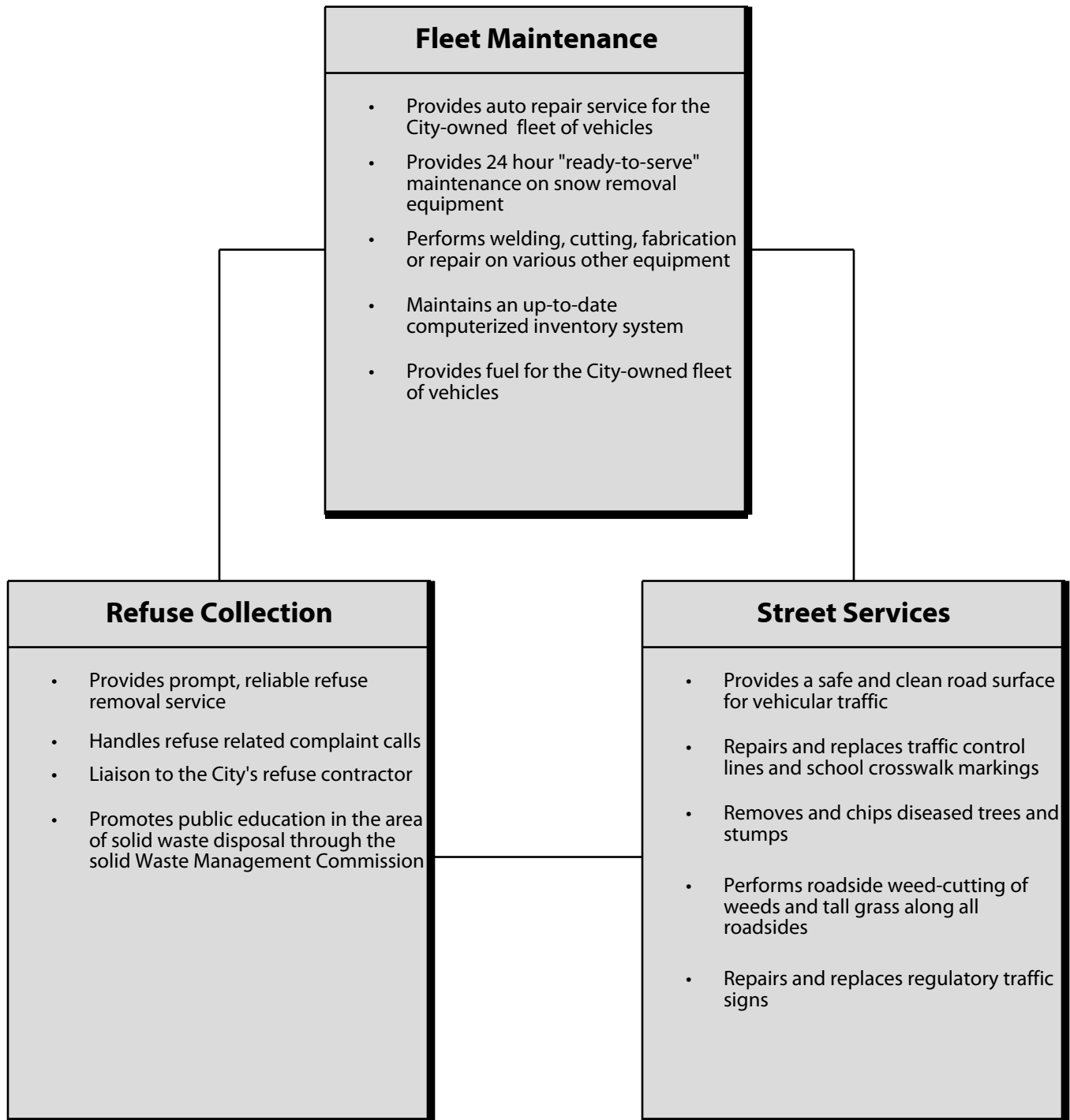


Public Works Department



FUNCTIONAL ORGANIZATION CHART

Public Works Department

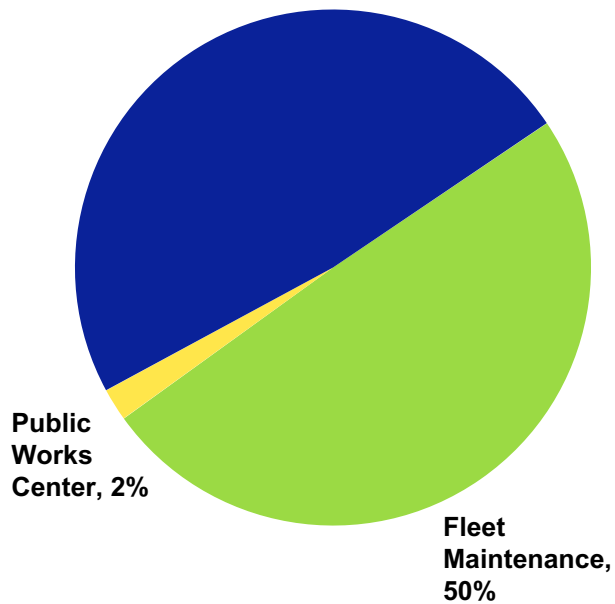


DEPARTMENT AT A GLANCE

Public Works Department

Public Works Department
Total Budget = \$7.6 Million

Street Services, 48%



PERSONNEL SUMMARY

	2025/26	
	Full Time	Part Time
Fleet Maintenance	13	2
Public Works Center	0	0
Street Services	21	5
Total Department	34	7

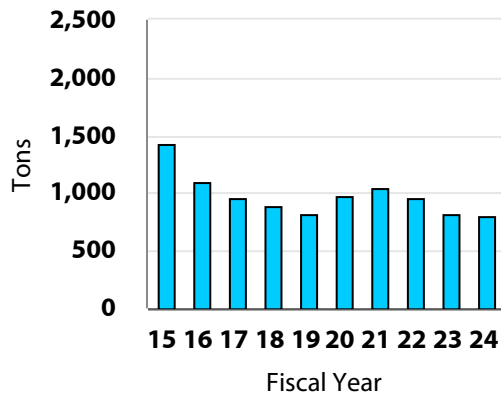
FUNDING LEVEL SUMMARY

	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
Fleet Maintenance	\$3,442,680	\$3,388,830	\$3,751,900	\$3,771,800	0.5%
Public Works Center	151,420	128,630	147,150	155,750	5.8%
Street Services	3,166,660	3,221,880	3,550,650	3,691,000	4.0%
Total Department	\$6,760,760	\$6,739,340	\$7,449,700	\$7,618,550	2.3%
Personnel Services	\$4,480,400	\$4,639,230	\$5,115,400	\$5,258,400	2.8%
Supplies	1,687,640	1,627,670	1,732,900	1,712,450	-1.2%
Other Charges	592,720	472,440	601,400	647,700	7.7%
Total Department	\$6,760,760	\$6,739,340	\$7,449,700	\$7,618,550	2.3%

KEY DEPARTMENTAL TRENDS

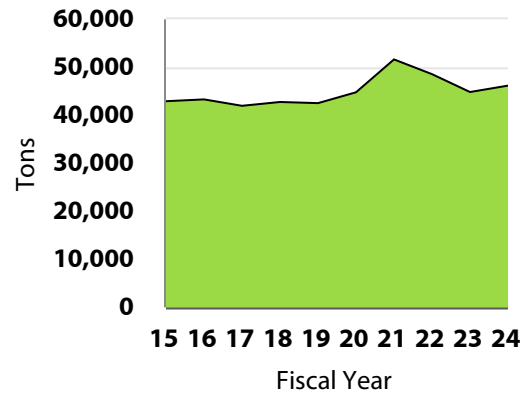
Public Works Department

**Recycling Center
Tons of Paper Recycled**



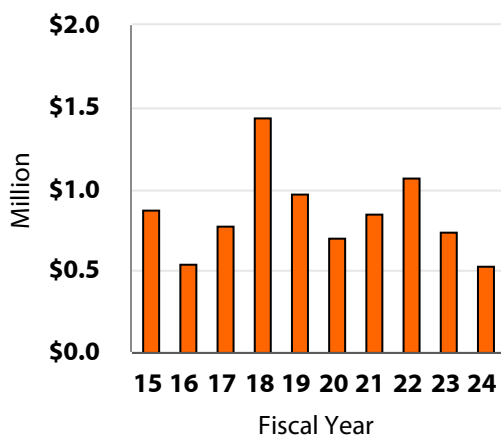
The recycling center operated by the City closed in 2024, coinciding with the adoption of the Universal Curbside Recycling program. In its final year of operation paper recycling totaled 797 tons.

**Tons of
Refuse Landfilled**



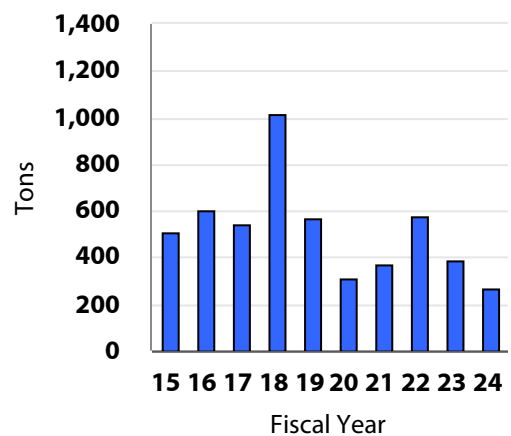
Tons of refuse land filled has remained relatively stable over the last decade, with an exception of a spike seen in 2021 related to the COVID-19 pandemic. 46,190 tons of refuse was land filled in 2024.

Snow Removal Costs



The City's snow removal costs have varied significantly over the past ten years. Costs are highly dependent on the temperatures and snowfall activity in the cold season. The record high in the last 10 years was \$1.4 million in 2018. Winter in 2024 was milder than previous years and totaled \$0.5 million in snow removal costs. This is the lowest amount spent in recent history.

Road Pothole Patch Used



Road patch use decreased in 2024 to 266 tons. The spike in 2022 was primarily due to increased patching on Ryan Road and 16 Mile Road. Current trends are likely due to milder winters maintaining the integrity of the roads for longer.

MISSION STATEMENT: *To efficiently and economically maintain the City-owned fleet of vehicles and equipment in a safe and properly functioning condition.*

KEY GOALS

- ***To provide an effective vehicle/equipment repair program in order to maintain a full complement of vehicles/equipment in service.***
- ***To maintain an adequate parts inventory to minimize downtime.***
- ***To provide a preventative maintenance program on a scheduled basis consistent with manufacturer's recommendations and professional standards.***
- ***To provide preseason maintenance and winterization programs for spring/winter equipment.***
- ***To recommend specifications for the purchase of vehicles/equipment and the economical replacement of the City fleet.***

The Fleet Maintenance Division is responsible for maintaining the City-owned fleet of vehicles and equipment in a safe and properly functioning condition. An adequate parts inventory is maintained in order to complete repairs in a timely manner to minimize down time.

The Division is "ready to serve". Twenty-four (24) hour service is available for repairs required on snow removal equipment during a snow emergency, pumps during flood control operations, or Fire Department equipment at a fire scene.

This Division handles the maintenance and repair of the City-owned fleet of vehicles and equipment on an as-needed basis. Approximately 72 pieces of heavy equipment, 283 pieces of various equipment ranging from chainsaws to tractors, and 261 cars

and light trucks are repaired. Preventative maintenance is performed on over 754 heavy and light vehicles. Also included is the repair and preventative maintenance of 38 Fire Department emergency vehicles. Fleet Maintenance provides road call service to vehicles in the field to minimize down time. Fleet Maintenance performs welding, cutting, fabrication, repair of gates, retention pond fences, pumping stations, and many other projects. This Division repairs heating-cooling and exhaust systems, bridges, and guardrails. This involves the planning and designing of modifications performed on various pieces of equipment.

Another responsibility of Fleet Maintenance is to maintain an up-to-date inventory of frequently used parts and a computerized inventory system. This inventory system ensures that a sufficient quantity of proper parts, tools, and materials are stocked. This Division also distributes parts and tools as necessary.

Fleet Maintenance maintains its own records and files. On a daily basis, a record of fuel being dispensed from the pumping facilities is maintained to ensure sufficient availability.

This Division also performs an annual physical inventory to count and record each stock item by identifying quantity, location, and price.■



Fleet Maintenance

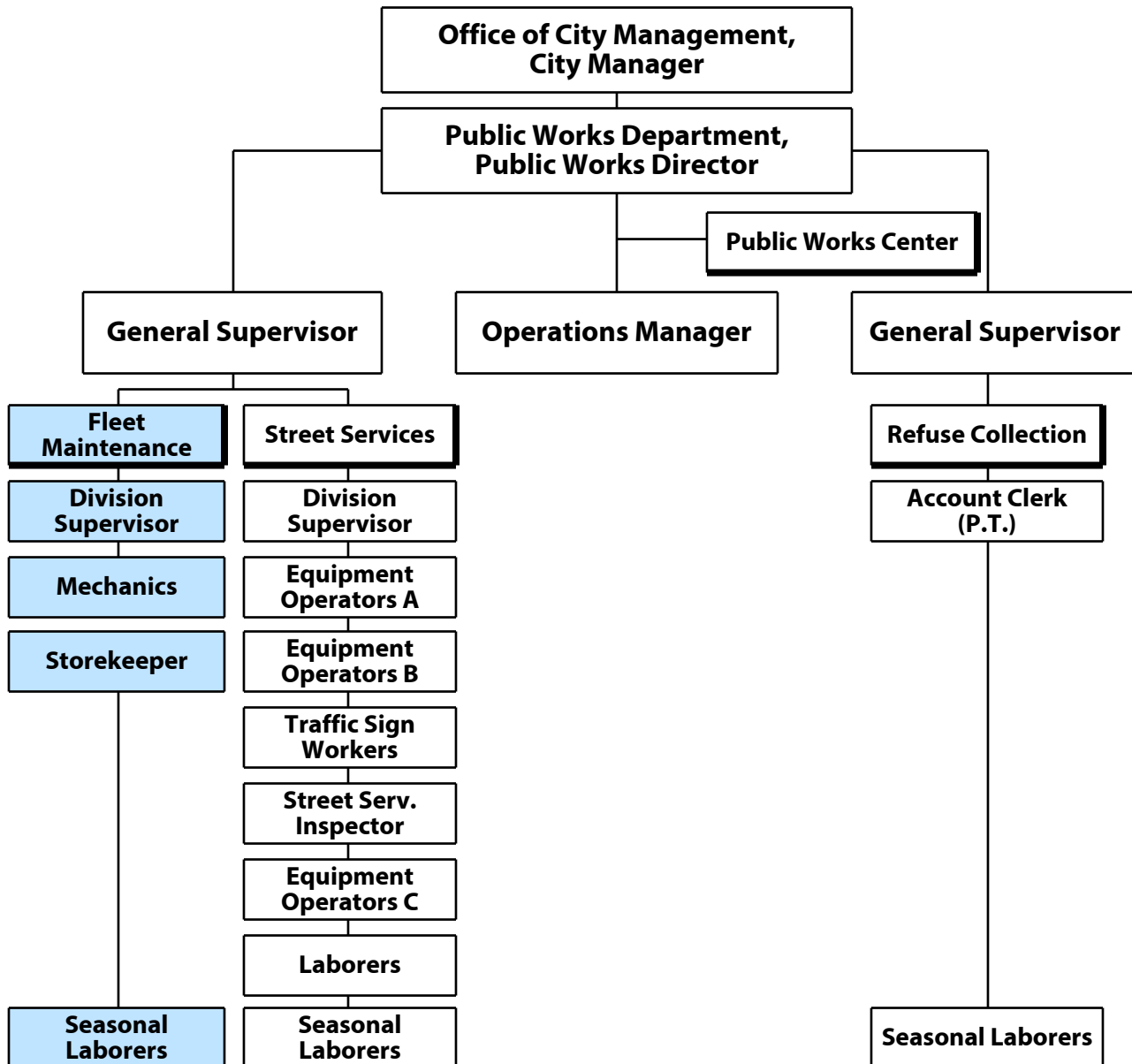
2025/26 PERFORMANCE OBJECTIVES

1. To monitor results of the Electronic Vehicle (EV) Pilot Program with the goal of using the results to determine future EV purchases. (City Goal 1, 2, 3, 4, 6)
2. To train mechanics to be EV repair certified. (City Goal 1, 2, 3, 4, 6)
3. To evaluate the Storeroom Inventory, remove any dead stock and replace with updated high-volume parts. (City Goal 1, 3, 4)
4. To purchase new fuel software to decrease fuel usage and vehicle size. (City Goal 1, 2, 3, 4, 6)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Full Service Preventive Maintenances Performed	401	433	506	420	500	500
	Total # of Work Orders Completed	1,401	1,356	1,574	1,350	1,500	1,500
	Gallons of Fuel Used	301,171	291,000	295,500	280,000	285,000	285,000
	Safety Inspections Conducted on Hoists	16	16	16	16	16	16
	Total # of Vehicles in Inventory	328	334	330	330	333	336
	Total # of Vehicles with Over 100,000 Miles	65	42	38	38	25	20
	Total # of Vehicles Over 10 Years Old	64	60	52	52	49	45
Efficiency & Effectiveness	% of Preventive Maint. Performed on Schedule	90%	92%	92%	92%	92%	95%
	Avg. # of Days Vehicle is Out of Service	1	1	1	1	1	1
	Average Cost of Repair	\$786	\$830	\$850	\$850	\$800	\$850
	Average Age of Police Vehicles (Years)	4.0	4.0	4.0	4.0	4.0	4.0
	Average Age of Fire Engines (Years)	12.0	14.0	11.0	14.0	14.0	13.0
	% of Snow Removal Vehicles & Equipment Available	95%	95%	95%	95%	95%	95%
	% of Front Line Fire Pumper Trucks Avail. for Service	99%	99%	99%	99%	98%	100%
	% of Actual Inventory to Inventory Ledger	95%	95%	97%	98%	98%	98%
	Preventive Maintenance Cost of a Passenger Car	\$64.12	\$69.08	\$77.14	*	*	*
	Activity Expenditures as % of General Fund	2.92%	2.80%	2.72%	2.90%	2.79%	2.84%

*Cost is calculated for "Actual" columns only.

Fleet Maintenance



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Division Supervisor	1	1	1
Mechanic	11	11	11
Storekeeper	1	1	1
Seasonal Laborer (P.T.)	2	2	2
Intern	1	1	0
Total	16	16	15

Fleet Maintenance

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 0.5%.

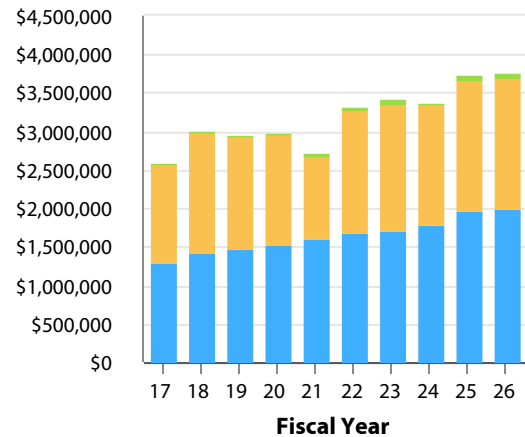
Personnel Services - Total Increase of \$42,300 or 2.1% is primarily due to contractual wage adjustments and an increase in health insurance premiums.

Supplies - Total Supplies decreased \$22,800 or 1.3%. The fuel budget was decreased by \$40,000 to better align the fuel budget with historic expenditure trends. This decrease is offset by \$15,500 in additional funding for vehicle parts.

Other Charges - Total Other Charges increased \$400 or 0.5%. Software fees is budgeted to have a net increase of \$1,000 for price increases to the department's main software Fleetio. This is offset by a decrease of \$1,100 in the training budget. Employees completed a one-time emergency vehicle training course. These funds were reappropriated for other expenditures. An additional \$500 was added for equipment maintenance.

Capital - This office will receive two replacement vehicles for a total of \$109,180.

Expenditure History



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,797,510	\$1,968,800	\$1,940,700	\$2,011,100	\$2,011,100
Supplies	1,557,660	1,707,700	1,558,050	1,684,900	1,684,900
Other Charges	33,660	75,400	76,350	75,800	75,800
Total	\$3,388,830	\$3,751,900	\$3,575,100	\$3,771,800	\$3,771,800

MISSION STATEMENT: *To budget and account for expenditures that are incurred for the maintenance and operation of the Public Works Department that are not reflected in any other Public Works activity.*

KEY GOALS

- *To provide a means of accounting for facility maintenance and repair expenditures which benefit all offices of the Public Works Department.*
- *To provide a means of accounting for certain operational expenditures for the Public Works facility.*

Examples of the types of expenditures that are charged to this activity include water, heating, and electric costs for the operation of the Public Works facility, office supplies, and custodial supplies, licensing fees for the 800 MHz radio communication system, and office telephone charges. In addition, the contracted service cost for preventative maintenance on specialty equipment is also included in this activity. Examples include vehicle hoists, air compressors, truck scales, power washers, and other items specific to divisional operations. ■

The Public Works Center is used to budget and account for expenditures that are incurred throughout the fiscal year for the operations and maintenance of the Public Works facility (including required repairs and preventative maintenance). There are no department staff members assigned to this activity. The Public Works Director and the Operations Manager oversee the administrative functions of this activity, which are necessary to ensure the efficient and effective delivery of services.



Public Works Center

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

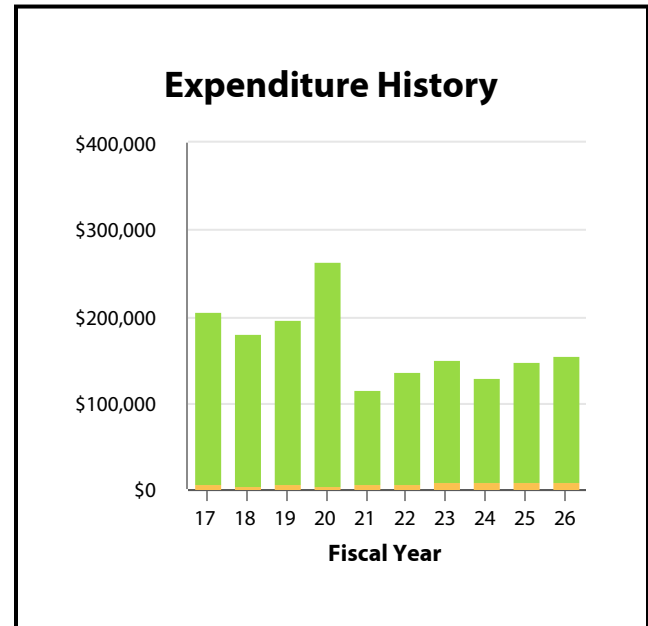
The total budget increased by 5.8%.

Personnel Services - There is no staff assigned to this division.

Supplies - Total Supplies increased \$200 or 2.0% as additional cleaning and work supplies are needed to maintain the Public Works facility.

Other Charges - Total Other Charges increased \$8,400 or 6.1% primarily due to the fee for membership in the Clinton River Watershed Council's Stormwater Public Education Program - a requirement for municipalities that operate separate storm sewer systems.

Capital - There is no Capital proposed for this office.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	9,490	10,000	13,000	10,200	10,200
Other Charges	119,140	137,150	131,800	145,550	145,550
Total	\$128,630	\$147,150	\$144,800	\$155,750	\$155,750

MISSION STATEMENT: *To maintain the City's streets and rights-of-way in such a manner as to ensure safety for vehicular and pedestrian traffic as well as presenting a clean, well-groomed, attractive roadside environment.*

KEY GOALS

- ***To provide a safe and clean road surface for vehicular traffic.***
- ***To provide adequate visual direction to regulate, warn, or guide vehicular and pedestrian traffic through proper signage and pavement markings.***
- ***To provide a safe, well-maintained and unobstructed roadside environment.***
- ***To provide effective storm water runoff without damaging our stream ecology.***
- ***To provide an organized snow and ice control program based on designated priorities in order to maintain safe, passable streets.***

Street Services provides a safe and clean road surface for vehicular traffic, adequate visual direction and a safe, maintained, and unobstructed roadside environment on more than 350 miles of City roads.

The Roads and Streets Maintenance program strives to maintain safe road surfaces for vehicular and pedestrian traffic by ensuring adequate pavement markings. School crosswalks and stop bar pavement markings are repaired or replaced as necessary every year.

Street Services strives to sweep all paved road surfaces a minimum of four times per year on 395 miles of major, local, county, and state roads. This activity is responsible for road patching and shoulder grading to maintain safe roads.

The Supplementary Roadside Maintenance program provides a safe, well-maintained roadside environment. Cutting of weeds and tall grass along all roadsides, ditches, and medians is done 36 times per year.

Support activities include the installation of new street signs, maintenance and repair of existing signs, and the installation of informational signs for the municipal sites. Another support activity is the maintenance of Sterling Heights' urban forest. Approximately 29,000 right-of-way trees are maintained, including inspection, trimming, removal of trees and stumps, and replanting of trees.

Catch basin cleaning is another important function. Catch basins are routinely cleaned, allowing for the rapid disposal of storm water runoff and drainage. Drainage ditches are cleaned and the culverts are maintained to ensure adequate capacity for storm runoff.

During a declared Snow Emergency, the Snow and Ice Control program ensures an organized procedure for snow removal of all City roads within 48 hours after snowfall ceases. This objective is achieved on 63 miles of major roads and 288 miles of local roads.■



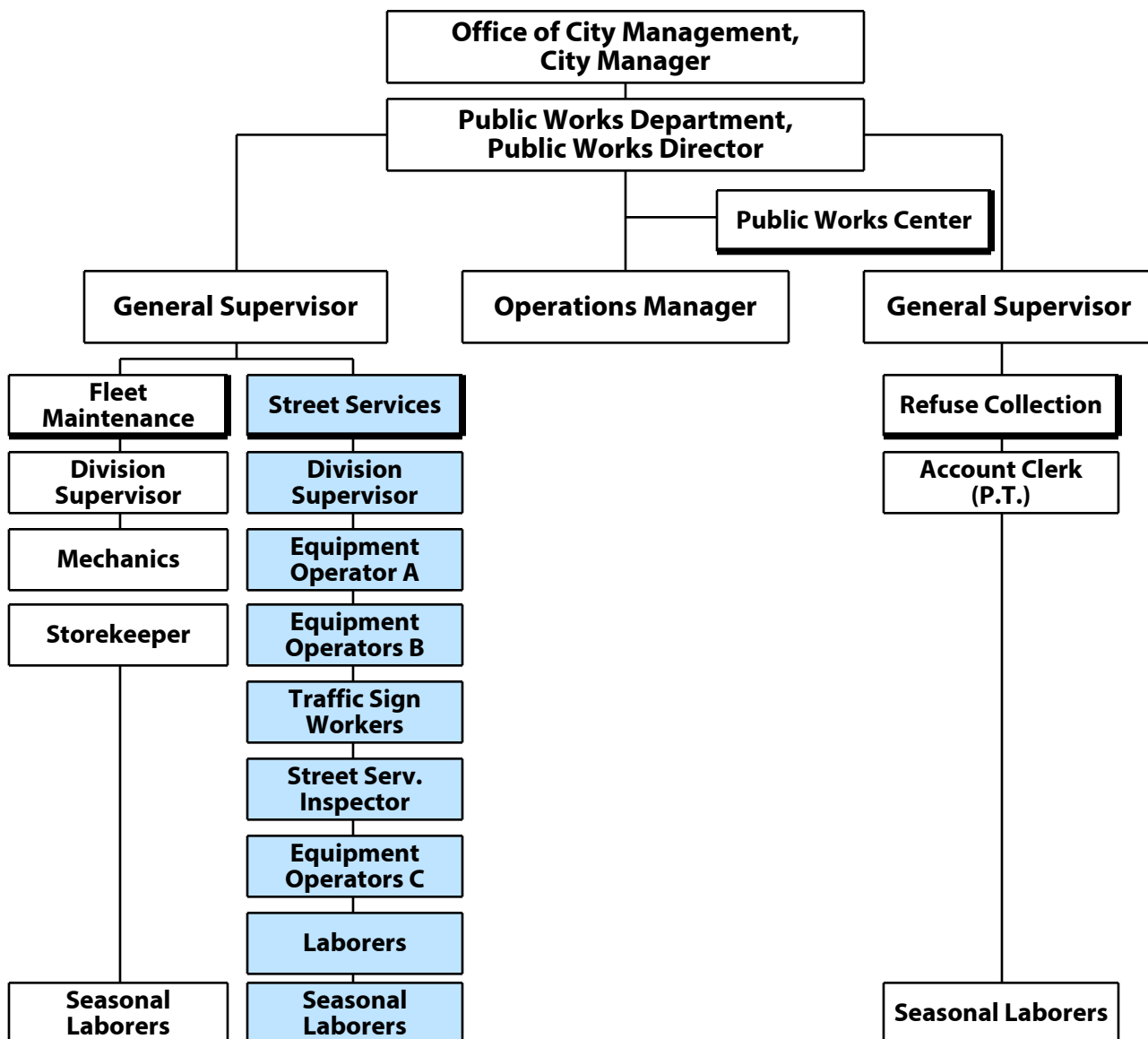
Street Services

2025/26 PERFORMANCE OBJECTIVES

1. To install traffic calming measures such as delineators and small round-a-bouts on neighborhood roads. (City Goal 4, 9, 14, 17)
2. To conduct a city-wide inventory of street signs and replace/repair where needed. (City Goal 12, 14, 16)
3. To develop a residential cross walk painting program in neighborhoods. (City Goal 1, 12, 14)
4. To develop a tree maintenance education plan to ensure all newly planted right-of-way trees receive proper care. (City Goal 12, 13, 14, 25)
5. To develop a maintenance plan for the medians on Mound Rd., which will ensure all medians are aesthetically pleasing. (City Goal 1, 12, 14)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	After Hours Snow Removal Occurrences	32	27	18	25	20	25
	Tons of Road Salt Used	9,061	5,508	3,937	7,500	7,000	7,500
	Pothole Patching - Tons of Patch Used	578	387	266	225	225	225
	Street Sweeping Rotations - Local Roads	4	4	4	5	6	6
	Street Sweeping Rotations - Major Roads	5	5	5	5	6	6
	Storm Catch Basin Cleaning-Number of Locations	208	383	802	1,200	1,200	1,200
	Street Trees Removed	245	247	179	250	175	200
	Street Trees Planted	234	419	953	1,000	2,350	3,350
	Street Trees Pruned	2,305	4,466	5,080	3,500	3,000	3,000
	Homeowner Tree Inquiries/Inspection Responses	888	716	821	800	850	850
	Traffic Sign Repairs or Replacements	107	129	262	250	1,000	1,000
Efficiency	Gravel Roads - Rotations	13	12	20	20	20	20
	% of Emergency Calls Responded to w/i 1 hour	100%	100%	100%	100%	100%	100%
	Property Damage Due to Snow Removal Operation	\$850	\$725	\$625	\$500	\$500	\$500
	Street Services Cost Per Capita	\$23.95	\$23.57	\$23.98	\$26.44	\$24.68	\$27.47
	Hours to Complete Snow Emergencies	48	48	48	48	48	48
	Activity Expenditures as % of General Fund	2.77%	2.57%	2.59%	2.74%	2.58%	2.78%

Street Services



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Division Supervisor	1	1	1
Equipment Operator A	1	1	1
Equipment Operator B	7	8	8
Traffic Sign Worker	2	2	2
Street Services Inspector	1	1	1
Equipment Operator C	5	4	4
Laborer	4	4	4
Seasonal Laborer (P.T.)	10	5	5
Total	31	26	26

Street Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 4.0%.

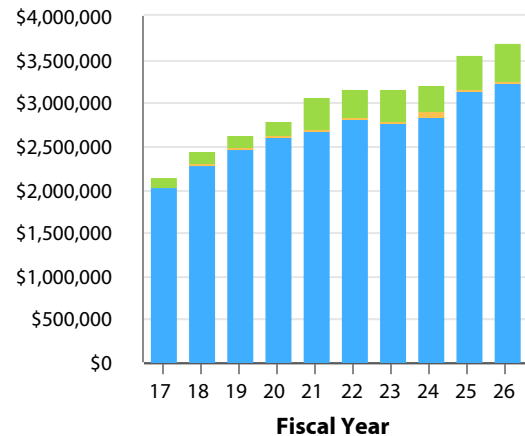
Personnel Services - Total Increase of \$100,700 or 3.2% is primarily due to contractual wage increases, partially offset by a decrease in hours for Seasonal Laborers.

Supplies - Total Supplies increased \$2,150 or 14.1% due to a one-time transfer of Supplies funding for an air compressor repair in the prior year.

Other Charges - Total Other Charges increased \$37,500 or 9.6%. \$35,000 is included for a Street Sign Inventory and maintenance/repair plan.

Capital - This department will receive \$680,000 in capital funding the upcoming year. This total is comprised of \$650,000 for a combo vactor truck. This is replacing a vehicle that has been in service for fifteen years. The remaining \$30,000 is intended for a water system attached to a flatbed truck. It will be used to maintain greenery and new City trees.

Expenditure History



Personnel Services Supplies Other Charges

FUNDING LEVEL SUMMARY

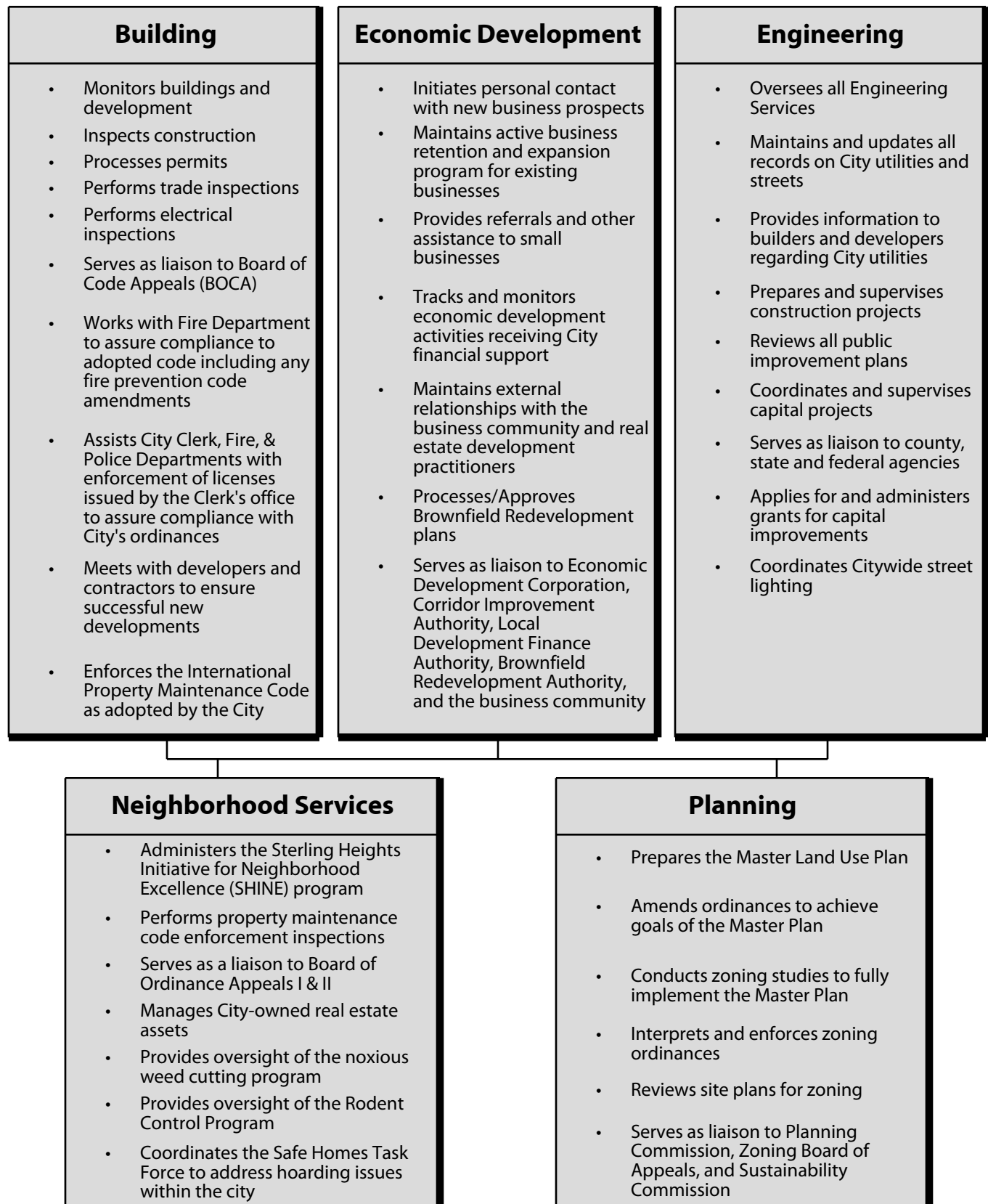
	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$2,841,720	\$3,146,600	\$3,063,450	\$3,247,300	\$3,247,300
Supplies	60,520	15,200	15,200	17,350	17,350
Other Charges	319,640	388,850	236,350	426,350	426,350
Total	\$3,221,880	\$3,550,650	\$3,315,000	\$3,691,000	\$3,691,000

City Development Department



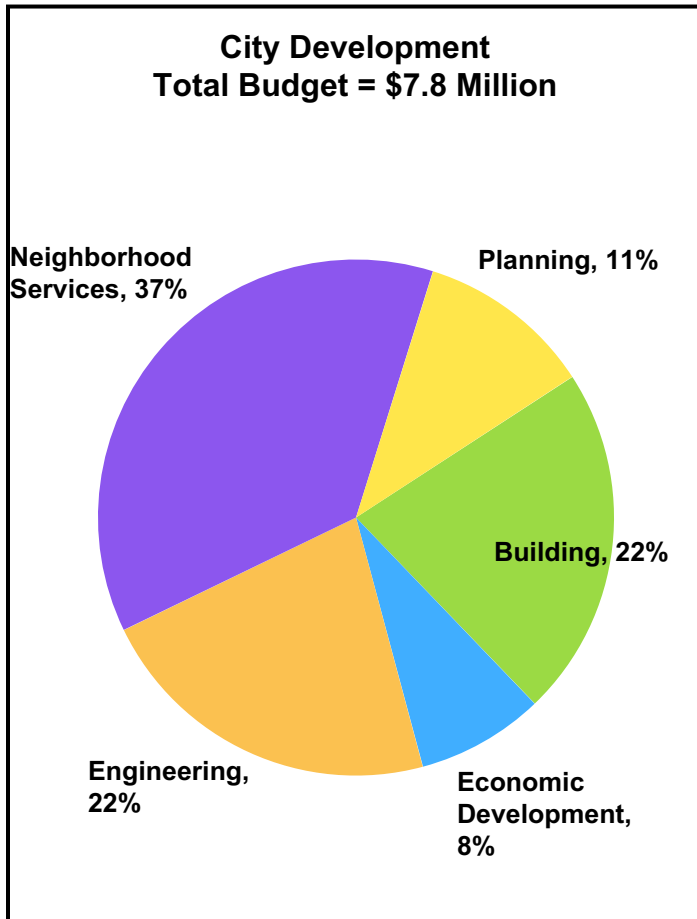
FUNCTIONAL ORGANIZATION CHART

City Development Department



DEPARTMENT AT A GLANCE

City Development Department



PERSONNEL SUMMARY

	2025/26	
	Full Time	Part Time
Building	10	0
Economic Development	1	0
Engineering	9	0
Neighborhood Services	9	15
Planning	4	0
Total Department	33	15

FUNDING LEVEL SUMMARY

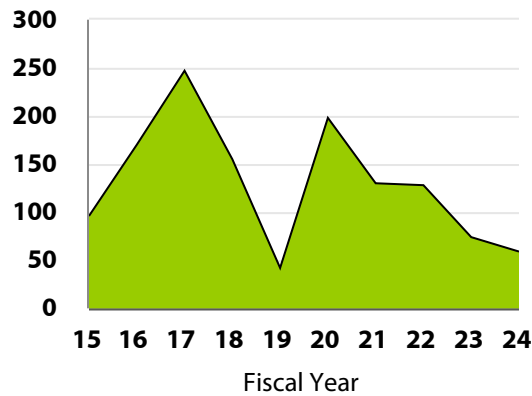
	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
Building	\$1,119,870	\$1,477,400	\$1,613,870	\$1,688,250	4.6%
Economic Development	358,930	1,392,790	2,735,850	600,950	-78.0%
Engineering	1,496,280	1,597,070	1,707,220	1,804,650	5.7%
Neighborhood Services	2,029,400	2,220,390	2,665,220	2,909,100	9.2%
Planning	557,080	658,520	848,360	843,850	-0.5%
Total Department	\$5,561,560	\$7,346,170	\$9,570,520	\$7,846,800	-18.0%
Personnel Services	\$4,952,190	\$5,630,570	\$6,103,020	\$6,707,500	9.9%
Supplies	22,460	25,480	28,800	27,000	-6.3%
Other Charges	586,910	1,690,120	3,438,700	1,112,300	-67.7%
Total Department	\$5,561,560	\$7,346,170	\$9,570,520	\$7,846,800	-18.0%

Excludes Boards and Commissions.

KEY DEPARTMENTAL TRENDS

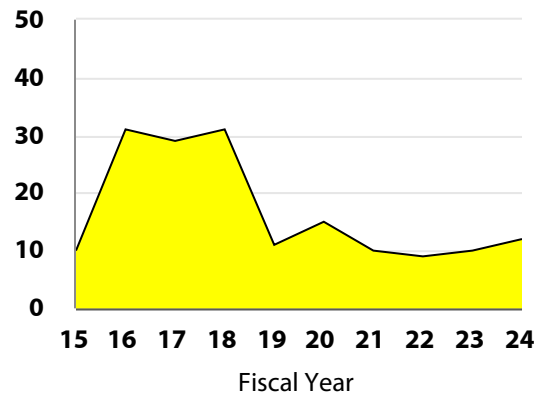
City Development Department

Residential Building Permits – New Construction



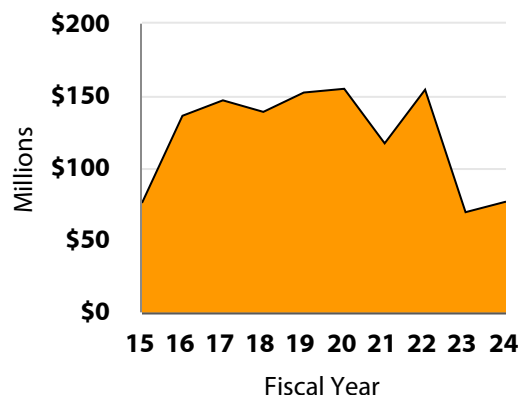
The number of residential building permits varies annually based on the number of new subdivisions constructed. In 2024, 59 new residential building permits were issued.

Commercial Building Permits – New Construction



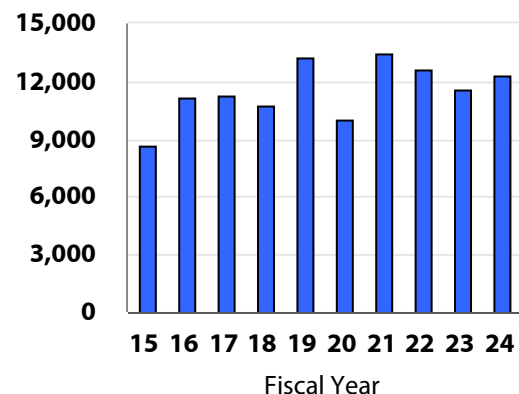
The number of commercial building permits varies annually based on the number of new buildings constructed. As Sterling Heights is a relatively mature community, new commercial structure construction is minimal. Last year 12 new permits were issued.

Building Permits at Market Value



Although the number of commercial building permits has been declining due to the maturation of the community, the value of these permits has continued to remain high. In 2024, building permits with a value of \$76.7 million were issued. This activity is due to alterations made to already existing properties including the additions of garages, additional structures and renovations.

Code Enforcement Properties Cleaned



The City continues to prioritize this effort to strengthen and vigorously maintain property values by eliminating blighting influences. 12,337 properties were cleaned in 2024. 95% of inspections were performed within 48 hours of complaint and 98% of violations were corrected prior to City action.

MISSION STATEMENT: *To maintain a well-balanced program of monitoring building construction, so that the community may enjoy a safe environment and to maintain all City facilities in a safe, clean and economical manner.*

KEY GOALS

- ***To aggressively inspect all new residential construction to ensure a safe living environment for our residents.***
- ***To process permits in an expedient and efficient manner.***
- ***To review plans and construction drawings in a manner that will reduce the time necessary to issue permits.***
- ***To protect public safety, health, and welfare and preserve property values by strictly enforcing property maintenance standards.***
- ***To oversee outside contractors/vendors to ensure the quality of materials and workmanship on projects and adherence to all applicable state and City codes.***

The Building office monitors the building and development activities in the City. The objective of the staff is to inspect projects for compliance to the State adopted construction codes to ensure the health, safety and welfare of the public. This is achieved through a thorough inspection program in all types of construction - residential, commercial, and industrial. Daily inspections are performed throughout the City to assure compliance to State building codes and local ordinances.

The wellness of the community is looked after from the ground up when it comes to the construction of buildings that are open to the general public. The community is safeguarded against improperly constructed structures by numerous inspections

performed by the inspection staff from the beginning through the completion of a project.

To best serve the interests of the taxpayers, developers and investors in the community, the Building activity is operated in a very efficient manner to ensure that inspections are conducted in a timely manner. The established plan review process provides for the efficient administration of the permitting process.

The inspectors employed within the Building office are highly qualified and trained professionals who are monitored not only by the City, but also by the State. They have obtained nationally recognized certifications and participate in continuing education to stay informed of all new construction techniques and code changes. A highly competent clerical staff supports the inspectors and assists customers visiting the Building office.

The Building Official is responsible for proper enforcement of code requirements throughout the construction process. The Building Official oversees the daily responsibilities of the department and provides assistance to the inspection staff as needed. The Building Official has the authority to render interpretations of the codes and to adopt policies and procedures in order to clarify the provisions.■



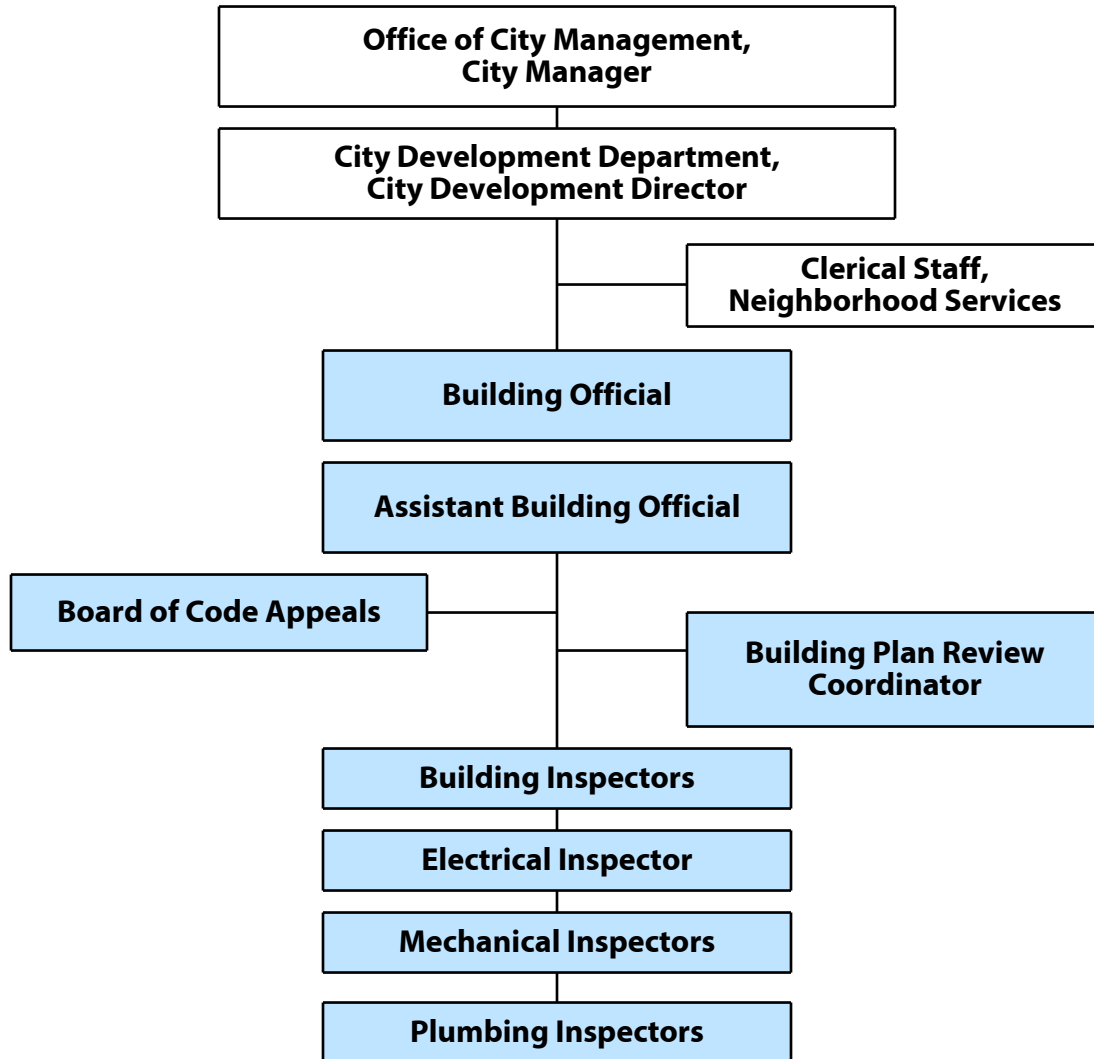
Building

2025/26 PERFORMANCE OBJECTIVES

1. To create a homeowner convenience inspection program where homeowners will be able to schedule early or late inspections directly with the inspector. (City Goal 1, 6)
2. To collaborate with Community Relations, producing engaging public service announcements that effectively counter misinformation on social media and promote accurate information. (City Goal 1, 24, 25)
3. To produce a guidebook for generator installations that will include the zoning, electrical, and mechanical requirements. generator installations. (City Goal 4, 6, 25)
4. To continue in-house training for all inspectors that is open to surrounding community building department personnel. (City Goal 2, 4, 6)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Total Permits Issued	7,101	6,388	6,283	6,000	6,600	6,750
	Building Permits Issued	2,055	1,729	1,833	1,700	2,000	2,050
	Mechanical Permits Issued	1,962	1,994	1,843	1,900	1,800	1,840
	Plumbing Permits Issued	747	708	673	750	800	820
	Electrical Permits Issued	1,413	991	1,000	1,000	1,050	1,070
	Special Inspection Permits Issued	445	243	336	200	100	120
	Fence Permits Issued	367	429	388	400	300	310
	Fire Alarm Permits Issued	71	47	51	60	30	40
	Fire Suppression Permits Issued	59	46	43	80	50	60
	Sign Permits Issued	241	266	267	250	170	190
	Permits Issued via City's Website	3,457	2,993	3,135	3,400	3,800	4,000
	Total Inspections Performed	17,626	15,909	15,855	19,000	17,000	17,350
	Building Inspections	7,457	6,000	5,908	6,200	6,100	6,200
	Mechanical Inspections	3,709	3,804	3,812	5,500	4,600	4,700
	Plumbing/Fence Inspections	2,275	1,845	1,776	1,900	1,550	1,700
	Electrical Inspections	3,040	2,851	2,909	3,600	3,200	3,400
	Other Insp. (Fence, Liquor License, Amusement Devices, Etc.)	1,145	1,409	1,450	2,000	1,440	1,500
	Ordinance Complaint Tickets Issued	0	0	0	0	0	0
	Board of Code Appeals Applications	4	2	3	6	2	2
Efficiency	Insurance Service Office (ISO) Rating	3	3	3	4	3	3
	% of Inspections Performed on Schedule	95%	95%	95%	98%	95%	95%
	% of Commercial Plans Reviewed w/i 20 days	95%	95%	95%	95%	95%	95%
	% of Residential Plans Reviewed w/i 10 days	95%	95%	95%	95%	95%	95%
	Average No. of Inspections per Budgeted Inspector	2,712	2,212	1,733	2,000	1,800	1,900
	Market Value of Building Permits (Millions)	\$154.3	\$97.3	\$76.2	\$170.0	\$30.0	\$45.0
	Activity Expenditures as % of General Fund	1.00 %	0.91 %	1.19 %	1.25 %	1.19%	1.27%

Building



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Building Official	1	1	1
Assistant Building Official	1	1	1
Building Plan Review Coordinator	1	1	1
Building Inspector	2	2	2
Building Inspector (P.T.)	0	0	0
Electrical Inspector	1	1	1
Mechanical Inspector	1	2	2
Plumbing Inspector	1	2	2
Total	8	10	10

Building

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

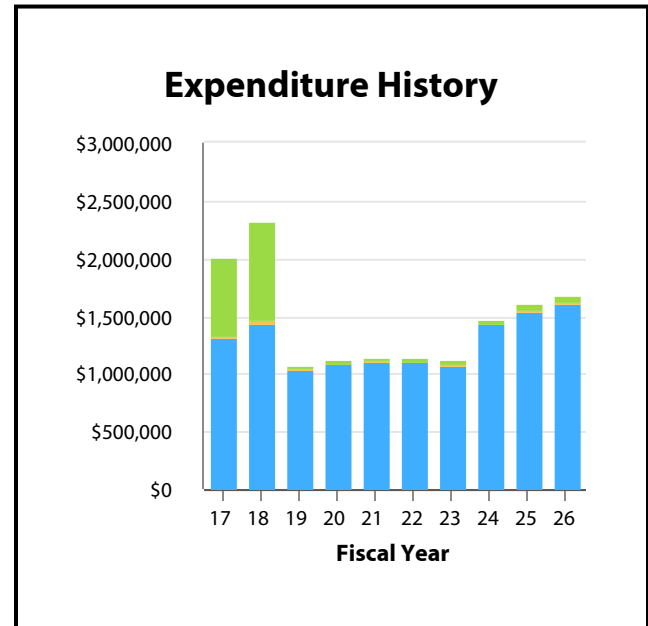
The total budget increased by 4.6%.

Personnel Services - Total Increase of \$74,680 or 4.8% is primarily due to contractual wage adjustments

Supplies - Total Supplies decreased \$1,500 or 14.7% to better align the budget with actual expenditures. Postage was reduced by \$1,200 and operating supplies was reduced by \$350.

Other Charges - Total Other Charges increased \$1,200 or 2.0%. Noteworthy changes to this budget include an additional \$1,100 in funding for employee training to accommodate rising travel costs. The budget for local meetings also increased by \$400. Both items are offset by decreased funding for professional memberships.

Capital - This office will receive a replacement vehicle for \$35,000. These vehicles are used by inspectors for field work.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,433,910	\$1,543,970	\$1,476,920	\$1,618,650	\$1,618,650
Supplies	7,100	10,200	9,000	8,700	8,700
Other Charges	36,390	59,700	44,700	60,900	60,900
Total	\$1,477,400	\$1,613,870	\$1,530,620	\$1,688,250	\$1,688,250

MISSION STATEMENT: *To implement and maintain a progressive and proactive economic development program designed to sustain and expand the City's economic and employment base. Sterling Heights Economic Development will seek to retain Sterling Heights' ranking as one of the nation's premier communities to live, work, play and prosper.*

KEY GOALS

- *To maintain a solid foundation for a competitive economic development program that is high performing, targeted, and efficient.*
- *To implement and maintain a business retention strategy focused on existing employers, particularly in targeted clusters that represent growth opportunities for Sterling Heights.*
- *To establish a targeted business attraction strategy for Sterling Heights by being "set up for success" and focused on target-rich mediums.*
- *To establish a marketing and outreach plan that provides relevant and timely information to the business community.*
- *To implement a meaningful retail business development strategy that achieves a high return for the public investment.*
- *To work in partnership with Macomb County to support the VELOCITY collaborative center that serves as a hub for business incubation and collaboration.*

Sterling Heights Economic Development is the key point of contact for business support and needs. Sterling Heights Economic Development implements policies, programs, and activities that

seek to improve the economic well-being of the community by supporting the creation or retention of jobs, and facilitating investment and growth in the City. Proposing and implementing economic development programs and functions that address the goals of the City are also primary objectives.

This office maintains an active program that encourages the retention and expansion of existing businesses providing quality jobs, a diverse workforce and expanded tax base. The Business Attraction program fosters an economic development climate that attracts and encourages the recruitment of businesses in targeted industries to Sterling Heights. The office also works with a variety of partners to promote workforce development in the City.

The partnership between the City of Sterling Heights and Macomb County at VELOCITY is fostered by this office to promote business incubation and collaboration in advanced manufacturing, defense, and homeland security.

This office offers a professional image that demonstrates a strong customer focus and a positive image of the City as a great place to do business.■



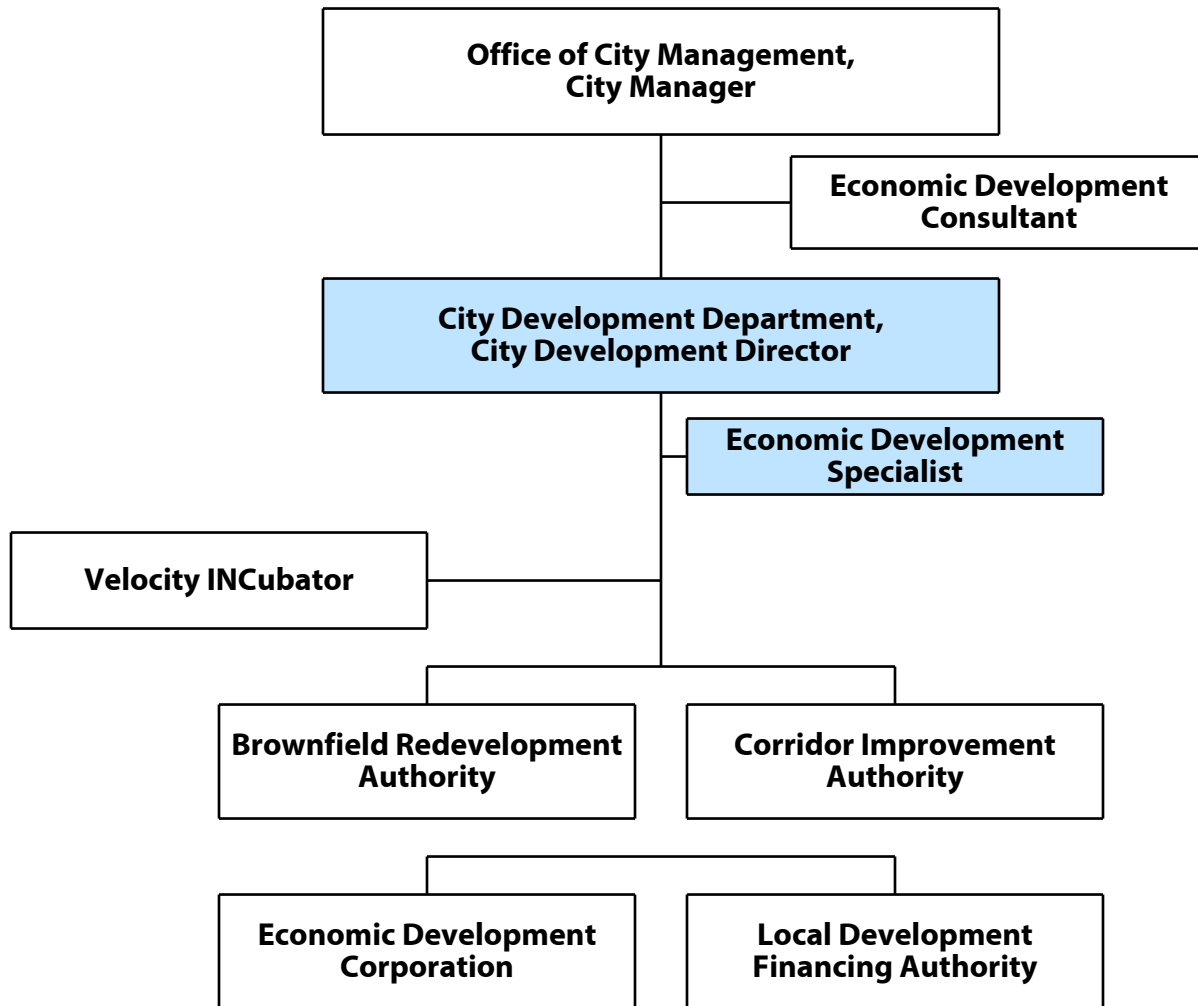
Economic Development

2025/26 PERFORMANCE OBJECTIVES

1. To create a program that supports smaller manufacturing and technology business known as second stage companies. (City Goal 6, 21)
2. To expand the look No Further Campaign to include Economic Development initiatives. (City Goal 20, 21)
3. To expand the economic development program to focus on Military Sector opportunities. (City Goal 20, 21)
4. To initiate additional mixed-use opportunities in the North Van Dyke Avenue (NVDA). (City Goal 12, 15, 20, 22)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Business Retention/Attraction Contacts Made	119	80	105	85	65	70
	State & Federal Legislative Contacts Made	8	23	15	10	10	10
	Banking & Real Estate Contacts Made	136	133	75	75	100	75
	LDFA Meetings Held	6	8	8	8	8	8
	Meetings with Chambers of Commerce	15	10	9	10	10	10
	Targeted Industry Events Attended	17	21	22	15	20	15
	Velocity Partner Meetings Held	25	155	432	350	350	350
	Economic Development Partner Meetings	29	31	12	30	20	20
	Velocity Events & Meetings Held	62	111	82	120	95	100
	Business Awards Presented	0	0	14	5	10	10
	Hits on City's Website	1,206	1,335	2,537	2,500	2,200	2,500
Efficiency & Effectiveness	Velocity Center Number of Businesses	13	12	28	27	38	42
	Velocity Center Occupancy Rate	79%	71%	91%	100%	100%	100%
	Businesses and/or Participants at Velocity Events	1,957	3,800	2,805	3,500	5,000	4,000
	Value of Redevelop. Projects & New Investments	\$72M	\$54M	\$1.2B	\$50M	\$80M	\$50M
	Industrial Vacancy Rate	0.70%	1.40%	1.15%	1.00%	1.20%	1.50%
	Retail Vacancy Rate	9.00%	9.20%	8.34%	7.00%	9.00%	9.00%
	City Unemployment Rate	4.1%	3.4%	4.7%	4.0%	4.5%	4.0%
	Activity Expenditures as % of General Fund	0.30%	0.29%	1.12%	2.11%	1.99%	0.45%

Economic Development



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Building Services Specialist - Velocity	1	1	0
Economic Development Specialist	0	0	1
Total	1	1	1

Economic Development

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

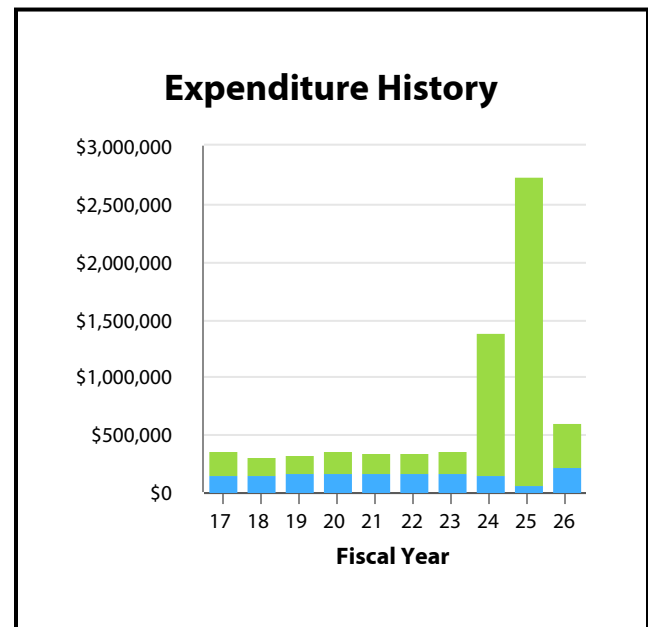
The total budget decreased by 78.0%.

Personnel Services - Total Increase of \$159,200 or 225.0% is due to the addition of an Economic Specialist position to advance the City's ongoing Economic Development program, driving economic growth and innovation in the region. 75% of the position will be funded by the Local Development Finance Authority (LDFA) and the Corridor Improvement Authority (CIA).

Supplies - There is no supplies budget proposed for this office.

Other Charges - Total Other Charges decreased \$2,293,900 or 86.1%. A \$2 million grant funded expenditure for the Lakeside Development was included in the prior year. In addition, \$200,000 is funded in the current year for marketing, consulting, and other services associated with the Lakeside Development, a reduction of \$186,000 from the prior year. Most of these expenditures will be reimbursed with future tax increment financing revenue from the Lakeside CIA District.

Capital - There is no Capital proposed for this office.



Personnel Services Supplies Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$162,780	\$70,750	\$70,750	\$229,950	\$229,950
Supplies	50	200	0	0	0
Other Charges	1,229,960	2,664,900	2,476,050	371,000	371,000
Total	\$1,392,790	\$2,735,850	\$2,546,800	\$600,950	\$600,950

MISSION STATEMENT: *To develop and implement master plans and programs and to supervise and inspect all public improvements constructed by or for the City.*

KEY GOALS

- *To maintain and regularly update all records of City utilities, streets, properties, parks, zoning changes, rights-of-way, and addresses.*
- *To provide current information to prospective developers, builders, consulting engineers, residents and other interested parties on City utilities and scheduled or future public improvements.*
- *To review plans for consideration of public and private improvements.*
- *To prepare plans and specifications and supervise construction of all authorized projects.*
- *To administer the Soil Erosion and Sedimentation Control Program.*

Major responsibilities of the Engineering office include the supervision and performance of all engineering services of the City. Engineering is responsible for the development of master plans and programs for public improvements, supervision, and inspection of all improvements constructed by or for the City.

Engineering maintains and updates all records of City utilities, streets, properties including parks, zoning changes, rights-of-way and addresses.

Information is provided to prospective developers, builders, and consulting engineers on the availability, size and location of all City utilities. Information is provided to residents and other interested parties on scheduled or future public improvements. In addition, information is provided

to residents regarding water and sanitary sewer connection fees and traffic signs and signals. Other activities include the review of site plans and building plans for appropriate water and sewer connections, the issuance of culvert permits, common area irrigation permits, and monitoring well permits.

Engineering reviews all planned public improvements, City projects, City awarded contracts, and subdivision sites which generate revenues to the City each year.

Engineering prepares the plans and specifications and supervises construction of all projects authorized by City Council. This office prepares ordinance variance agreements and coordinates activities and decisions involving the City and other agencies such as the Road Commission of Macomb County and the City of Detroit. Multi-jurisdictional contracts are often required with road construction projects. The City Engineer serves as liaison to County, State and federal agencies to synchronize the approval process for orderly and organized project development.

The Soil Erosion and Sedimentation Control Program is administered by the Engineering Office as required by the State of Michigan and the National Pollutant Discharge Elimination System Program. ■



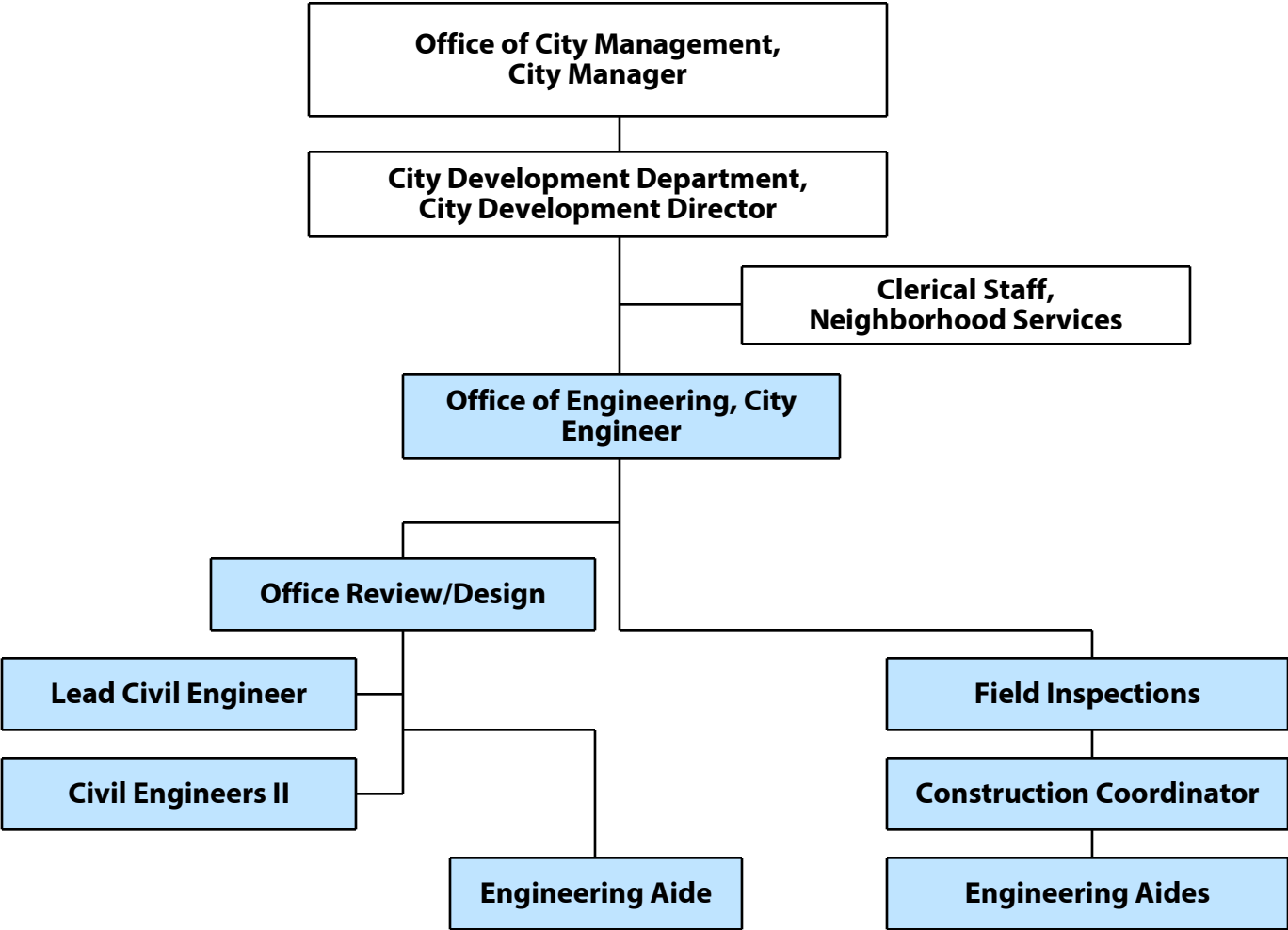
Engineering

2025/26 PERFORMANCE OBJECTIVES

1. To create an asset management system and capital forecasting schedule for the sidewalk program. (City Goal 4, 6, 16, 17, 19)
2. To implement the newly adopted traffic calming plan. (City Goal 6, 14, 18)
3. To scope and design the Clinton River Road to enable 2026 construction. (City Goal 16, 17, 18, 19)
4. To execute a robust sidewalk replacement and gap improvements program in 2025 to make an impact with the Pathway to Play & Preservation millage funds. (City Goal 16, 17, 18, 19)
5. To collaborate with the Department of Public Works with a long-term Water & Sewer infrastructure replacement. (City Goal 16, 17)
6. To develop a maintenance plan for the medians on Mound Rd., which will ensure all medians are aesthetically pleasing. (City Goal 1, 12, 14)
7. To collaborate with Macomb County to pursue grant funding for a large-scale transformative infrastructure project on Metropolitan Parkway between Mound Road and Van Dyke Ave. (City Goal 16,17,18)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Site Plans Approved	19	16	9	20	15	15
	Land Divisions Reviewed	7	7	12	12	12	10
	Plot Plans/Grading Plans Approved	9	23	39	10	40	20
	Utility Company Permits Issued	98	114	88	100	80	90
	SESC Permits Issued	146	77	51	110	100	75
	Value of Const. Contracts Awarded & Supervised	\$9.1M	\$15.1M	\$17.1M	\$23.2M	\$17.2M	\$27.0M
	Sidewalk Gap Installation (Linear Feet)	563	20,230	9,205	13,500	2,000	8,000
	Neighborhood Road Improvement (Miles)	4.65	4.34	5.15	4.50	4.20	5.00
	Miles of Sidewalks in City	628	632	634	643	635	637
	Miles of Roads in City (Major & Local)	353.5	353.7	353.7	355	355	355
	Service Requests Processed	335	216	142	300	200	250
Efficiency & Effectiveness	% of First Site Plans Reviewed w/i 4-6 weeks	95%	94%	100%	90%	100%	100%
	% of Utility Company Permits Reviewed w/i 15 days	100%	100%	100%	90%	90%	90%
	% of Plot or Grading Plans Reviewed w/i 10 days	100%	100%	100%	90%	90%	90%
	% of Capital Projects Completed w/i 5% of Bid Costs	100%	100%	100%	90%	90%	90%
	Visual Rd. Surface (PASER) Rating - Good, Fair, Poor	23%, 70%, 7%	25%, 69%, 6%	27%, 66%, 7%	26%, 69%, 5%	28%, 66%, 6%	30%, 65%, 5%
	Eng. Inspection Hrs. Required to Meet Demand	4,848	4,950	5,404	4,500	4,200	4,800
	Activity Expenditures as % of General Fund	1.24%	1.22%	1.28%	1.32%	1.33%	1.36%

Engineering



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
City Engineer	1	1	1
Lead Civil Engineer	1	1	1
Civil Engineer II	2	3	3
Civil Engineer I	1	0	0
Construction Coordinator	1	1	1
Engineering Aide	3	3	3
Intern (P.T.)	1	1	0
Total	10	10	9

Engineering

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 5.7%.

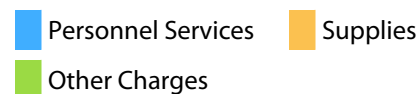
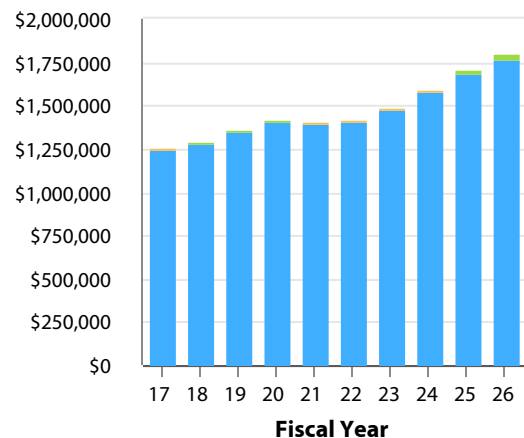
Personnel Services - Total Increase of \$80,980 or 4.8% is primarily due to contractual wage adjustments

Supplies - Total Supplies increased \$300 or 4.5%. Proposed changes to the supply budget involve inclusion of an additional \$250 in postage and \$50 in incidental supplies.

Other Charges - Total Other Charges increased \$16,150 or 89.0% primarily due to consultant services to assist in the development of a 10-year stormwater repair and replacement plan.

Capital - Funding is included for the replacement of three 2015 Ford-150s.

Expenditure History



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,582,520	\$1,682,470	\$1,686,780	\$1,763,450	\$1,763,450
Supplies	7,270	6,600	6,650	6,900	6,900
Other Charges	7,280	18,150	18,900	34,300	34,300
Total	\$1,597,070	\$1,707,220	\$1,712,330	\$1,804,650	\$1,804,650

MISSION STATEMENT: *To protect a property owner's investment by enhancing the quality of life in our neighborhoods, educating residents, and performing neighborhood outreach, as well as encouraging economic development through the promotion of energy efficiency and water-related tourism.*

KEY GOALS

- ***To protect a property owner's investment by administering property maintenance ordinances and the City's Noxious Weed Program.***
- ***To implement the principals of SHINE - Sterling Heights Initiative for Neighborhood Excellence - to encourage long-term property maintenance.***
- ***To support policies and practices that will attract talent to the area and consequently help revive the economy.***

Neighborhood Services is the office in the City Development Department responsible for code enforcement, as well as economic development programs related to energy efficiency and technology, and the Blue Economy (promotion of water resources).

This office works closely with the office of Community Relations to implement and administer the principals of SHINE - Sterling Heights Initiative for Neighborhood Excellence. Those principals include working closely with community groups to advise property owners on maintenance issues; using multi-lingual resources to communicate in neighborhoods where there may have been a significant influx of refugees; coordinating clean-ups to assist residents who may have challenges that prevent them from maintaining their property.

Neighborhood Services' Code Enforcement Officers strive to preserve residential and commercial property values through strict enforcement of property maintenance standards. Property owners who do not voluntarily comply are sent to the Board of Ordinance Appeals (BOA) and a nuisance abatement public hearing is held. The mission of the Board of Ordinance Appeals (BOA) is to consider appeals and requests for variances from City ordinances as authorized by the City Council. The Board of Ordinance Appeals (BOA) also reviews dangerous and potentially dangerous dog cases. The City Development Director is the staff liaison to the Board of Ordinance Appeals (BOA).

To support efficient and sustainable energy-related policies and practices, the City is a member of the Southeast Michigan Regional Energy Office (SEMREO), a unique collaboration of nonprofits and local governments encouraging greener communities to attract talent and consequently help revive Michigan's economy.■



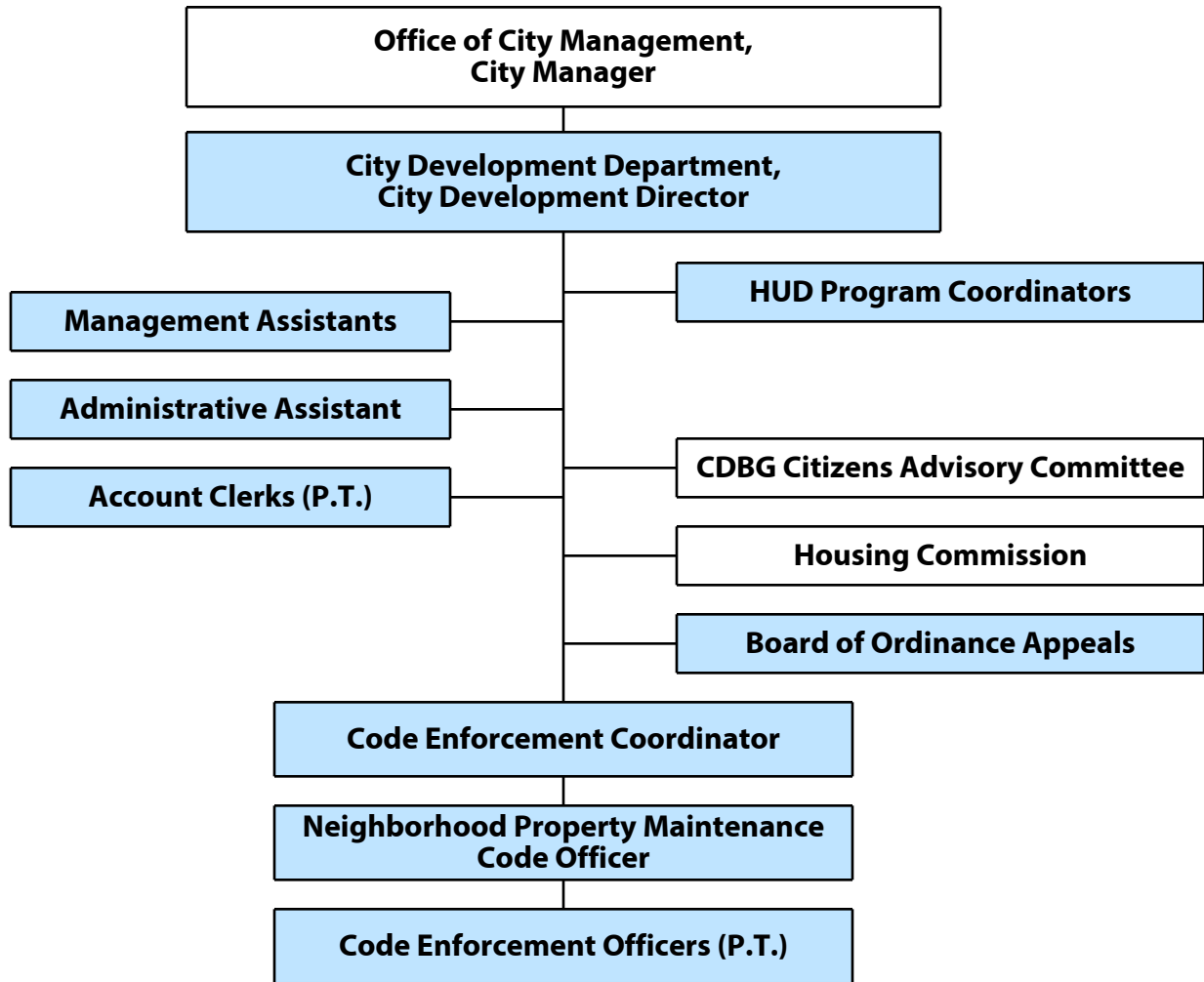
Neighborhood Services

2025/26 PERFORMANCE OBJECTIVES

1. To strategically identify, evaluate, and acquire high-priority open space lands within the community through the use of Pathway to Play and Preservation funds. (City Goal 1, 4, 6, 10, 12, 13, 14, 19, 20, 22, 24)
2. To explore emerging technologies to enhance code enforcement, improve efficiency, and boost community engagement. (City Goal 1, 2, 3, 6, 12, 13, 14, 18, 23, 24)
3. To collaborate with the Police, Fire, Legal, and City Development departments to develop and implement balanced short-term rental regulations that protect property owners, residents, and the community while mitigating negative impacts and preserving neighborhood integrity. (City Goal 4, 6, 9, 12, 13, 14)
4. To strengthen city, developer, and staff collaboration through ongoing meetings to evaluate and guide community development projects. (City Goal 1, 2, 3, 6, 9, 10, 14, 20, 22, 24)
5. To enhance city services and community aesthetics by fostering collaboration between Neighborhood Services and other departments through shared information, resources, and expertise. (City Goal 1, 6, 12, 13, 14, 24, 25)
6. To manage the \$500,000 USDA tree planting grant with Planning, Purchasing, and DPW to ensure effective implementation and compliance. (City Goal 1, 6, 12, 13, 14, 16, 18, 24)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Total Inspections Performed	28,259	28,488	30,192	24,000	28,980	25,800
	Total Code Enforcement Cases/Properties Cleaned	12,656	11,542	12,337	11,800	12,180	12,200
	# of Proactive Code Enforcements (City Observed)	9,355	8,384	8,605	8,900	8,780	9,200
	# of Code Complaints Received	3,301	3,158	3,782	2,800	3,415	3,000
	Vacant Parcels Cut - Tall Grass/Weed Program	195	67	57	200	105	200
	Parcels Cut - Occupied Res. Homes/Businesses	428	355	444	400	410	400
	Board of Ordinance Appeals Hearings	21	22	22	22	22	22
	Ordinance Board Cases Prepared - Nuisances	308	360	282	350	315	350
	Civil Infraction & Misdemeanor Tickets Issued	61	109	44	50	70	50
	# of Snow Emerg. Vehicle Tickets Issued (incl. Police)	644	372	0	600	340	600
	# of Snow Sidewalk Tags Issued	490	217	410	500	370	500
	# of Illegal Signs Removed from ROW	1,938	3,436	2,981	2,200	2,785	2,400
	# of Homes Addressed by Safe Homes Task Force	10	27	11	8	16	11
	# of SHINE Tags Issued	239	188	209	400	212	400
	CDBG-CV Grants Awarded/Applications Received	3/3	20/24	0/0	16/15	0/0	0/0
	# of CDBG Home Rehab Applications Received	15	11	7	10	15	10
Efficiency & Effectiveness	% of Insp. Performed w/i 48 Hours of Complaints	95%	95%	95%	95%	95%	95%
	Avg. Days Between Violation Notice & 1st Inspection	10	10	10	10	10	10
	% of Violations Corrected Prior to City Action	98%	98%	98%	98%	98%	98%
	Inspections Performed Per Inspector (FTE's)	2,975	2,999	3,096	2,526	2,972	2,646
	Code Enforcement Cases Per Inspector (FTE's)	1,332	1,214	1,265	1,242	1,249	1,251
	Code Enforcement Cases Per 1,000 Residents	95.5	85.9	91.8	87.8	90.7	90.8
	Activity Expenditures as % of General Fund	1.74%	1.65%	1.78%	2.06%	2.06%	2.19%

Neighborhood Services



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
City Development Director	1	1	1
Code Enforcement Coordinator	1	1	1
HUD Program Coordinator	1	1	2
HUD Program Coordinator (P.T.)	0	1	0
Neighborhood Property Maintenance Code Officer	1	1	1
Management Assistant	3	3	3
Administrative Assistant	1	1	1
Code Enforcement Officer (P.T.)	13	13	13
Account Clerk (P.T.)	0	0	2
Clerk Typist (P.T.)	2	2	0
Intern (P.T.)	1	1	0
Total	24	25	24

Neighborhood Services

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES –2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

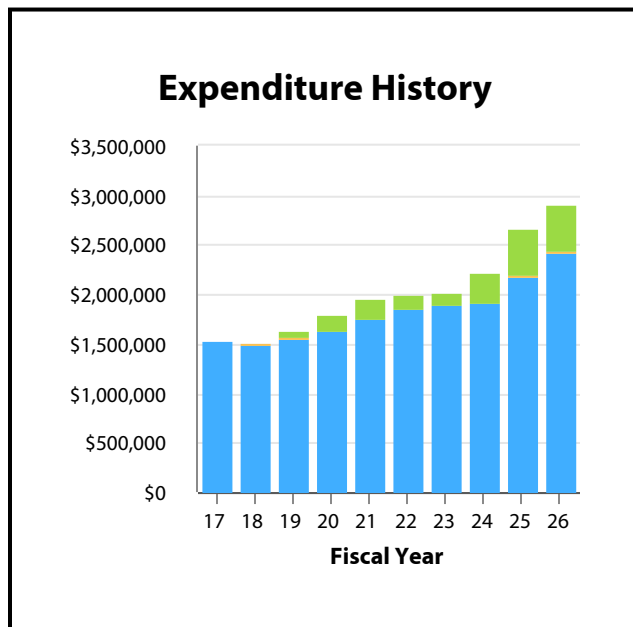
The total budget increased by 9.2%.

Personnel Services - Total Increase of \$243,180 or 11.1% is primarily due to contractual wage adjustments and the conversion of a part-time HUD Coordinator to full-time as part of succession planning

Supplies - Total Supplies decreased \$500 or 4.5%. This funding was previously used for SHINE cleanup days. This was moved to the Community Relations department.

Other Charges - Total Other Charges increased \$1,200 or 0.3%. Notable changes to this budget include a \$2,000 increase to training offerings to employees. They will be attending the American Association of Code Enforcement Annual Conference in the upcoming year. Attendance to this new conference was offset by a \$750 decrease to phone service and a \$150 decrease to rental fees for office copiers.

Capital - One new replacement Code Enforcement vehicle will be purchased for this office for \$35,000.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,921,390	\$2,187,820	\$2,165,940	\$2,431,000	\$2,431,000
Supplies	10,330	11,100	11,100	10,600	10,600
Other Charges	288,670	466,300	465,500	467,500	467,500
Total	\$2,220,390	\$2,665,220	\$2,642,540	\$2,909,100	\$2,909,100

MISSION STATEMENT: *To act as the principal technical source of assistance to the Planning Commission and Zoning Board of Appeals in carrying out their duties in accordance with State enabling legislation.*

KEY GOALS

- ***To provide technical support to the Planning Commission to prepare and adopt a Master Land Use Plan.***
- ***To provide technical support to the Planning Commission to prepare and adopt Zoning and Subdivision Regulation Ordinances.***
- ***To provide technical review and assistance on all development applications.***
- ***To protect public safety, health, welfare, and property values by administering regulations, zoning ordinances, and other general codes.***
- ***To provide support services to residents, businesses, developers, and builders.***

It is the responsibility of the Office of Planning to coordinate site plan reviews, and interpret and enforce the Zoning and other general ordinances of the City. This is done in accordance with its duty of providing administrative and technical assistance to both the Planning Commission and Zoning Board of Appeals (ZBA). As such, the City Planner serves as the administrative liaison to the Planning Commission, the Zoning Board of Appeals, and the Sustainability Commission.

The Planning Commission is required, by State enabling legislation, to prepare and adopt a Master Land Use Plan as set forth in the Michigan Planning Enabling Act, Public Act 33 of 2008. Planning provides the technical and professional assistance necessary for the creation of the plan, including any successive

amendments. The Master Land Use Plan guides the physical development of the City as it relates to uses of land, public and quasi-public facilities, transportation systems, and utilities.

Planning is also responsible for the interpretation and enforcement of the zoning ordinance, tree preservation ordinance, and other regulatory ordinances. This office reviews plans for compliance with community standards that have been implemented in the Code of Ordinances. Development plans for industrial, commercial, and residential units are reviewed for height limitations, building setback, site density, parking accommodations, and floodplain violations.

The ZBA has specific powers and duties as provided in Act 110 of the Public Acts of 2006, as amended. The ZBA is a quasi-judicial body, and serves as the only body at the municipal level to hear appeals on various zoning matters. These duties include ordinance interpretations, appeals of administrative decisions, modification, and variance of ordinance requirements, and use variances.

The Sustainability Commission was formed in 2020 and has the primary responsibility of prioritizing goals and objectives for overall sustainable practices within the City, which will then be utilized by City Council, Administration and other Boards and Commissions to make decisions that consider impacts to the environment.■



Planning

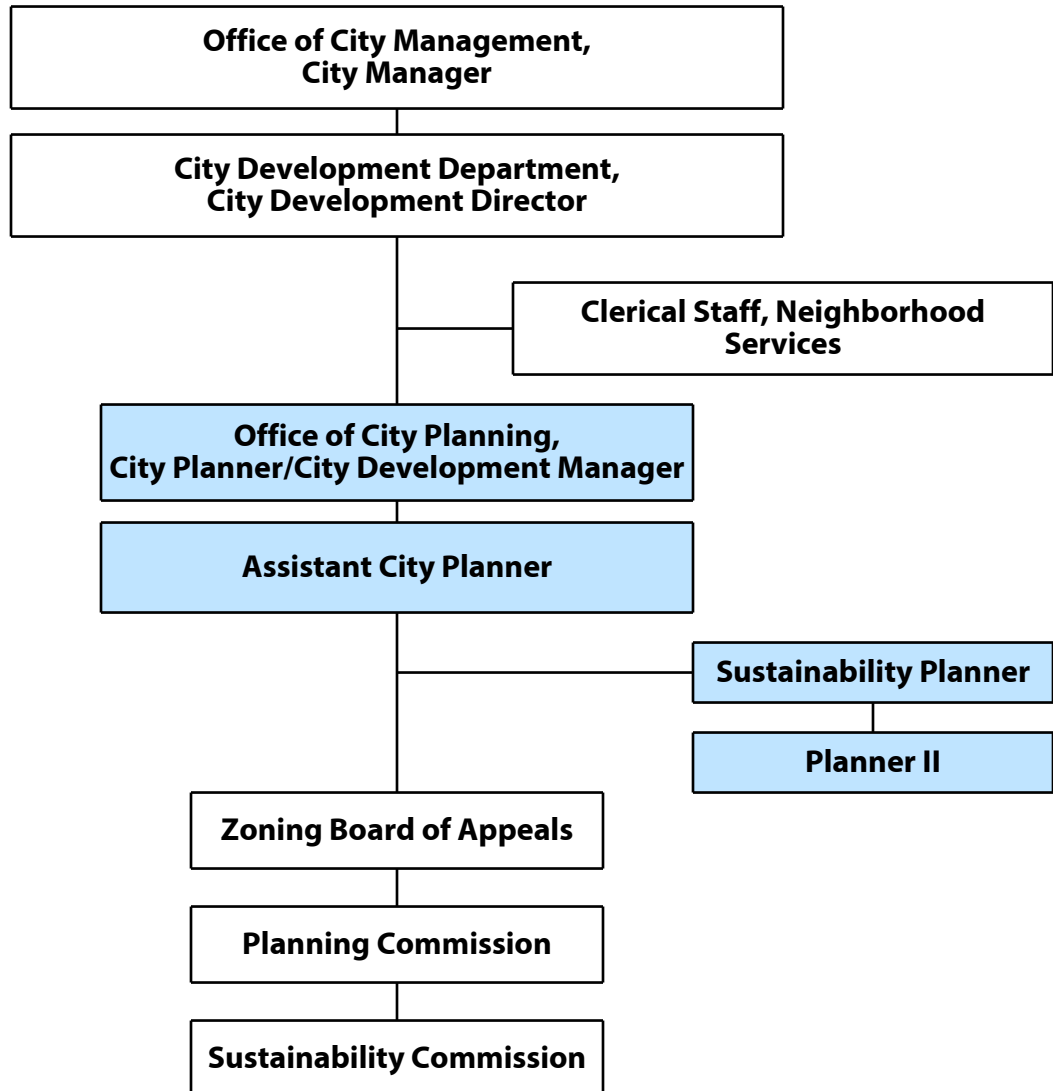
2025/26 PERFORMANCE OBJECTIVES

1. To continually improve the City's Ordinances to better facilitate economic development and to make Sterling Heights a welcoming place for business. (City Goal 1, 4, 7, 20, 21, 22)
2. To implement the action items from the soon-to-be adopted Master Land Use Plan and begin starting new planning initiatives. (City Goal 1, 6, 12, 13, 14, 15, 17, 16, 17, 18, 20, 21, 22)
3. To standardize recycling efforts across City facilities and increase the rate of recycling. (City Goal 1, 2, 3, 4, 6, 7, 18)
4. To enhance the City Development process by providing general support for all departments; including Planning, Engineering, Fire, Police, and Building. (City Goal 1, 6, 7, 9, 11, 21, 24)
5. To provide the best training and educational opportunities for staff and our Boards and Commissions. (City Goal 1, 2, 3, 6, 7)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Pre-Preliminary Site Plan Reviews	12	8	10	12	6	8
	Preliminary Site Plan Reviews	17	41	34	20	30	32
	Final Site Plan Reviews	11	13	21	20	28	30
	Rezoning Petitions Processed	5	9	12	8	12	12
	Single-Family Residential Developments	3	2	3	2	2	2
	Multi-Family Residential Developments	7	7	5	5	5	5
	Special Approval Land Uses Processed	20	18	27	24	45	25
	Planned Unit Developments Reviewed	6	12	6	6	10	10
	Planning Commission Cases Prepared	34	38	53	50	70	70
	Planning Commission Meetings Attended	12	13	14	12	18	16
	Zoning Board of Appeals Cases Prepared	26	39	32	30	32	32
	Zoning Board of Appeals Meetings Held	11	11	11	12	11	12
	Council Agenda Items Prepared	6	21	37	20	18	20
	Temporary Uses Reviewed	46	55	71	60	36	36
	Use Permits Reviewed	353	325	278	290	220	240
	Lot Combination/Lot Split Applications Reviewed	2	10	17	8	12	10
Efficiency	% of Preliminary Site Plans Reviewed w/i 10 days	90%	90%	90%	90%	90%	90%
	% of Final Site Plans Reviewed w/i 5 days	90%	90%	90%	90%	90%	90%
	% of Property Splits Reviewed w/i 5 days	90%	90%	90%	90%	90%	90%
	Activity Expenditures as % of General Fund	0.28%	0.45%	0.53%	0.66%	0.64%	0.63%

*Cost is calculated for "Actual" columns only.

Planning



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
City Planner/City Development Manager	0	1	1
City Planner	1	0	0
Assistant City Planner	1	1	1
Sustainability Planner	0	0	1
Planner II	1	1	1
Planner I	1	1	0
Intern	2	2	0
Total	6	6	4

Planning

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

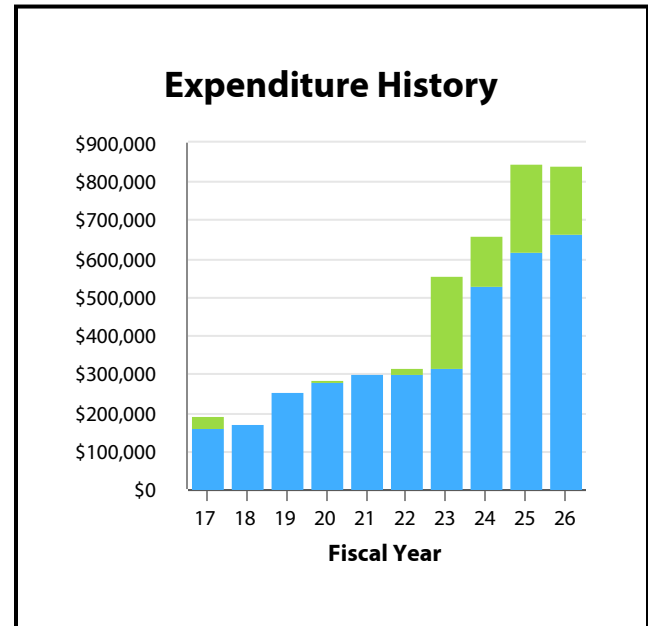
The total budget decreased by 0.5%.

Personnel Services - Total Increase of \$46,440 or 7.5% is primarily due to contractual wage increases and two position upgrades.

Supplies - Total Supplies is proposed to increase \$100 for daily use supplies.

Other Charges - Total Other Charges decreased \$51,050 or 22.2% primarily due to the completion of the Master Land Use Plan in the prior year. Funding of \$150,000 is included in the current year to rewrite the City's zoning ordinance to align more closely with the new Master Land Use Plan. The planning department will be attending the National Planning Conference this year as it will be held in Detroit. This and other travel related cost increases required an additional \$3,000 in funding.

Capital - There is no Capital proposed for this office.



Personnel Services Supplies Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$529,970	\$618,010	\$602,640	\$664,450	\$664,450
Supplies	730	700	700	800	800
Other Charges	127,820	229,650	214,600	178,600	178,600
Total	\$658,520	\$848,360	\$817,940	\$843,850	\$843,850

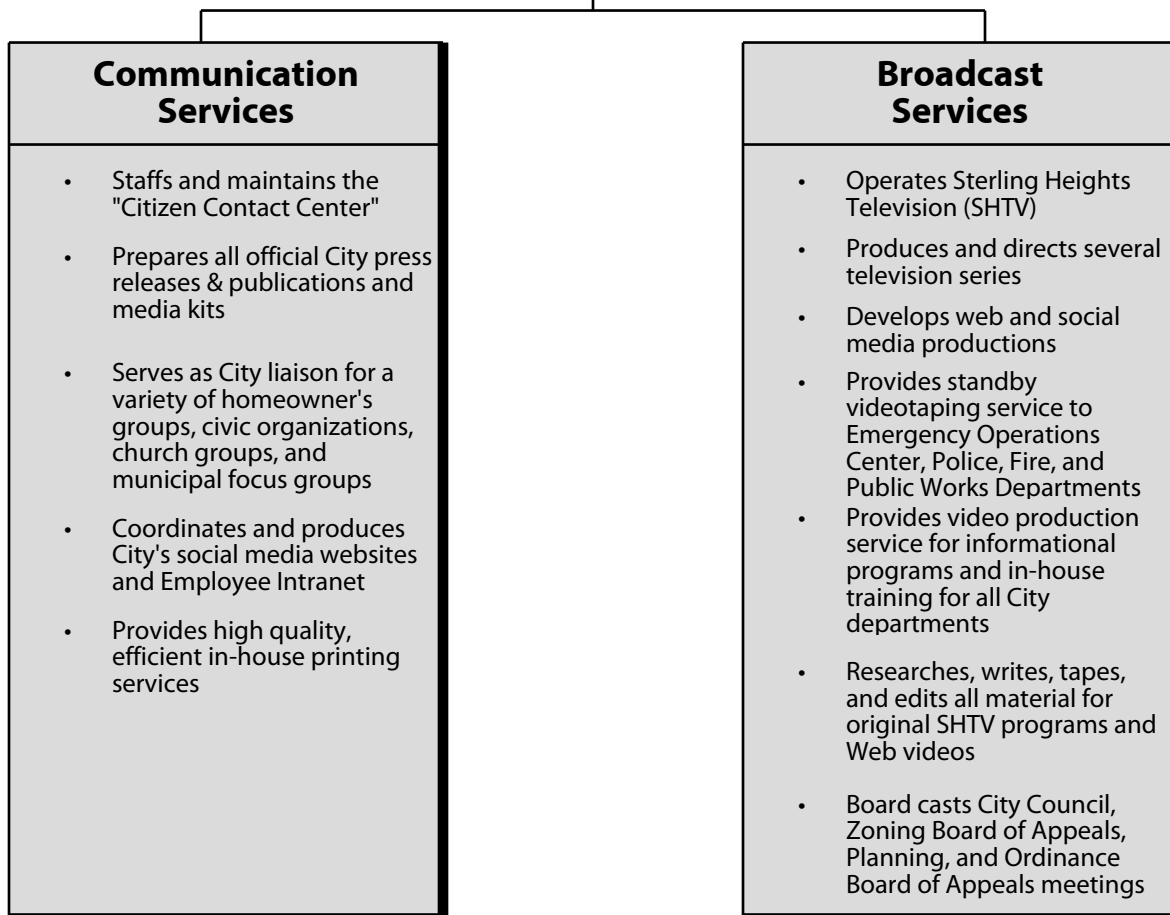
Community Relations Department



FUNCTIONAL ORGANIZATION CHART

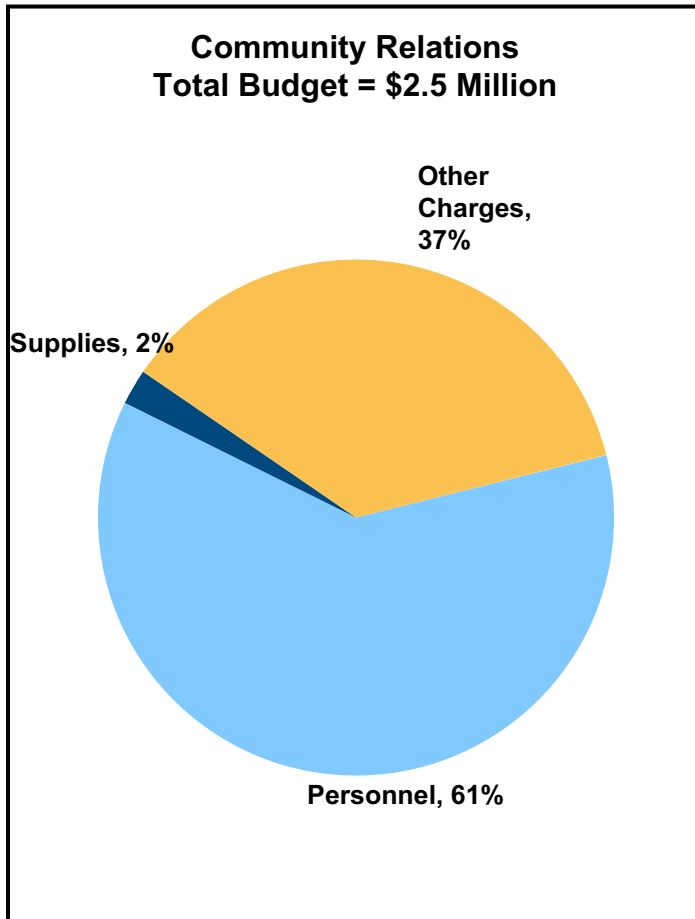
Community Relations Department

Office of Community Relations		
- Administration of department - Implements policies and procedures - Serves as public information officer in emergency disaster situations - Coordinates all media contacts on behalf of the City Council and City Manager - Coordinates all City special events, such as Sterlingfest, Memorial Day Parade, Cultural Exchange	- Coordinates staff assignments and responsibilities - Coordinates events for members of City Council and City Manager - Handles miscellaneous correspondence for members of City Council and City Manager - Prepares and manages the department budget - Manages City website and Intranet - Coordinates focus groups	- Serves as liaison to Arts and Beautification Commissions, Ethnic Community Committee, Community Foundation, Youth Advisory Board, African American Coalition, and commUNITY alliance - Coordinates City surveys - Assists with implementation and coordination of volunteers



DEPARTMENT AT A GLANCE

Community Relations Department



PERSONNEL SUMMARY

	2025/26	
	Full Time	Part Time
Community Relations	9	2
Total Department	9	2

FUNDING LEVEL SUMMARY

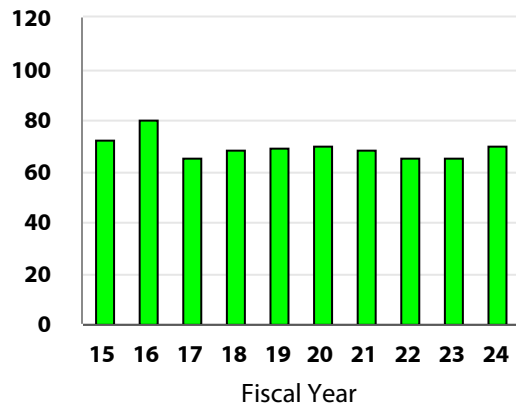
	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
Community Relations	\$1,746,360	\$2,102,980	\$2,458,620	\$2,463,350	0.2%
Total Department	\$1,746,360	\$2,102,980	\$2,458,620	\$2,463,350	0.2%
Personnel Services	\$1,173,100	\$1,294,060	\$1,374,190	\$1,508,150	9.7%
Supplies	47,010	49,080	55,000	55,000	0.0%
Other Charges	526,250	759,840	1,029,430	900,200	-12.6%
Total Department	\$1,746,360	\$2,102,980	\$2,458,620	\$2,463,350	0.2%

Excludes Boards and Commissions.

KEY DEPARTMENTAL TRENDS

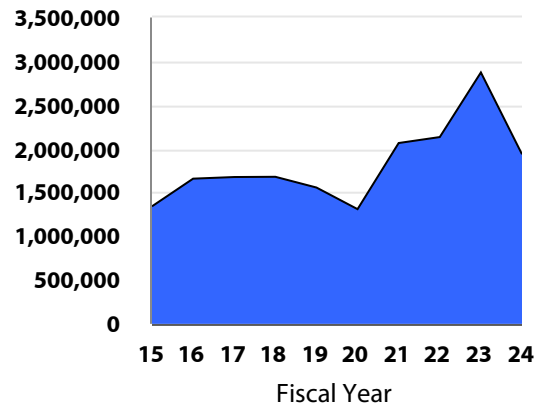
Community Relations Department

**SHTV – Monthly
Hours of Programming**



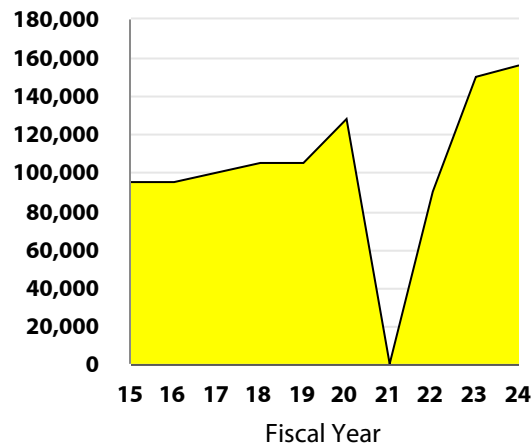
Sterling Heights Television maintains a robust 70 hours of programming. Programming is primarily used to televise City Council meetings and content for senior residents.

**Customer Service
Contacts**



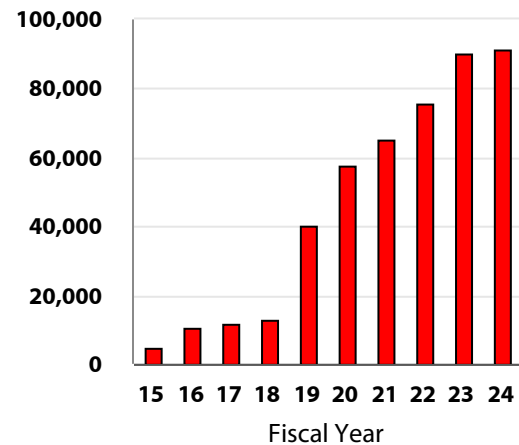
City Home Page visits account for 97.5% of total service contacts. The notable decrease in 2024 is due to the City's emphasis on QR codes and direct links. As such, residents may not visit the City's home page. Contacts decreased from 2,872,561 in 2023 to 1,937,433 in 2024.

Sterlingfest Attendance



The Sterlingfest Art and Jazz Fair includes a carnival midway, restaurant vendors, a beer tent, concerts, art and jazz fest areas during the three-day event. In the years following the pandemic the festival is thriving with a larger turnout each consecutive year. 2024 boasted a record high of 156,000 festival patrons. Sterlingfest was not held in 2020 due to the pandemic.

Facebook Followers



The City hosts multiple Facebook pages, including pages for the Police Department, Fire Department, Parks and Recreation, and the Public Library, as well as the main City Hall page. Posts made include information about City events, programs, official communications, and more. With the rise of social media, resident interaction with these pages continues to increase. Facebook followers totaled 91,200 in 2024.

MISSION STATEMENT: *Creating community through engagement, messaging, and storytelling that supports the Sterling Heights Vision 2040 plan.*

VISION STATEMENT: *The Sterling Heights Community Relations Department will operate in a manner that embraces innovation, exceptional customer service, proactive communication, positivity, and fun!*

KEY GOALS

- *Ongoing research into and implementation of best practices and new tools and methods for communication and outreach.*
- *The highest level of professionalism and customer service for both our external and internal customers.*
- *Proactive outreach to stay on top of important, accurate information that is critical to ensure residents are informed about ongoing City projects.*
- *Identify positive stories to tell about the people and businesses that make up the fabric of our community.*
- *A commitment to always look for ways to incorporate fun into the way we communicate and engage with our residents.*

The Community Relations team has played a critical role in the City of Sterling Heights since the early 1980s. While its role has evolved over the years, it continues to be responsible for resident engagement, marketing and storytelling, community events, information and education, and public art.

The current branding initiative will play a pivotal role in enhancing brand awareness for the City of Sterling Heights and leveraging all that the City offers to retain and attract new residents, businesses, and visitors. As the communication methodologies with our residents continue to evolve, the Community Relations team will meet our constituents where they are and ensure messages are proactively distributed on multiple platforms.

The overall goals of the team are to fulfill the strategic roles by employing best practices and innovative approaches that share information, tell our stories, and engage our residents, visitors, and businesses. These strategic roles include the following:

Information and Education - Be the primary resource for sharing information, education, and providing emergency alerts.

Marketing and Storytelling - Mining, refining, and telling stories for visitors, businesses, and residents.

Community Events - Plan, market, promote, and execute community events that are relevant and accessible to all.

Resident Engagement - Create, support, and administer community groups, volunteers, and programs while managing incoming City inquiries in a timely and responsible manner.

Public Art - Identify and secure locations, recruit artists and manage installation and maintenance to share art that enhances the resident, visitor, and business experience in the City. ■



Community Relations

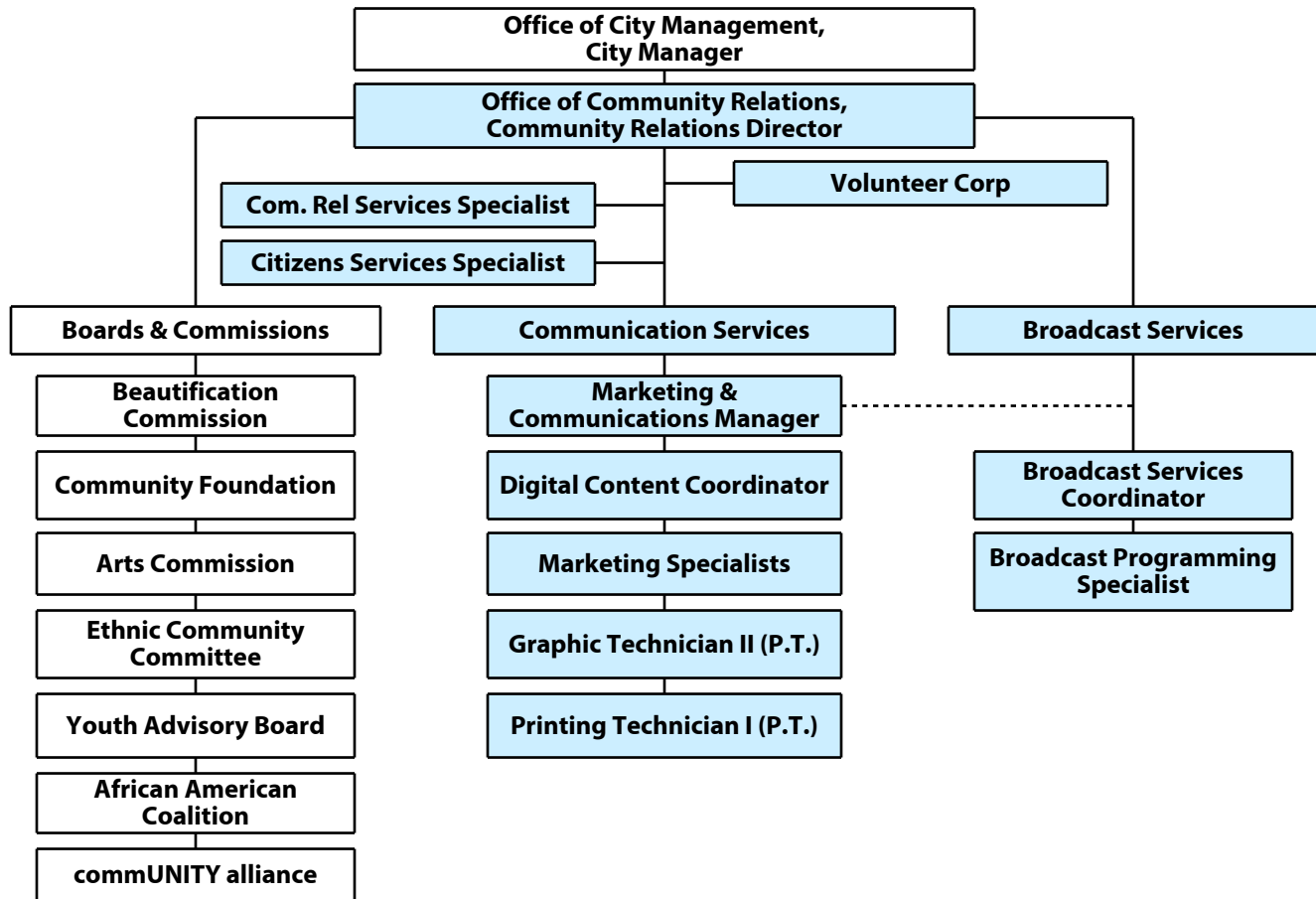
2025/26 PERFORMANCE OBJECTIVES

1. To work to centralize all marketing and communications for the City within the Community Relations Department through an "agency" approach, facilitated by a ticketing tracking system. (City Goal 23, 24, 25)
2. To complete a crosswalk mural program as part of the citywide traffic calming initiative. (City Goal 12, 14, 17)
3. To elevate all special events through creation of multi-disciplinary, collaborative teams for each event. (City Goal 19, 24, 25, 26)
4. To roll out a new SMS text messaging system that can be used for standard communication, important geographical alerts, and emergency community wide alerts. (City Goal 23, 24, 25)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Citizen Action Center Calls/Walk-ins (est.)	15,400	11,300	9,280	18,000	10,000	10,000
	Citizen E-Mail Requests (est.)	1,600	1,070	1,085	2,000	1,800	1,800
	Citizen Tickets Submitted Through See Click Fix	3,893	3,944	6,375	3,700	5,000	6,000
	Sterling Heights Website Home Page Views	2,113,244	2,860,191	1,987,068	2,500,000	2,100,000	2,100,000
	Total Customer Service Contacts (est.)	2,134,137	2,872,561	1,937,433	2,523,700	2,200,000	2,200,000
	Total Programs Aired	310	283	260	350	250	250
	SHTV Hours of Programming (Monthly)	65	65	70	70	70	70
	City Council, Board & Commission Live Broadcasts	75	74	81	75	75	75
	Press Releases Produced	95	75	80	90	80	80
	Resident Newsletters Distributed	82	120	53	80	52	52
	City Magazine/Brochures Produced	8	22	22	30	20	20
	Graphic Design Projects	200	348	395	250	300	300
	Print Requests Completed	187	181	211	N/A	200	200
	Facebook Followers	75,625	89,903	91,200	65,000	92,000	92,000
	Twitter Followers	3,723	3,675	3,671	3,500	3,600	3,600
	Instagram Followers	8,526	10,397	11,205	8,500	11,750	11,750
	Sterlingfest/Oktobfest/Parade Attend. (est.)	90,000	150,000	156,000	160,000	150,000	150,000
	Neighborhood Clean Up Events Scheduled (SHINE)	5	8	8	8	8	8
	Beautification Awards Presented	57	40	45	53	50	50
	Public Art Projects Completed	3	4	0	4	2	3
	News Stories Resulting from Releases (Local/Nat'l)	220	188	368	240	360	360
	# of Resident Email Addresses Secured	37,874	50,367	33,193	40,500	33,300	40,000
	Avg. Reach Per Facebook Post (Monthly)	96,325	200,000	77,745	75,000	75,000	75,000
	Avg. Engagement Per Facebook Post (Monthly)	32,547	56,000	29,141	35,000	30,000	30,000
	# of Homes Cleaned-Up through SHINE	45	65	70	60	65	65
	Volunteers Recruited to Volunteer Corps	650	750	750	775	775	775
Efficiency	Avg. See Click Fix Tickets Acknowledged w/i 24 hrs.	3,893/100%	3,944/100%	6,397/100%	3,700/100	6,250/100%	6,250/100%
	Avg. See Click Fix Tickets Closed w/i One Week	3,893/100%	3,944/100%	6,397/100%	3,700/100	6,250/100%	6,250/100%
	Activity Expenditures as % of General Fund	1.36 %	1.42 %	1.69 %	1.90 %	1.84 %	1.85 %

*Cost is calculated for "Actual" columns only.

Community Relations



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Community Relations Director	1	1	1
Marketing and Communications Manager	0	0	1
Marketing and Communications Coordinator	1	1	0
Broadcast Services Coordinator	1	1	1
Marketing Specialist	0	1	2
Broadcast Programming Specialist	1	1	1
Digital Content Coordinator	1	1	1
Community Relations and Event Planning Specialist	1	1	1
Citizen Services Specialist	1	1	1
Printing Technician II	1	0	0
Printing Technician I (P.T.)	0	1	1
Graphic Specialist (P.T.)	1	1	1
Intern (P.T.)	2	2	0
Total	11	12	11

Community Relations

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

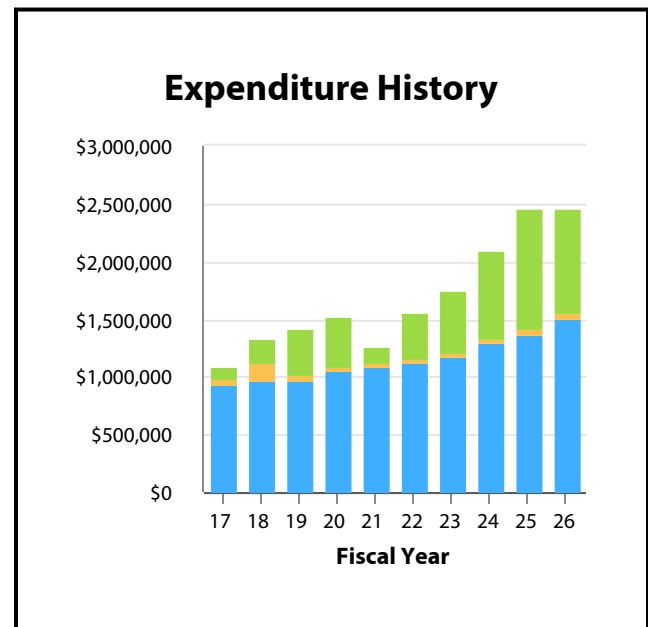
The total budget increased by 0.2%.

Personnel Services - Total Increase of \$133,960 or 9.7% primarily due to:

- Contractual wage adjustments
- The addition of a Marketing Specialist position transferred from the Parks and Recreation Department
- An upgraded position from Marketing & Communications Coordinator to Marketing & Communications Manager

Supplies - Total Supplies remains the same as the prior year with a total budget of \$55,000. These funds are used to purchase office supplies and postage for the City magazine.

Other Charges - Total Other Charges decreased \$129,230 or 12.6% primarily due to one-time funding in the prior year for the kickoff of the Look No Further campaign and for the community survey. Offsetting savings were realized due to a lower cost for the SMS Text Messaging service than estimated.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

Capital - Capital for this office totals \$37,200. This funding will be used to purchase a new video storage system for \$15,300, a \$10,600 booklet maker for the in-house printing operations, replacement MAC computers for \$8,800 and a \$2,500 touch screen monitor for broadcasting city council meetings.

FUNDING LEVEL SUMMARY

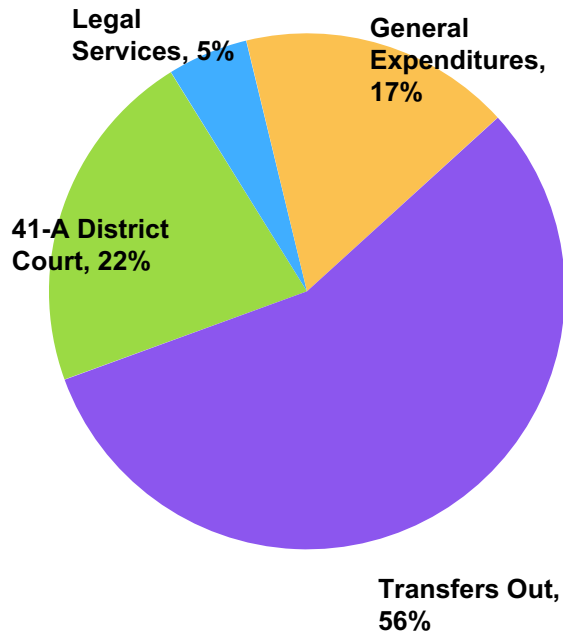
	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,294,060	\$1,374,190	\$1,280,600	\$1,508,150	\$1,508,150
Supplies	49,080	55,000	55,000	55,000	55,000
Other Charges	759,840	1,029,430	1,019,910	900,200	900,200
Total	\$2,102,980	\$2,458,620	\$2,355,510	\$2,463,350	\$2,463,350

Non-Departmental Services



NON-DEPARTMENTAL SUMMARY

Non-Departmental Services Total Budget = \$21.3 Million



FUNDING LEVEL SUMMARY

	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
41-A District Court	\$3,654,420	\$3,949,340	\$4,396,030	\$4,706,400	7.1%
Act 78 - Civil Service Commission	48,610	39,500	53,500	53,500	0.0%
Arts Commission	50	0	100	100	0.0%
Beautification Commission	2,230	2,320	2,450	2,500	2.0%
General Employees' Retirement System	67,160	46,630	64,100	64,100	0.0%
General Expenditures	2,696,880	2,723,560	3,566,930	3,688,100	3.4%
Historical Commission	6,830	9,250	5,150	5,250	1.9%
Legal	1,078,290	1,039,960	1,095,000	1,095,000	0.0%
Planning Commission	20,230	23,700	27,350	29,100	6.4%
Sustainability Commission	440	560	1,350	1,350	0.0%
Transfers Out	17,236,170	17,308,530	13,010,500	12,175,150	-6.4%
Zoning Board of Appeals	16,320	15,960	23,600	23,650	0.2%
Total Non-Departmental Services	\$24,827,630	\$25,159,310	\$22,246,060	\$21,844,200	-1.8%

MISSION STATEMENT: *To provide a forum of equitable, peaceful, and timely legal dispute resolution, based on the principles of due process, while instilling public confidence in the Court system.*

KEY GOALS

- *To provide a safe and secure environment for the people involved in all dispute resolutions within our jurisdiction.*
- *To provide an unbiased climate for resolving disputes in the areas of Civil, Criminal, Traffic and Ordinance, Landlord/Tenant, Small Claims, and non-court traffic and ordinance violations.*
- *To assist sentencing decisions through the use of a Probation Division by providing personalized analysis, special reports, and rehabilitation programs.*

The Judicial branch of the City of Sterling Heights is the 41-A District Court. The Kenneth J. Kosnic 41-A District Court and Probation offices are located in the Judicial Services Center on the grounds of City Center Commons.

The Court staff consists of three judges and a full-time magistrate who hears small claims cases, signs warrants, sets bonds, etc. The District Court Administrator oversees the court operations and supervises the support staff. The court is subdivided into three divisions and one Probation division. The three court divisions are Civil, Criminal and Traffic/Ordinance.

The Civil Division handles the jurisdiction of all civil litigation up to \$25,000. Included in that jurisdiction are all landlord/tenant cases, as well as small claims cases, which are below \$7,000 and require no attorney.

The Criminal Division handles all felony and misdemeanor complaints filed by law enforcement agencies.

The Traffic and Ordinance Division handles complaints filed by law enforcement agencies regarding traffic and city ordinances.

The Probation Division is responsible for providing services to judges and probationary clients. The Probation Officer provides special reports and analyses to the judges for assistance on sentencing decisions. The Court's "Alternatives to Incarceration Program" is one example of how the community may benefit from cost savings and community service work when this option is appropriate. The services provided to probationary clients include securing employment, school, or training and referrals to rehabilitation programs to assist those with drug, alcohol, or emotional problems.■



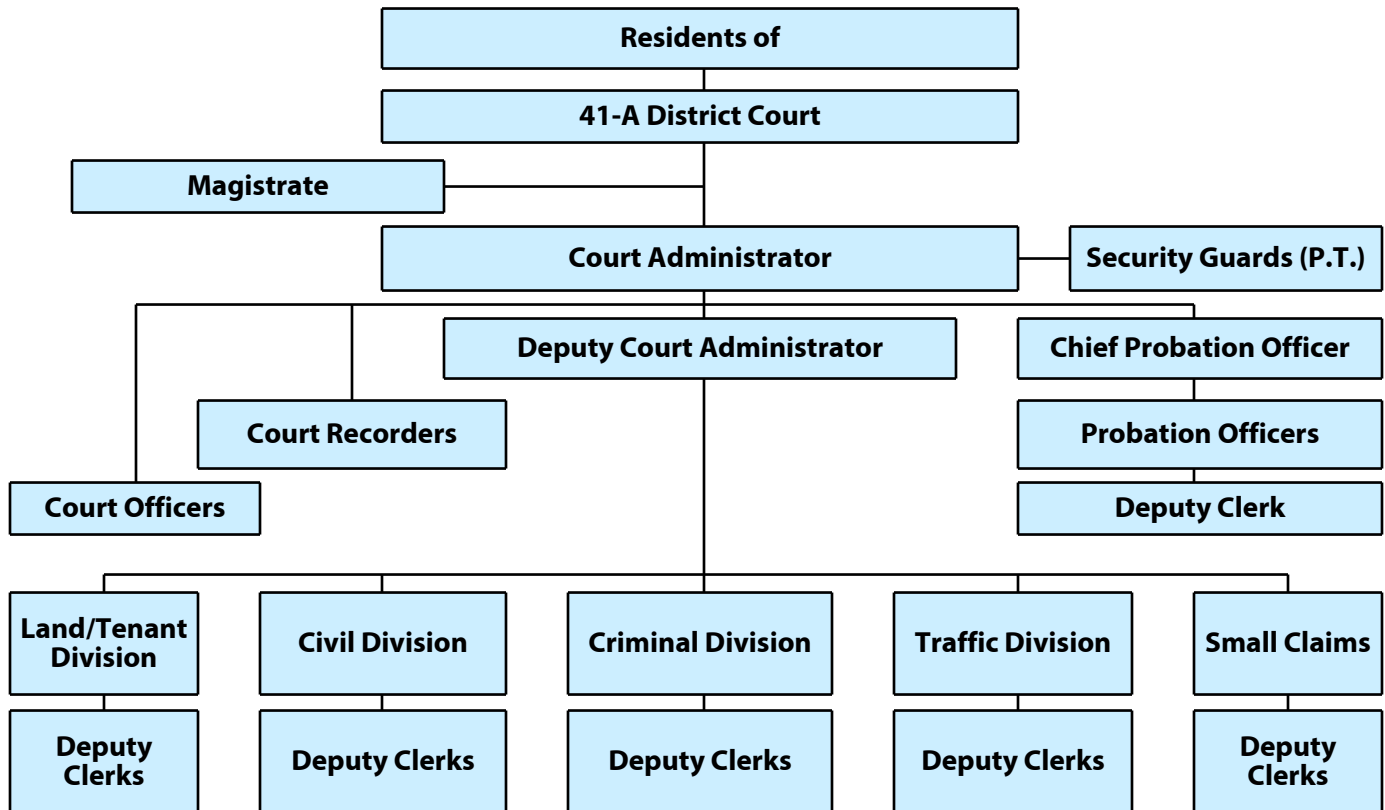
41-A District Court

2025/26 PERFORMANCE OBJECTIVES

1. To provide resources and information to community stakeholders in order to facilitate their utilization of the MiFILE statewide electronic filing system for all Civil cases. (City Goal 2, 4, 23)
2. To continue to provide ongoing training and educational opportunities for staff members in order to provide exemplary service to 41-A District Court patrons. (City Goal 2, 4, 6, 7)
3. To continue to reduce recidivism and empower participants with the 41-A District Court Sobriety Court program. (City Goal 9, 10)
4. To continue to provide resources, both in paper and digital formats, to help litigants understand the court process in both the civil and criminal divisions of the court. (City Goal 10, 13, 23, 24)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Total Active Caseload	38,804	39,183	33,665	39,000	35,000	37,000
	Total New Cases	24,442	39,137	30,353	37,000	33,000	35,000
	Traffic Cases	15,579	24,534	19,388	25,000	20,000	25,000
	Parking Cases	2,814	4,118	2,414	4,500	2,500	3,500
	Misdemeanor Cases	962	4,284	2,210	2,800	2,400	2,800
	Felony Cases	445	891	628	600	1,000	1,100
	General Civil Cases	2,401	2,296	3,327	2,500	4,100	4,500
	Small Claims Cases	130	208	192	250	250	250
	Landlord/Tenant Cases	2,111	2,806	2,875	3,000	3,200	3,500
	Magistrate Dispositions	5,866	5,403	5,821	5,600	5,900	6,000
	Jury/Bench Verdicts	4,790	1,674	755	4,500	500	750
	Guilty/Admissions/Default - By Party	13,734	25,224	20,754	27,000	22,000	24,000
	Dismissals - By Court or Party	7,698	9,697	7,939	10,000	7,500	8,000
	Probation Caseload	974	889	1,107	900	4,000	4,500
Efficiency	Total Court Expenditures Per Capita	\$27.37	\$27.20	\$29.40	\$29.80	\$32.40	\$35.03
	Cost per Active Case	\$93	\$93	\$117	\$103	\$124	\$127
	# of Active Cases per FT Employee	1,176	1,187	990	1,147	1,147	1,088
	Activity Expenditures as % of General Fund	3.17 %	2.97 %	3.17 %	3.40 %	3.39 %	3.54 %

41-A District Court



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Judge	3	3	3
Magistrate	1	1	1
Court Administrator	1	1	1
Chief Probation Officer	1	1	1
Deputy Court Administrator	1	1	1
Court Recorder	3	3	3
Court Officer	3	3	3
Probation Officer	1	1	1
Probation Officer (P.T.)	1	1	1
Deputy Clerk	19	20	20
Deputy Clerk (P.T.)	6	3	3
Security Guard (P.T.)	5	5	6
Intern (P.T.)	0	1	0
Total	45	44	44

41-A District Court

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 7.1%.

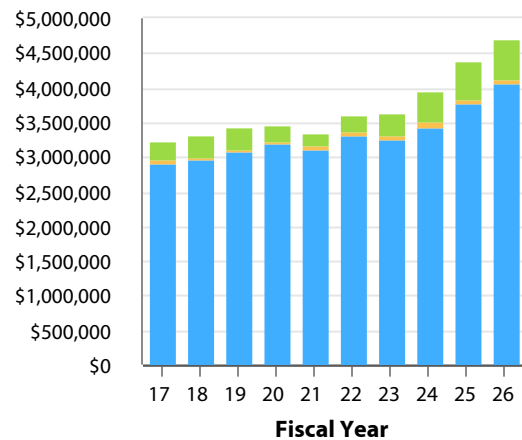
Personnel Services - Total Increase of \$297,870 or 7.9% is primarily due to contractual wage adjustments.

Supplies - Total Supplies increased \$6,330 or 11.8% primarily due to a reappropriation in the prior year to cover increased garnishment and interpreter fees.

Other Charges - Total Other Charges increased \$6,170 or 1.1%. The training budget was increased by \$4,650 to accommodate anticipated price increases for attendance to the Michigan Judges Association. Other modifications include \$3,000 in additional funding for equipment maintenance and \$4,000 for credit card processing fees. Budgeted decreases include a \$6,000 reduction in printing and a \$3,800 reduction in contracted legal services.

Capital - There is no capital proposed for this office.

Expenditure History



Personnel Services Supplies
Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$3,450,040	\$3,786,980	\$3,736,140	\$4,084,850	\$4,084,850
Supplies	84,680	53,720	53,720	60,050	60,050
Other Charges	414,620	555,330	563,520	561,500	561,500
Total	\$3,949,340	\$4,396,030	\$4,353,380	\$4,706,400	\$4,706,400

MISSION STATEMENT: *To govern the testing for appointment, employment, and promotion of Police and Fire personnel.*

KEY GOALS

- *To set requirements for police officer and firefighter applicants that will best serve the interest and well-being of the residents of Sterling Heights.*
- *To keep police officer and firefighter eligibility lists current by initiating the application process in a timely fashion.*
- *To monitor the testing process for new hires and personnel who have applied for certain promotions within the Police and Fire Departments.*

The Act 78 Civil Service Commission is a General Fund activity and is budgeted and accounted in a manner similar to other General Fund activities. The plan of Civil Service as established by Act No. 78 of the Public Acts of 1935, as amended, is incorporated in the Charter of the City and can be changed only by a formal amendment to the City Charter.

The City Clerk acts as ex officio liaison to the Commission and provides the necessary administrative and clerical support.

The Commission governs all aspects of the testing procedures for Police and Fire personnel. From the physical and agility aptitude exams to the written, oral, physiological, and psychological examinations, the Commission has a hands-on interface with the selection of examiners, criteria for examination, and selection of final evaluators. This important role of the Act 78 Civil Service Commission ensures the best candidates are selected for employment. The three members of the Commission serve without compensation during their term.■



Act 78 – Civil Service Commission

2025/26 PERFORMANCE OBJECTIVES

1. To establish a new eligibility list for the Police Department. (City Goal 1, 2, 3)
2. To maintain high eligibility requirements for Police and Fire ensuring new hires can perform to the City's exceptional standards. (City Goal 1, 2, 3, 9)
3. To establish a new eligibility list for the Fire Department. (City Goal 1, 2, 3)
4. To hire 10 firefighters and/or police officers, primarily due to retirements. (City Goal 1, 5, 9)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Minutes of Act 78 Meetings Recorded	8	5	4	5	7	5
	Police Officer Eligibility List Applications	76	34	20	50	50	50
	Firefighter Eligibility List Applications	8	11	8	25	25	25
	Written Tests - Police Officer Eligibility List	76	34	20	50	50	50
	Written Tests - Firefighter Eligibility List	8	11	8	25	25	25
	Oral Interviews - Police Officer Eligibility List	76	34	20	25	25	25
	Oral Interviews - Firefighter Eligibility List	8	11	8	25	25	25
	Physical/Psychological Test - Police/Fire Candidates	43	25	28	25	25	25
Effectiveness	# of Appeals by Candidates/ Terminated Employees	0	0	0	0	1	0
	Activity Expenditures as % of General Fund	0.03%	0.04%	0.03%	0.04%	0.04%	0.04%

Act 78 – Civil Service Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

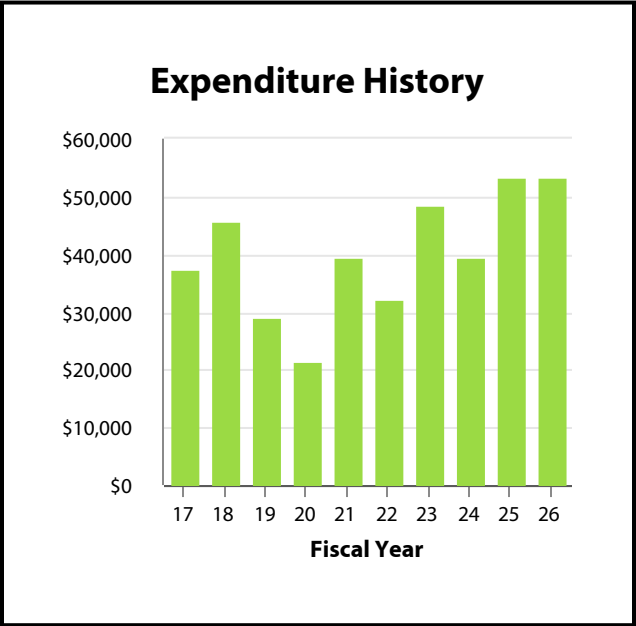
There is no change from the prior year.

Personnel Services - There is no Personnel budget for this commission.

Supplies - Total Supplies are designated at \$100 as expenditures for postage and operating supplies remained consistent.

Other Charges - Total Other Charges remains unchanged with a total budget of \$53,400. This funding is used for recruitment and assessment of potential public safety candidates. This includes medical and psychological examinations.

Capital - There is no Capital proposed for this commission.



Personnel Services
Supplies
Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	0	100	100	100	100
Other Charges	39,500	53,400	53,400	53,400	53,400
Total	\$39,500	\$53,500	\$53,500	\$53,500	\$53,500

The person who says it cannot be done should not interrupt the person who is doing it.

~ Chinese Proverb ~



MISSION STATEMENT: *To serve in an advisory capacity to the City Council for the development of Citywide art programs.*

KEY GOALS

- *To sponsor City events, such as Sterlingfest, that showcase various forms of the performing and visual arts and encourage family entertainment.*
- *To develop an art appreciation program targeted at the City's youth, including programs that encourage creative painting and the visual arts at City events such as Sterlingfest.*
- *To maintain the City's outdoor publicly-owned sculptures to preserve them for future generations.*

Programs and projects sponsored by the Arts Commission are developed in accordance with the goals and objectives set by the City Council and administration.

The Arts Commission's primary responsibility is to consider, study and recommend Citywide art programs. Culture reflects the act of developing social, moral, and intellectual faculties through education. The Commission promotes, coordinates and develops the performing and creative arts by recommending art programs and opportunities.

The "Featured Artist" program reinforces the attitude expressed by the Commission that culture should be appreciated. Throughout the year, local artists are chosen to professionally display their art in a public forum.

The Sterlingfest Art & Music Fair and the accompanying food festival held in Dodge Park brings thousands of area residents together. This festive and family-friendly atmosphere is conducive

to good times and the appreciation of the performing, visual and culinary arts.

The annual Memorial Day Ceremony & Parade honors those men and women who gave their lives for our American freedom. The Arts Commission sponsors this event, as well as Best Float and Band awards for those groups who best display their creativity during the parade event.

The 12 members of the Arts Commission are appointed by the City Council and serve without compensation. The Community Relations Director serves as the liaison.■



Arts Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

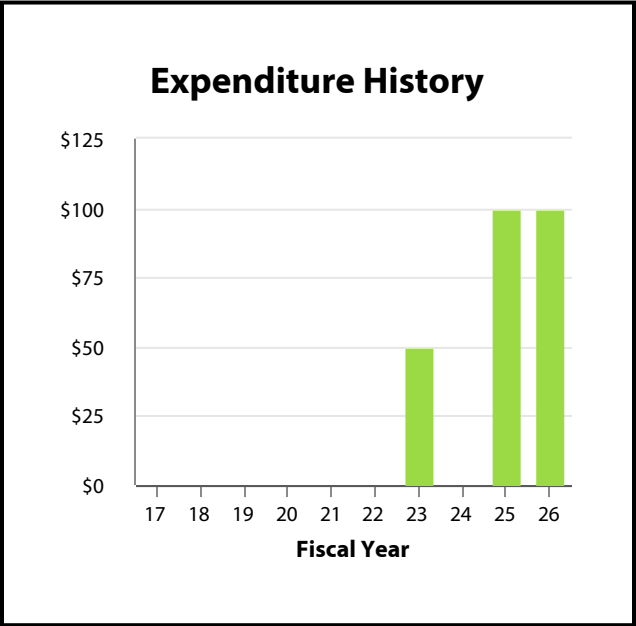
There is no change from the prior year.

Personnel Services - There is no Personnel budget for this commission.

Supplies - There is no Supplies budget for this commission.

Other Charges - Total Other Charges of \$100 is for membership in the Anton Art Center.

Capital - There is no Capital proposed for this commission.



Personnel Services Supplies Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	0	0	0	0	0
Other Charges	0	100	100	100	100
Total	\$0	\$100	\$100	\$100	\$100

MISSION STATEMENT: *To promote public interest in the general improvement of the City's appearance.*

KEY GOALS

- *To recognize and honor those individuals who take the initiative to beautify their properties.*
- *To sponsor educational programs to teach students how to beautify their City.*
- *To partner with other communities to inform residents of ways to beautify their communities.*

Residents and owners of all property within the City of Sterling Heights are encouraged to accept basic responsibilities in preserving and enhancing the beauty of public and private properties. An annual awards program assists the Beautification Commission in promoting its mission throughout the City. Nominations are submitted annually for properties in Sterling Heights that exemplify the enhancement of both public and private properties. The Commission reviews these nominations and those that are worthy of the award receive Citywide recognition.

Special projects are organized and coordinated to lead the way for residents to follow suit. Environmental awareness education for residents tops the list of priorities. The Beautification Commission initially proposed the City's recycling centers. This landmark project has gained Citywide acceptance and resident participation.

The Beautification Commission recommends the planting and preservation of trees, flowers, plants, and shrubbery, as well as the placing of other ornamentation throughout the City. The Beautification Commission also promotes public education for the disposal of litter in our

community through its contacts with schools, scouting troops and businesses. This is accomplished through programs such as "Adopt a City Road".

The 12 member Commission includes a variety of City residents appointed by the City Council. The Community Relations Director serves as staff liaison to the Beautification Commission, coordinating its activities within City guidelines. The Commission was established pursuant to Ordinance No. 145. The Commission sets a specific budget for purposes of funding programs and projects.■



Beautification Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

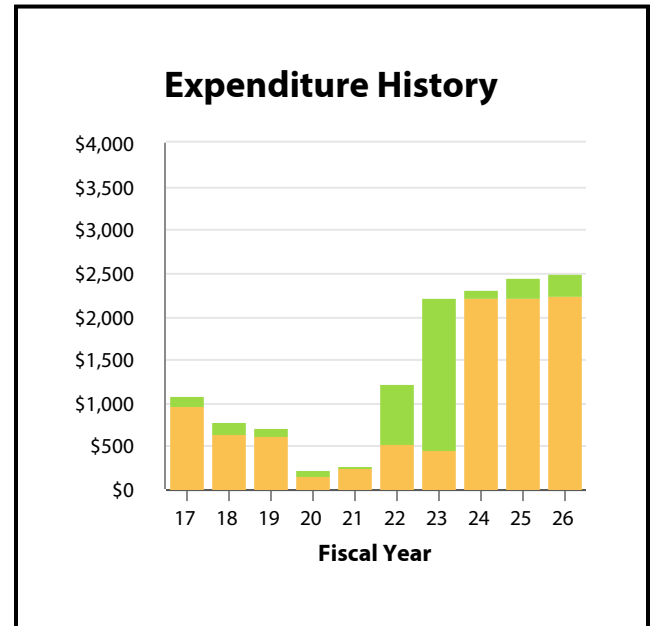
The total budget increased by 2.0%.

Personnel Services - There is no Personnel budget for this commission.

Supplies - Total Supplies increased \$20 or 0.9% for the supplies for the SHINE initiative. The Sterling Heights Initiative for Neighborhood Excellence (SHINE) organizes city-wide cleanup events.

Other Charges - Total Other Charges increased \$30 or 13.6%. There are no significant changes to this budget.

Capital - There is no Capital proposed for this commission.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	2,210	2,230	2,230	2,250	2,250
Other Charges	110	220	220	250	250
Total	\$2,320	\$2,450	\$2,450	\$2,500	\$2,500

MISSION STATEMENT: *To invest plan assets prudently while meeting or exceeding actuarial liabilities, while insuring timely and proper distribution of benefits to which plan participants are entitled.*

KEY GOALS

- *To monitor investments and liabilities to ensure proper matching while making necessary adjustments to maintain proper balance and long-term funding levels.*
- *To develop and follow procedures whereby plan participants receive the benefits to which they are entitled by contract and/or ordinance.*
- *To provide adequate communication to members of the retirement system so that they know how their funds are managed and what to expect at retirement.*

The General Employees Retirement (GERS) Board activity was established with the authority to administer, manage, and operate the retirement system following the provisions established by the retirement ordinance referenced in the City Charter and Code of Ordinances. The mission of the GERS Board is to ensure that the assets of the retirement fund are invested in a safe and prudent manner, yielding the highest possible return on the investment of the funds. The Board is also responsible for calculation of retiree benefits. Board meetings are held on the third Thursday of every month at 2:00 p.m. in City Hall. These are public meetings with the agenda posted by the end of the week prior to each meeting.

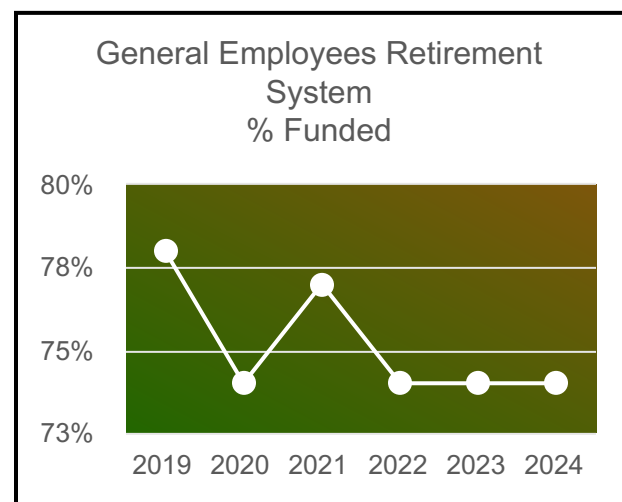
Assets in the fund as of June 30, 2024 total a market value of 107,602,473, while the City's contribution for the 2025/26 fiscal year will be \$4,570,393. The fund is now 74% funded.

The Board has established the following asset allocation guidelines:

Large cap equities	23 %
Small Midcap equities	15 %
International equities	20 %
Fixed Income	20 %
Real Estate Investment Trust	2 %
Infrastructure	2 %
Alternative Investments	12.5 %
Cash	0 %

There are currently 356 retirees receiving benefits from the fund and 54 active members of the system. As of June 30, 2018, all active members were vested.

Five members serve on the GERS Board. The officers include the Finance & Budget Director as the Board Secretary and the City Treasurer as the Treasurer of the retirement system and asset custodian. A resident is appointed by City Council to serve on the Board while two employee representatives are elected for staggered three-year terms by members of the General Employees Retirement System. An attorney designated by the Board acts as legal advisor while the Pension Administrator serves as the pension board liaison.■



General Employees Retirement Board

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

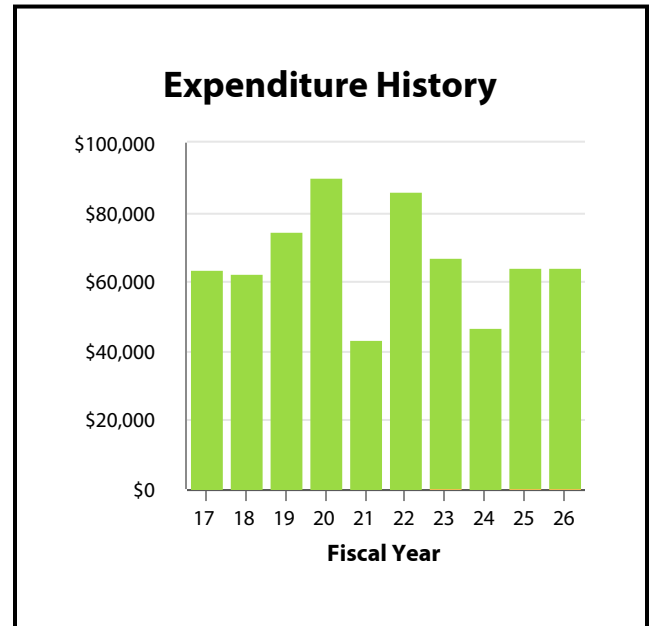
The total budget remains unchanged.

Personnel Services - There is no Personnel budget for this board.

Supplies - Total Supplies is unchanged with a total budget of \$300 for postage and other supplies.

Other Charges - Total Other Charges remains unchanged from the prior year with a total budget of \$63,800. Allocations to various budget items did change. \$6,400 was reallocated from legal service charges to audit services, training funds and other miscellaneous fees.

Capital - There is no Capital proposed for this board.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	240	300	350	300	300
Other Charges	46,390	63,800	53,300	63,800	63,800
Total	\$46,630	\$64,100	\$53,650	\$64,100	\$64,100

MISSION STATEMENT: *To budget and account for general expenditures not assigned to specific users within the City due to their non-specific nature.*

KEY GOALS

- *To provide a means of accounting for certain unallocable citywide expenditures which benefit all City departments or the public at large.*
- *To provide a means of accounting for certain benefits to residents such as street lighting, auditing costs, and citywide memberships.*
- *To provide a means of budgeting and accounting for citywide liability insurance coverage.*

The General Expenditures activity of the General Fund is used to budget and account for all general expenditures that are incurred throughout the fiscal year. This activity is a budgetary center within the General Fund. Expenditures are charged to this activity because of the inability to properly reflect the expenditures in any other activity. This situation exists when an expenditure is incurred by the City in which benefit is realized by more than one activity. Rather than allocate the expense over the many activities in the City, it is much simpler and more auditable to charge it to an activity specifically set up for this type of expenditure - the General Expenditures activity.

Examples of these types of expenditures include employee unemployment compensation costs, postage for City publications and miscellaneous bulk mailings, and operating supplies for the copiers used throughout the City.

Other Charges, such as audit and accounting services for the annual year-end financial report and contracted services for potential studies and reports

are included in this activity. City street lighting, all liability and property insurance for the City, and citywide memberships and dues are other items of interest found in this activity.

The General Expenditures activity is its own budgetary center. If, and when, amendments are necessary to this activity, approval must be received from City Council before the adjustment is made. This budgetary center rarely requires any formal budget amendment.■



General Expenditures

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 3.4%.

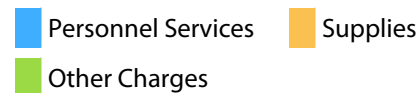
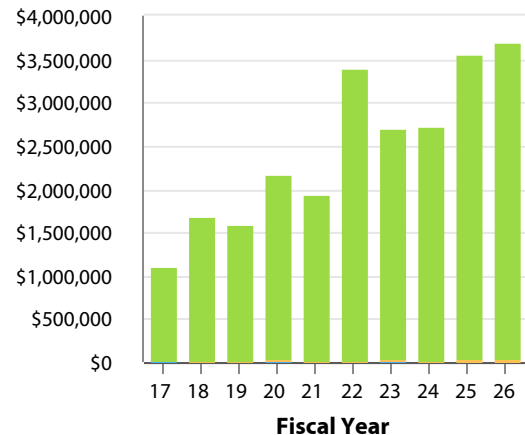
Personnel Services - There is no change to Personnel Services. Unemployment claims are expected to remain consistent.

Supplies - Total Supplies increased \$700 or 2.6%. This is for expected inflationary increases for office supplies.

Other Charges - Total Other Charges increased \$120,470 or 3.4% primarily due an increase in street lighting costs due to the completion of Mound Road. Street lights had been turned off sporadically during the construction and now the road is fully lit.

Capital - There is no Capital proposed for this cost center.

Expenditure History



CITY COUNCIL ADJUSTMENTS TO PROPOSED BUDGET

Other Charges - Street lighting expenditures were increased by \$45,000 to account for additional lighting on Metro Parkway.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$10,980	\$10,000	\$5,000	\$10,000	\$10,000
Supplies	14,630	26,650	26,650	27,350	27,350
Other Charges	2,697,950	3,530,280	3,528,250	3,605,750	3,650,750
Total	\$2,723,560	\$3,566,930	\$3,559,900	\$3,643,100	\$3,688,100

MISSION STATEMENT: *To foster an understanding and appreciation of local history and to identify the heritage of our City.*

KEY GOALS

- *To increase public knowledge about local history and historic preservation.*
- *To collect and archive historic photographs.*
- *To collect, maintain, and promote a Sterling Historical Collection in the Upton House Museum and the Library.*
- *To promote cooperation and resource sharing with local, state, and national preservation organizations.*

The Historical Commission strives to promote an awareness of the community's heritage; to identify local preservation concerns; to attend workshops and seminars relating to preservation management; to study public policies designed to protect and preserve local history; and to provide opportunities for residents to share and shape their historical legacy.

Through membership in the Macomb County Heritage Alliance, the National Council on Public History, and the Historical Society of Michigan, the Commission works to expand its perceptions and knowledge of current practices in the field of local history. It keeps informed of state and federal legislation, as well as identifies sources of funding such as grants and endowments.

The Historical Commission has the responsibility to identify structures and sites of historic significance; to study the value of their preservation, and to make recommendations for future use. The Residential Date Plaque Award Program, established in 1992, has recognized 33 homes of historic value in Sterling Heights as identified by age and architectural significance.

To encourage an appreciation of local history, the Sterling Heights Historical Commission is also responsible for the development of the Sterling Historical Collection in the Upton House Museum. The Commission collects and exhibits items reflecting life and times in our community since its inception as a township in 1835.

The Commission, in partnership with the Friends of the Library, produced a book on local history entitled, *Seven Miles from Home: An Oral History of Sterling Township, a Michigan Farm Community*. In addition, in partnership with the Public Library, the Commission authored *Sterling Township: 1875 - 1968*, a pictorial history. Most recently, the Commission published the book, *Sterling Heights* in Arcadia's Images of America series. The book is authored by Debra Vercellone, a retired Librarian from the Sterling Heights Public Library, and is a tribute to the City's 50th Anniversary.

The seven member Historical Commission acts in an advisory capacity to the City Council. Members serve uncompensated terms of three years. The Commission, established in 1970, meets bi-monthly. The Library Director is the staff liaison, relating the activities of the Commission to City Administration. ■



Historical Commission

2025/26 PERFORMANCE OBJECTIVES

1. To increase visitors to the Upton House Museum by 10% through improved promotion and increased open hours. (City Goal 1, 19)
2. To provide a historical display at the Sterling Heights Community Center that is replaced quarterly. (City Goal 1, 19)
3. To provide three historical programs annually for residents in collaboration with the library. (City Goal 1, 19)

Output	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
	Meetings Held	6	6	6	6	6	6
	Museum Hours Open	195	198	181	210	210	210
	Programs/Lectures on Local History Topics	3	2	2	2	2	2
	Professional Memberships	3	3	3	3	3	2
	Historic Photographs and Memorabilia Collected	37	25	21	20	20	20
	Program/ Museum Attendance	691	505	1,387	700	1,100	1,100

Historical Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

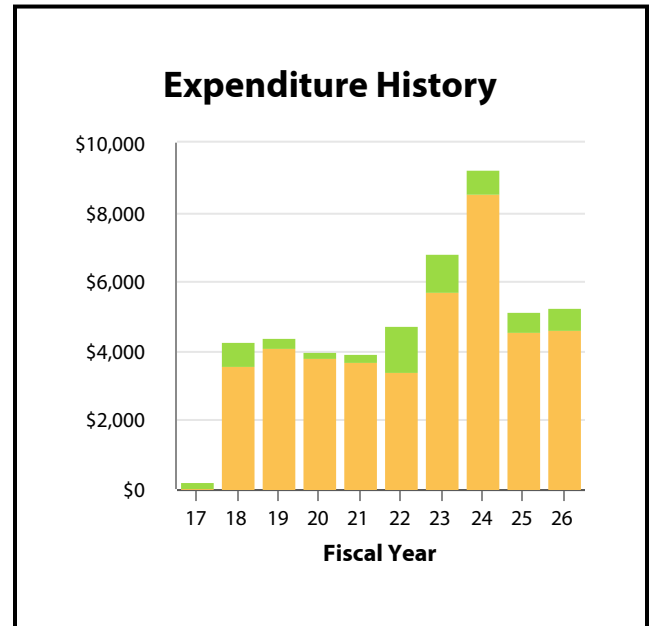
The total budget increased by 1.9%.

Personnel Services - There is no Personnel budget for this commission.

Supplies - Total Supplies increased \$100 or 2.2% to cover inflationary increases to office supplies.

Other Charges - Total Other Charges maintains a total budget of \$600. No changes were made from the prior year's budget.

Capital - \$15,000 is proposed for Upton House repairs to the porches and upper and lower railings.



■ Personnel Services
 ■ Supplies
 ■ Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	8,570	4,550	4,550	4,650	4,650
Other Charges	680	600	600	600	600
Total	\$9,250	\$5,150	\$5,150	\$5,250	\$5,250

MISSION STATEMENT: *To provide all legal services, legal support, and advice to the City Council, City Manager, and City employees in a prompt, professional manner.*

KEY GOALS

- *To provide legal services in an efficient, competent and cost effective manner.*
- *To identify key legal priorities of the City.*
- *To assist the City Council and other Boards and Commissions regarding legal issues that may arise at meetings.*
- *To establish legal procedures, guidelines and standards in support of the City Council and City Administration's missions and goals.*
- *To provide advice and counsel regarding developing state and federal legislation, as well as recent court decisions.*

The Legal activity is used to account for all legal services charged to the General Fund.

The City Attorney is appointed by the City Council and serves as legal advisor and counsel for the City Council and City Manager. When requested, he advises City department directors and administrators on legal matters.

The City Attorney prosecutes District Court ordinance and traffic violations, and represents the City in court cases and other legally constituted tribunals as the City Council may request. The City Clerk keeps copies of all written legal opinions, records, and files relating to City matters.

The City Attorney prepares and reviews all ordinances, contracts, bonds, and other written

instruments that are submitted by either the City Council or City Manager. All new and modified matters of law and changes in the developments affecting the City are called to the attention of the City Council and City Manager after review by the City Attorney's office.

The City Attorney bills the City on a monthly basis for services rendered. These itemized billings are distributed to those activities that received benefit from the legal services. Administrators review the bills for accuracy and seek clarification from the Financial Services office if discrepancies arise. The General Fund charges will be ultimately expended to the Legal activity in the Legal Services - City Attorney account. This method of accounting for legal services has been determined to be superior to the past practice of recording expenditures in each specific activity. Centralized monitoring is more practical using the current method.

Anticipated payment for outside legal services is also budgeted in this activity. These services include a labor attorney and fees paid to visiting judges.■



Legal

2025/26 PERFORMANCE OBJECTIVES

1. To identify, research, and prepare new ordinances that will serve to update the City Code and improve the effectiveness and efficiency of the affected City department. (City Goal 6, 7)
2. To update legal procedures, guidelines, and standards in support of the City Council and City Administration's missions and goals. (City Goal 6, 7)
3. To identify and inform City Council and City Administration on charges in state and federal legislation impacting the City. (City Goal 7)
4. To provide legal counsel and aggressively pursue litigation against operations, businesses, and individuals causing nuisance conditions to exist within the City that affect the health, safety, and welfare of residents and the surrounding community. (City Goal 4, 7, 21)
5. To mitigate and aggressively defend all liability claims alleged against the City and its personnel in order to minimize exposure to damages and costs of litigation. (City Goal 7)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	District Court Cases (Est.)	7,606	8,500	8,500	8,500	11,750	11,000
	Legal Opinions Rendered	7	6	4	8	10	8
	Ordinances and Amendments Prepared	8	10	10	10	10	15
	Commission Meetings Attended	38	45	34	32	32	34
	Council Meetings Attended	25	27	28	26	26	28
	Number of Open Lawsuits	13	29	21	25	25	25
	Number of Closed Lawsuits	59	31	11	15	12	12
	Number of Files Opened	66	38	54	45	45	45
	Number of Files Closed	148	55	17	25	50	25
	Legislative Issues Reviewed	85	68	60	65	65	60
	Number of Illegal Grow Operations Shut Down	210	30	1	N/A	10	10
	Number of Illegal Grow Operation Lawsuits Filed	45	17	1	5	2	5
	Hours Spent on City Business	8,782	8,163	8,207	8,250	8,250	8,500
Efficiency	% Opinions Replied to on Agreed Schedule	100%	100%	100%	100%	100%	100%
	% Resolutions Drafted on Agreed Schedule	100%	100%	100%	100%	100%	100%
	% Contracts Drafted on Agreed Schedule	100%	100%	100%	200%	200%	200%
	Activity Expenditures as % of General Fund	0.84%	0.88%	0.84%	0.85%	0.85%	0.82%

Legal

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

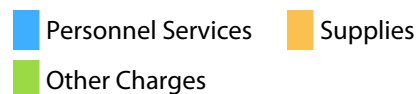
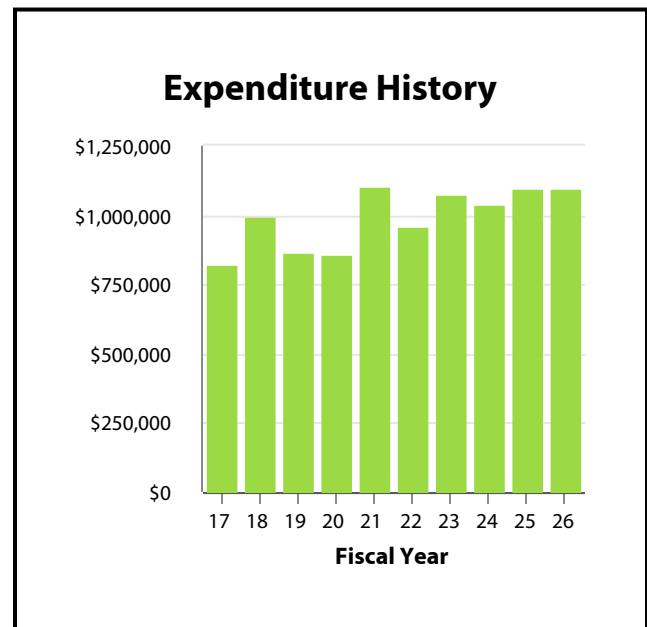
There is no change from the prior year.

Personnel Services - There is no Personnel budget for this cost center.

Supplies - There is no Supplies budget for this cost center.

Other Charges - Total Other Charges remain unchanged. Funding for the City attorney's professional legal services totals \$1,020,000 and funding for other legal services, primarily for an outside labor attorney, is proposed at \$75,000.

Capital - There is no Capital proposed for this cost center.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	0	0	0	0	0
Other Charges	1,039,960	1,095,000	1,095,000	1,095,000	1,095,000
Total	\$1,039,960	\$1,095,000	\$1,095,000	\$1,095,000	\$1,095,000

MISSION STATEMENT: *To develop and adopt a Master Land Use Plan for the physical growth and development of the City, review and approve public development proposals and develop and implement zoning and subdivision regulations.*

KEY GOALS

- ***To prepare and maintain the City's Master Land Use Plan.***
- ***To prepare and implement zoning regulations affecting the use of land to protect the health, safety, and welfare of the public.***
- ***To prepare and implement subdivision regulations related to the subdividing or platting of land.***
- ***To provide technical review and recommendations on rezonings, site plans, special approval land uses, temporary uses, special development options, and subdivision plats.***

Ordinance No. 113 adopted in August of 1968 established the Planning Commission. The City Council appointed Commission consists of nine members who serve terms not exceeding three years without reappointment. The Commission is an activity within the General Fund charged with several key responsibilities. The mission of the Planning Commission involves the preparation of a Master Land Use Plan for the physical development of the City. In furthering the policies and objectives of the adopted Master Land Use Plan, the Planning Commission is also empowered to review and approve a comprehensive Municipal Improvement Program (MIP) for public structures and improvements.

Similarly, the Planning Commission reviews and approves the development plans on all parks in accordance with the City's adopted Recreation Plan and Municipal Improvement Program.

The Planning Commission reviews and approves subdivision plats of land for conformity with various elements of the Master Land Use Plan and adopted City ordinances. The Commission also provides recommendations to the City Council on amendments to the Zoning and Subdivision Regulation Ordinances. The Commission reviews and recommends plans related to municipal facilities.

The review and approval of special land uses, temporary uses, and temporary buildings are also included among the key responsibilities of the Planning Commission. Recommendations are provided to the City Council relative to proposed projects under the federal Community Development Block Grant (CDBG) Program.

The members of the Planning Commission are compensated as appointed officials. Much of its budgeted expenditures are related to the recording services for the meetings; the publishing of notices or minutes; education and training; and other related matters.

The City Planning Commission adopted a new Master Land Use Plan in February 2017 after nearly two (2) years of development and input. The previous Master Land Use Plan was adopted in May 2005 with amendments in 2007 and 2009.■



Planning Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 6.4%.

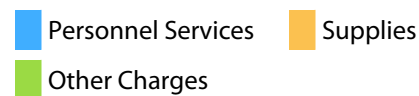
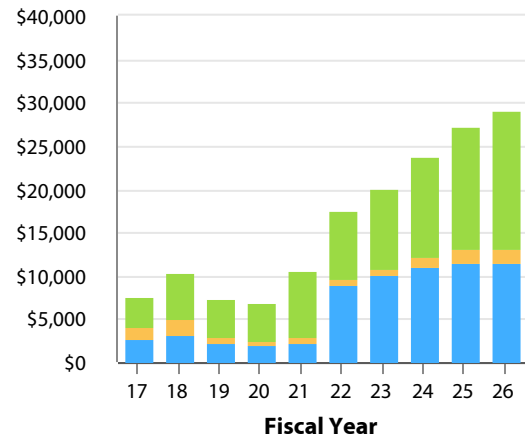
Personnel Services - The total Personnel budget remains the same at \$11,650 and provides funding for meeting stipends for Planning Commissioners.

Supplies - Total Supplies increased by \$150 or 10.3%. This funding will be used for zoning and planning related publications.

Other Charges - Total Other Charges increased \$1,600 or 11.2%. Additional funds were added to the training budget to allow board members to attend a national planning conference being held in Detroit in the upcoming year.

Capital - There is no Capital proposed for this commission.

Expenditure History



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$11,110	\$11,650	\$11,650	\$11,650	\$11,650
Supplies	1,230	1,450	1,650	1,600	1,600
Other Charges	11,360	14,250	14,250	15,850	15,850
Total	\$23,700	\$27,350	\$27,550	\$29,100	\$29,100

MISSION STATEMENT: *To serve in an advisory capacity to the City Council, City Administration and other applicable City Boards and Commissions for making decisions on projects, programs and funding that are in line with defined goals and objectives that will help guide, protect, sustain and enhance the human, natural and built environments of the City into the future.*

KEY GOALS

- *To develop and present a citywide sustainability plan for City Council adoption that will provide overarching principles for making sustainable decisions.*
- *To prioritize sustainable goals and objectives for the City Council and City Administration to review and implement in decision-making processes.*

The Sustainability Commission's primary responsibility is to prioritize goals and objectives for sustainable practices within the City, which will then be utilized by City Council, Administration and other Boards and Commissions to make decisions that may impact the environment either directly or indirectly.

The Sustainability Commission developed the City's first Sustainability Plan that was adopted in 2021. The Sustainability Plan is designed to guide the City moving forward in all aspects of sustainability including, but not limited to, natural assets, sustainable mobility, sustainable development and land use, and environmental stewardship.

The Sustainability Commission is tasked with providing input to any Board or Commission that is seeking consultation on sustainable best practices relative to their subject matter. In addition, the Commission will also proactively provide recommendations on implementing sustainable

practices to City Administration and other Boards and Commissions, for their consideration.

The Sustainability Commission is made up of nine members appointed by the City Council. This Commission is also unique in that its structure allows for additional liaisons from regional and county planning authorities. The Commission members serve without compensation. The City liaison to the Commission is the City Planner.■



Sustainability Commission

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

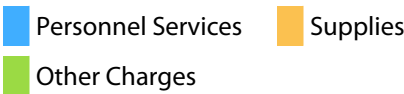
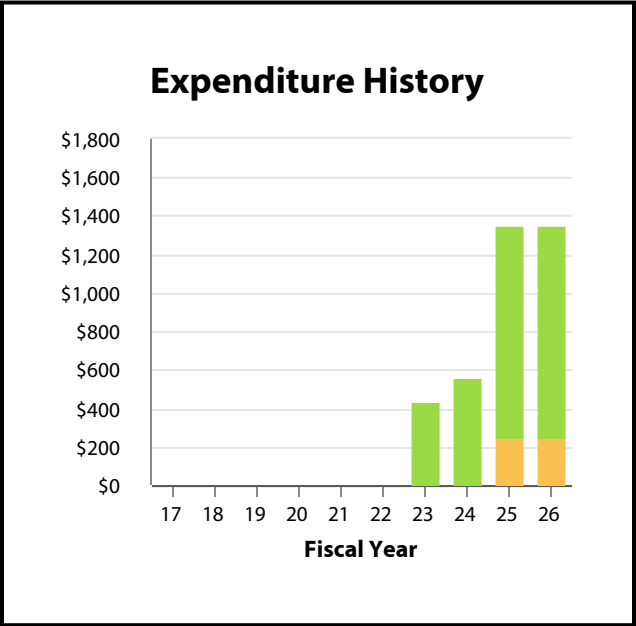
The total budget remained the same.

Personnel Services - There is no Personnel budget for this commission.

Supplies - Total Supplies is proposed to remain the same at \$250. These funds are used to purchase meeting supplies.

Other Charges - Total Other Charges is proposed to stay the same at \$1,350. This allows board members to be part of the Michigan Recycling Coalition and attend events.

Capital - There is no Capital proposed for this commission.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	0	250	250	250	250
Other Charges	560	1,100	1,100	1,100	1,100
Total	\$560	\$1,350	\$1,350	\$1,350	\$1,350

MISSION STATEMENT: *To facilitate the accountability of revenues and expenditures by providing a means of tracing the transfer of monies from one fund to another.*

KEY GOALS

- *To provide a system to track monies out of one fund and into another.*
- *To accurately transfer out monies in order to provide the appropriate level of funding to allow the receiver fund to pay its obligations.*

the millage will only be used to fund the new services and amenities in the *Recreating Recreation Plan*.

The Transfer Out to the Major Road Fund totals \$500,000, and allows for additional investments in emergency major road repair.■

The Transfers Out activity in the General Fund is used to account for the outgoing transfers of funds to support other City funds. The expenditure in this activity is offset in its entirety by a revenue source in the fund receiving the transfer.

This fiscal year, four transfers are budgeted from the General Fund totaling \$12,175,150. They include a transfer to the Capital Projects Fund, the Limited Tax General Obligation Debt Service Fund, the Parks & Recreation Fund, and the Major Road Fund.

The \$5,466,900 Transfer Out to the Capital Projects Fund will be used for the funding of budgeted equipment, vehicles, information technology capital items, and capital projects.

The \$2,960,350 General Fund transfer to the Limited Tax General Obligation Debt Service Fund will be used for the debt payments on the 2018 Facilities Improvement bond, and the 2019 Capital Improvement bond for the new Public Works Building.

The \$3,247,900 General Fund transfer to the Parks & Recreation Fund will fund the pre-existing expenses of the Department prior to the passing of the *Recreating Recreation* millage and the additional expenses incurred for park maintenance. This transfer ensures that the revenue generated from

Transfers Out

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 6.4%.

Personnel Services - There is no Personnel budget for this cost center.

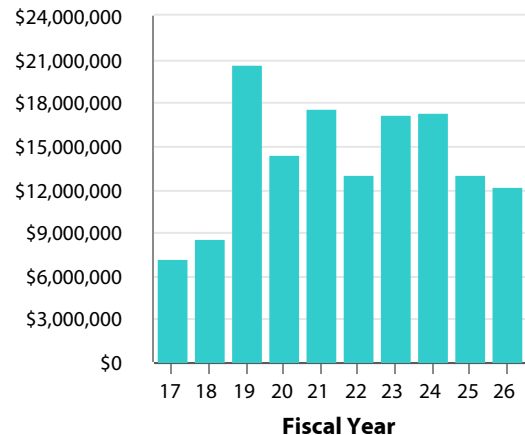
Other Charges - There is no Other Charges budget for this cost center.

Transfers Out - Transfers Out to other City funds total \$12,175,150. Transfers to the Capital Projects Fund total \$5,466,900 for the funding of equipment, vehicles, information technology capital items, and capital projects. ***A listing of all proposed equipment, vehicles, and projects can be found in the Capital schedules within the Capital Projects section of this budget document.***

Transfers to the Limited Tax General Obligation Debt Service Fund total \$2,960,350. This transfer will fund the debt payments on the 2018 Facilities Improvement Bond and the 2019 Capital Improvement Bond for the DPW facility.

Transfers to the Parks & Recreation Fund total \$3,247,900 to fund parks & recreation expenditures not funded through the Recreating Recreation millage. More detail on these expenditures can be found in the Special Revenue section of this document.

Expenditure History



Transfers Out

A transfer to the Major Road Fund is budgeted for \$500,000 for additional funding that will be utilized for major road projects.

CITY COUNCIL ADJUSTMENTS TO PROPOSED BUDGET

The Transfer Out to Capital Projects was increased by \$488,700 to fund parking lot improvements at Donovan Park and a stormwater utility feasibility study.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Other Charges	0	0	0	0	0
Transfer Out	17,308,530	13,010,500	13,010,500	11,686,450	12,175,150
Total	\$17,308,530	\$13,010,500	\$13,010,500	\$11,686,450	\$12,175,150

MISSION STATEMENT: *To hear and act upon appeals on various zoning matters related to the development and use of land in the City and to provide ordinance interpretation.*

KEY GOALS

- *To review and act upon use and dimensional variances to the City's Zoning Ordinance.*
- *To hear appeals in regard to special land uses and planned unit developments.*
- *To hear and act upon appeals made from a review, order, requirement, decision or determination made by a public body or official administering the Zoning Ordinance.*
- *To hear and act upon questions referred to the Board that may arise from the administration of the Zoning Ordinance including ordinance interpretation, standards review and the zoning district map.*

The Zoning Board of Appeals was established in accordance with Zoning Ordinance No. 278. The Board performs its duties and exercises its powers as provided in Act 110 of the Public Acts of 2006, as amended. Execution of its duties are performed in such a way that the objectives of the Zoning Ordinance shall be observed and met, public safety secured, and substantial justice done. The Zoning Board of Appeals consists of seven members appointed by City Council for a term of three years.

The Zoning Board of Appeals enjoys all the powers granted to it by both State law and Ordinance No. 278, which includes certain specific powers. Ordinance and map interpretations, modification of height, wall, buffering, screening and landscape requirements, modification of vehicle parking stalls, loading area and placement regulations, and the granting of use variances are specific examples of power granted to this Board.

The members of the Board are compensated as appointed officials. Much of its budgeted expenditures are related to the recording services for the meetings; the publishing of notices or minutes; education and training; and other related matters.

Zoning Board of Appeals meetings are open to the public except those authorized to be conducted in closed session pursuant to the Open Meetings Act. The public is afforded the opportunity to speak at any public hearing in accordance with the Rules of Procedure and Bylaws of the Board. No business is conducted unless a majority of the members are present.

If the Board approves a variance, it shall remain in effect only as long as the facts and circumstances, as presented, continue to exist and conditions attached to the approval are satisfied and maintained. If the variance is not exercised within 12 months from the date it was granted, the variance shall lapse.

The appeal process begins by filing a notice of appeal accompanied by an application fee. The notice of appeal must specify the requirement from which a variance is sought and the nature and extent of such variance. An official record is prepared for each appeal upon which the Board has based a decision. ■



Zoning Board of Appeals

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

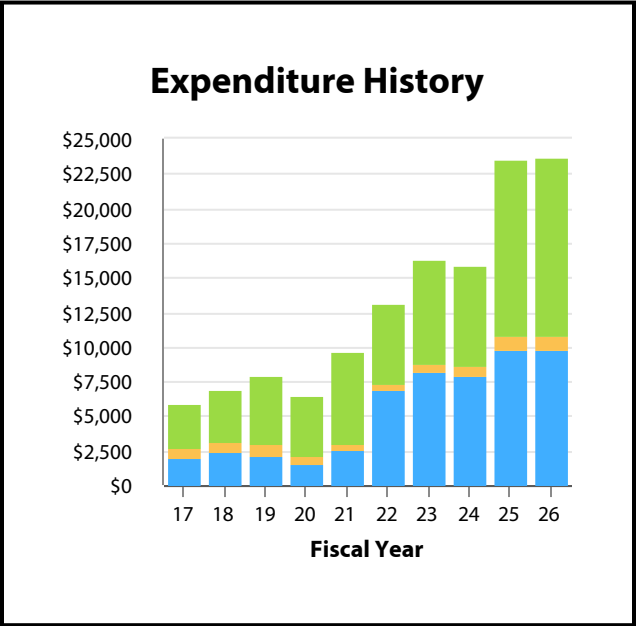
The total budget increased by 0.2%.

Personnel Services - The total Personnel budget remains the same at \$9,850 and provides funding for meeting stipends for Zoning Board Commissioners.

Supplies - The total Supplies budget remained the same with total funds of \$1,050 allocated for meeting supplies and postage.

Other Charges - Total Other Charges increased \$50 or 0.4% to cover increased cost of membership to the Michigan Association of Planning.

Capital - There is no Capital proposed for this board.



Personnel Services Supplies Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$7,930	\$9,850	\$9,850	\$9,850	\$9,850
Supplies	800	1,050	1,050	1,050	1,050
Other Charges	7,230	12,700	11,300	12,750	12,750
Total	\$15,960	\$23,600	\$22,200	\$23,650	\$23,650

Water & Sewer Fund



The Water & Sewer Fund is an Enterprise Fund responsible for operation of the City's combined water supply and sewage disposal system. The fund is used to finance the cost of providing services to residents through user fees. Activities that make up the Water & Sewer Fund include Water & Sewer Administration, Water Distribution, and Sewage Collection.

WATER & SEWER SYSTEM

OPERATING FUND REVENUES & EXPENSES

Budgetary Centers	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted
REVENUES						
Water & Sewer Service	\$55,380,880	\$54,943,780	\$60,530,800	\$58,163,190	\$63,184,800	\$63,184,800
Billing Credits - Auto Pay	(27,230)	(203,420)	(225,000)	(300,000)	(330,000)	(330,000)
Penalties & Interest	729,280	827,840	730,000	850,000	850,000	850,000
Hydrant Rental	182,430	187,900	193,500	193,500	197,350	197,350
Interfund Service	115,410	72,200	69,650	69,650	80,450	80,450
Tap and Meter Revenue	193,120	230,620	230,000	260,000	250,000	250,000
Repair and Service	108,910	45,660	90,000	50,000	50,000	50,000
Inspection Fees	12,600	12,100	15,000	15,000	15,000	15,000
Turn-On Charge	12,920	8,820	10,000	10,000	10,000	10,000
Ind./Pollution Surcharge	392,250	403,400	400,000	400,000	400,000	400,000
Sale of Fixed Assets	(66,370)	92,790	0	25,000	12,000	0
Miscellaneous	521,150	422,040	180,000	145,000	145,000	145,000
Interest on Investments	418,830	630,770	525,000	600,000	500,000	500,000
Total Revenues	\$57,974,180	\$57,674,500	\$62,748,950	\$60,481,340	\$65,364,600	\$65,364,600
EXPENDITURES						
WATER & SEWER ADMIN.						
Personnel Services	\$1,328,780	\$1,298,420	\$1,563,220	\$1,555,100	\$1,685,650	\$1,685,650
Supplies	16,550	14,620	17,000	18,500	17,600	17,600
Other Charges	3,509,460	3,564,340	3,892,900	3,884,200	4,417,450	4,417,450
Total Expenses	4,854,790	4,877,380	5,473,120	5,457,800	6,120,700	6,120,700
WATER DISTRIBUTION						
Personnel Services	\$1,935,640	\$1,851,890	\$2,205,240	\$2,186,810	\$2,264,250	\$2,264,250
Supplies	239,520	201,620	341,000	341,000	350,100	350,100
Other Charges	17,723,070	17,357,440	18,558,250	18,317,780	19,415,500	19,415,500
Capital Outlay	186,200	164,360	815,730	1,029,040	95,000	95,000
Debt Service	1,401,820	1,402,240	1,403,450	1,403,450	1,403,450	1,403,450
Total Expenses	21,486,250	20,977,550	23,323,670	23,278,080	23,528,300	23,528,300
SEWAGE COLLECTION						
Personnel Services	\$2,034,960	\$2,113,990	\$2,439,700	\$2,417,000	\$2,499,350	\$2,499,350
Supplies	80,660	69,470	75,000	75,000	76,550	76,550
Other Charges	21,653,380	22,655,990	23,825,750	23,352,140	24,999,300	24,999,300
Capital Outlay	398,690	291,750	338,650	315,650	91,800	91,800
Debt Service	6,939,930	7,195,300	6,957,750	7,089,300	7,572,650	7,572,650
Total Expenses	31,107,620	32,326,500	33,636,850	33,249,090	35,239,650	35,239,650
Total Operating Expenses	\$57,448,660	\$58,181,430	\$62,433,640	\$61,984,970	\$64,888,650	\$64,888,650

Note: Actual Revenues exclude Capital and Frontage charges.
Actual expenditures exclude depreciation.

STATE & LOCAL RETURNS

This source of revenue is comprised of grants from the Federal, State, and/or County levels of government. In fiscal year 2025/26 there is no grant funding budgeted.

CHARGES FOR SERVICES

Charges for Services consists of revenue received from individuals, businesses, and other City funds. These monies are collected based on the rates set annually for water and sewer services and are used to reimburse the Water & Sewer Fund for services provided to water and sewer customers, funds, or other departments. The primary revenue accounts within this revenue center include Water Services and Sewage Collections.

In the 2025/26 Budget, Charges for Services revenue totals \$64.4 million and represents 98.5% of total revenue sources, an increase of \$2.6 million.

Proposed Water & Sewer rates include a 7.3% increase to cover system cost increases. In 2025/26, the Great Lakes Water Authority's rates to the City will increase by 5.9% and the Macomb County sewer charges and debt service costs are increasing 4%. City personnel, supply and equipment costs are also increasing as detailed on the following pages.

The average residential customer will pay approximately \$81 per month for water & sewer services.

Despite the increase, Sterling Heights customers continue to receive clean, reliable water at a great value. The proposed rate changes will result in a monthly water & sewer cost for the average residential user of just \$81 per month and the City will continue to have one of the lowest rates of our surrounding Macomb County communities.

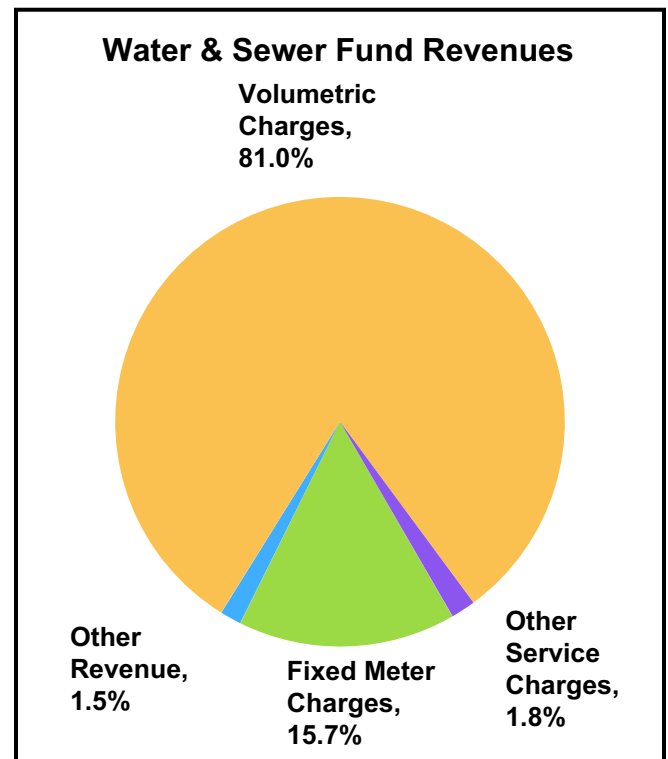
OTHER REVENUE

The revenue source of Other Revenue includes revenues that cannot be easily classified in other revenue centers. Included in this revenue center are Interest on Investments, Reimbursements, and Miscellaneous Revenue.

In the 2025/26 Budget, Other Revenues represents 1.5% of total revenue sources, a decrease of \$28,000. This decrease is primarily due less expected investment interest.

CONTRIBUTION TO (USE OF) NET ASSETS

In the 2025/26 Budget, revenues exceed expenses by \$475,950, allowing for a contribution to net assets to continue to build up water and sewer reserves.■



Total Water & Sewer Fund Revenue of \$65,364,600

WATER & SEWER FUND

REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
540000	<u>STATE & LOCAL RETURNS</u> State Grants	\$0	0.00	\$0	0.00	\$0	0.00
	Total State & Local Returns	0	0.00	0	0.00	0	0.00
	<u>CHARGES FOR SERVICES</u>						
627014	Water Tap Fees	105,930	0.18	100,000	0.16	100,000	0.15
627015	Sewer Tap Fees	62,200	0.11	30,000	0.05	50,000	0.08
627016	Meter Charges	62,490	0.11	100,000	0.16	100,000	0.15
627017	Inspection	12,100	0.02	15,000	0.02	15,000	0.02
627018	Water & Sewer Services	26,520	0.05	40,000	0.06	30,000	0.05
627019	Hydrant Rental - Fire Department	187,900	0.33	193,500	0.31	197,350	0.30
627020	Turn-On Charge	8,820	0.02	10,000	0.02	10,000	0.02
636003	Administrative Services - Refuse	72,200	0.13	69,650	0.11	80,450	0.12
636008	Labor Services - Roads	19,140	0.03	50,000	0.08	20,000	0.03
642000	Water Services	16,160,360	28.02	19,231,000	30.65	19,628,800	30.03
642001	Fixed Charges - Water	5,621,870	9.75	5,911,200	9.42	6,369,100	9.74
642002	Collections - Sewer	29,703,250	51.50	31,815,700	50.70	33,320,500	50.98
642003	Fixed Charges - Sewer	3,458,300	6.00	3,572,900	5.69	3,866,400	5.92
642004	Penalties - Water & Sewer	488,720	0.85	400,000	0.64	500,000	0.76
642005	Industrial & Pollution Surcharge	403,400	0.70	400,000	0.64	400,000	0.61
642009	Billing Credits - Auto Pay	(203,420)	(0.35)	(225,000)	(0.36)	(330,000)	(0.50)
	Total Charges for Services	56,189,780	97.43	61,713,950	98.35	64,357,600	98.46
	<u>OTHER REVENUE</u>						
665000	Interest on Investments	598,950	1.04	525,000	0.84	500,000	0.76
665001	Interest on Bond Proceeds	31,820	0.06	0	0.00	0	0.00
665010	Interest & Penalties - Tax Roll	339,120	0.59	330,000	0.53	350,000	0.54
667007	Rental - Road Equipment	13,100	0.02	50,000	0.08	15,000	0.02
670001	Unrealized Gain/Loss	455,250	0.79	0	0.00	0	0.00
673000	Sale of Fixed Assets	92,790	0.16	0	0.00	12,000	0.02
676000	Reimbursements	32,050	0.06	30,000	0.05	30,000	0.05
677000	Miscellaneous Revenue	(78,360)	(0.14)	100,000	0.16	100,000	0.15
	Total Other Revenue	1,484,720	2.57	1,035,000	1.66	1,007,000	1.54
	Total Water & Sewer Fund	\$57,674,500	100.00	\$62,748,950	100.00	\$65,364,600	100.00

Note: The Actual Column is rounded to the nearest \$10.

WATER & SEWER FUND

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>PERSONNEL SERVICES</u>						
704000	Wages & Salaries - Permanent	\$2,727,370	4.69	\$3,092,100	4.95	\$3,246,000	5.00
704001	Sick Time Buy Back	25,330	0.04	17,800	0.03	18,900	0.03
704002	Health Insurance Allowance	10,500	0.02	15,000	0.02	15,000	0.02
705000	Wages-Salaries - Temp/Part-Time	292,960	0.50	307,110	0.49	287,650	0.44
708000	Overtime	359,770	0.62	385,200	0.62	387,700	0.60
708001	Compensation Time Buy Back	12,050	0.02	6,340	0.01	0	0.00
708003	Overtime - F.L.S.A	1,250	0.00	0	0.00	1,400	0.00
709000	Other Benefits/Reimbursements	19,980	0.03	16,100	0.03	16,050	0.02
710000	Longevity	73,100	0.13	76,670	0.12	83,500	0.13
715000	Clothing Allowance	8,170	0.01	8,700	0.01	8,700	0.01
717000	FICA	262,500	0.45	297,750	0.48	311,100	0.48
718000	Worker's Compensation	30,430	0.05	28,600	0.05	30,300	0.05
720000	Pension - General Emp Retirement	806,350	1.39	868,000	1.39	884,550	1.36
720002	Defined Contribution - Employer	70,400	0.12	106,040	0.17	124,400	0.19
720003	Employer Contribution Recovery	0	0.00	0	0.00	0	0.00
721000	Health Insurance	531,050	0.91	469,650	0.75	531,200	0.82
721001	Health Insurance - Retirees	(71,740)	(0.12)	388,800	0.62	372,000	0.57
721003	Retiree Health Savings - City	40,210	0.07	54,100	0.09	54,600	0.08
722000	Dental Insurance	30,190	0.05	30,950	0.05	34,900	0.05
723000	Life Insurance	7,220	0.01	8,450	0.01	8,950	0.01
724000	Eye Care Insurance	3,300	0.01	3,450	0.01	3,700	0.01
725000	Disability Insurance - Long Term	5,630	0.01	6,700	0.01	7,000	0.01
725001	Disability Insurance - Short Term	18,280	0.03	20,650	0.03	21,650	0.03
	Total Personnel Services	5,264,300	9.05	6,208,160	9.94	6,449,250	9.94
	<u>SUPPLIES</u>						
729000	Postage	2,220	0.00	2,000	0.00	2,500	0.00
750000	Fuels & Lubricants	93,440	0.16	101,500	0.16	103,350	0.16
751000	Operating Supplies	40,820	0.07	58,500	0.09	62,300	0.10
770000	Water Meters - Assembled	59,580	0.10	105,000	0.17	107,000	0.16
771000	Fire Hydrant Parts	13,490	0.02	35,000	0.06	35,700	0.06
772000	Tap-In Materials - Water	69,570	0.12	110,000	0.18	112,000	0.17
774000	Water Meter Parts	6,590	0.01	21,000	0.03	21,400	0.03
	Total Supplies	285,710	0.48	433,000	0.69	444,250	0.68
	<u>OTHER CHARGES</u>						
802000	Audit & Accounting Services	44,540	0.08	45,450	0.07	39,200	0.06
806000	Legal Services - Other	30	0.00	0	0.00	50	0.00
806001	Legal Services - City Attorney	60	0.00	1,000	0.00	1,000	0.00
807000	Medical Services	2,610	0.00	2,000	0.00	3,000	0.00
810000	Other Fees	321,720	0.55	352,700	0.56	351,450	0.54
810100	Other Fees - Paid Ref Escrow	0	0.00	0	0.00	0	0.00
815000	Liability Insurance	250,000	0.43	250,000	0.40	250,000	0.39
815001	Other Insurance	0	0.00	0	0.00	0	0.00
818000	Software Maintenance	207,670	0.36	237,000	0.38	245,600	0.38
826000	Other Contracted Services	774,610	1.33	936,200	1.50	1,069,350	1.65
826016	Water Tap Installation - Contractor	40,400	0.07	75,000	0.12	75,000	0.12

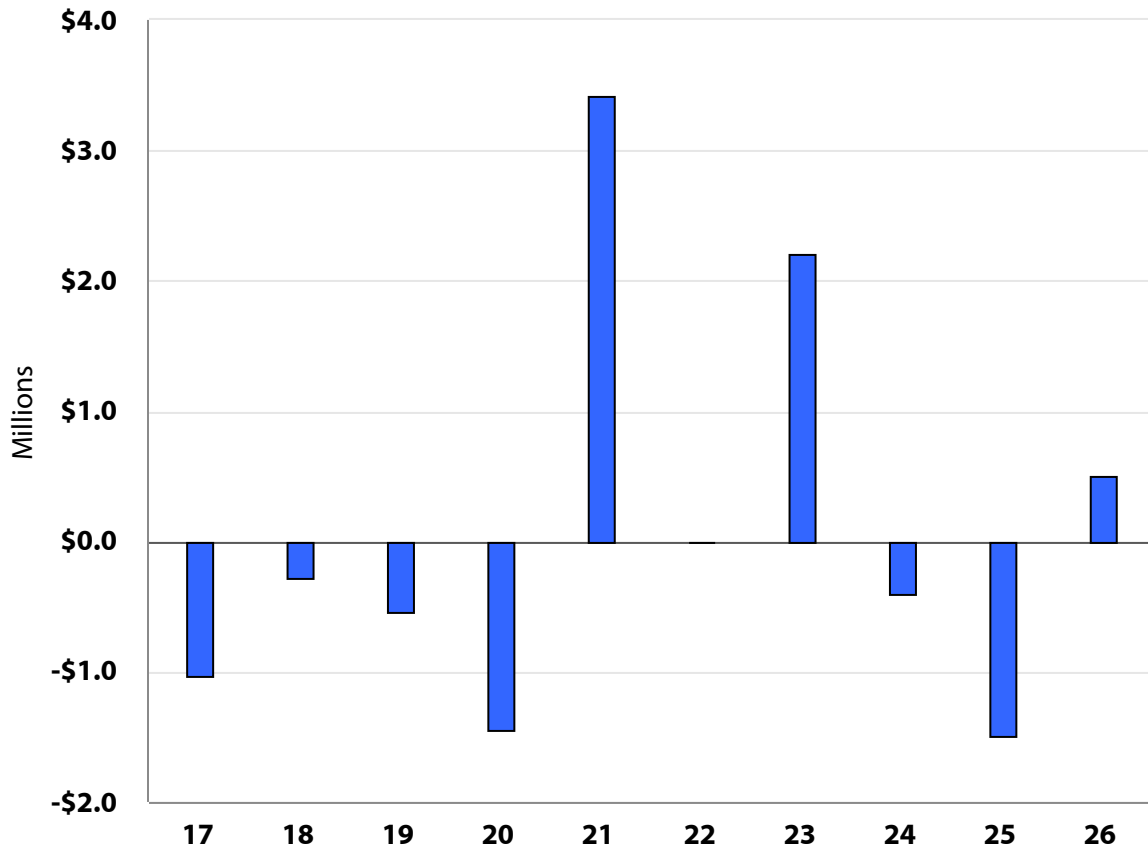
WATER & SEWER FUND

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
827000	Interfund Services	2,379,300	4.09	2,645,550	4.24	3,137,200	4.83
903000	Printing	460	0.00	700	0.00	700	0.00
921000	Electric	27,700	0.05	28,200	0.05	30,950	0.05
922000	Telephone	6,600	0.01	6,600	0.01	6,600	0.01
923000	Gas - Fuel - Oil	2,910	0.01	1,500	0.00	1,650	0.00
926000	Water Purchased	16,267,120	27.96	17,272,600	27.67	18,042,500	27.81
927000	Sewage Disposal Services	21,506,420	36.96	22,565,500	36.14	23,718,300	36.55
927001	Industrial & Pollution Surcharge	402,110	0.69	400,000	0.64	400,000	0.62
930000	Building Maintenance	0	0.00	0	0.00	0	0.00
930001	Equipment Maintenance	12,240	0.02	29,000	0.05	32,500	0.05
930003	Vehicle Maintenance	140,810	0.24	130,000	0.21	130,300	0.20
931000	Water Main Repair	509,630	0.88	525,000	0.84	535,000	0.82
931001	Distribution Line Repair	199,000	0.34	225,000	0.36	228,500	0.35
931002	Sewer Main Repair	11,610	0.02	50,000	0.08	51,000	0.08
945000	Other Rental	446,250	0.77	463,700	0.74	448,200	0.69
956000	Local Meetings	0	0.00	1,100	0.00	1,100	0.00
957000	Memberships & Dues	2,690	0.00	3,600	0.01	3,600	0.01
958000	Education & Training	15,750	0.03	23,000	0.04	23,000	0.04
964000	Refunds & Rebates	5,530	0.01	6,500	0.01	6,500	0.01
	Total Other Charges	43,577,770	74.90	46,276,900	74.12	48,832,250	75.26
	<u>CAPITAL OUTLAY</u>						
979000	Computer Equipment	0	0.00	0	0.00	0	0.00
981000	Electronic Equipment	0	0.00	0	0.00	0	0.00
982000	Machinery & Equipment	102,170	0.18	298,500	0.48	23,800	0.04
984000	Vehicles	353,940	0.61	855,880	1.37	163,000	0.25
	Total Capital Outlay	456,110	0.78	1,154,380	1.85	186,800	0.29
	<u>DEBT SERVICE</u>						
992000	Principal	4,091,500	7.03	4,122,950	6.60	4,674,300	7.20
992001	Principal - Capital Bonds	1,040,000	1.79	1,075,000	1.72	1,110,000	1.71
993000	Interest - Capital Bonds	784,210	1.35	751,450	1.20	717,300	1.11
993002	Interest - Macomb Interceptor	2,681,830	4.61	2,411,800	3.86	2,474,500	3.81
	Total Debt Service	8,597,540	14.78	8,361,200	13.39	8,976,100	13.83
	Total Water & Sewer Fund	\$58,181,430	100.00	\$62,433,640	100.00	\$64,888,650	100.00

Note: The Actual Column is rounded to the nearest \$10.

Water & Sewer Net Income from Operations



This graph illustrates the net income from operations in the Water & Sewer fund. These numbers reflect the truest picture of the results of Water & Sewer fund operating performance upon which the City's water & sewer rates are established.

Revenue includes interest on investments for both the Water & Sewer Operating and Receiving funds. Expenses exclude depreciation costs and include certain capital outlay and principal payments.

The Enterprise Fund of the City of Sterling Heights is the Water & Sewer Fund. It is used to provide water and sewer services to residential, industrial, and commercial customers. It is self-supporting and is designed to meet its obligations free of taxation. An annual independent audit is prepared on prior year financial results and administrative staff projects a forecast of the next year. Together they are used to help determine what, if any, adjustments need to be made so the fund will remain financially sound.

The City's water and sewer rates are calculated based on the proposed expenditures for capital and operational expenses for the budget year. The use of, or replenishment of financial reserves during a given fiscal year may also influence rates.

To ensure the City is utilizing a rate structure that offers quality service at a good value for its customers, the City contracted with Raftelis Financial Consultants in 2021 to perform a comprehensive water & sewer rate study. Based on their recommendations, the City changed its rate structure in 2021/22 to include a fixed residential meter charge and increased fixed meter charges for commercial customers, in lieu of the previous fixed charges. The minimum billed amount was also eliminated. The City also adopted the Average Winter Consumption method for sewer charges and eliminated the summer discount.

In August 2022, the City changed the billing cycle for residential customers from quarterly to monthly. This provides residents with smaller, more frequent billing and that allows for easier budgeting similar to other utilities.

A new monthly bill credit for all customers who enroll in e-billing and automatic payments will save residents \$60 per year on their water bill.

Over 75% of the total expenditures in the Water & Sewer Fund are directly related to the costs passed on to the City from the GLWA and the Macomb County Public Works Office. Effective July 1, 2025, the GLWA water rates will increase 5.9%. In addition, Macomb County sewer charges and debt service costs are increasing 4%.

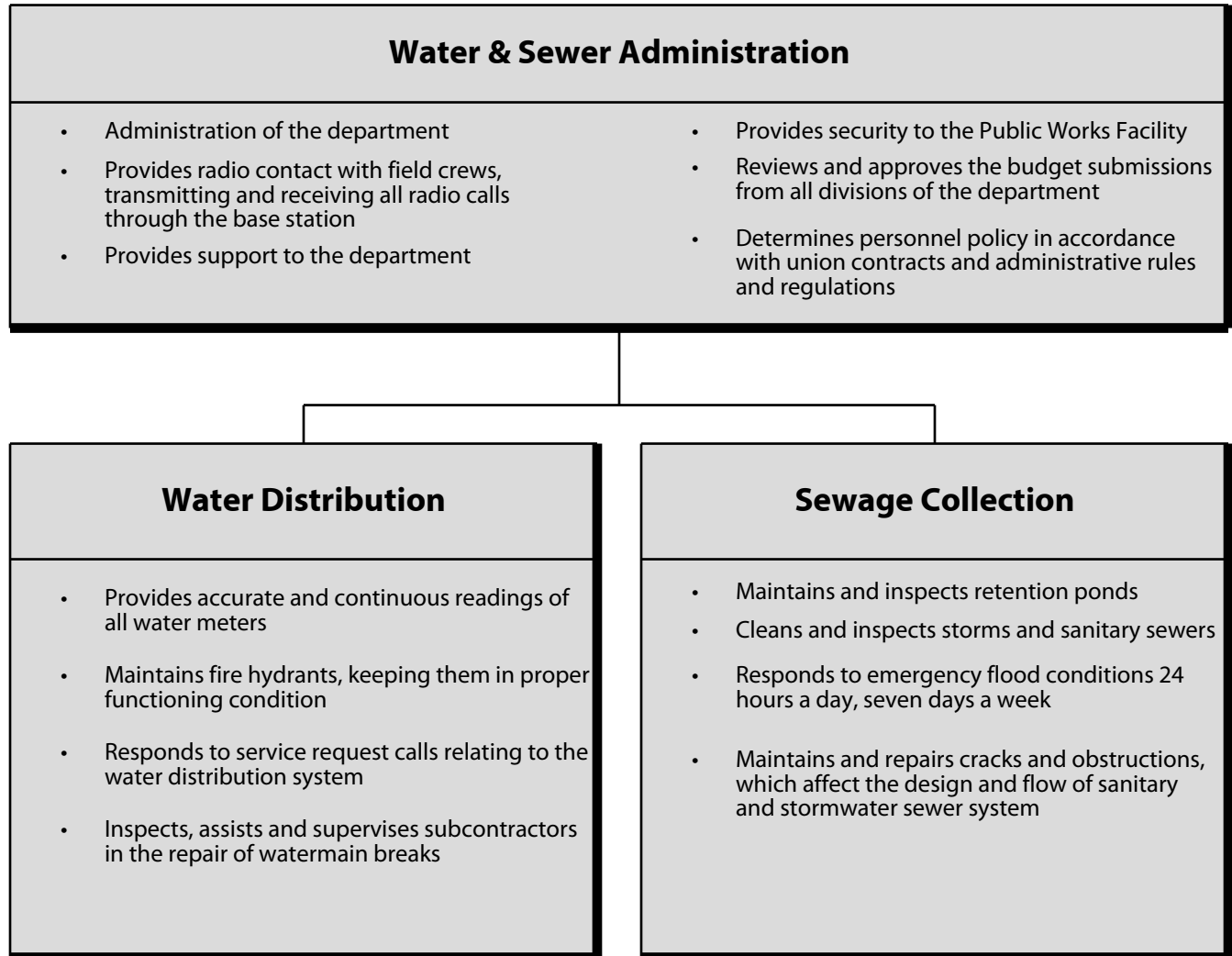
Proposed Water & Sewer rates for the 2025/26 budget include a 7.3% increase to cover system cost increases. The proposed rate changes will result in an average monthly water & sewer bill of \$81 for residential users.■



The WaterSmart portal allows customers to monitor their water usage in real time and save money by offering the ability to set alerts for unusual usage and offering water conservation tips.

FUNCTIONAL ORGANIZATION CHART

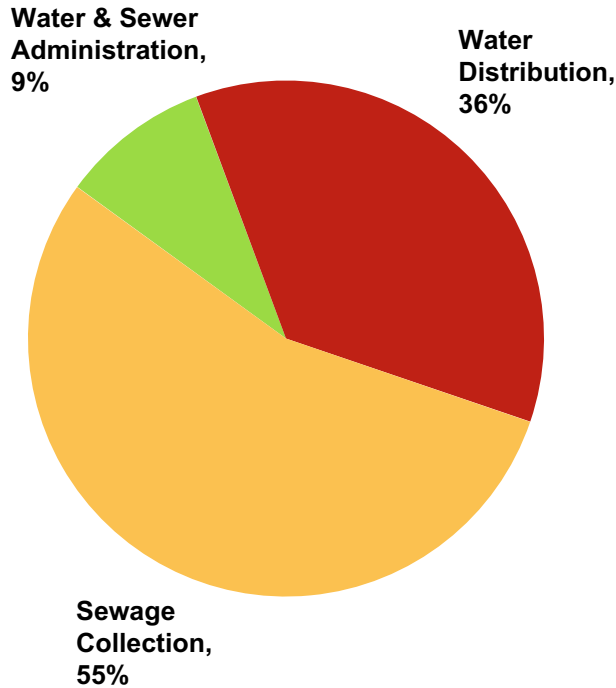
Water & Sewer Fund (Public Works Department)



DEPARTMENT AT A GLANCE

Water & Sewer Fund

Water & Sewer Fund
Total Budget = \$64.9 Million



PERSONNEL SUMMARY

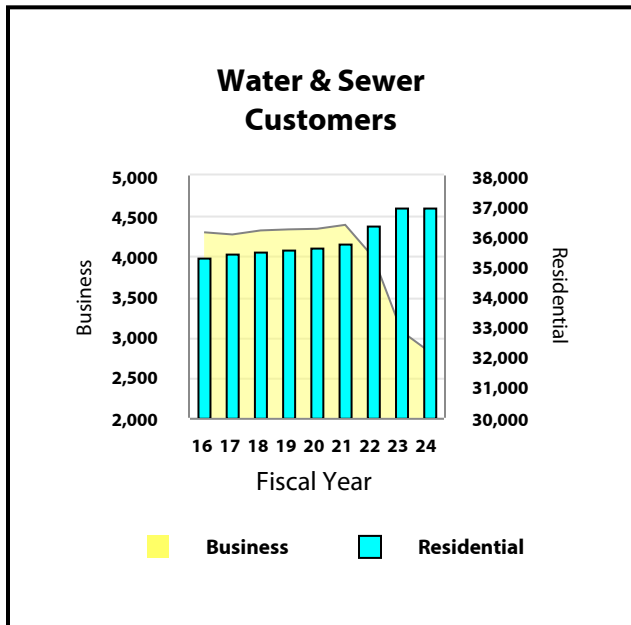
	2025/26	
	Full Time	Part Time
Water & Sewer Admin.	8	2
Water Distribution	14	5
Sewage Collection	17	3
Total Department	39	10

FUNDING LEVEL SUMMARY

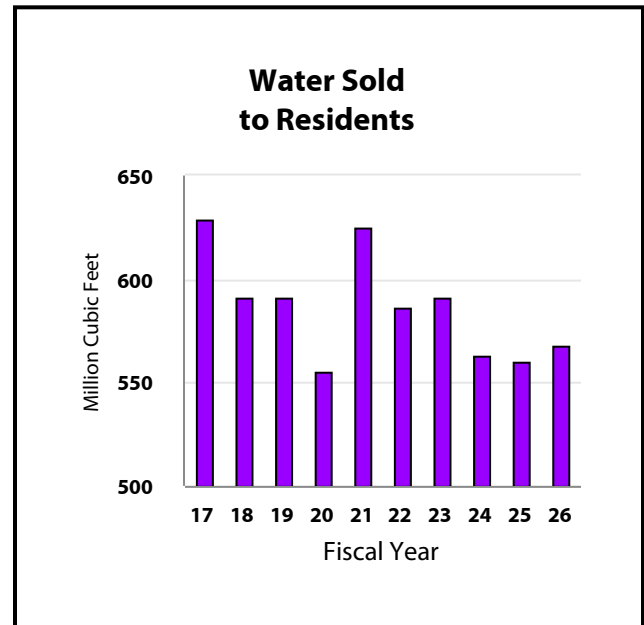
	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
Water & Sewer Admin.	\$4,854,790	\$4,877,380	\$5,473,120	\$6,120,700	11.8%
Water Distribution	21,486,250	20,977,550	23,323,670	23,528,300	0.9%
Sewage Collection	31,107,620	32,326,500	33,636,850	35,239,650	4.8%
Total Department	<u>\$57,448,660</u>	<u>\$58,181,430</u>	<u>\$62,433,640</u>	<u>\$64,888,650</u>	<u>3.9%</u>
Personnel Services	\$5,299,380	\$5,264,300	\$6,208,160	\$6,449,250	3.9%
Supplies	336,730	285,710	433,000	444,250	2.6%
Other Charges	42,885,910	43,577,770	46,276,900	48,832,250	5.5%
Capital Outlay	584,890	456,110	1,154,380	186,800	-83.8%
Debt Service	8,341,750	8,597,540	8,361,200	8,976,100	7.4%
Total Department	<u>\$57,448,660</u>	<u>\$58,181,430</u>	<u>\$62,433,640</u>	<u>\$64,888,650</u>	<u>3.9%</u>

KEY FUND TRENDS

Water & Sewer Fund



The number of business and residential Water & Sewer customers has steadily increased as the City has developed. In 2023 the City converted nearly 1,000 condominium business accounts to residential billing accounts to better reflect the character of the account user.



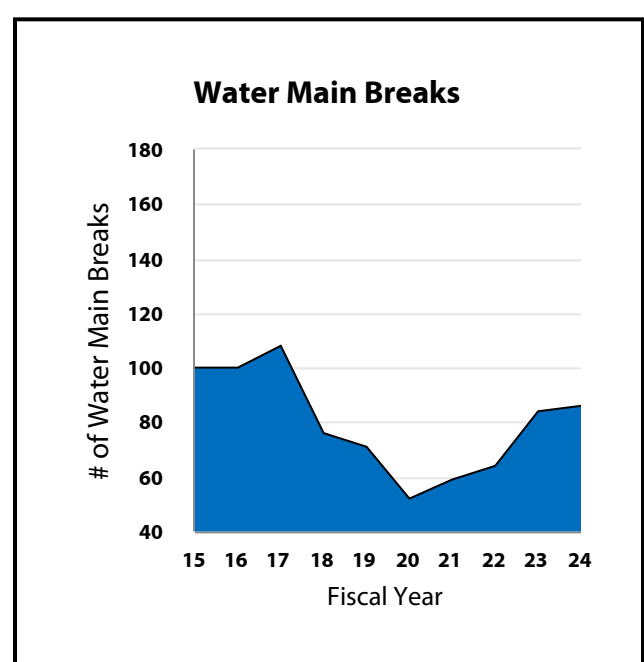
Although water usage fluctuates year to year due to the weather, overall water usage has remained steady over the last decade. The cost to provide this commodity continues to increase despite consumer habits. In the next fiscal year consumer usage is predicted to decline.

Average Macomb County Residential Monthly Water & Sewer Bill
Fiscal Year 2024/25

1. Fraser	\$145
2. Eastpointe	138
3. Utica	117
4. Mount Clemens	117
5. St. Clair Shores	110
6. Center Line	99
7. Clinton Township	96
8. Roseville	89
9. Shelby Township	83
10. Macomb Township	81
11. Sterling Heights	76
12. Warren	74

Rates are current, using 9,000 cf.

The City purchases its water and sewer services through the Great Lakes Water Authority and Macomb County Public Works Office. The average resident pays \$76 per month for such services. This amount compares favorably to other communities in Macomb County. Residents can also save \$5 by enrolling in the City's auto-pay program



The number of water main breaks peaked in 2014, which was the coldest winter in the last ten years. Frost levels exceeded the depth of the pipes, which resulted in more pipes failing. 2024 recorded the most breaks since 2018 with a total of 86. The City is dedicating \$50,000 in FY 2025/26 to developing a replacement plan for City systems to help mitigate breaks.

Beware of little expenses. A small leak will sink a great ship.

~ Benjamin Franklin ~



MISSION STATEMENT: *To provide high quality maintenance of the City's Public Works infrastructure in an economically and environmentally responsible manner, while preserving and enhancing quality of life, health, aesthetics and public safety.*

KEY GOALS

- ***To preserve the investment made in the City's infrastructure through a continual proactive maintenance program.***
- ***To provide continual high levels of safety, convenience and health protection to the public in the use of roads, water, sewers, vehicles, equipment and refuse collection.***
- ***To establish priorities and monitor the department's performance plan and standards.***
- ***To create, develop and maintain a positive, competent, service-oriented public image.***

The Water & Sewer Administration activity plans, directs, and coordinates all Water & Sewer Operations.

The staff of the Public Works Department responds to resident inquiries and service requests pertaining to all Public Works operations such as: water and sewer maintenance, snow removal, road maintenance, refuse collection, tree maintenance, and recycling. Services provided are continually monitored and analyzed in an effort to provide the best possible service in the most cost efficient manner. Reports, correspondence, and responses to residents and users concerning activities of the divisions are provided through this activity. Specifications are developed, analyzed and prepared for the timely bidding of capital equipment, vehicles, materials, supplies, and subcontracted services.

This Division provides clerical support to the Public Works operation including preparation of

specialized reports and correspondence, assistance in budget preparation, and response to resident inquiries and service requests'. Staff schedules water and sewer inspections, Miss Dig stake-outs for City water and sewer lines, tree branch chipping, and tree removal and planting.

Staff has constant and immediate radio contact with field crews during regular duty hours, by transmitting and receiving all radio calls to the base station. The communication system also provides immediate 24 hour, seven day a week communication between administration, supervisors, and staff. Internal calls are evaluated and relayed to the appropriate division.

In the case of emergencies during off-duty hours, a recorded message message advises callers to contact the Macomb County Dispatch Center. The DPW provides the County Dispatch Center with a list of emergency scenarios and a list of supervisors to contact for each type of emergency. In an emergency situation, appropriate personnel are contacted to respond. Examples of such emergencies include flood conditions, snow removal, tree damage due to storms, water main breaks, sanitary sewer backups, emergency vehicle repair and other emergency conditions, which require personnel to report to work on other than regular duty hours. Radio contact is maintained with field crews, messages are received and relayed, and specific field operations are recorded.■



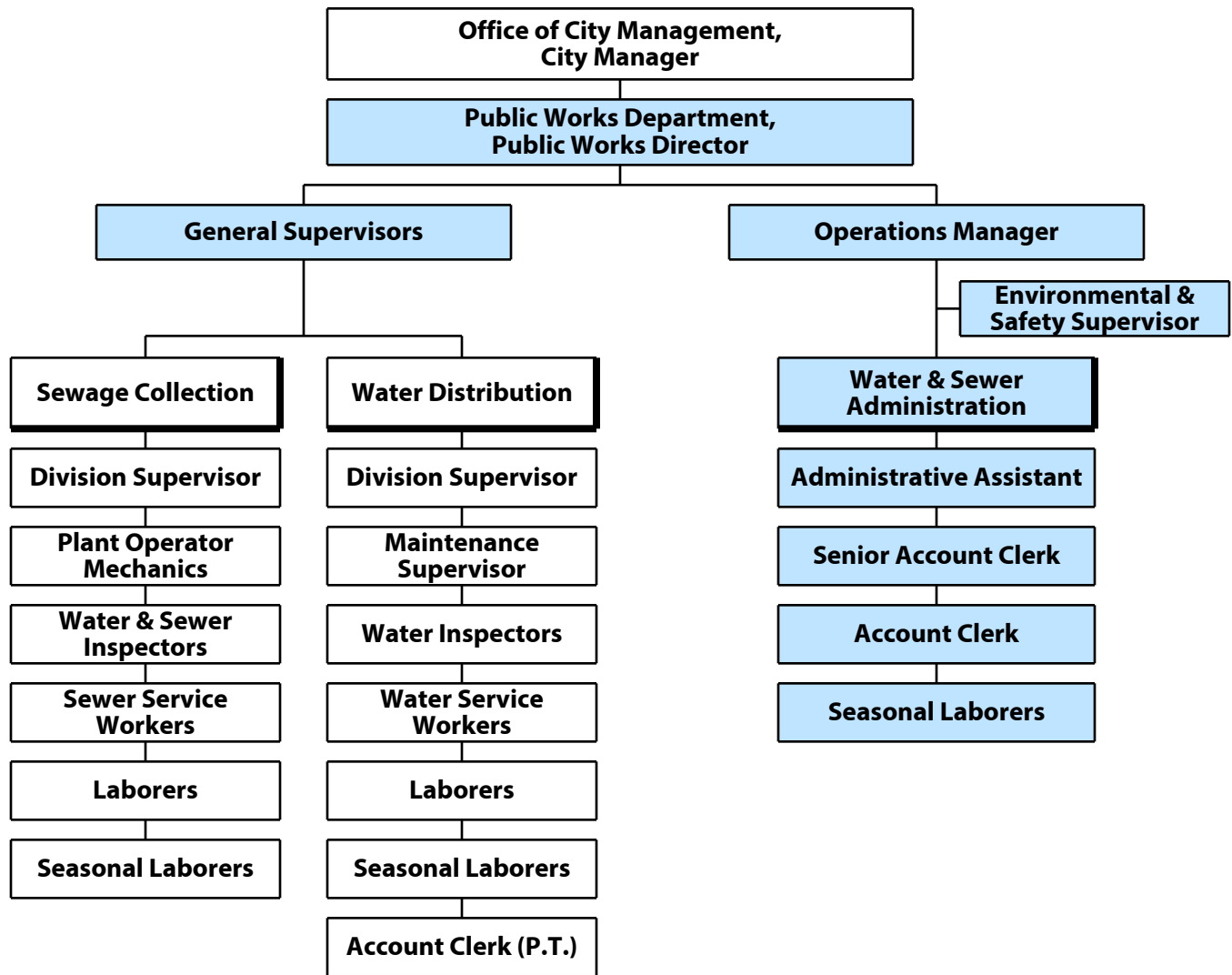
Water & Sewer Administration

2025/26 PERFORMANCE OBJECTIVES

1. To provide specific safety training to all employees tailored to the specific needs of the department. (City Goal 9, 16, 18)
2. To review department goals and objectives to ensure that services provided to public are cost-effective. (City Goal 1, 3)
3. To review all operations related to City aesthetics to ensure visual perception is top notch. (City Goal 1, 12, 14)
4. To collaborate with the Office of Engineering with a long-term Water & Sewer infrastructure replacement. (City Goal 16, 17)
5. To pursue Public Works Accreditation through the American Public Works Association. (City Goal 2, 3, 6)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Water & Sewer Customers	41,090	39,924	39,741	40,000	39,600	40,000
	Customer Service Requests	14,166	9,964	7,050	8,000	11,200	12,000
	Departmental Policies Created/Reviewed	6	5	5	6	5	5
	Backflow Preventer Testing Compliance Letters	2,426	922	2,766	2,400	2,400	2,400
	Site Plans Reviewed	36	21	30	35	35	35
	Vehicles/Equipment Specifications Prepared	20	21	20	15	18	20
	Materials/Supplies/Services Specifications Prepared	18	19	18	18	21	20
	Hours of Safety Training	930	1,400	1,100	1,500	1,400	1,500
	Outfalls Inspected	267	260	263	280	263	270
	Landscape Median Mowing - Revolutions	34	35	35	35	35	35
Efficiency	Workers Comp. Claims	28	5	2	25	2	5
	% Water Samples Meeting Federal/State Standards	100%	100%	100%	100%	100%	100%
	Annual Residential Water & Sewer Bill (9,000 cfs)*	\$780	\$816	\$859	\$910	\$910	\$976
	Monthly Residential Water & Sewer Bill (9,000 cfs)*	\$65	\$68	\$72	\$76	\$76	\$81
	City's Fixed Charge as a % of Total W&S Bill	20.0%	20.0%	22.0%	22.0%	22.0%	22.0%

Water & Sewer Administration



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Public Works Director	1	1	1
Operations Manager	1	1	1
General Supervisor	2	2	2
Environmental & Safety Supervisor	1	1	1
Administrative Assistant	1	1	1
Senior Account Clerk	1	1	1
Account Clerk	0	0	1
Clerk Typist	1	1	0
Seasonal Laborer (P.T.)	1	1	2
Total	9	9	10

Water & Sewer Administration

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

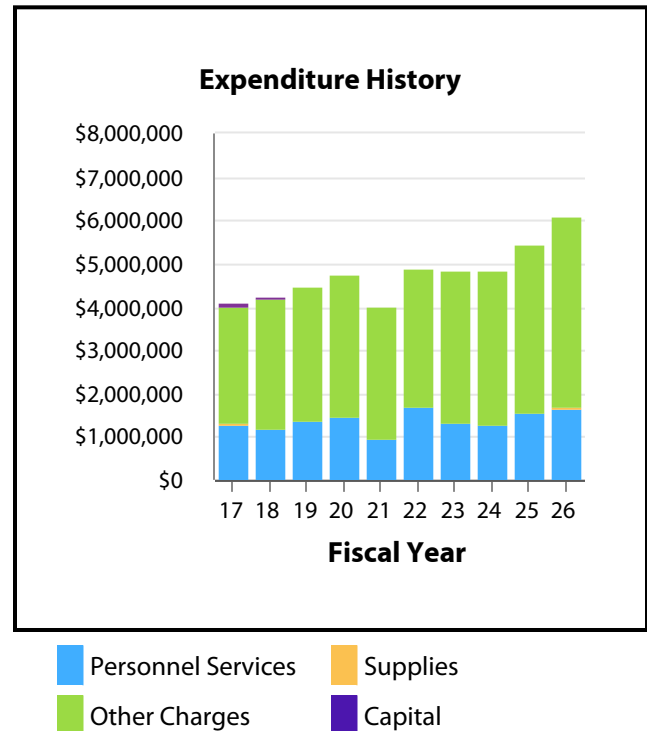
The total budget increased by 11.8%.

Personnel Services – Total Increase of \$122,430 or 7.8% is primarily due to contractual wage adjustments.

Supplies – Total Supplies increased \$600 or 3.5% to account for a 5% increase to the cost of postage and inflationary increases for operating supplies.

Other Charges – Total Other Charges increased \$524,550 or 13.5%. The most significant increase is \$491,650 in proposed interfund services. This is primarily due to higher staff wages following contract negotiations completed in the prior year. In addition, \$50,000 will be used to develop a water and sewer main replacement plan. Offsetting savings include a reduction of \$2,000 in vehicle maintenance, \$15,500 in equipment rental fees, and audit services for \$6,250.

Capital -There is no capital proposed for this office.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,298,420	\$1,563,220	\$1,555,100	\$1,685,650	\$1,685,650
Supplies	14,620	17,000	18,500	17,600	17,600
Other Charges*	3,564,340	3,892,900	3,884,200	4,417,450	4,417,450
Capital Outlay	0	0	0	0	0
Total	\$4,877,380	\$5,473,120	\$5,457,800	\$6,120,700	\$6,120,700

*Graph excludes depreciation.

MISSION STATEMENT: *To provide a clean, reliable and reasonably priced water supply to our residents and corporate customers.*

KEY GOALS

- ***To provide efficient and economical maintenance and repair of the water distribution system.***
- ***To ensure accurate and continuous reading of residential, commercial and industrial water meters.***
- ***To maintain all fire hydrants in a properly functioning condition to support firefighting throughout the City.***
- ***To inspect commercial/industrial establishments for cross connections and proper backflow prevention in order to protect the water system from contamination.***
- ***To review construction plans for future development of the water system and inspect new connections for proper installation.***

The Water Distribution Division ensures the accurate and continuous reading of residential, commercial, and industrial water meters, and the maintenance and service of water meters.

Personnel respond promptly to numerous service request calls regarding the water distribution system in order to assist the residential and business community. Over 7,000 fire hydrants are maintained to ensure that they are properly functioning. The economical and efficient maintenance and repair of the water distribution system is of utmost concern.

Inspections and reinspections are conducted at approximately 1,300 commercial and industrial establishments each year. Citations are issued to those in violation of City ordinance and/or State

rules and regulations. Residents' water shut-off boxes are checked and repaired if necessary. City-owned gate wells, valves, and meter pits are inspected for repairs, cleaning, and electrical functioning. This Division also inspects and repairs water services, damaged water shut-offs, leaking curb stop boxes as well as supervises and assists subcontractors in water main break repairs. Approximately 6,000 service request calls are responded to annually.

An inventory is maintained of all materials used in the operation of the Water Distribution system. The upkeep of the divisional garage area, storage area, and meter shop, as well as the operator/driver maintenance of vehicles and equipment is performed.

All water meters are read on a monthly basis via a fixed network radio meter reading system. Personnel read and perform rechecks as requested by homeowners and customers to check for high, low, or questionable reads. All new or replacement water meters are tested for accuracy prior to installation to ensure that high volume users are billed correctly. One-half of all compound water meters are tested and repaired annually.■



Water Distribution

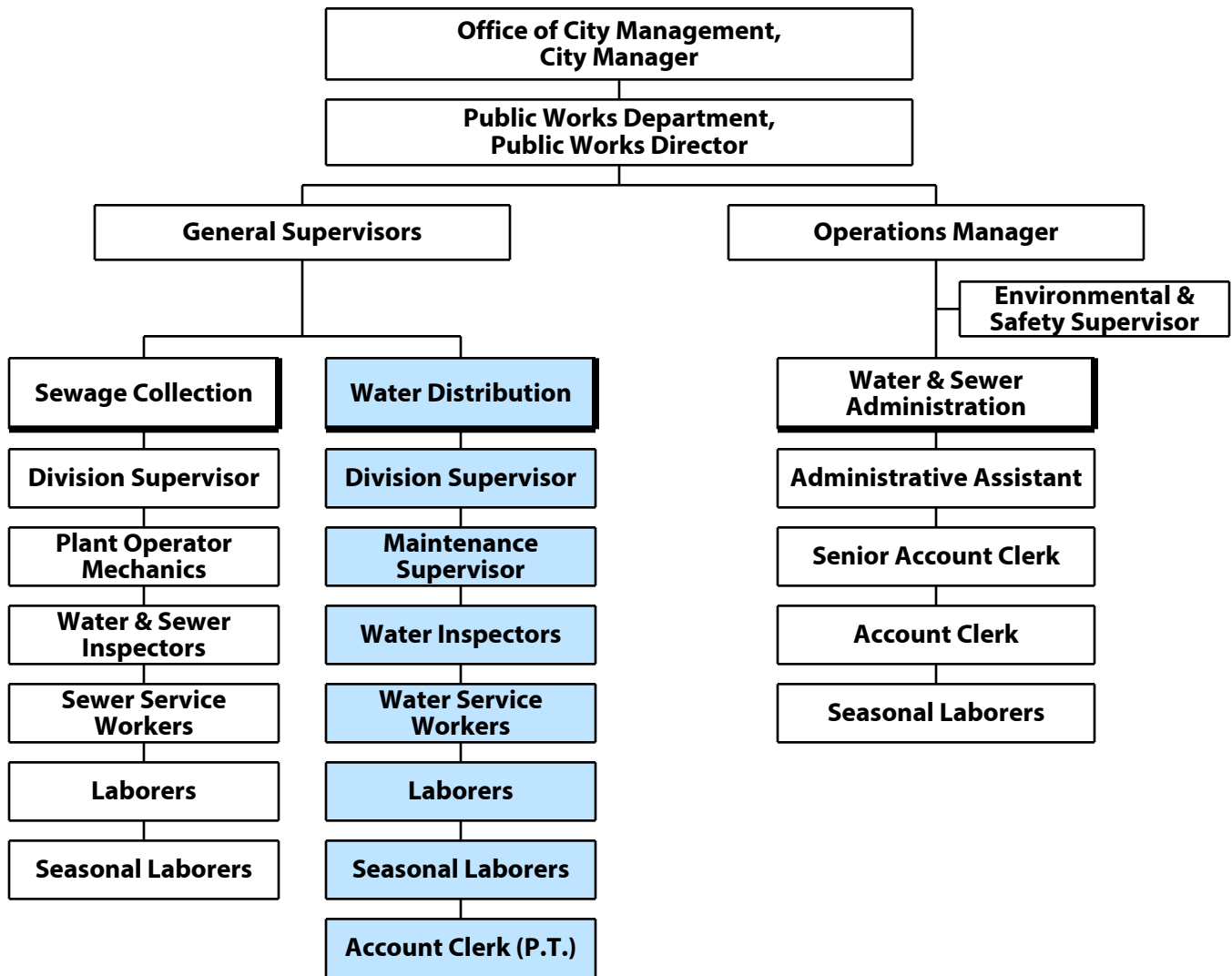
2025/26 PERFORMANCE OBJECTIVES

1. To enhance City aesthetics by painting seven square miles of fire hydrants. (City Goal 12, 16)
2. To utilize new ticket management software to streamline the utility locating process, by integrating GIS map overlays onto utility staking request maps. (City Goal 1, 2, 16, 23)
3. To utilize new cross connection software to catalog backflow devices and simplify the testing process for businesses. (City Goal 1, 2, 4, 16, 23)
4. To increase water distribution certifications held by Department staff. (City Goal 1, 2, 3)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Miles of Water Mains in City	667	667	667	667	667	667
	Accounts on Automatic Meter Reading System	35,055	39,910	39,727	40,900	40,360	40,900
	# of Residential Customers	36,317	36,914	36,913	37,140	36,956	37,000
	# of Commercial Customers	3,986	3,070	2,814	3,760	3,308	3,315
	# of Water Smart Users	0	0	4,340	15,000	5,642	8,000
	Water Main Breaks	64	84	86	100	90	100
	Miss Dig Stakeouts of Utilities Performed	11,125	10,229	8,273	12,000	11,800	12,000
	Water Meters Replaced	19,992	13,330	1,284	200	165	200
	Water Taps Installed	124	97	65	100	64	80
	Cross Connection Inspections	155	101	182	175	175	175
	Meters Tested	24	30	41	50	32	50
	Gate Valves Repaired	306	29	171	200	200	200
	Businesses Monitored - Backflow Compliance	3,467	3,491	3,550	3,508	3,573	3,580
	Fire Hydrants Replaced	12	17	14	40	30	40
	Fire Hydrants Painted	145	72	58	400	1,840	1,900
Efficiency	Miles of Water Main Maint. per FT Employee	55.6	47.6	47.6	47.6	47.6	47.6
	Water Purchased from GLWA (1,000 cubic feet)	590,786	584,935	562,864	587,300	560,160	567,500
	Cost of 1,000 Cubic Feet of Water from GLWA*	\$11.14	\$11.36	\$11.25	\$11.76	\$11.76	\$12.72
	GLWA Water Fixed Charge	\$9,654,000	\$10,040,400	\$10,153,200	\$10,363,200	\$10,363,200	\$10,825,500
	Water Fixed Charge as a % of Total Costs	59.5%	60.2%	60.0%	60.0%	60.0%	60.0%

*Does not include fixed water costs.

Water Distribution



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Division Supervisor	1	1	1
Maintenance Supervisor	1	1	1
Water Inspector	2	2	2
Water Service Worker	5	8	8
Meter Repair/Installer	3	0	0
Laborer	2	2	2
Account Clerk (P.T.)	0	0	1
Clerk Typist (P.T.)	1	1	0
Seasonal Laborer (P.T.)	4	4	4
Total	19	19	19

Water Distribution

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

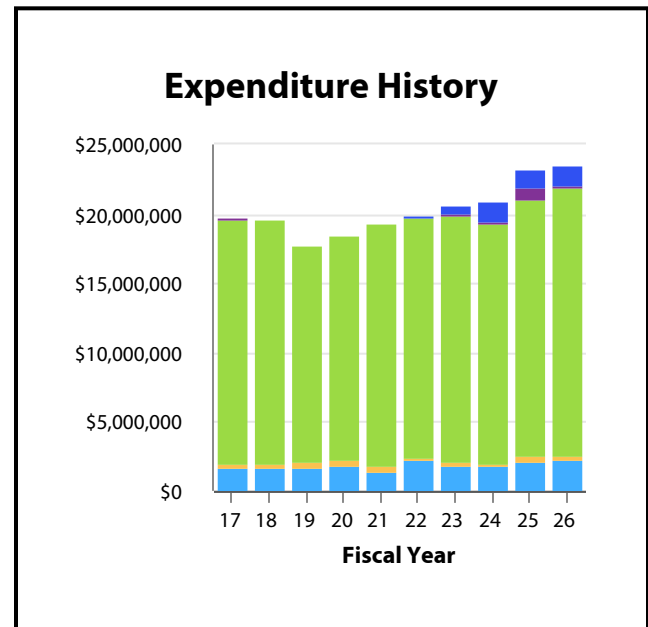
The total budget increased by 0.9%.

Personnel Services – Total Increase of \$59,010 or 2.7% is primarily due to contractual wage adjustments, partially offset by a reduction in the recommended contribution to the retiree medical fund.

Supplies – Total Supplies increased \$9,100 or 2.7%. \$6,900 will be added to the operations supply budget for daily-use tools. \$8,500 is due to an increase in costs for water meter parts.

Other Charges – Total Other Charges increased \$857,250 or 4.6%. The cost of water purchased from the GLWA increased an estimated \$769,900 due to a rate increase of 5.9%. Concrete restoration services are estimated to increase by \$78,000 in the upcoming year. An additional \$10,000 has been allocated to water main repairs.

Capital – Total Capital of \$95,000 is proposed. A replacement water service truck will be purchased with these funds. This will replace a vehicle that was in service for ten years and recently decommissioned due to mechanical failure.



■ Personnel Services ■ Supplies
■ Other Charges ■ Capital
■ Debt Service

Debt Service - Total Debt Service of \$1,403,450 includes debt service on bonds issued for the water and sewer main replacement under Mound Road and for the water meter replacement project.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$1,851,890	\$2,205,240	\$2,186,810	\$2,264,250	\$2,264,250
Supplies	201,620	341,000	341,000	350,100	350,100
Other Charges	17,357,440	18,558,250	18,317,780	19,415,500	19,415,500
Capital Outlay	164,360	815,730	1,029,040	95,000	95,000
Debt Service	1,402,240	1,403,450	1,403,450	1,403,450	1,403,450
Total	\$20,977,550	\$23,323,670	\$23,278,080	\$23,528,300	\$23,528,300

MISSION STATEMENT: *To maintain the sanitary and storm sewer systems to ensure that they are properly functioning in accordance with designed capacities.*

KEY GOALS

- ***To provide a systematic preventative maintenance sanitary sewer cleaning program to prevent sewer blockages.***
- ***To provide efficient and economical maintenance, repair and restoration of the City's sanitary and storm sewer systems.***
- ***To provide an efficient, competent and responsible sewer connection and utility inspection program.***
- ***To ensure safe, well maintained, functioning storm water retention basins for temporary detention of storm water run-off without damaging our stream ecology while preventing street and basement flooding.***
- ***To minimize infiltration into the sanitary sewer system through inspection and an ongoing rehabilitation program.***

The Sewage Collection Division is responsible for maintaining designed sewerage flows through maintenance of the City-owned sanitary and storm sewer systems to ensure proper functioning.

Staff conducts thorough and responsible sewer and utility inspections. Crews of this Division continually repair and restore damaged utility structures, sewer lines, and replace the concrete required by these repairs. Included among the duties of this Division is the maintenance of retention ponds to assure proper functioning for the temporary retention of storm water drainage.

A three-year preventative maintenance program cleans a third of the sanitary system each year. Specific trouble spots in the sanitary sewer system

are cleaned on a quarterly basis to avoid unnecessary problems. Debris is removed from the system to prevent blockages. Cracked or broken pipes, roots or other problems are located and resolved. This Division responds to calls regarding sewer back-ups and/or blockages. Blockages are investigated, located, and relieved through sewer cleaning. If internal plumbing problems or sump pump malfunction is the cause, advice and assistance is provided. Residential and commercial sewer tap installations and utility structures (sanitary manholes, storm manholes, and gate wells) are inspected prior to the issuance of final occupancy permits.

Sanitary, water, and storm structures are rebuilt or repaired on a priority basis. Repairs to sanitary and storm sewers are initiated as required. Sewage Collection personnel also resod or reseed areas due to utility structure repair, water main breaks, and snow/ice control activities.

Emergency flooding conditions are responded to 24 hours a day, seven days a week. Known sanitary sewer system and lift station problem areas are checked for surcharging and proper operation during heavy rainfall.

Sanitary sewer pumping stations are inspected three times per week. All retention pond sites both privately and City-owned are inspected monthly for proper operation, hazardous conditions and appearance. Grass and weeds in retention ponds are cut and trimmed on a scheduled basis. The City's retention pond wet wells are cleaned annually by removing sand and sediment. This Division also performs bank stabilization, erosion, and fence repairs. ■



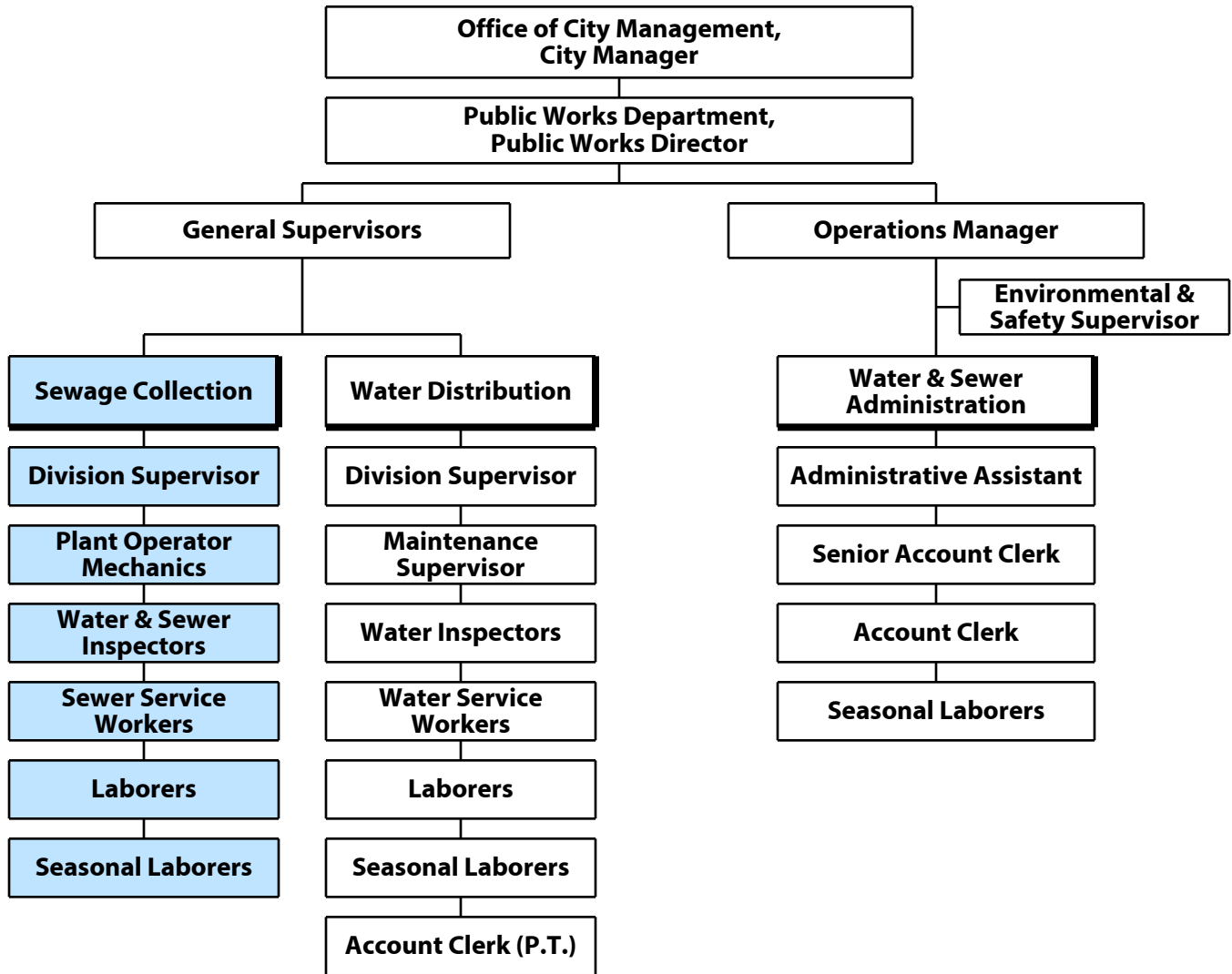
Sewage Collection

2025/26 PERFORMANCE OBJECTIVES

1. To complete the industrial inspections required for the Municipal Storm Sewer System (MS4) permit. (City Goal 16, 18)
2. To create an inspection form and inspect all City owned retention detention ponds monthly, as requested for the MS4 permit. (City Goal 13, 16, 18)
3. To finalize the cleaning and televising of all large diameter sanitary mains. (City Goal 16)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Miles of Sanitary Sewers in City	475	475	475	475	475	475
	Sewer Inquiries Received & Resolved	7,585	10,384	9,301	8,000	9,000	8,000
	Sewer Inspections	366	252	203	250	250	250
	Water Inspections	111	78	42	50	50	50
	Certificate of Occupancy Inspections	58	113	65	50	65	50
	Sanitary Sewer Cleaned - Feet	467,074	774,405	648,900	500,000	450,000	500,000
	Utility Structures Restored	224	252	263	225	250	225
	Flags of Sidewalk Replaced	72	45	57	40	45	40
	Sections of Street/Approaches Replaced	566/53	539/48	592/76	475/50	669/25	475/50
	Sod Replaced - Yards	0	10	0	0	0	0
	Retention Basin Inspections Performed	1,830	1,462	1,565	1,000	935	1,000
	Retention Basin Wet Wells Cleaned	2	0	0	10	0	10
	Grease Trap Program Inspections	130	184	95	100	50	100
Efficiency & Effectiveness	Sewer Main Blockages	37	25	16	20	20	20
	% of Emergencies Responded to within 45 Minutes	100%	100%	100%	100%	100%	100%
	% of Trouble Mains Cleaned a Minimum of 4 Times	100%	100%	100%	100%	100%	100%
	Miles of Sanitary Sewer Maintained per FT Employee	27.9	27.9	27.9	27.9	27.9	27.9
	Sewage Fixed Charge as a % of Total Cost	100%	100%	100%	100%	100%	100%
	MCPW Fixed Charges	\$20,824,879	\$20,937,721	\$21,506,416	\$22,565,500	\$22,094,100	\$23,718,300
	Total MC Debt Service (Principal & Interest)	\$6,802,950	\$6,699,020	\$7,322,960	\$6,534,750	\$6,666,300	\$7,148,800

Sewage Collection



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Division Supervisor	1	1	1
Plant Operator/Mechanic	3	3	3
Sewer Service Worker (Clean)	2	2	2
Water/Sewage Inspector	3	3	3
Sewer Service Worker (Maint.)	1	1	1
Laborer	7	7	7
Seasonal Laborer (P.T.)	4	4	3
Total	21	21	20

Sewage Collection

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

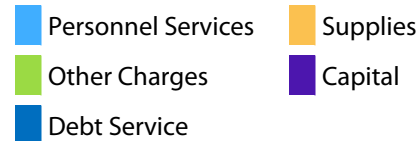
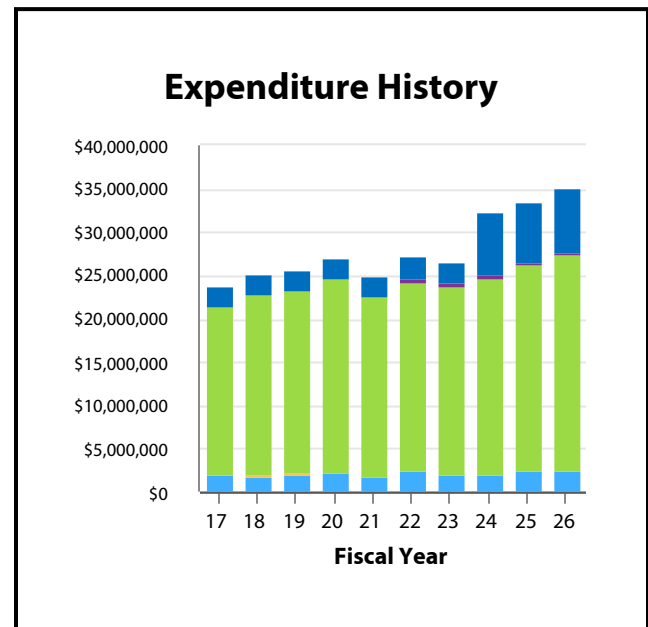
The total budget increased by 4.8%.

Personnel Services – Total Increase of \$59,650 or 2.4% is primarily due to contractual wage adjustments, partially offset by a reduction in the recommended contribution to the retiree medical fund.

Supplies – Total Supplies increased \$1,550 or 2.1% primarily due to higher fuel costs for Sewer Department vehicles and inflationary increases on everyday supplies.

Other Charges – Total Other Charges increased \$1,173,550 or 4.9% primarily due to a 4% increase in sewage disposal costs from Macomb County. This amounts to an additional \$1,152,800 for county services. Two new software programs, SCADA and Utility Sync, will be used in the upcoming year for an extra \$7,200 in funding. Other changes in expenditures include \$4,500 for sewer and distribution line repairs, \$3,400 in equipment maintenance, and \$1,500 in vehicle maintenance costs.

Capital - Total Capital of \$91,800 is proposed. \$23,800 is designated for a cement saw trailer used in utility repairs. The current unit was purchased in 2006. The remaining funds are for a replacement plow vehicle for \$68,000.



Debt Service – Total Debt Service increased \$614,900 or 8.8% due to a new Oakland-Macomb Interceptor Drainage District (OMIDD) bond issued in January 2025 to finance reconstruction work at three facilities in Sterling Heights.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$2,113,990	\$2,439,700	\$2,417,000	\$2,499,350	\$2,499,350
Supplies	69,470	75,000	75,000	76,550	76,550
Other Charges	22,655,990	23,825,750	23,352,140	24,999,300	24,999,300
Capital Outlay	291,750	338,650	315,650	91,800	91,800
Debt Service	7,195,300	6,957,750	7,089,300	7,572,650	7,572,650
Total	\$32,326,500	\$33,636,850	\$33,249,090	\$35,239,650	\$35,239,650

Special Revenue Funds



Special Revenue Funds are used to detail transactions in which the funding source is legally restricted to be spent for specific purposes. Included in this section are funds for Major and Local Roads, Refuse & Recycling, Parks & Recreation, Public Safety Forfeitures, the Community Development Block Grant, Opioid Settlement, Indigent Defense, American Rescue Plan Act, Corridor Improvement Authority, Economic Development Corporation, Brownfield Redevelopment Authority, and the Local Development Finance Authority.

SPECIAL REVENUE FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
MAJOR ROAD FUND									
<u>REVENUES</u>									
Gas & Weight Tax	\$11,168,760	\$11,446,950	\$11,542,700	\$11,830,000	\$11,783,750	\$11,783,750	\$11,901,590	\$12,020,610	\$12,140,820
Metro Act	373,580	356,510	375,000	360,000	360,000	360,000	369,000	378,200	387,700
Other Revenue	330,070	671,230	468,000	502,000	472,950	472,950	484,800	496,900	509,300
Transfer from General Fund	3,500,000	1,000,000	1,000,000	1,000,000	500,000	500,000	1,000,000	1,000,000	1,000,000
Total Revenues	15,372,410	13,474,690	13,385,700	13,692,000	13,116,700	13,116,700	13,755,390	13,895,710	14,037,820
<u>EXPENDITURES</u>									
Administration	106,380	85,610	111,300	91,100	101,150	101,150	103,700	106,300	109,000
Major Street Maintenance	2,488,850	2,287,870	2,551,800	2,485,890	2,618,500	2,618,500	2,684,000	2,751,100	2,819,900
Major Street Improvements	4,378,220	10,200,920	14,625,030	15,498,340	4,450,000	4,950,000	6,600,000	6,200,000	5,800,000
Tfr. to Road Bond Debt Fund	4,640,750	4,801,430	4,800,000	4,800,000	4,800,000	4,800,000	4,797,000	4,791,000	4,787,000
Total Expenditures	11,614,200	17,375,830	22,088,130	22,875,330	11,969,650	12,469,650	14,184,700	13,848,400	13,515,900
Rev. Over (Under) Expend.	3,758,210	(3,901,140)	(8,702,430)	(9,183,330)	1,147,050	647,050	(429,310)	47,310	521,920
Beginning Fund Balance	10,764,260	14,522,470	10,621,330	10,621,330	1,438,000	1,438,000	2,085,050	1,655,740	1,703,050
Ending Fund Balance	\$14,522,470	\$10,621,330	\$1,918,900	\$1,438,000	\$2,585,050	\$2,085,050	\$1,655,740	\$1,703,050	\$2,224,970
LOCAL ROAD FUND									
<u>REVENUES</u>									
Property Taxes	\$3,794,570	\$4,079,860	\$4,328,000	\$4,346,120	\$4,463,150	\$4,463,150	\$4,552,410	\$4,643,460	\$4,736,330
Federal Grants & State Grants	102,210	125,000	900,000	917,500	\$0	0	0	0	0
Gas & Weight Tax	4,141,230	4,250,960	4,126,150	4,381,000	4,358,000	4,358,000	4,445,200	4,534,100	4,624,800
Metro Act	138,170	131,860	140,000	140,000	140,000	140,000	143,500	147,100	150,800
Personal Property Tax Reimb.	272,680	295,000	295,300	290,220	291,000	291,000	296,800	302,700	308,800
Charges for Services	58,180	40,320	50,000	50,000	25,000	25,000	25,500	26,000	26,500
Other Revenue	32,410	143,940	60,600	167,350	142,950	142,950	145,800	148,700	151,700
Transfer from General Fund	500,000	0	0	0	0	0	0	0	0
Total Revenues	9,039,450	9,066,940	9,900,050	10,292,190	9,420,100	9,420,100	9,609,210	9,802,060	9,998,930
<u>EXPENDITURES</u>									
Administration	98,950	169,900	1,626,080	1,626,080	\$125,100	125,100	128,200	131,400	134,700
Local Street Maintenance	2,000,890	2,080,110	2,305,000	2,109,500	2,387,500	2,387,500	2,447,200	2,508,400	2,571,100
Local Street Improvements	6,136,900	4,849,260	6,439,210	6,512,210	6,626,000	6,626,000	7,249,000	7,032,000	7,418,000
Total Expenditures	8,236,740	7,099,270	10,370,290	10,247,790	9,138,600	9,138,600	9,824,400	9,671,800	10,123,800
Rev. Over (Under) Expend.	802,710	1,967,670	(470,240)	44,400	281,500	281,500	(215,190)	130,260	(124,870)
Beginning Fund Balance	626,320	1,429,030	3,396,700	3,396,700	3,441,100	3,441,100	3,722,600	3,507,410	3,637,670
Ending Fund Balance	\$1,429,030	\$3,396,700	\$2,926,460	\$3,441,100	\$3,722,600	\$3,722,600	\$3,507,410	\$3,637,670	\$3,512,800

SPECIAL REVENUE FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
PARKS & RECREATION FUND									
REVENUES									
Property Taxes	\$4,597,500	\$4,939,050	\$5,252,000	\$5,208,320	\$5,412,600	\$5,412,600	\$5,629,100	\$5,854,300	\$6,088,500
Federal/State/Local Returns	510,120	603,340	560,100	1,095,280	608,000	608,000	620,200	632,600	645,300
Charges for Services	1,116,680	1,250,250	1,369,250	1,379,250	1,617,000	1,617,000	1,649,300	1,682,300	1,715,900
Other Revenue	159,040	282,400	187,000	267,000	191,000	191,000	194,800	198,700	202,700
Transfer from General Fund	3,029,180	3,256,170	3,247,900	3,247,900	3,247,900	3,247,900	3,312,900	3,379,200	3,446,800
Total Revenues	9,412,520	10,331,210	10,616,250	11,197,750	11,076,500	11,076,500	11,406,300	11,747,100	12,099,200
EXPENDITURES									
Personnel Services	3,356,460	3,724,730	4,157,700	3,938,630	4,847,950	4,847,950	4,944,900	5,043,800	5,144,700
Supplies	285,590	325,790	410,720	400,700	404,500	404,500	412,600	420,900	429,300
Other Charges	2,478,910	2,717,170	2,768,050	2,702,470	2,884,700	2,884,700	2,942,400	3,001,200	3,061,200
Capital Outlay	276,550	370,560	729,360	728,940	294,000	294,000	250,000	250,000	250,000
Debt Service	3,001,590	3,002,090	2,998,350	2,998,350	3,000,350	3,000,350	3,002,590	2,999,840	2,998,640
Total Expenditures	9,399,100	10,140,340	11,064,180	10,769,090	11,431,500	11,431,500	11,552,490	11,715,740	11,883,840
Rev. Over (Under) Expend.	13,420	190,870	(447,930)	428,660	(355,000)	(355,000)	(146,190)	31,360	215,360
Beginning Fund Balance	831,050	844,470	1,035,340	1,035,340	1,464,000	1,464,000	1,109,000	1,109,000	962,810
Ending Fund Balance	\$844,470	\$1,035,340	\$587,410	\$1,464,000	\$1,109,000	\$1,109,000	\$962,810	\$1,140,360	\$1,178,170
PATHWAYS AND PRESERV. FUND									
REVENUES									
Pathways and Preservation Tax	\$0	\$0	\$0	\$0	\$5,588,450	\$5,588,450	\$5,812,000	\$6,044,500	\$6,286,300
Bond Proceeds	0	0	0	0	40,000,000	40,000,000	0	0	0
Total Revenues	0	0	0	0	45,588,450	45,588,450	5,812,000	6,044,500	6,286,300
EXPENDITURES									
Capital Outlay/Operating Expenses	0	0	0	0	24,500,000	24,500,000	1,100,000	765,000	780,000
Transfers Out	0	0	0	0	20,429,550	20,429,550	4,212,000	4,224,000	4,236,000
Total Expenditures	0	0	0	0	44,929,550	44,929,550	5,312,000	4,989,000	5,016,000
Rev. Over (Under) Expend.	0	0	0	0	658,900	658,900	500,000	1,055,500	1,270,300
Beginning Fund Balance	0	0	0	0	0	0	658,900	1,158,900	2,214,400
Ending Fund Balance	\$0	\$0	\$0	\$0	\$658,900	\$658,900	\$1,158,900	\$2,214,400	\$3,484,700
REFUSE AND RECYCLING FUND									
REVENUES									
City Refuse Tax	\$0	\$6,200,800	\$7,667,000	\$7,766,380	\$7,371,650	\$7,371,650	\$7,519,100	\$7,669,500	\$7,822,900
Federal/State/Local Returns	0	370,080	1,641,430	1,494,000	520,450	520,450	530,900	541,500	552,300
Charges for Services	0	24,540	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Other Revenue	0	2,720	0	205,000	175,000	175,000	150,000	150,000	150,000
Total Revenues	0	6,598,140	9,343,430	9,500,380	8,102,100	\$8,102,100	\$8,235,000	\$8,396,000	\$8,560,200
EXPENDITURES									
Personnel	0	162,990	167,940	168,990	187,250	187,250	191,000	194,800	198,700

SPECIAL REVENUE FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Supplies	0	8,430	500	500	500	500	500	500	500
Other Charges	0	5,741,850	7,953,700	7,953,700	8,204,350	8,204,350	8,450,500	8,704,000	8,965,100
Total Expenditures	0	5,913,270	8,122,140	8,123,190	8,392,100	8,392,100	8,642,000	8,899,300	9,164,300
Rev. Over (Under) Expend.	0	684,870	1,221,290	1,377,190	(290,000)	(290,000)	(407,000)	(503,300)	(604,100)
Beginning Fund Balance	0	0	684,870	684,870	2,062,060	2,062,060	1,772,060	1,365,060	861,760
Ending Fund Balance	\$0	\$684,870	\$1,906,160	\$2,062,060	\$1,772,060	\$1,772,060	\$1,365,060	\$861,760	\$257,660
BROWNFIELD REDEV. AUTH. FUND									
REVENUES									
Property Taxes - TIF	\$681,370	\$722,060	\$765,350	\$768,800	\$802,550	\$802,550			
Other Revenue	16,770	36,840	19,150	38,000	32,000	32,000			
Total Revenues	698,140	758,900	784,500	806,800	834,550	834,550			
EXPENDITURES									
Other Charges	681,370	719,570	765,350	766,300	800,050	800,050			
Transfers to General Fund	10,000	2,500	2,500	2,500	2,500	2,500			
Total Expenditures	691,370	722,070	767,850	768,800	802,550	802,550			
Rev. Over (Under) Expend.	6,770	36,830	16,650	38,000	32,000	32,000			
Beginning Fund Balance	2,150	8,920	45,750	45,750	83,750	83,750			
Ending Fund Balance	\$8,920	\$45,750	\$62,400	\$83,750	\$115,750	\$115,750			
ECON. DEV. CORP. FUND									
REVENUES									
Other Revenue	\$1,340	\$900	\$0	\$0	\$0	\$0			
Total Revenues	1,340	900	0	0	0	0			
EXPENDITURES									
Other Charges	77,900	36,860	0	0	0	0			
Total Expenditures	77,900	36,860	0	0	0	0			
Rev. Over (Under) Expend.	(76,560)	(35,960)	0	0	0	0			
Beginning Fund Balance	114,760	38,200	2,240	2,240	2,240	2,240			
Ending Fund Balance	\$38,200	\$2,240	\$2,240	\$2,240	\$2,240	\$2,240			
CORR. IMPROVE. AUTH. FUND									
REVENUES									
Property Taxes	\$273,350	\$309,460	\$375,000	\$353,250	\$361,900	\$361,900			
Other Revenue	25,140	72,280	45,000	80,000	68,000	68,000			
Total Revenues	298,490	381,740	420,000	433,250	429,900	429,900			
EXPENDITURES									
Other Charges	44,420	43,630	140,770	140,770	80,000	80,000			
Capital Outlay	0	0	0	0	0	0			
Total Expenditures	44,420	43,630	140,770	140,770	80,000	80,000			
Rev. Over (Under) Expend.	254,070	338,110	279,230	292,480	349,900	349,900			
Beginning Fund Balance	1,012,440	1,266,510	1,604,620	1,604,620	1,897,100	1,897,100			

SPECIAL REVENUE FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Ending Fund Balance	\$1,266,510	\$1,604,620	\$1,883,850	\$1,897,100	\$2,247,000	\$2,247,000			
LOC. DEV. FINANCE AUTH. FUND									
REVENUES									
LDFA General Capture	\$783,530	\$839,330	\$961,650	\$956,550	\$1,052,300	\$1,052,300	\$1,073,300	\$1,094,800	\$1,116,700
LDFA SmartZone Capture	776,820	861,700	940,900	941,950	1,037,450	1,037,450	1,058,200	1,079,400	1,101,000
Federal Grants	20,000	162,820	1,570,000	1,053,500	907,900	907,900	0	0	0
Other Revenue	251,990	448,510	385,000	566,150	524,200	524,200	601,000	601,000	601,000
Total Revenues	1,832,340	2,312,360	3,857,550	3,518,150	3,521,850	3,521,850	2,732,500	2,775,200	2,818,700
EXPENDITURES									
Incubator Operations	1,185,600	1,372,000	2,101,590	2,360,750	1,590,800	1,590,800	3,591,190	1,915,000	1,954,000
SmartZone Improvements	398,310	466,180	42,180	26,000	0	0			
Other District Expenditures	0	0	0	0	357,000	357,000	365,000	373,000	381,000
Small Business Support	0	118,590	1,350,000	913,500	767,900	767,900	0	0	0
Total Expenditures	1,583,910	1,956,770	3,493,770	3,300,250	2,715,700	2,715,700	3,956,190	2,288,000	2,335,000
Rev. Over (Under) Expend.	248,430	355,590	363,780	217,900	806,150	806,150	(1,223,690)	487,200	483,700
Beginning Fund Balance	1,265,160	1,513,590	1,869,180	1,869,180	2,087,080	2,087,080	2,893,230	1,669,540	2,156,740
Ending Fund Balance	\$1,513,590	\$1,869,180	\$2,232,960	\$2,087,080	\$2,893,230	\$2,893,230	\$1,669,540	\$2,156,740	\$2,640,440
INDIGENT DEFENSE FUND									
REVENUES									
State Grants	\$193,740	\$387,010	\$592,250	\$630,500	\$662,450	\$662,450			
Interest on Investments	7,950	19,980	10,000	18,000	15,300	15,300			
Total Revenues	201,690	406,990	602,250	648,500	677,750	677,750			
EXPENDITURES									
Supplies	0	0	0	0	250	250			
Other Charges	302,380	406,990	602,250	648,500	677,500	677,500			
Total Expenditures	302,380	406,990	602,250	648,500	677,750	677,750			
Rev. Over (Under) Expend.	(100,690)	0	0	0	0	0			
Beginning Fund Balance	100,690	0	0	0	0	0			
Ending Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0			
PUBLIC SAFETY FORF. FUND									
REVENUES									
Federal Forfeitures & Income	\$159,750	\$909,230	\$80,470	\$253,200	\$0	\$0			
Treasury Forfeitures & Income	396,130	0	0	0	0	0			
State Forfeitures & Income	293,390	464,770	48,980	98,500	0	0			
OWI Forfeitures	0	0	0	0	0	0			
Gambling Forfeitures	469,830	12,460	3,310	3,300	0	0			
Act 302 Training Funds	34,550	134,400	42,800	199,800	199,800	199,800			
Other Revenue	131,090	156,730	102,810	160,900	137,500	137,500			

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SPECIAL REVENUE FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Total Revenue	1,484,740	1,677,590	278,370	715,700	337,300	337,300			
EXPENDITURES									
Federal Forfeiture Expenditures	93,710	273,660	476,600	718,360	1,208,650	1,208,650			
Treasury Forf. Expenditures	0	0	0	51,500	400,000	400,000			
State Forfeiture Expenditures	398,710	186,710	654,720	352,820	248,100	248,100			
Gambling Forf. Expenditures	0	343,330	300,000	278,710	0	0			
OWI Forfeiture Expenditures	7,390	6,900	11,000	11,000	11,000	11,000			
Act 302 Training Funds	14,470	40,590	42,800	121,300	214,000	214,000			
Total Expenditures	514,280	851,190	1,485,120	1,533,690	2,081,750	2,081,750			
Rev. Over (Under) Expend.	970,460	826,400	(1,206,750)	(817,990)	(1,744,450)	(1,744,450)			
Beginning Fund Balance	1,351,620	2,322,080	3,148,480	3,148,480	2,330,490	2,330,490			
Ending Fund Balance	\$2,322,080	\$3,148,480	\$1,941,730	\$2,330,490	\$586,040	\$586,040			
COMM. DEV. BLOCK GRANT FUND									
REVENUES									
Federal Grants	\$873,370	\$479,530	\$1,397,300	\$1,379,450	\$863,600	\$863,600			
CDBG-CV Grant	416,660	86,040	10,950	10,950	0	0			
Revenue Direct Loans	111,060	73,090	100,000	100,000	50,000	50,000			
Total Revenues	1,401,090	638,660	1,508,250	1,490,400	913,600	913,600			
EXPENDITURES									
Community Development	1,401,090	638,660	1,508,250	1,490,400	913,600	913,600			
Total Expenditures	1,401,090	638,660	1,508,250	1,490,400	913,600	913,600			
Rev. Over (Under) Expend.	0	0	0	0	0	0			
Beginning Fund Balance	0	0	0	0	0	0			
Ending Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0			
LAND BANK FUND									
REVENUES									
Transfers from Pathways Fund	\$0	\$0	\$0	\$0	\$5,000,000	\$5,000,000	\$0	\$0	\$0
Total Revenues	0	0	0	0	5,000,000	5,000,000	0	0	0
EXPENDITURES									
Capital Outlay	0	0	0	0	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000
Total Expenditures	0	0	0	0	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000
Rev. Over (Under) Expend.	0	0	0	0	3,000,000	3,000,000	(1,000,000)	(1,000,000)	(1,000,000)
Beginning Fund Balance	0	0	0	0	0	0	3,000,000	2,000,000	1,000,000
Ending Fund Balance	\$0	\$0	\$0	\$0	\$3,000,000	\$3,000,000	\$2,000,000	\$1,000,000	\$0
OPIOID SETTLEMENT FUND									
REVENUES									
Interest on Investments	\$8,130	\$48,420	\$28,000	\$77,500	\$65,850	\$65,850			

SPECIAL REVENUE FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Special Revenue Funds	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast
Other Revenue	607,650	843,430	114,200	517,200	411,300	411,300			
Total Revenues	615,780	891,850	142,200	594,700	477,150	477,150			
EXPENDITURES									
Supplies	0	0	10,000	10,000	10,000	10,000			
Other Charges	0	0	277,410	264,590	207,300	207,300			
Total Expenditures	0	0	287,410	274,590	217,300	217,300			
Rev. Over (Under) Expend.	615,780	891,850	(145,210)	320,110	259,850	259,850			
Beginning Fund Balance	0	615,780	1,507,630	1,507,630	1,827,740	1,827,740			
Ending Fund Balance	\$615,780	\$1,507,630	\$1,362,420	\$1,827,740	\$2,087,590	\$2,087,590			
AMERICAN RESCUE PLAN ACT									
REVENUES									
Federal Grants	\$4,517,750	\$3,390,440	\$9,603,580	\$9,603,580	\$0	\$0			
Other Revenue	419,900	551,210	135,280	300,000	150,000	150,000			
Total Revenues	4,937,650	3,941,650	9,738,860	9,903,580	150,000	150,000			
EXPENDITURES									
Personnel Services	43,930	51,900	0	0	0	0			
Other Charges	1,188,790	365,290	6,530	6,550	0	0			
Other Services	0	81,730	269,700	252,200	0	0			
Capital Outlay	3,285,010	2,891,530	10,391,370	10,656,800	0	0			
Total Expenditures	4,517,730	3,390,450	10,667,600	10,915,550	0	0			
Rev. Over (Under) Expend.	419,920	551,190	(928,740)	(1,011,970)	150,000	150,000			
Beginning Fund Balance	28,640	448,560	999,750	999,750	(12,220)	(12,220)			
Ending Fund Balance	\$448,560	\$999,750	\$71,010	(\$12,220)	\$137,780	\$137,780			
TOTAL SPECIAL REVENUES									
REVENUES	\$45,295,640	\$50,481,620	\$60,577,410	\$62,793,400	\$99,645,950	\$99,645,950			
EXPENDITURES	38,383,120	48,575,330	70,597,760	71,087,950	95,350,050	95,850,050			
ENDING FUND BALANCE	\$23,009,610	\$24,915,890	\$14,895,540	\$16,621,340	\$20,917,240	\$20,417,240			

An investment in knowledge pays the best interest.

~ Benjamin Franklin ~



TAXES

This revenue source represents 26.2% of total Special Revenues and is generated by the Refuse millage and the voter approved Safe Streets and Recreating Recreation millages, as well as from tax increment financing (TIF) revenues from the Local Development Authority, the Brownfield Redevelopment Authority, and the Corridor Improvement Authority. Revenue will also be generated this year through the Pathways to Play and Preservation (PPP) millage which was approved by the voters in November 2024.

A total of \$26.1 million in tax revenue is anticipated next fiscal year. The proposed millage rates for Special Revenue funds are listed in the chart below:

CITY MILLAGE RATES SPECIAL REVENUE FUNDS	2024/25 Adopted	2025/26 Proposed	Increase/ (Decrease)
Safe Streets (Local Roads)	0.7582	0.7533	-0.0049
Recreating Recreation	0.9196	0.9137	-0.0059
Refuse Collection	1.3558	1.2462	-0.1096
Path. to Play and Pres.	0.0000	0.9439	0.9439

STATE & LOCAL RETURNS

Another source of revenue to the Special Revenue Funds is State & Local Returns. This source of revenue is comprised of grants from the Federal, State, and County levels of government. The major source of revenue in this revenue center is Highway & Street Grants, or as more commonly known, Act 51 Funds. The Act 51 Funds are distributed to communities based on predetermined Michigan Department of Transportation formulas.

In 2025/26, State and Local Returns total \$20.7 million and represent 20.8% of total Special Revenue sources, a decrease of \$12.3 million from the prior year. This is primarily due to reduction in grant revenue. In the prior year \$9.6 million was received in American Rescue Act Funding, \$1 million was received toward the purchase of recycling bins, and the LDFA received \$1.6 million in grant funding, which is \$660,000 more than is projected in the current year.

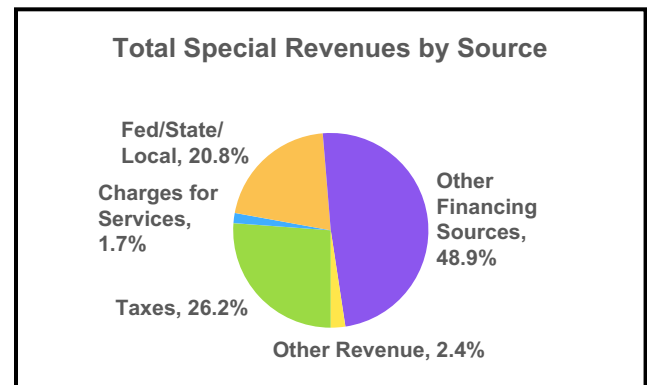
OTHER FINANCING SOURCES

Other Financing Sources include Transfers In from other funds and Proceeds from Long-Term Debt.

In 2025/26, revenues generated from Other Financing Sources represent 48.9% of total Special Revenue sources totaling \$48,747,900. \$40 Million of bond proceeds is proposed to fund projects approved as part of the PPP Millage. Transfers from the General Fund to the Major Road Fund and the Parks and Recreation Fund total \$3.7 million and a Transfer from the PPP fund to the Land Bank fund totals \$5 million.

CHARGES FOR SERVICES

Charges for Services consists primarily of revenue from Parks & Recreation Fees. In the 2025/26 Budget, Charges for Services represents 1.7% of total Special Revenue sources, an increase of \$222,750 as the City expands its program offerings through Recreating Recreation and the Nature Center.



Total Special Revenue = \$99,645,950

OTHER REVENUE

The revenue source of Other Revenue includes Interest on Investments, Special Assessment Revenue, Rental Income, Contributions & Donations, and Reimbursements. These reimbursements are from the Macomb County Road Commission and MDOT for the sweeping and mowing of State and County roads by the City.

In 2025/26, Other Revenues represent 2.4% of total Special Revenue sources, an increase of \$831,010 primarily due to additional investment income, rental income from Velocity's small business center and Opioid settlement receipts.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

In the 2025/26 Budget, revenues exceed expenditures by \$3,795,900 primarily due to fund balance held for future Major Road projects and land purchases.

SPECIAL REVENUE FUNDS

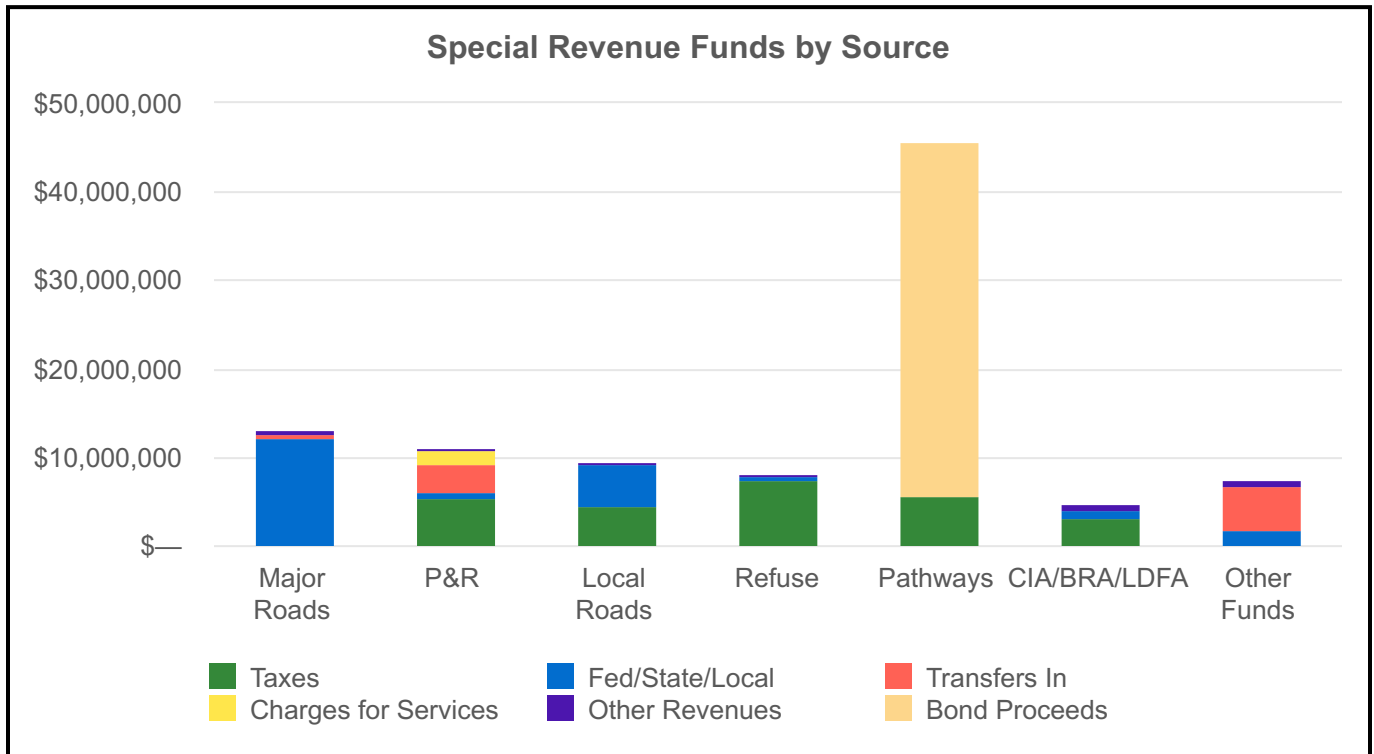
REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>TAXES</u>						
404000	Pathways and Preservation Tax	\$0	0.00	\$0	0.00	\$5,588,450	5.61
405000	City Refuse Tax	6,200,800	12.28	7,667,000	12.66	7,371,650	7.40
407000	Safe Streets Tax	4,073,050	8.07	4,331,000	7.15	4,460,150	4.48
408000	Recreating Recreation Tax	4,939,360	9.78	5,252,000	8.67	5,409,600	5.43
412000	Delinquent Personal Property Tax	19,990	0.04	14,000	0.02	16,000	0.02
414000	Property Tax Refunds	(29,540)	(0.06)	(30,000)	(0.05)	(25,000)	(0.03)
420000	Property Taxes - TIF	725,200	1.44	795,000	1.31	769,050	0.77
420003	LDFA - SmartZone Capture	861,700	1.71	940,900	1.55	1,037,450	1.04
420004	LDFA - General Capture	839,330	1.66	961,650	1.59	1,052,300	1.06
420005	BRA - School Capture	306,320	0.61	345,350	0.57	395,400	0.40
445000	Penalties and Interest	16,050	0.03	13,000	0.02	15,000	0.02
	Total Taxes	17,952,260	35.56	20,289,900	33.49	26,090,050	26.18
	<u>STATE & LOCAL RETURNS</u>						
529000	Federal Grant - Other	3,872,120	7.67	12,502,880	20.64	863,600	0.87
529002	Revenue Direct Loans	73,090	0.14	100,000	0.17	50,000	0.05
529004	Federal Forfeiture Grants	900,830	1.78	80,470	0.13	0	0.00
529005	Federal Forfeiture Program Income	8,400	0.02	0	0.00	0	0.00
529009	CDBG COVID-19	86,040	0.17	10,950	0.02	0	0.00
540000	State Grants	674,830	1.34	1,969,780	3.25	1,575,350	1.58
543000	State Forfeiture Grants	428,060	0.85	32,230	0.05	0	0.00
543001	State Forfeiture Program Income	36,710	0.07	16,750	0.03	0	0.00
543002	Gambling Forfeitures	12,460	0.02	3,310	0.01	0	0.00
543006	Metro Act	488,370	0.97	515,000	0.85	500,000	0.50
543010	Act 302 Training Funds	55,900	0.11	42,800	0.07	42,800	0.04
543012	Act 302 Training Funds - Mandatory	78,500	0.16	0	0.00	157,000	0.16
546000	Highway & Street Grants	15,697,910	31.10	15,668,850	25.87	16,141,750	16.20
550000	Municipal Credit Transportation	239,360	0.47	200,000	0.33	250,000	0.25
573000	Personal Property Tax Reimbursement	1,026,910	2.03	1,103,300	1.82	1,164,450	1.17
581000	County & Other Local Grants	0	0.00	784,000	1.29	0	0.00
	Total State & Local Returns	23,679,490	46.91	33,030,320	54.53	20,744,950	20.82
	<u>OTHER FINANCING SOURCES</u>						
696000	Proceeds - Long Term Debt	0	0.00	0	0.00	40,000,000	40.14
699101	Transfer from General Fund	4,256,170	8.43	4,247,900	7.01	3,747,900	3.76
699211	Transfer from Pathways Fund	0	0.00	0	0.00	5,000,000	5.02
	Total Other Financing Sources	4,256,170	8.43	4,247,900	7.01	48,747,900	48.92
	<u>CHARGES FOR SERVICES</u>						
626006	Refuse Collection Fees	24,540	0.05	35,000	0.06	35,000	0.04
626010	Copies & Forms	480	0.00	0	0.00	0	0.00
637000	Parks & Recreation Fees	1,163,190	2.30	1,205,000	1.99	1,100,000	1.10
637001	Baseball Registration Fees	86,580	0.17	100,000	0.17	100,000	0.10
637003	Basketball Registration Fees	0	0.00	54,650	0.09	57,000	0.06
637004	Community Garden Plot Rental	0	0.00	9,600	0.02	9,600	0.01
637005	Recreating Recreation Collections	0	0.00	0	0.00	304,000	0.31
637006	Nature Center Fees	0	0.00	0	0.00	46,400	0.05
640003	Tree Sales & Planting	40,320	0.08	50,000	0.08	25,000	0.03
	Total Charges for Services	1,315,110	2.61	1,454,250	2.40	1,677,000	1.68
	<u>OTHER REVENUE</u>						
451000	Special Assessment Revenue	2,420	0.00	2,200	0.00	2,400	0.00
451002	Special Assessment Interest	1,510	0.00	1,400	0.00	1,400	0.00

SPECIAL REVENUE FUNDS REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
642007	Parks & Recreation Retail Sale	2,060	0.00	1,000	0.00	1,000	0.00
665000	Interest on Investments	1,308,280	2.59	648,430	1.07	1,027,450	1.03
665005	Interest Income - Federal Forfeiture	62,410	0.12	34,000	0.06	64,000	0.06
665006	Interest Income - Treas. Forfeiture	24,460	0.05	16,000	0.03	19,000	0.02
665007	Interest Income - State Forfeiture	23,820	0.05	19,000	0.03	21,000	0.02
665008	Interest Income - Gamble Forf	40,480	0.08	29,500	0.05	24,500	0.02
665009	Interest Income - OWI Forfeitures	2,590	0.01	2,000	0.00	4,000	0.00
665011	Interest Income - Act 302 Training	2,610	0.01	1,400	0.00	5,000	0.01
667006	Rental Income Smart Incubator	296,540	0.59	291,000	0.48	400,000	0.40
670001	Unrealized Gain/Loss	194,140	0.38	0	0.00	0	0.00
674007	Donations - Parks & Recreation	77,300	0.15	61,000	0.10	65,000	0.07
676000	Reimbursements	391,740	0.78	325,000	0.54	325,000	0.33
677000	Miscellaneous Revenue	3,490	0.01	8,000	0.01	15,000	0.02
677003	Opioid Settlement Revenue	843,430	1.67	114,200	0.19	411,300	0.41
677005	Miscellaneous Revenue - State	360	0.00	910	0.00	0	0.00
687000	Refunds and Rebates	950	0.00	0	0.00	0	0.00
	Total Other Revenue	3,278,590	6.49	1,555,040	2.57	2,386,050	2.39
	Total Special Revenue Funds	\$50,481,620	100.00	\$60,577,410	100.00	\$99,645,950	100.00

Note: The Actual Column is rounded to the nearest \$10.



SPECIAL REVENUE FUNDS

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>PERSONNEL SERVICES</u>						
704000	Wages - Salaries - Permanent	\$1,083,100	2.23	\$1,259,970	1.78	\$1,534,900	1.60
704001	Sick/Personal Buy Back	6,980	0.01	5,400	0.01	6,800	0.01
704002	Health Insurance Allowance	15,250	0.03	18,000	0.03	12,000	0.01
705000	Wages - Salaries - Temp/Part-time	1,756,130	3.62	1,932,110	2.74	2,246,000	2.34
708000	Overtime	94,510	0.19	100,000	0.14	100,500	0.10
708001	Comp Time Buy Back	28,630	0.06	18,900	0.03	14,500	0.02
708003	Overtime - F.L.S.A. Adjustment	510	0.00	0	0.00	550	0.00
709000	Other Benefits/Reimbursements	6,950	0.01	5,400	0.01	6,150	0.01
710000	Longevity	21,040	0.04	17,830	0.03	24,000	0.03
715000	Clothing Allowance	270	0.00	850	0.00	800	0.00
717000	FICA	227,620	0.47	264,380	0.37	301,950	0.32
718000	Worker's Compensation	18,610	0.04	16,850	0.02	28,900	0.03
720000	Pension - General Employees	195,500	0.40	191,900	0.27	195,600	0.20
720002	Defined Contribution	71,270	0.15	97,150	0.14	118,400	0.12
721000	Health Insurance	212,050	0.44	202,600	0.29	245,750	0.26
721001	Health Insurance - Retirees	143,400	0.30	121,100	0.17	115,900	0.12
721003	Retiree Health Savings	29,140	0.06	38,900	0.06	43,700	0.05
722000	Dental Insurance	13,950	0.03	16,100	0.02	17,800	0.02
723000	Life Insurance	3,780	0.01	4,650	0.01	5,500	0.01
724000	Eye Care Insurance	1,920	0.00	2,300	0.00	2,200	0.00
725000	Disability Insurance - Long-term	2,200	0.00	2,850	0.00	3,400	0.00
725001	Disability Insurance - Short-term	6,810	0.01	8,400	0.01	9,900	0.01
	Total Personnel Services	3,939,620	8.11	4,325,640	6.13	5,035,200	5.25
	<u>SUPPLIES</u>						
729000	Postage	3,090	0.01	3,500	0.00	4,500	0.00
730000	Publications	0	0.00	250	0.00	0	0.00
741000	Ammunition	2,800	0.01	2,800	0.00	5,000	0.01
751000	Operating Supplies	158,280	0.33	205,270	0.29	125,400	0.13
761000	Program Activity Supplies	218,320	0.45	289,600	0.41	289,850	0.30
762000	Seniors Program Supplies	29,540	0.06	35,600	0.05	35,750	0.04
785000	Library Collections	3,430	0.01	4,000	0.01	3,500	0.00
	Total Supplies	415,460	0.86	541,020	0.77	464,000	0.48
	<u>OTHER CHARGES</u>						
802000	Audit & Accounting Services	1,370	0.00	1,400	0.00	1,250	0.00
805000	Administrative Services	528,460	1.09	479,850	0.68	592,810	0.62
805001	Management Services	150,000	0.31	150,000	0.21	150,000	0.16
806000	Legal Services - Other	352,550	0.73	546,250	0.77	619,740	0.65
806001	Legal Services - City Attorney	9,890	0.02	1,500	0.00	1,500	0.00
807000	Medical Services	980	0.00	1,650	0.00	1,600	0.00
810000	Other Fees	28,510	0.06	30,000	0.04	23,000	0.02
815000	Liability Insurance	13,950	0.03	13,950	0.02	15,000	0.02
818000	Software Maintenance	40,940	0.08	83,520	0.12	281,500	0.29
819003	Investigators & Experts	0	0.00	12,500	0.02	12,500	0.01
822000	Rubbish Removal	5,584,490	11.50	7,851,800	11.12	8,073,400	8.42
826000	Other Contracted Services	2,419,790	4.98	3,664,240	5.19	3,571,700	3.73
826001	Other Contracts	94,650	0.19	114,400	0.16	120,000	0.13
826002	Marketing	93,540	0.19	179,600	0.25	139,250	0.15
826004	Other Contracted Services - Grant	57,610	0.12	1,500,980	2.13	0	0.00
826005	Programs	335,810	0.69	413,000	0.59	563,000	0.59

SPECIAL REVENUE FUNDS

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
826006	Provided Marketing and Consulting Serv.	19,500	0.04	0	0.00	0	0.00
826009	Subrecipient Funding	98,510	0.20	194,200	0.28	242,900	0.25
827000	Interfund Services	171,200	0.35	212,500	0.30	280,450	0.29
880000	Community Promotion	2,500	0.01	2,500	0.00	1,500	0.00
902000	Publishing	2,740	0.01	7,550	0.01	5,000	0.01
903000	Printing	5,510	0.01	3,200	0.00	4,200	0.00
921000	Electric	340,250	0.70	363,000	0.51	380,000	0.40
922000	Telephone	69,510	0.14	82,650	0.12	68,050	0.07
923000	Gas - Fuel - Oil	97,490	0.20	112,000	0.16	110,000	0.11
925000	Water	237,010	0.49	233,000	0.33	218,000	0.23
930000	Building Maintenance	83,450	0.17	54,750	0.08	53,450	0.06
930001	Equipment Maintenance	71,990	0.15	70,000	0.10	75,000	0.08
930006	Parks & Grounds Maintenance	0	0.00	110,700	0.16	135,800	0.14
942000	Building Rent	26,520	0.05	28,000	0.04	32,000	0.03
945000	Other Rental	141,940	0.29	183,000	0.26	177,850	0.19
956000	Local Meetings	420	0.00	500	0.00	500	0.00
956001	Special Events	39,340	0.08	87,000	0.12	89,000	0.09
957000	Memberships & Dues	10,830	0.02	14,500	0.02	15,000	0.02
958000	Education & Training	64,060	0.00	154,050	0.22	127,400	0.13
958003	Education & Training - Act 302	0	0.00	0	0.00	157,000	0.16
962000	Miscellaneous Expense	727,870	1.50	773,650	1.10	800,050	0.83
962001	Miscellaneous Expense - Cash Over/Short	250	0.00	0	0.00	0	0.00
962004	Miscellaneous - Household Assistance	4,000	0.01	4,000	0.01	0	0.00
962005	Miscellaneous - Home Imp. Assistance	281,130	0.58	0	0.00	0	0.00
962007	Miscellaneous - Investigations	56,080	0.12	42,000	0.06	42,000	0.04
963000	Miscellaneous Programs	78,550	0.16	0	0.00	0	0.00
963003	Miscellaneous - Job Retention Grant	3,440	0.01	5,100	0.01	0	0.00
	Total Other Charges	12,346,630	25.42	17,782,490	25.19	17,181,400	17.93
	OTHER SERVICES						
820002	Grass & Weed Control	348,110	0.72	358,000	0.51	358,000	0.37
820003	Grass & Weed Control - County	155,030	0.32	215,000	0.30	315,000	0.33
820004	Grass & Weed Control - State	321,200	0.66	280,500	0.40	285,000	0.30
820006	Tree & Shrub Maintenance - County	8,040	0.02	30,500	0.04	30,500	0.03
825005	Tree & Shrub Maintenance	784,550	1.62	887,700	1.26	629,500	0.66
820007	Tree & Shrub Maintenance - State	17,270	0.04	20,000	0.03	20,000	0.02
820008	Tree & Shrub Maintenance - Grant	138,880	0.29	0	0.00	0	0.00
860000	Access Road Maintenance	92,710	0.19	78,800	0.11	78,000	0.08
861000	Bridge Maintenance	8,000	0.02	20,000	0.03	20,000	0.02
861001	Bridge Maintenance - County	2,200	0.00	0	0.00	0	0.00
862000	Surface Maintenance	602,340	1.24	652,510	0.92	660,000	0.69
862001	Surface Maintenance - County	0	0.00	2,000	0.00	2,000	0.00
862011	2020 Joint Sealing Program	0	0.00	160,000	0.23	100,000	0.10
863000	Shoulder Maintenance	7,690	0.02	11,000	0.02	11,200	0.01
863001	Shoulder Maintenance - County	0	0.00	500	0.00	500	0.00
864000	Sweeping & Flushing	434,500	0.89	382,000	0.54	435,000	0.45
864001	Sweeping & Flushing - County	70,430	0.14	65,000	0.09	66,000	0.07
864002	Sweeping & Flushing - State	17,760	0.04	18,500	0.03	18,800	0.02
866000	Roadside Cleanup	17,410	0.04	32,500	0.05	32,000	0.03
866001	Roadside Cleanup - County	22,470	0.05	36,500	0.05	36,500	0.04
866002	Roadside Cleanup - State	46,130	0.09	65,000	0.09	65,000	0.07
867000	Curb & Gutter Maintenance	1,280	0.00	3,500	0.00	3,500	0.00
868000	Storm Drain Maintenance	488,250	1.01	512,500	0.73	522,500	0.55

SPECIAL REVENUE FUNDS

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
869000	Snow & Ice Removal	523,870	1.08	950,000	1.35	955,000	1.00
870000	Traffic Signs & Signals	338,900	0.70	275,000	0.39	290,000	0.30
870001	Traffic Signs & Signals - County	550	0.00	0	0.00	0	0.00
870002	Pavement Markings	2,140	0.00	69,490	0.10	72,000	0.08
	Total Other Services	4,449,710	9.16	5,126,500	7.26	5,006,000	5.22
	<u>CAPITAL OUTLAY</u>						
971000	Land Acquisition	169,490	0.35	29,380	0.04	2,000,000	2.09
972005	Dodge Park Improvements	28,650	0.06	0	0.00	0	0.00
972008	Park Improvements	84,950	0.17	479,690	0.68	225,000	0.23
972012	Community Garden	24,000	0.05	1,099,950	1.56	0	0.00
975000	Buildings & Improvements	126,530	0.26	577,300	0.82	1,167,000	1.22
975019	Nature Preserve Trail	0	0.00	0	0.00	3,000,000	3.13
975020	Pickleball Complex	0	0.00	0	0.00	10,000,000	10.43
975021	Rotary Park Improvements	0	0.00	0	0.00	7,500,000	7.82
975022	Red Run Park Improvements	0	0.00	0	0.00	4,000,000	4.17
979000	Computer Equipment	7,310	0.02	12,850	0.02	0	0.00
982000	Machinery & Equipment	42,450	0.09	224,700	0.32	135,050	0.14
984000	Vehicles	753,370	1.55	983,170	1.39	328,000	0.34
988000	Construction	175,910	0.36	16,015,020	22.68	11,576,000	12.08
988052	Velocity Parking Lot Repairs	0	0.00	513,190	0.73	0	0.00
988053	Gardner Street East	5,060	0.01	324,310	0.46	0	0.00
988117	Merrill Road - 18 1/2 to Dobry	300	0.00	0	0.00	0	0.00
988124	Schoenherr - Plumbrook to Clinton River	650	0.00	0	0.00	0	0.00
988130	19 Mile - Schoenherr to Clinton River Rd	3,150	0.01	0	0.00	0	0.00
988139	2023 Sidewalk Repairs Gap Program	21,440	0.04	692,800	0.98	0	0.00
988140	Metro Parkway - Andrew to Dodge Park	9,120	0.02	801,860	1.14	0	0.00
988145	Orban Drive Reconstruction	110	0.00	0	0.00	0	0.00
988146	Metro Parkway - Ryan to Dequindre	18,440	0.04	0	0.00	0	0.00
988147	Ryan Road - Metro Parkway	996,290	2.05	499,140	0.71	0	0.00
988148	2022 Concrete Sectional Replacement	15,560	0.03	0	0.00	0	0.00
988149	2022 Local Road Concrete	(13,500)	(0.03)	0	0.00	0	0.00
988150	Plumbrook Rd Resurf - Van Dyke to Utica	3,554,410	7.32	19,820	0.03	0	0.00
988152	Ryan Concrete Repairs - 14 Mile Road	4,890	0.01	0	0.00	0	0.00
988153	Hayes Resurfacing 18 Mile Road to M59	60	0.00	0	0.00	0	0.00
988154	Edison Court to Hall Road	119,910	0.25	2,447,620	3.47	0	0.00
988155	2022 Transportation Asset Management	300	0.00	21,850	0.03	0	0.00
988156	14 Mile and Van Dyke Innov/Defense	12,100	0.02	0	0.00	0	0.00
988158	Schoenherr Road Resurfacing - 19 Mile Rd	1,397,590	2.88	428,620	0.61	0	0.00
988159	14 Mile Road Resurfacing - Hayes	1,094,800	2.25	436,460	0.62	0	0.00
988160	Metro Parkway Resurfacing - Mound Road	1,956,650	4.03	582,420	0.82	0	0.00
988161	17 Mile Road Bridge over Plumbrook Road	636,830	1.31	340,940	0.48	0	0.00
988162	Metro Pkwy Study Mound to Van Dyke	19,750	0.04	93,240	0.13	0	0.00
988166	2023 Concrete Sectional Repair Program	1,950,430	4.02	155,090	0.22	0	0.00
988167	2023 Concrete Replacement Program	2,885,310	5.94	257,710	0.37	0	0.00
988168	Bonneville Drive Reconstruction	194,530	0.40	0	0.00	0	0.00
988169	Brentwood Drive Improvements	437,600	0.90	0	0.00	0	0.00
988170	Pondview Drive Reconstruction	885,450	1.82	14,560	0.02	0	0.00
988171	2023 Pedestrian Improvements	77,130	0.16	22,880	0.03	0	0.00
988173	Metro Pkwy Concrete Repair Dodge Park	313,720	0.65	192,480	0.27	0	0.00
988174	Maple Lane Drive Developments	1,232,220	2.54	48,820	0.07	0	0.00
977175	M59 Shared Trail - Dequindre to Van Dyke	250,870	0.52	680,120	0.96	0	0.00
988176	Moravian Resurfacing - Schoenherr Road	37,830	0.08	1,690,170	2.39	0	0.00

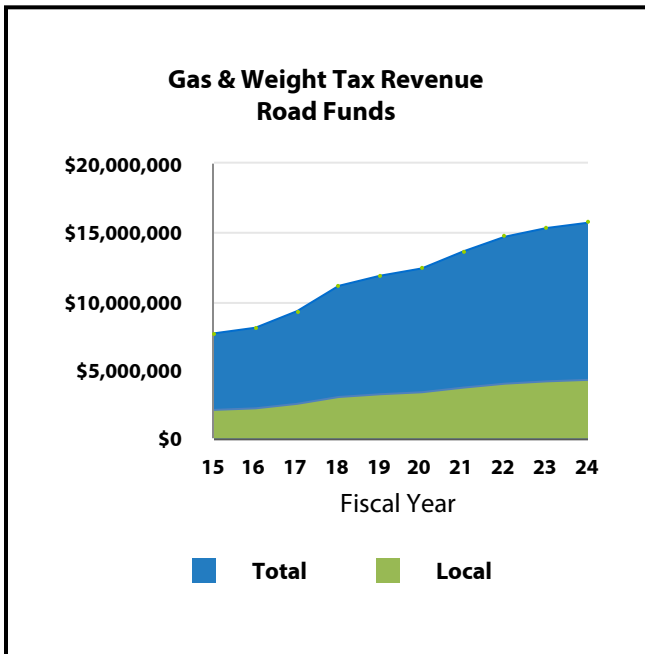
SPECIAL REVENUE FUNDS EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
988178	Edison Court	17,320	0.04	616,380	0.87	0	0.00
988179	Lakeside Island Bridge	31,470	0.06	1,668,530	2.36	0	0.00
988181	M59 Rail Install Dequindre to Van Dyke	0	0.00	2,504,440	3.55	0	0.00
988183	M-53 Improvements - 18 Mile Road	37,450	0.08	545,750	0.77	0	0.00
	Total Capital Outlay	19,617,900	40.39	35,021,260	49.61	39,931,050	41.66
	<u>DEBT SERVICE</u>						
992000	Principal	1,775,000	3.65	1,860,000	2.63	1,955,000	2.04
993000	Interest	1,227,090	2.53	1,138,350	1.61	1,045,350	1.09
	Total Debt Service	3,002,090	6.18	2,998,350	4.25	3,000,350	3.13
	<u>TRANSFERS OUT</u>						
995101	Transfer to General Fund	2,500	0.01	2,500	0.00	2,500	0.00
995283	Transfer to Land Bank Fund	0	0.00	0	0.00	5,000,000	5.22
995301	Transfer to LTGO Debt Service Fund	0	0.00	0	0.00	3,600,000	3.76
995340	Transfer to Road Bond Debt Fund	4,801,430	9.88	4,800,000	6.80	4,800,000	5.01
995401	Transfer to Capital Projects Fund	0	0.00	0	0.00	1,229,550	1.28
995406	Transfer to Sidewalk Rep. & Repl.Fund	0	0.00	0	0.00	10,000,000	10.43
995407	Transfer to Tree Preservation Fund	0	0.00	0	0.00	600,000	0.63
	Total Transfers Out	4,803,930	9.89	4,802,500	6.80	25,232,050	26.32
	Total Special Revenue Funds	\$48,575,340	100.00	\$70,597,760	100.00	\$95,850,050	100.00

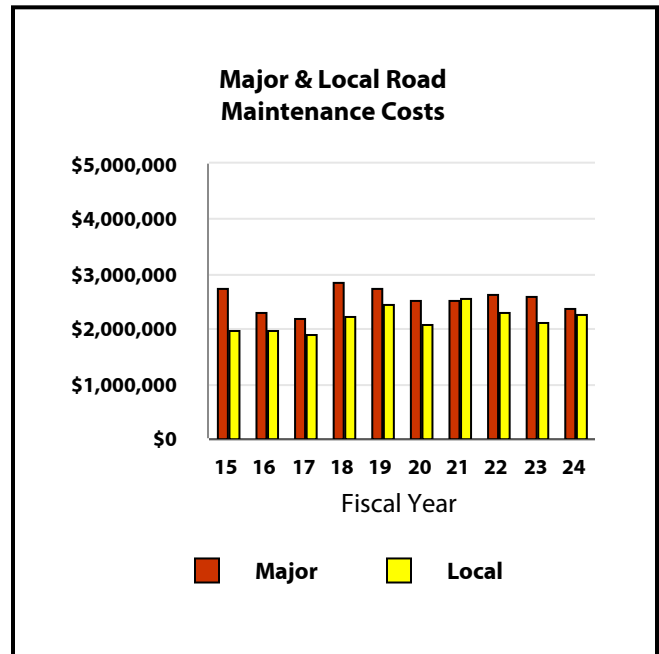
Note: The Actual Column is rounded to the nearest \$10.

KEY FUND TRENDS

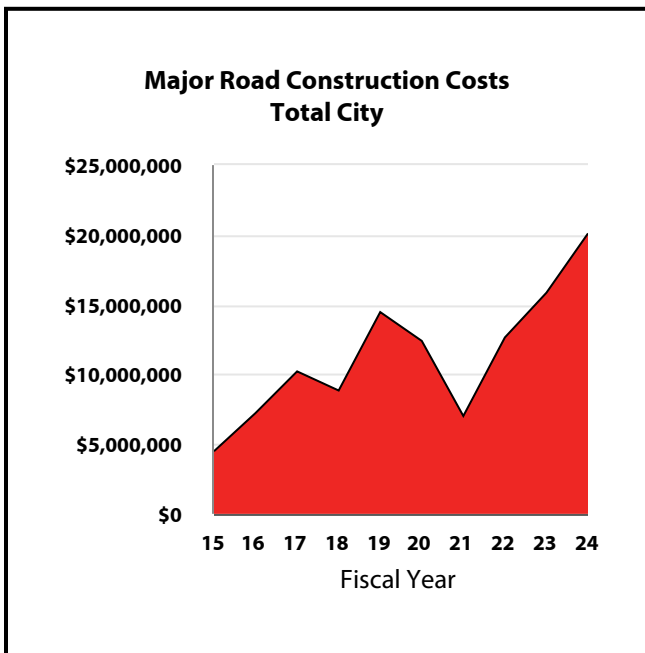
Special Revenue Funds



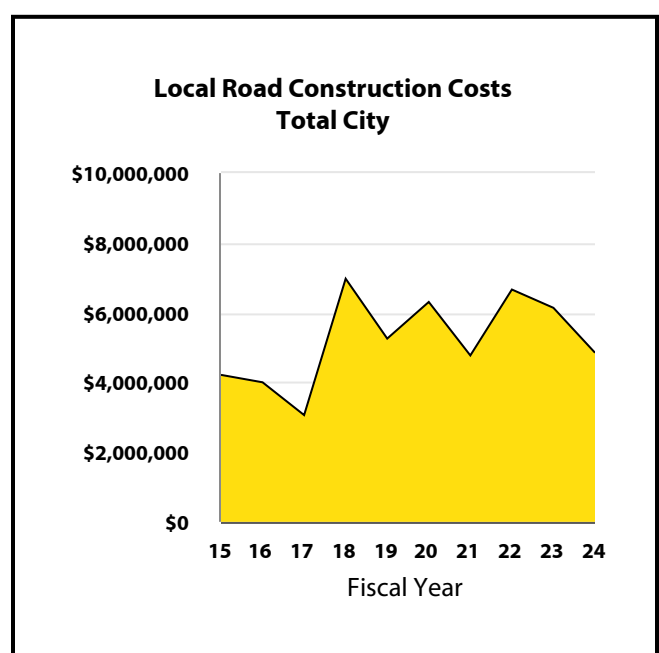
Gas tax revenue increased beginning in 2017 due to an increase in the gas tax and vehicle registration fees that was effective January 1, 2017. State tax rates on gas have steadily increased over the last decade.



Major investment in City infrastructure has kept maintenance expenditures steady in the last ten years despite the increased number of roads, emphasis on right of way maintenance, and fluctuating snow removal costs.



The City has invested significant funds in Major Road improvements. Since 2017 nearly every Major Road in the City has been improved. The \$233 million total reconstruction of Mound Road will be complete by the end of the 2024-2025 fiscal year.



Local Road construction expenditures increased exponentially due to the passage of the Safe Streets millage in 2013. Approximately \$4.5 million annual is invested in neighborhood roads due to funds raised through the millage.

The Major Road Fund is a Special Revenue Fund of the City of Sterling Heights and is used to control the expenditure of motor fuel taxes. The motor fuel taxes are earmarked, by law and the State Constitution, for street and highway purposes that are described in detail by the Michigan Department of Transportation.

This Fund receives Act 51 revenues paid to Sterling Heights by the State and accounts for the construction, maintenance, and other authorized operations pertaining to all streets classified as major streets within the City. In addition, this Fund receives monies paid to Sterling Heights for trunk line contracts and accounts for monies transferred to other City funds. This Fund has been established to make it possible to show that all legal provisions are in compliance with Act 51.

The City's share of the construction of State and County road improvements and the cost of City major road capital improvements, including the payment of debt, are paid through the Major Road Fund.

\$101,150 is included for Other Charges, which includes administrative chargebacks from the Department of Public Works for work performed on the major road network.

Total Other Services is budgeted in the amount of \$2,618,500, which is primarily used for major road maintenance, snow removal, and grass and weed control.

The 2025/26 Capital Outlay totals \$4,950,000 and includes:

- Schoenherr Bridge Superstructure Repair over Red Run Drain (\$500,000)
- 15 Mile Road Reconstruction - Mound Road to Van Dyke Avenue (\$1,200,000)
- 15 Mile Road Resurfacing - Van Dyke Avenue to Maple Lane (\$1,200,000)

- Dobry Drive Resurfacing - Ryan Road East to crossover (\$1,100,000)
- Concrete Sectional Repairs (\$300,000)
- Metro Parkway Street Lighting & Median Improvements (\$500,000)
- Miscellaneous Locations and Safety Improvements (\$150,000)

In fiscal year 2025/26, \$4,800,000 is programmed for transfer to the Road Bond Debt Retirement Fund to pay the debt from the sale of Michigan Transportation Fund bonds.

Additional information on projects in the Major Road Fund can be found in the Capital Projects section of this document.■

Major Road Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 43.5%.

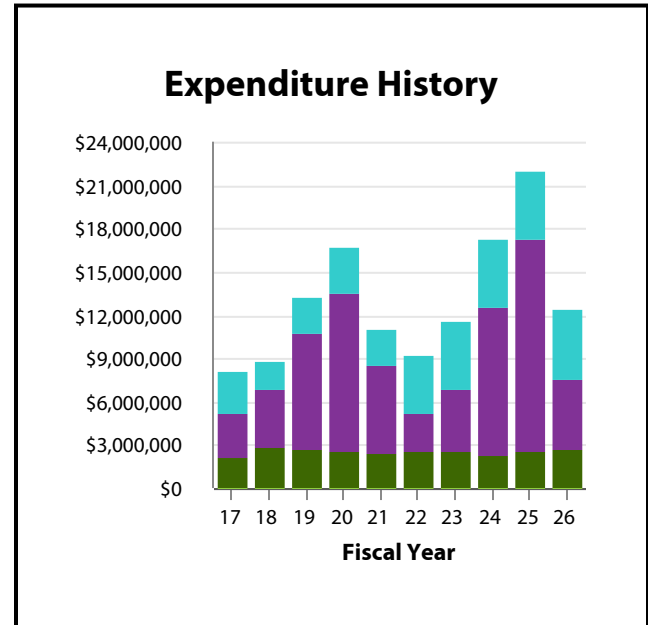
Other Charges – Total Other Charges decreased \$10,150 or 9.1%. This decrease is primarily due to a \$10,000 decrease in cross charges from the Department of Public Works based on recent trends.

Other Services – Total Other Services increased \$66,700 or 2.6%. An additional \$100,000 in funding is allocated to mulching and edging services for county roads. The Joint Sealing program budget decreased by \$60,000. Use of this program has declined due to more and more roads being redone in the City. As such, funding allocated in the prior year has yet to be exhausted. Other noteworthy changes include an additional \$4,500 for state road landscaping, \$4,300 for street sweeping, and \$10,000 for ice and snow management.

Capital – Proposed projects totaling \$4,950,000 include:

- Schoenherr Bridge Superstructure Repair over Red Run Drain (\$500,000)
- 15 Mile Road Reconstruction - Mound Road to Van Dyke Avenue (\$1,200,000)
- 15 Mile Road Resurfacing - Van Dyke Avenue to Maple Lane (\$1,200,000)

For a complete list of all Major Road projects, refer to the Capital Improvements schedule and maps in the Capital Projects section of this document.



Other Charges
Other Services
Capital Outlay
Transfers Out

Transfers Out - Transfers Out to the Road Bond Debt Retirement Fund total \$4,800,000 for the debt payments on existing road bonds.

CITY COUNCIL ADJUSTMENTS TO PROPOSED BUDGET

Capital - An additional \$500,000 was added to the budget for additional street lights and other median improvements on Metro Parkway.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Other Charges	\$85,610	\$111,300	\$91,100	\$101,150	\$101,150
Other Services	2,287,870	2,551,800	2,485,890	2,618,500	2,618,500
Capital Outlay	10,200,920	14,625,030	15,498,340	4,450,000	4,950,000
Transfers Out	4,801,430	4,800,000	4,800,000	4,800,000	4,800,000
Total	\$17,375,830	\$22,088,130	\$22,875,330	\$11,969,650	\$12,469,650

The Local Road Fund is a Special Revenue Fund of the City of Sterling Heights and is used to control the expenditure of motor fuel taxes. These taxes are earmarked, by law and the State Constitution for street and highway purposes that are described in detail by the Michigan Department of Transportation.

The Local Road Fund receives all local road revenue paid to Sterling Heights by the State, and accounts for the construction, maintenance, traffic services, and snow and ice control on all streets classified as local roads within the City. This Fund also accounts for the money raised through special assessments to property owners for street improvements as provided by Act 51 of the Public Acts of 1951, as amended, and for the transfers into this Fund from other City funds.

The voter-approved Safe Streets millage provides over \$4.5 million annually for the repair and reconstruction of neighborhood streets.

This Fund has been established to make it possible to show that all legal provisions are in compliance with Act 51 of the Public Acts of 1951, as amended.

The Local Roads Fund also receives revenue from the Safe Streets millage, approved by the voters in November 2013 and renewed in November 2019 for an additional 10 years. Approximately 32% of the funds collected through the Safe Streets millage are used exclusively for the repair and reconstruction of neighborhood streets.

\$125,100 is budgeted for Other Charges, primarily to fund the administrative time spent on local road projects.

Other Services in this fund total \$2,387,500 and is allocated primarily for local road maintenance, snow removal, storm drain maintenance, and tree and shrub maintenance.

In fiscal year 2025/26, \$6,626,000 is budgeted for Capital Outlay. \$4,650,000 is budgeted for the 2025 Local Road Reconstruction Program. Planned streets for this year's program include Carnation, Kenilworth, Felstone, Marlbank, Kinburn, Cobden, Charity, Hacker, Davison, and Crestview.

Sectional repairs of \$1,850,000 are also planned on Vintners Place, St. Topez, Biraritz, Caraway, Streamwood Ct., Kirkton, Sawyer, Eclipse, Bloomfield, Virginia, Gladstone, and Ketsin.

Specific capital projects in the Local Road Fund are detailed in the Capital Projects section of this document.■



Local Road Fund

SUMMARY OF BUDGET CHANGES

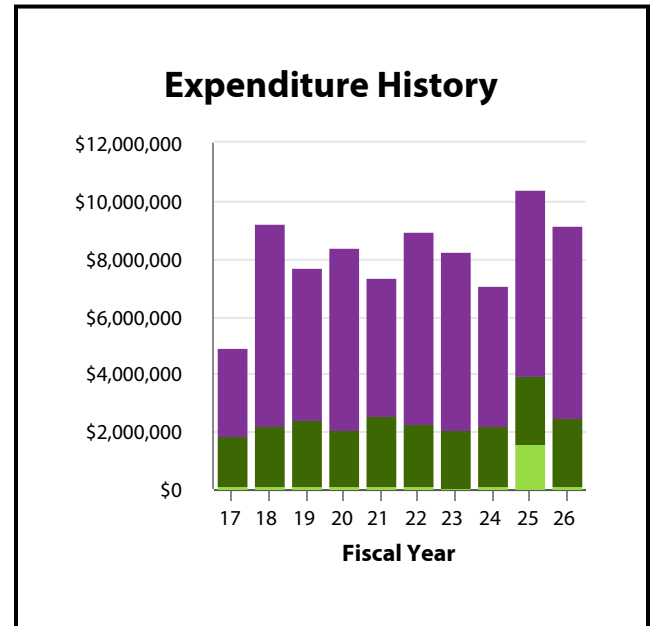
SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 11.9%.

Other Charges - Total Other Charges decreased \$1,500,980 or 92.3% primarily due to grant funded expenditures in the prior year. \$455,000 is related to the receipt of the Safe Streets for All grant, provided funding for the development of a safety action plan for roadways in Sterling Heights that will develop specific recommendations for safety solutions and traffic calming. \$1,046,000 is related to a grant received from American Forests for street tree planting throughout the City.

Other Services - Total Other Services increased \$82,500 or 3.6%. An additional \$50,000 in funding for street sweeping to accommodate extra rotations for increasingly warmer and inclement weather. Other notable changes consist of an extra \$11,000 for foliage care, \$10,000 for curb and gutter maintenance, and \$10,000 for traffic signs and signals.

Capital - Total Capital of \$6,626,000 is budgeted for next year. \$1,850,000 in funding is allocated to the 2025 Local Road Sectional Repair Program and focuses on the following streets: Vintners Place, St. Topez, Biraritz, Caraway, Streamwood Ct., Kirkton, Sawyer, Eclipse, Bloomfield, Virginia, Gladstone, and Ketsin.



Other Services
 Other Charges
 Capital Outlay

The Local Road Reconstruction Program has been assigned a total budget of \$4,650,000. Streets to be repaired under this program include: Carnation, Kenilworth, Felstone, Marlbank, Kinburn, Cobden, Charity, Hacker, Davison, and Crestview.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Other Charges	\$169,900	\$1,626,080	\$1,626,080	\$125,100	\$125,100
Other Services	2,080,110	2,305,000	2,109,500	2,387,500	2,387,500
Capital Outlay	4,849,260	6,439,210	6,512,210	6,626,000	6,626,000
Total	\$7,099,270	\$10,370,290	\$10,247,790	\$9,138,600	\$9,138,600

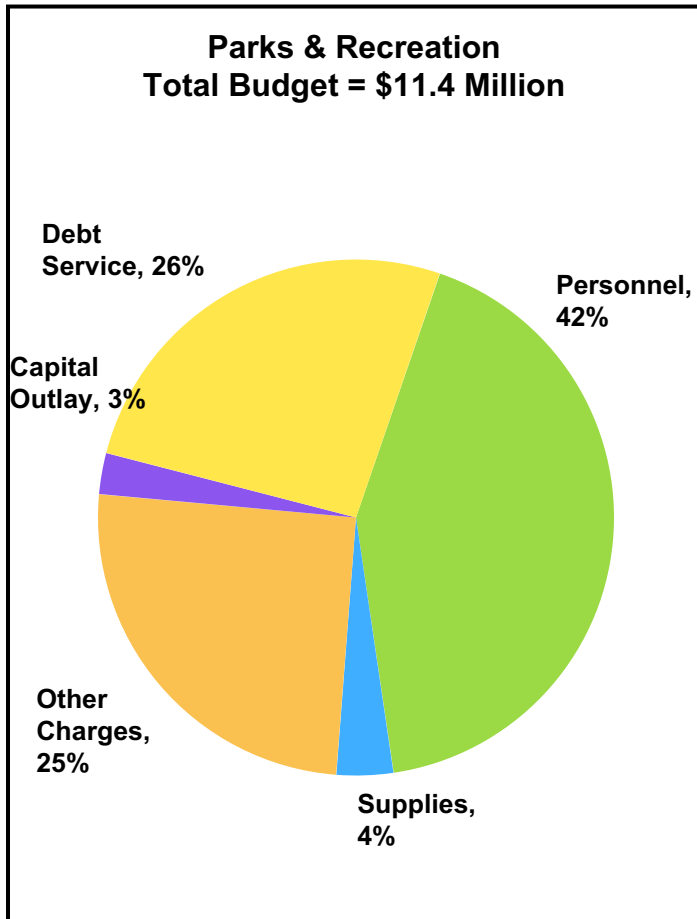
FUNCTIONAL ORGANIZATION CHART

Parks & Recreation Fund

Parks and Recreation Administration		
- Oversees office activities - Implements policies and procedures - Prepares and manages budget - Communicates directly with residents	- Coordinates staff assignments and responsibilities - Coordinates capital improvement requests - Seeks sponsorship for departmental activities - Promotes and markets activities	- Partners with city businesses and neighboring communities - Oversees program development - Coordinates park and facility planning and development
Athletic Programs	Park Operations	Facility Management
- Offers adult and youth athletic programs and leagues including esports - Offers youth baseball and softball leagues - Liaison to various volunteer run youth athletic clubs - Plans and executes athletic special events for adult competitors - Provides assistance to other groups and agencies sponsoring athletic special events - Offers youth basketball league	- Inspects park facilities - Provides park supervision - Participates in park and facility development - Ensures parks are mowed, clean, and safe, including trash removal - Maintains athletic facilities keeping them in a safe and playable condition - Coordinates and supervises contracted services	- Operates and manages Splash Pad - Operates and manages Ice Rink - Operates and manages Dog Park - Operates and manages Community Center - Operates and manages Bocce Facility - Conducts rental of athletic fields - Operates and manages Cricket Grounds
Summer Playground Program	Instructional Classes	Adaptive Recreation Programs
- Coordinates an extensive Summer Playground Program at neighborhood schools - Coordinates Teen Volunteer Program	- Offers adult self-improvement and special interest classes - Offers youth recreational and performing arts classes - Offers a variety of fitness classes for all ages - Offers adult and youth athletic classes	- Offers programs for individuals with cognitive or physical impairments - Acts as a resource/referral service for individuals - Conducts recreational activities in athletics, social recreation, day camps, fitness events, and trips
Special Events	Senior Center and 50+ Programs	Nature Center
- Develops and implements seasonal and holiday events - Develops and implements family oriented events - Develops and implements cultural events and community activities - Coordinates assistance for community events with various city departments	- Offers social, recreational and athletic activities and events for 50+ population - Provides transportation Services - Coordinates a variety of senior citizen services - Coordinates programs in the Senior Center Gymnasium - Offers daily food service	- Maintains Nature Center and provides visitor service - Presents family nature programs and events - Offers instructional archery program through the USA Archery - Operates and manages Community Garden - Hosts unique birthday party experiences - Conducts field trips for schools and scout groups

DEPARTMENT AT A GLANCE

Parks & Recreation Fund



PERSONNEL SUMMARY

	2025/26	
	Full Time	Part Time
Parks & Recreation	19	3
Total Department	19	3

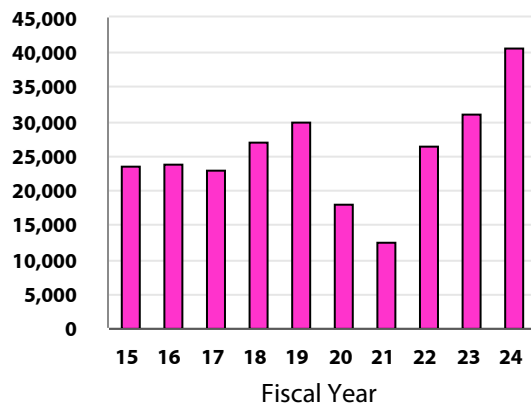
FUNDING LEVEL SUMMARY

	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget	% Change From 24/25
Parks & Recreation	\$9,399,100	\$10,140,340	\$11,064,180	\$11,431,500	3.3%
Total Department	\$9,399,100	\$10,140,340	\$11,064,180	\$11,431,500	3.3%
Personnel Services	\$3,356,460	\$3,724,730	\$4,157,700	\$4,847,950	16.6%
Supplies	285,590	325,790	410,720	404,500	-1.5%
Other Charges	2,478,910	2,717,170	2,768,050	2,884,700	4.2%
Capital Outlay	276,550	370,560	729,360	294,000	-59.7%
Debt Service	3,001,590	3,002,090	2,998,350	3,000,350	0.1%
Total Department	\$9,399,100	\$10,140,340	\$11,064,180	\$11,431,500	3.3%

KEY DEPARTMENTAL TRENDS

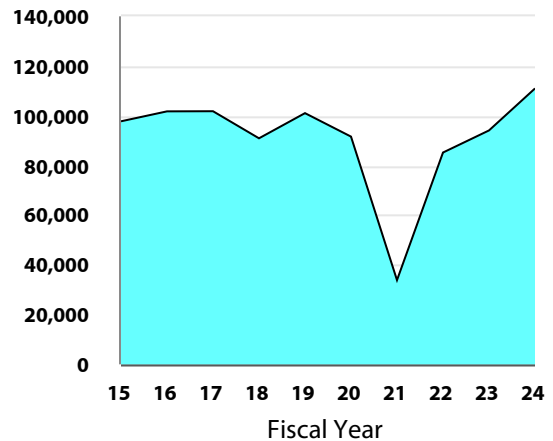
Parks & Recreation Fund

Instructional Class Attendance



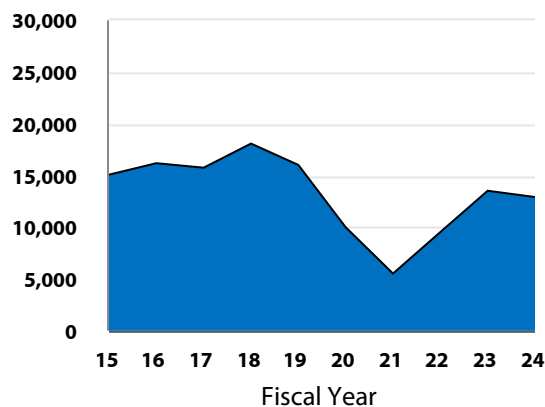
Instructional class attendance has been growing in recent years and is expected to continue to grow due to the opening of the Community Center. In 2024 the City achieved record high attendance of 40,576. The City's most popular offerings include dance, gymnastics, Little Learners, and fitness courses.

50+ Activity Attendance



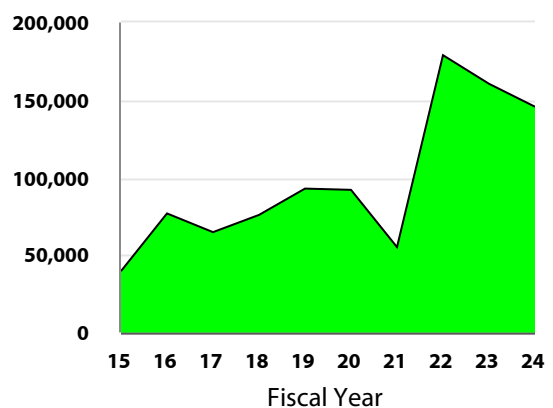
Senior program attendance has returned to levels experienced pre-pandemic. Attendance totaled 110,986 for 2024. Annual memberships to the Senior Center have also steadily grown as more residents enter this age group. Courses of interest include pickleball and a variety of senior-focused fitness classes and trips.

Nature Center Attendance



Nature Center program attendance increased in 2018 due to the addition of archery and a St. Patrick's Day event. The overnight camp-out also returned. Attendance continues to rebound from the downtrend during the pandemic. Total Nature Center attendance in 2024 was 12,915.

Special Events Participants



Attendance has spiked in recent years due to the City's increasing social media presence and promotion. The most popular reoccurring event is the Dodge Park Thursday's. Introduced in 2015, the market has expanded to include vendors, food trucks, and live music acts for resident enjoyment. Special event participation in 2024 totaled 145,636.

MISSION STATEMENT: *To enhance the quality of life in Sterling Heights by linking the community through innovative parks, facilities, programs, and events.*

KEY GOALS

- ***To offer high quality, value-driven recreation services and programs to our residents that benefit their overall physical and mental well-being.***
- ***To continue the vision of park and facility development providing new and/or improved recreation opportunities for our residents of various ages, interests and abilities as per the Department's Master Plan.***
- ***To provide positive leisure opportunities to the youth and teens of our community through wholesome and well-rounded programs and recreational venues.***
- ***To closely monitor our parks and facilities to ensure a safe and clean environment for all users.***

The Parks & Recreation Fund is a Special Revenue Fund of the City of Sterling Heights. It was created in Fiscal Year 2017/18 after voter approval of the Recreating Recreation millage in November 2016. The Fund will receive a dedicated millage for 20 years. The Recreating Recreation initiative delivers a diverse mix of recreational opportunities and facilities including:

- A 98,000 square foot Community Center
- A permanent pavilion for the Dodge Park Farmer's Market
- A refrigerated ice-rink, an outdoor splash pad, a skate park and a dog park
- Facilities for canoe and kayak enthusiasts along the Clinton River
- Development of a hike/bike trail linking Delia Park with the City Nature Preserve
- Capital improvements to nearly every neighborhood and major park
- A fully enclosed three-season bocce ball facility
- A cricket field at Delia Park

The Fund also receives revenue from Parks & Recreation fees, SMART credits, CDBG, and a transfer from the General Fund for the pre-existing department expenses prior to the passing of the millage. In addition to providing new amenities, Parks & Recreation administers a variety of programs for all ages.

The Instructional Program offers a variety of fitness, dance, athletic, and special interest classes. The Special Events Program includes Sterling Frights Halloween, A Sterling Christmas, Music in the Park, Sterlingfest, Daddy/Daughter Dance, Dance Recital, and Farmers Market.

In Athletic Services, adults and youth are provided the opportunity to compete in organized leagues and events. A Summer Playground Program is conducted at schools throughout the City for children ages 5 to 14. This program offers activities such as games, crafts, field trips, sports and more.

Teens have the opportunity to participate in Esports and have a place in the Community Center especially designed for them. The Nature Services Program offers individuals, families, and groups an opportunity to learn more about our environment and the local ecosystem, including at the new Community Garden.

Park Operations monitors over 610 acres of large urban parks, community parks and sport complexes, as well as over 236 acres of neighborhood parks. It is estimated that over 800,000 people frequent the park system annually.

The 50+ Program provides a variety of recreational activities such as trips, seasonal events, athletics, etc. Some of the special services available to our senior residents include transportation, medical services, and a healthy dining program.

The Award Winning Adaptive Recreation Program provides a space for children and adults with special needs to enrich their lives. Participants have the opportunity to engage in a variety of leisure programs including athletics, creative arts, food preparation, summer day camps, and seasonal events. ■

Parks & Recreation Fund

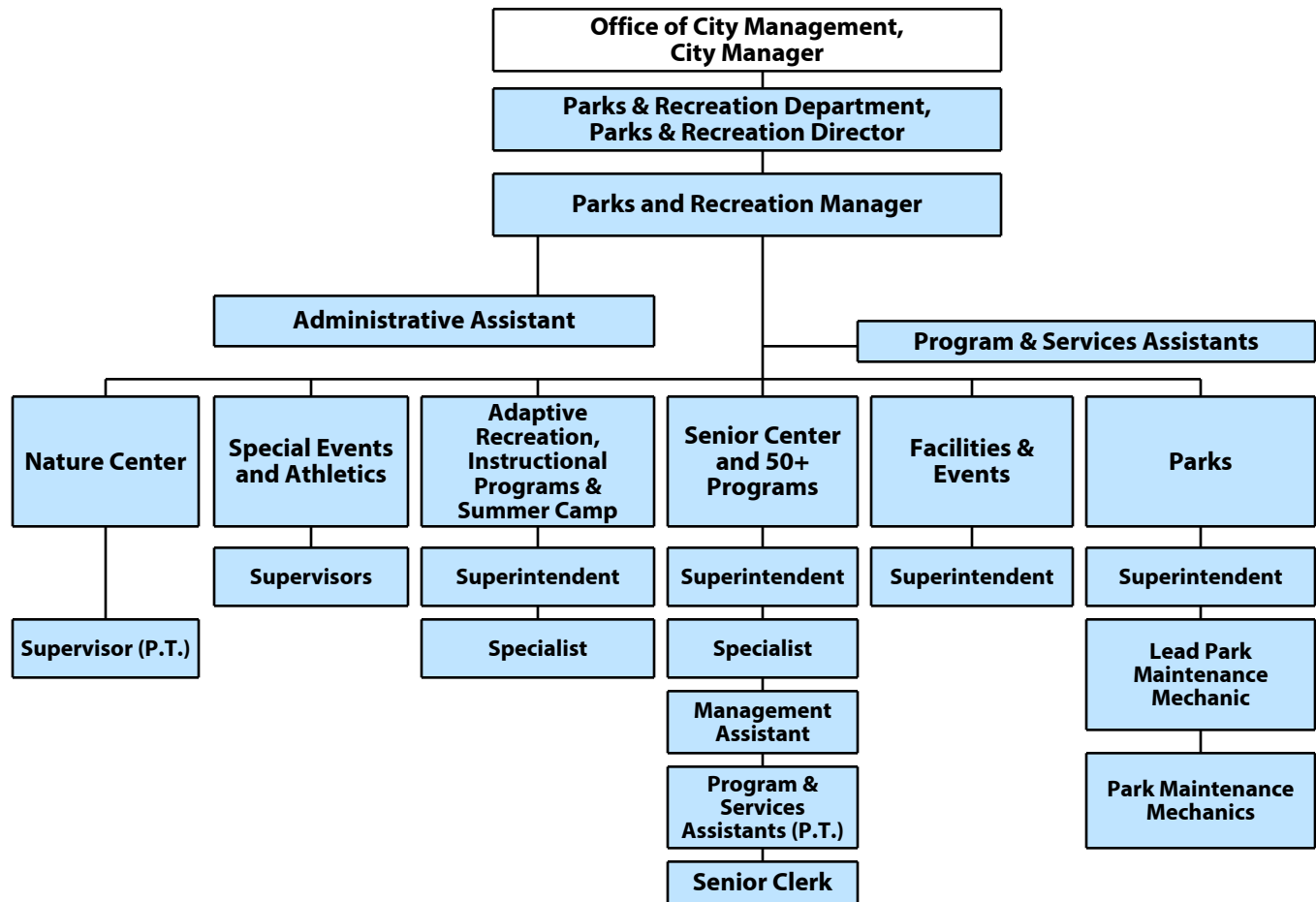
2025/26 PERFORMANCE OBJECTIVES

1. To work with consulting professionals to design engaging, inclusive, and innovative spaces approved through the Pathways to Play and Preservation millage. (City Goal 16, 17, 19)
2. To implement one new measure from the Climate Action Plan (CAP) as it relates to special events. (City Goal 4)
3. To develop a new cooking/meal preparation program for adaptive and 50+ participants with the completion of the licensed food service kitchen at the Senior Center. (City Goal 19)
4. To develop three innovative programs and uses for the Bocce Barn for various times of the year including non-peak months. (City Goal 19)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Instructional Class Attendance	26,276	31,099	40,576	33,000	40,800	40,000
	Spec. Event Participation (Incl. Farm. Mkt.)	178,894	160,439	145,636	150,000	159,900	150,000
	Adaptive Recreation Program Attendance	2,978	3,483	4,276	5,000	5,050	5,000
	Adult & Youth Athletic Attendance	22,177	25,693	41,612	30,000	53,000	50,000
	Nature Center Attendance	9,531	13,522	12,915	14,000	13,100	14,000
	Pavilion Rentals	349	363	377	350	375	350
	Number of Internet Registrations	6,664	7,595	8,450	7,500	9,400	8,400
	Summer Playground Registrations	689	718	686	690	690	690
	Splash Pad & Ice Rink Attendance	64,107	62,949	69,764	80,000	65,000	70,000
	50+ Activity Attendance	85,208	94,095	110,986	101,000	115,000	108,000
	Transport. Riders (Incl. Sterlingfest/Special Activities)	11,856	31,435	28,619	33,000	34,000	33,000
	Dog Park Passes Issued	402	382	396	400	375	400
	Youth Baseball and Softball Registrations	604	564	600	700	630	700
	Community Center Room and Gymnasium Rentals	0	91	121	100	95	100
	Senior Center Memberships	227	1,383	1,769	1,710	1,715	1,710
	Field Rental Dates Booked	59	101	139	160	220	200
	Community Center Drop-in Attendance	38,677	47,791	52,884	49,000	58,000	55,000
	Community Center Other Use	1,927	8,749	14,309	9,500	14,500	14,000
Efficiency	P & R Revenue Earned per Capita	\$7.39	\$8.31	\$9.31	\$10.19	\$10.27	\$12.04
	% of Refunds Due to Dissatisfaction	0.01%	0.05%	0.01%	0.50%	0.01%	0.50%
	FTE's per 100,000 Pop.	39	40	40	40	40	40

*Cost is calculated for "Actual" columns only.

Parks & Recreation Fund



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Parks & Recreation Director	1	1	1
Parks & Recreation Manager	0	0	1
Recreation Superintendent	4	4	4
Recreation Supervisor	3	2	2
Recreation Supervisor (P.T.)	0	0	1
Marketing Specialist	0	1	0
Recreation Specialist	2	2	2
Recreation Specialist (P.T.)	1	1	0
Management Assistant	0	1	1
Administrative Assistant	1	1	1
Program & Services Assistant	2	2	2
Program & Services Assistant (P.T.)	1	1	2
Lead Parks Maintenance Mechanic	0	1	1
Parks Maintenance Mechanic	2	3	3
Senior Clerk	1	1	1
Intern	1	1	0
Total	19	22	22

Parks & Recreation Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 3.3%.

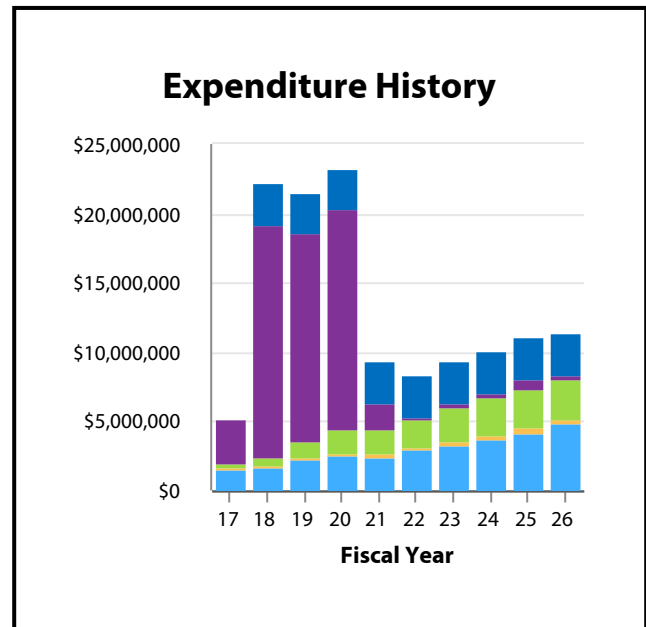
Personnel Services – Total Increase of \$690,250 or 16.6% is primarily due to:

- Contractual wage adjustments
- The addition of a Parks & Recreation Manager as part of the cost neutral plan to provide more services in house that were previously performed by outside contractors
- Increased part-time wages due to wage increases and staffing for additional programs

Supplies – Total Supplies decreased \$6,220 or 1.5% primarily due to one-time purchases of a Community Foundation sign and television monitor in the prior year. Funds were received from the Community Foundation to offset the purchase of the sign

Other Charges – Total Other Charges increased \$116,650 or 4.2%. \$58,150 is related to the full-year funding of a Marketing Specialist housed in the Community Relations department. Contracted services also increased due to the rising cost of entertainers and class instructors for both Community Center and Senior Center offerings. An update to the Parks and Recreation Master Plan is also included for \$10,000.

Capital – \$294,000 is proposed. This funding includes \$85,000 for shade structures in the Delia Dog Park, \$140,000 for ADA compliant bleachers in Donovan Park, and \$25,000 to purchase new basketball lights for Dodge Park.



Debt Service – Total Debt Service of \$3,000,350 funds the Park improvements financed through the voter-approved Recreating Recreation millage.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$3,724,730	\$4,157,700	\$3,938,630	\$4,847,950	\$4,847,950
Supplies	325,790	410,720	400,700	404,500	404,500
Other Charges	2,717,170	2,768,050	2,702,470	2,884,700	2,884,700
Capital Outlay	370,560	729,360	728,940	294,000	294,000
Debt Service	3,002,090	2,998,350	2,998,350	3,000,350	3,000,350
Total	\$10,140,340	\$11,064,180	\$10,769,090	\$11,431,500	\$11,431,500

***Coming together is a beginning; keeping together is progress;
working together is success.***

~ Edward Everett Hale ~



The Pathway to Play and Preservation millage was approved by voters on November 5, 2024. The millage will raise an estimated \$90 Million over fifteen years for dedicated funding of quality of life projects including trail developments, sidewalk repairs, recreational facilities, and tree canopy expansion.

Building on the success of the Visioning 2030 strategic plan, city leadership initiated Visioning 2040, engaging residents and businesses to frame a clear vision and guiding principles for the future.



Culminating from this process, the Pathway to Play and Preservation proposal included the following improvements:

- The preservation of green spaces that will remain undeveloped and/or dedicated to public recreation.
- Reforest the City's tree canopy that was decimated by the Emerald Ash Borer infestation and provide beauty, traffic calming, a cooling factor and natural air purification to our community.
- Create a dedicated funding source for sidewalk completion and maintenance, eliminating sidewalk special assessments.

- Develop a natural hike/bike trail giving residents access to the Sterling Heights Nature Preserve's old growth forest for the first time.
- A newly developed Red Run Park serving as a flagship park, in the southern portion of the City, will include a dog park, pickle ball courts, bike/hike trail and 24-hour satellite public library.
- Meet resident demand for a new indoor pickleball complex.
- Re-imagination of Rotary Park and Belvedere Park featuring a canoe/kayak livery and boardwalk along the Clinton River.

The City will also complete a bond issuance in 2025 to obtain immediate funding for the pickleball complex and park development, as well as jump start sidewalk replacement projects and land purchases.

Tax revenue generated will be transferred from this fund to several capital projects funds. These capital projects funds will track funding for sidewalk repairs, reforestation efforts, and creation of the City's land bank.

For the 2025/26 fiscal year this millage will generate \$5,588,450 in revenue and \$40,000,000 in bond proceeds.



Pathways and Preservation Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

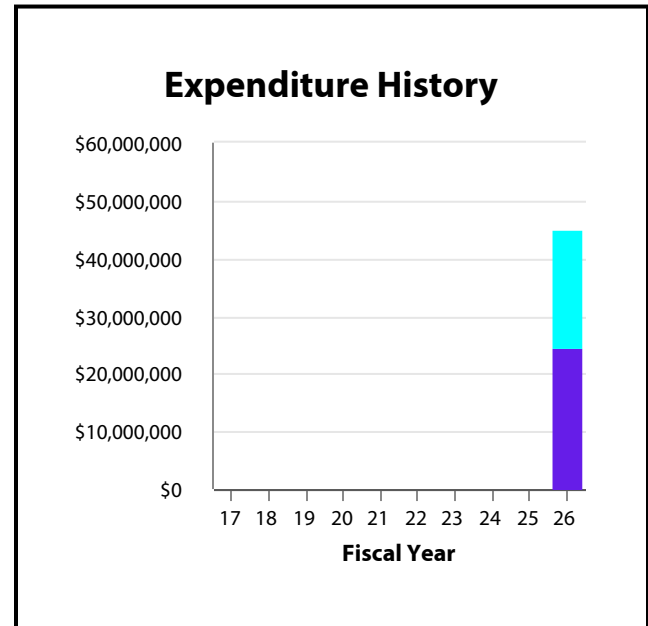
The total budget for this fund is \$44,929,550 .

Capital - Capital for this fund totals \$24,500,000.
Projects to be funded:

- Nature Preserve Trail (\$3,000,000)
- Pickleball Complex (\$10,000,000)
- Rotary Park Improvements (\$7,500,000)
- Red Run Park Improvements (\$4,000,000)

Transfers Out - Transfers out of this fund total \$20,429,550 and will be made to the following funds:

- Land Bank Fund (\$5,000,000)
- LTGO Fund for debt service (\$3,600,000)
- Capital Projects Fund to reimburse for the 2023 Sidewalk Repair Program (\$1,229,550)
- Sidewalk Repair & Replacement Fund for future sidewalk repair and gap completion (\$10,000,000)
- Tree Preservation Fund (\$600,000)



■ Personnel
■ Other Charges
■ Capital Outlay
■ Transfers Out

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Capital Outlay	\$0	\$0	\$0	\$24,500,000	\$24,500,000
Transfers Out	0	0	0	20,429,550	20,429,550
Total	\$0	\$0	\$0	\$44,929,550	\$44,929,550

The Refuse and Recycling Fund is a Special Revenue Fund of the City of Sterling Heights and is used to track the revenue and expenditures related to the weekly curbside collection of refuse, yard waste, and recycling.

Refuse and Recycling expenditures are funded through a dedicated Refuse millage, which is authorized through Michigan Public Act 298 of 2017. This millage is calculated each year to recover the costs of curbside Refuse and Recycling throughout the City.

Weekly Refuse, Recycling, and Yard Waste Collection will cost the average resident just \$2.47 per week.

The Public Works Office oversees the private refuse contractor. The goal is to provide prompt, reliable, and efficient refuse collection weekly from residential homes, condominiums, commercial curbsides, and City dumpster pick-ups.

In May 2024, the City contracted with a new refuse collection provider, Priority Waste. This new contract will include automatic cart collection and universal curbside recycling.



A separate collection of yard waste is made from early April through mid-December from all curbside collection stops. Yard waste is composted and diverted from landfill disposal. A separate collection of Christmas trees for composting is also provided.

Refuse Collection includes pick up of bulky items on regularly scheduled collection days, as well as the separate collection of “white” goods, i.e. stoves, refrigerators, etc. These white goods are delivered to a scrap metal recycler for reuse. All refuse related files and correspondences are maintained in this activity.

The Public Works General Supervisor serves as the City’s liaison with the refuse contractor to ensure the contractor is performing in accordance with the contract and City ordinance. The handling and resolution of more difficult complaints and the provision of information and reports is accomplished through this area. The clerical support staff verifies the contractor’s monthly invoices, prepares requests for payment and monthly reports, maintains all refuse files, and types all related correspondence.

The Solid Waste Management Commission is funded in the Refuse and Recycling Fund. The Public Works Operations Manager serves as the liaison to the Commission. The Commission serves in an advisory capacity to the City Council and Administration.

The Commission’s responsibility is to continually review and update the City’s position regarding solid waste disposal activities.

\$187,250 is budgeted for Personnel Services. Part-time employees provide clerical support and seasonal laborers assist with resident concerns regarding waste pickup.

\$8,204,350 is budgeted in Other Charges. The annual waste contract totals \$8.1 million and includes refuse, recycling and yard waste pickup. Annual hazardous waste, electronics recycling, and shredding events are also included in the contracted rate.



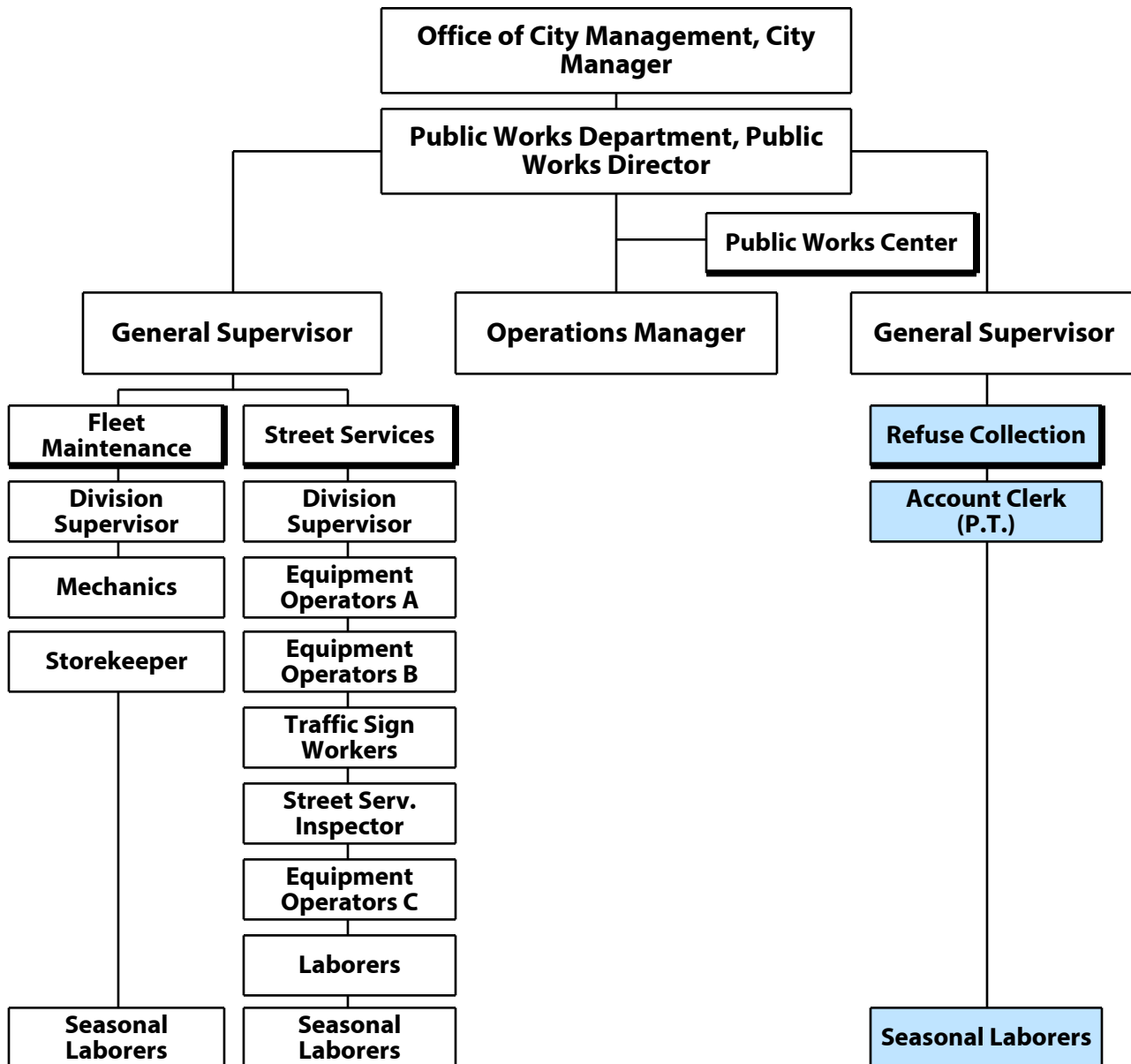
Refuse Collection

2025/26 PERFORMANCE OBJECTIVES

1. To implement a comprehensive recycling program for apartment buildings, making it easier for residents to participate in sustainable waste management and reduce their environmental footprint. (City Goal 1, 3, 6, 12)
2. To closely monitor residential refuse collection to minimize complaints through education with residents and monitoring the contractor. (City Goal 1, 12)
3. To eliminate all non-conforming trash cans to reduce confusion and standardize waste disposal practices to improve the overall efficiency of waste management systems. (City Goal 1, 12, 14)
4. To research industry best practices for electronics recycling beyond the annual collection event. (City Goal 1, 3)

	Performance Indicators	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Budget
Output	Curbside Refuse Collection Points (Per Week)	41,094	41,146	41,246	41,500	41,500	41,500
	Tons of Refuse Land filled	48,581	44,855	46,190	47,000	37,000	37,000
	Tons of Yard Waste Composted/Diverted	11,527	9,224	10,080	12,000	14,500	14,500
	Christmas Trees Chipped and Composted	578	659	576	750	650	650
	Tons of Plastics Recycled (Recycling Center)	1,830	1,419	1,335	0	0	0
	Tons of Paper Recycled (Recycling Center)	947	822	797	0	0	0
	Curbside Recycling Subscribers	10,983	7,825	6,454	0	0	0
	Curbside Recycling Volume (tons)	2,136	1,821	1,778	7,000	8,300	8,500
Efficiency & Effectiveness	Refuse Violations Tagged by Contractor	413	487	563	600	500	550
	% of Refuse Collection Stops Making Complaints	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%
	Refuse Collection Costs per Capita	\$34.86	\$36.07	\$44.02	\$60.43	\$60.43	\$62.08
	Refuse Collection Millage Rate	0.99	0.95	1.35	1.35	1.35	1.24
	Refuse Cost for Average Homeowner	\$80	\$87	\$133	\$133	\$133	\$126
	Net Cost to Operate Recycling Center	\$149,000	\$150,000	\$125,000	\$0	\$0	\$0
	Recycling Costs Per Ton Recycled	\$50.70	\$59.00	\$58.63	\$80.00	\$0.00	\$0.00
	Cost to Collect/Dispose of Refuse (1 ton)	\$95.07	\$108.06	\$128.02	\$172.72	\$219.43	\$225.41

Refuse Collection



STAFFING SUMMARY

Position	Budget 2023/24	Budget 2024/25	Budget 2025/26
Account Clerk (P.T.)	1	1	1
Seasonal Laborer (P.T.)	4	4	4
Total	5	5	5

Refuse Collection

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

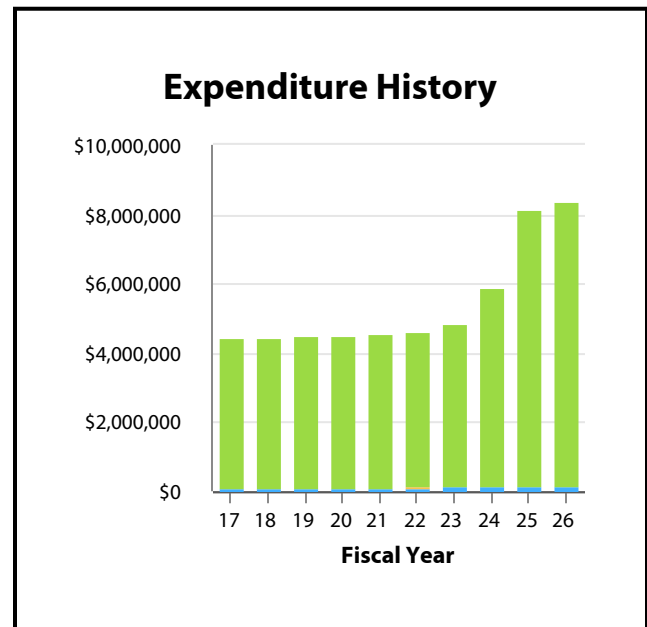
The total budget increased by 3.3%.

Personnel Services - Total Personnel Services Increased \$19,310 or 11.5% primarily due to contractual wage increases for part-time employees.

Supplies - Total Supplies remained the same with a total budget of \$500.

Other Charges - Total Other Charges increased \$250,650 or 3.2% primarily due to annual contractual increase for refuse and recycling services. Funding of \$18,250 is also included for an additional recycling event for electronics. I

Capital - There is no Capital proposed for this division.



Personnel Services Supplies Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$162,990	\$167,940	\$168,990	\$187,250	\$187,250
Supplies	8,430	500	500	500	500
Other Charges	5,741,850	7,953,700	7,953,700	8,204,350	8,204,350
Total	\$5,913,270	\$8,122,140	\$8,123,190	\$8,392,100	\$8,392,100

Note: Refuse Collection is reclassified as a special revenue fund as of the 2023/24 fiscal year.

A budget is telling your money where to go instead of wondering where it went.

~ Dave Ramsey ~



The Brownfield Redevelopment Authority Fund is a Special Revenue Fund of the City of Sterling Heights. The Authority was established in 2000 to offer private developers an opportunity to take advantage of tax incentives and grant programs to redevelop underutilized and obsolete properties, as well as remediate those properties that may be contaminated.

The Authority offers private developers an opportunity to take advantage of tax incentives and grant programs to redevelop underutilized and obsolete properties.

The goals of the Brownfield Redevelopment Authority are to clean up environmentally questionable properties, maximize land use in relation to the appropriate zoning district, reduce the blighting influence of underutilized or obsolete properties, create new job opportunities for residents of Sterling Heights, stimulate new investment in the City by wisely using all available resources, and control urban sprawl by reusing sites with existing infrastructure.

The City of Sterling Heights, through the Brownfield Redevelopment Authority, uses promotional advertising to encourage new investment in existing properties and assists developers in obtaining financial assistance through grant programs, tax credits, and tax increment financing.

The Brownfield Redevelopment Authority encourages new investment in existing properties.

The Brownfield Redevelopment Authority's tasks include making recommendations to City Council on future Brownfield plans, coordinating environmental inspections of possible Brownfield sites, and providing technical assistance, including zoning and infrastructure information and guidance

to those parties that are redeveloping land in the City. Overall, Brownfield Redevelopment will have a positive impact on the Community by providing a cleaner and safer environment.

The Economic Development Consultant is the City's liaison to the Brownfield Redevelopment Authority, whose nine members are the same as the Economic Development Corporations' members.■

Brownfield Redevelopment Authority Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

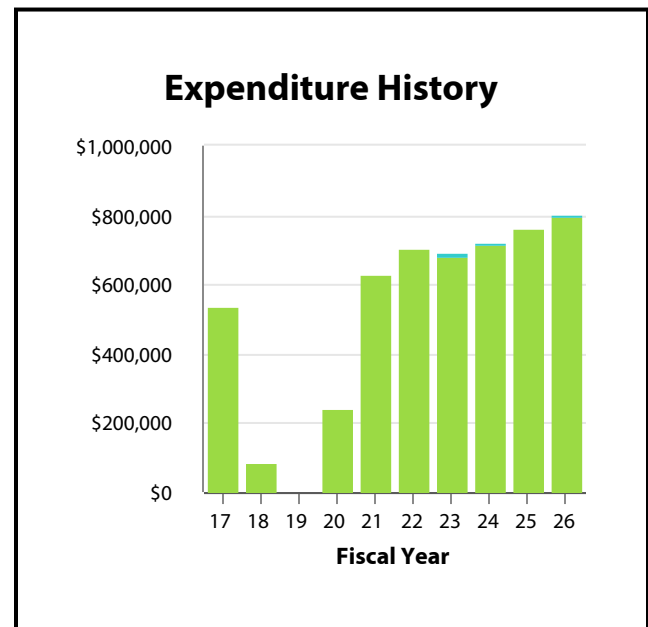
The total budget increased by 4.5%.

Personnel Services - There is no Personnel budget for this fund. The Brownfield Redevelopment Authority members serve as volunteers without compensation.

Other Charges - Total funding of \$800,050 in Other Charges are proposed for the reimbursement of eligible brownfield project costs. Increases in property taxes will allow for larger reimbursements. Reimbursements are anticipated to increase by \$34,700.

Capital - There is no Capital budget for this fund.

Transfers Out - There is one proposed Transfer Out to other City funds proposed for \$2,500 to the General Fund to cover allowable administrative costs as approved in the Liberty Park Brownfield Plan.



■ Personnel Services
 ■ Other Charges
 ■ Transfers Out

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Other Charges	719,570	765,350	766,300	800,050	800,050
Transfers Out	2,500	2,500	2,500	2,500	2,500
Total	\$722,070	\$767,850	\$768,800	\$802,550	\$802,550

The Corridor Improvement Authority (CIA) Fund is a Special Revenue Fund of the City of Sterling Heights. Established in 2006, the Authority allows the City to identify commercial districts in the City and utilize tax incrementing financing to make public improvements and offer development incentives in order to increase economic vitality within these districts.

The CIA currently includes one District located in the north central portion of Sterling Heights. The District consists of properties bordering Van Dyke Avenue between 18½ Mile Road to the north City limit and along Utica Road between Van Dyke Avenue and Triangle Drive.

The Primary Goals for the District are (1) to enhance the public spaces within the District; (2) to delineate the District by developing a consistent beautification and landscape style along its rights-of-way; (3) to provide a unified building style through the development and redevelopment of properties within the District; and (4) to spur economic growth and increase property values within the District's borders.



As a necessary prerequisite to achieve these goals, both a Development Plan and a Tax Increment Finance Plan have been prepared. The Development Plan outlines the improvements proposed within the District, while the Tax Increment Finance Plan identifies the funding mechanism that will be utilized to finance the proposed improvements.

The Streetscape Design Guidelines prepared for the District include select specifications for paving,

decorative lighting, site furnishings, and landscaping. These amenities are intended to be constructed within the Van Dyke Avenue and Utica Road rights-of-way as well as on private property as part of future development and redevelopment within the District.



The Development Plan also includes potential façade improvements with selected styles and material specifications, access management improvements, property acquisition, floodplain/wetland mitigation, park space improvements, general infrastructure improvements, and a business recruitment and retention program. The CIA Master Plan provides for approximately \$20 million worth of improvements in the District over a 20-year period.

The Economic Development Consultant serves as the City's liaison to the Corridor Improvement Authority Board.

For fiscal year 2025/26, there are no scheduled Capital projects budgeted for this fund. Allocations to this fund in the current year are dedicated to planning and developing projects for the upcoming years.

Corridor Improvement Authority Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

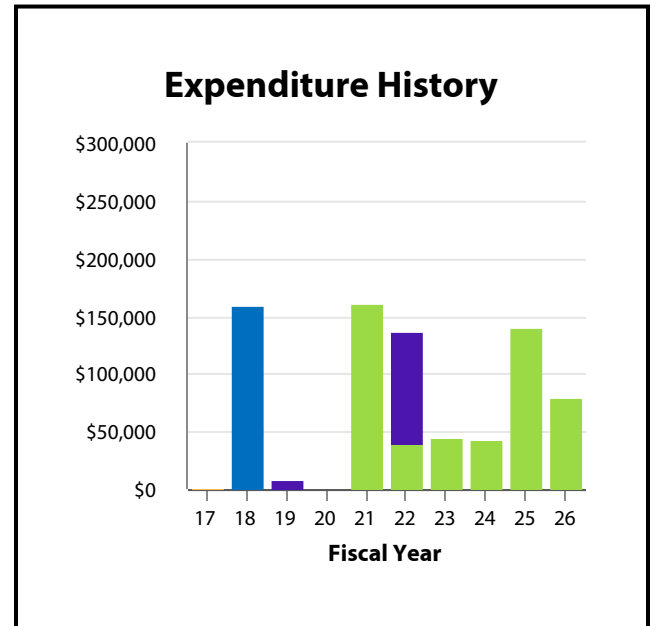
The total budget decreased by 43.2%.

Supplies - There is no Supplies budget for this fund.

Other Charges - Total Other Charges decreased \$60,770 or 43.2%. \$40,000 was added for the Authority's share of the new Economic Development Specialist position. Funding for consulting services returned to routine expenditure levels at \$40,000.

Capital - There is no capital proposed for this office.

Debt Service - There is no Debt Service budget for this fund.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Supplies	\$0	\$0	\$0	\$0	\$0
Other Charges	43,630	140,770	140,770	80,000	80,000
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Total	\$43,630	\$140,770	\$140,770	\$80,000	\$80,000

Public Act No. 281 of 1986, entitled The Local Development Financing Act, is intended to encourage local development to prevent unemployment and promote economic growth. These objectives are achieved under the Act by establishing local development finance authorities that create and implement development plans through tax increment financing.

The Act establishes the process for forming a Local Development Finance Authority (LDFA). This process is initiated by the municipality's governing body declaring by resolution its intention to create and provide for the operation of an authority.

The LDFA provides development incentives to companies that fall in the following categories: defense, high technology, alternative energy, agricultural processing, and automotive. The development incentives include reimbursing eligible entities for costs such as roads, water, sanitary and storm sewer, environmental remediation, demolition, and utilities.

As a prerequisite to achieving these goals, a Development Plan and Tax Increment Finance Plan are prepared. The Development Plan outlines the improvements proposed within the District, and the Tax Increment Finance Plan identifies the funding mechanism utilized to finance the proposed improvements.

The impetus for establishing the City's LDFA was the redevelopment of the former TRW site by BAE Systems located on the west side of Van Dyke Avenue, between 14 Mile Road and 15 Mile Road. The capital investment by BAE Systems in real and personal property is estimated at \$33 million. This parcel was the first authority district in which the LDFA board is exercising its powers.

The State of Michigan designated the City's LDFA as a SmartZone. This designation allows the LDFA to operate a business incubator. A SmartZone plan is required to describe the operation of the business incubator and how tax dollars will be used to fund its activities.

In 2016 the LDFA plan was amended to allow for the capture of Tax Increment Financing revenue

generated from the development of Sterling Enterprise Park. This development is projected to generate nearly \$6 million in revenue over a 20-year period and will be used to support eligible public improvements within the LDFA district.



**MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION**

Velocity is the home of the City's Entrepreneurial Support program. Managed by a contracted advisor, the center offers co-working spaces, office suites, program and event space, and a myriad of programs to help support technology based startup companies.

Additionally, in November 2023, the LDFA was awarded a \$1.8 million Small Business Support Hub grant through the MEDC. This will allow the Velocity Center to expand beyond it's original scope and support small businesses disproportionately impacted by COVID-19 and cultivate a more inclusive, accessible and integrated entrepreneurial ecosystem.

In fiscal year 2025/26, the total LDFA budget of \$2,715,700 consists of \$1,590,800 for the operational costs associated with the Velocity Collaboration Center, \$767,900 for grant funded small business support and \$357,000 for general expenditures including administrative and contracted services.



Local Development Finance Authority Fund

SUMMARY OF BUDGET CHANGES

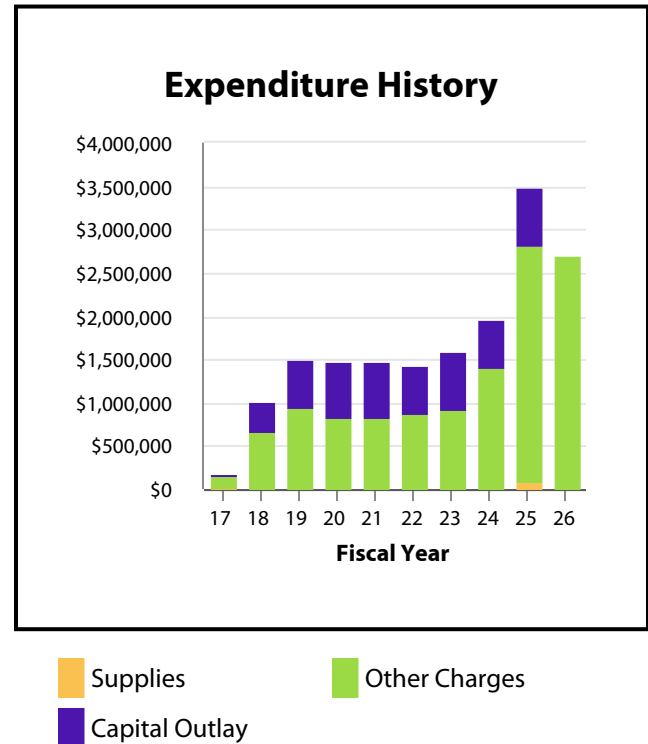
SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 22.3%.

Supplies - Total Supplies decreased by \$76,250 or 88.4%. In the prior year grant funding was used to outfit the Small Business Support Hub with one-time needs such as workstations, chairs and other office furniture. With these one-time purchases complete, the budget returns to the standard amount needed for office supplies.

Other Charges - Total Other Charges decreased \$21,330 or 0.8%. An increase in programming for second stage businesses for \$150,000 and funding for a Defense Specialist, \$250,000, and half of the Economic Development Specialist, \$80,000, is offset by a \$580,000 decrease in Small Business Support Hub grant expenditures - which is the remaining portion of the three-year grant.

Capital - There is no capital proposed for this office.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Supplies	\$8,020	\$86,250	\$86,000	\$10,000	\$10,000
Other Charges	1,410,260	2,727,030	2,246,950	2,705,700	2,705,700
Capital Outlay	538,490	680,490	967,300	0	0
Total	\$1,956,770	\$3,493,770	\$3,300,250	\$2,715,700	\$2,715,700

The Indigent Defense Fund has been established and organized pursuant to Act 93 of 2013. The legislation's stated purpose was "to provide indigent defendants in criminal cases with effective assistance of counsel; to provide standards for the appointment of legal counsel; to provide for and limit certain causes of action; and to provide for certain appropriations and grants."



**MICHIGAN INDIGENT
DEFENSE COMMISSION**

To date, eight standards have been approved by the Department of Licensing and Regulator Affairs (LARA). All trial court funding units in Michigan are required to adhere to these approved standards.

The Michigan Indigent Defense Commission was created by the State legislature in 2013 and works to ensure the State's public defense system is fair, cost-effective and constitutional while simultaneously protecting public safety and accountability.

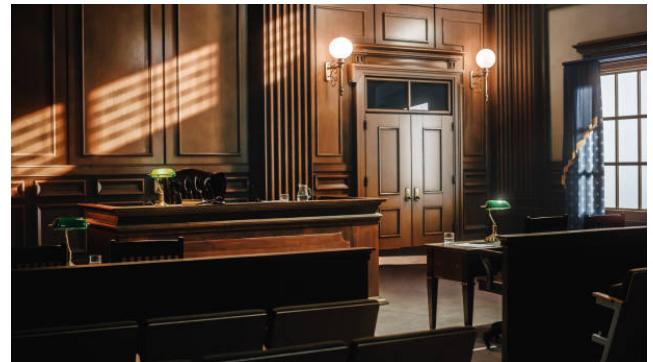
Standards 1, 2, 3 and 4 were approved on May 22, 2017. These standards cover training and education of counsel, the initial client interview, use of investigation and experts and counsel at first appearance. Standard 5 was approved on October 20, 2020 and requires independence from the judiciary. Standard 8 was approved on October 28, 2022 and covers attorney compensation.

Standards 6 and 7 were approved by LARA on October 24, 2023. Standard 6 limits the caseload level of indigent defense attorneys and Standard 7 sets minimum qualifications for those attorneys.

Full text of the approved standards can be downloaded [here](#).

All related expenses incurred by the Court for adherence to these standards are reimbursed through a grant from the State of Michigan. The Indigent Defense Fund was created to track grant proceeds and related expenses as required by law.

For fiscal year 2025/26, total expenditures of \$677,750 are budgeted to fund defense attorneys and other expert and investigative services for defendants who do not have the financial means to do so on their own.■



Standard 1	<i>Education and Training of Defense Counsel</i>
Standard 2	<i>Initial Interview</i>
Standard 3	<i>Investigation and Experts</i>
Standard 4	<i>Counsel at First Appearance</i>
Standard 5	<i>Independence from Judiciary</i>
Standard 6	<i>Indigent Defense Workloads</i>
Standard 7	<i>Qualification and Review</i>
Standard 8	<i>Attorney Compensation</i>

Indigent Defense Fund

SUMMARY OF BUDGET CHANGES

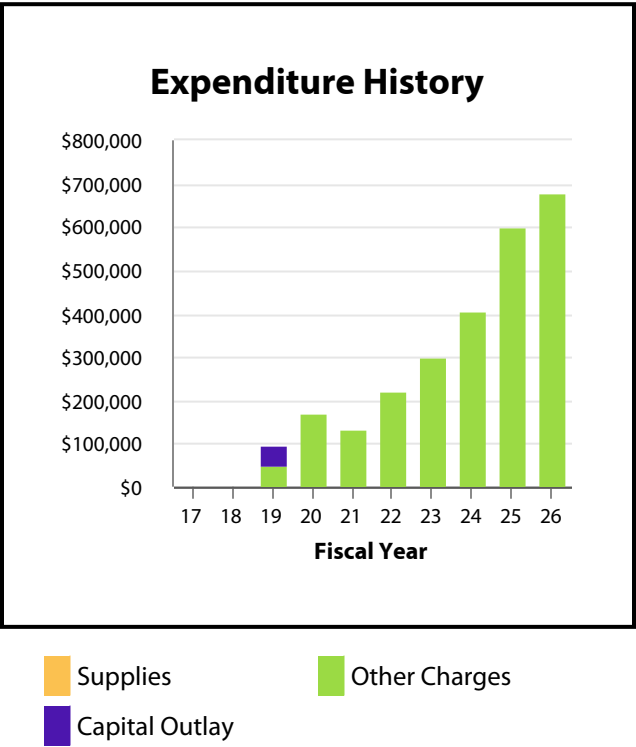
SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 12.5%

Supplies - The total Supplies budget is \$250. These funds are used for miscellaneous supplies.

Other Charges - Total Other Charges increased by \$75,250 or 12.5%. \$604,740 of total funding is for defense attorney services. \$60,260 is to fund Managed Assigned Counsel Administration to coordinate cases and assign defense attorneys. \$12,500 is designated for investigators and expert witness fees. All costs incurred by the City for adherence to MIDC guidelines will be reimbursed through a State grant.

Capital - There is no Capital proposed for this fund.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Supplies	\$0	\$0	\$0	\$250	\$250
Other Charges	406,990	602,250	648,500	677,500	677,500
Capital Outlay	0	0	0	0	0
Total	\$406,990	\$602,250	\$648,500	\$677,750	\$677,750

The Public Safety Forfeiture Fund is a Special Revenue Fund of the City of Sterling Heights that was established to provide centralized management of seized monies and the sale proceeds from forfeited property. By using one centralized fund, the City has met the proper federal auditing requirements of a Single Audit, and has enhanced its ability to track, monitor, and report on forfeiture revenues and expenditures. There are four divisions in the Public Safety Forfeiture Fund: State Narcotics, Federal Narcotics, Gambling, and Operating While Intoxicated (O.W.I.) Forfeitures.

Revenue in the State Narcotics Forfeiture division is generated when an investigation conducted by the City's Police Department, either alone or in conjunction with other local or state authorities, leads to the seizure of money or real property that is later sold at auction or sold back to the person from whom it was seized. State law dictates that authorities can seize any money or property that can be shown to have been the proceeds from criminal activity or that was used in committing a crime.

State Forfeiture revenue is limited by statute as to its permitted uses. Some examples of permitted uses include the enhancement of law enforcement efforts pertaining to narcotics enforcement, establishment of a "Buy Fund" for the purchase of evidence or to pay informants, and the operation and maintenance costs for vehicles used by narcotics enforcement officers.

Revenue in the Federal Narcotics Forfeiture division is generated when the federal government electronically deposits funds into a designated City account for our equitable share of money or property that was seized during a federal investigation in which a Sterling Heights police officer took part. The City currently has two police officers assigned to Drug Enforcement Administration (D.E.A.) task forces and a sergeant assigned to the FANTOM task force. Therefore, the Department is entitled to a percentage, relative to these Officers' involvement in an investigation. The federal guidelines allow for the proceeds to be used to enhance overall law enforcement efforts. Some examples of Federal Forfeiture permitted

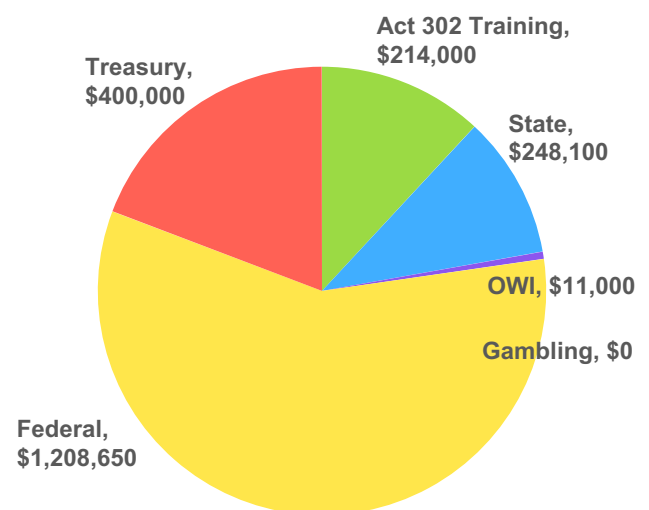
uses include the purchase of new equipment, improvements to police facilities, and law enforcement training.

Gambling Forfeiture revenue is generated from seized money or property that is directly related to illegal gambling. Seized property is sold at auction and the proceeds along with any forfeited cash are used to enhance the future enforcement of gambling statutes.

Persons involved in serious Operating While Intoxicated (O.W.I.) arrests or those with a prior O.W.I. conviction are subject to having their vehicles seized. Upon arrest, an offender's vehicle is impounded and either a settlement is paid or the vehicle is forfeited. Forfeited vehicles are then sold at auction and the proceeds are used to enhance traffic enforcement and education.

In fiscal year 2025/26, a total of \$2,081,750 is budgeted for this fund. Following State guidelines, the budget for this fund is based on existing year-to-date revenue and does not take into consideration the revenue from future anticipated receipts. ■

Total Budgeted Forfeiture Expenditures



Total Fund Expenditures = \$2,081,750

Public Safety Forfeiture Fund

SUMMARY OF BUDGET CHANGES

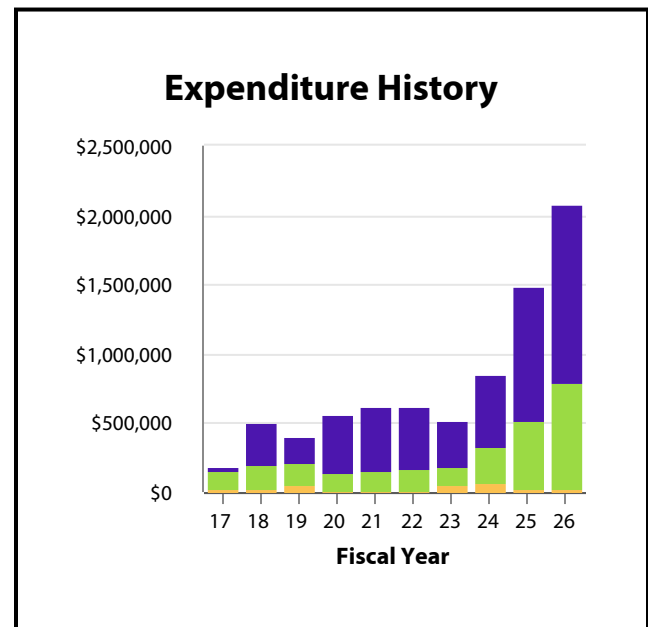
SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 40.2%.

Supplies - Total Supplies increased \$5,700 or 20.2%. \$2,200 is due to rising ammunition costs. Prices are expected to rise 10%. The general supplies budget also increased \$3,500 for Honor Guard uniforms and supplies for the comfort dog.

Other Charges - Total Other Charges increased \$267,930 or 55.2%. The largest increase to this budget is \$157,000 added to the MCOLES training budget. These funds must be spent within two years of receipt, so the City anticipates a robust training program in the upcoming year for law enforcement. Software funding also increased by \$173,250. \$150,000 is proposed for the Drone as a First Responder program. Several other new software items were added to the City's portfolio including Live 911 for \$15,000, Clemis Search for \$20,600 and Clearview AI for \$8,500. These purchases will be partially offset by savings on rental fees for office space as the City will be renovating its jail for additional workspaces.

Capital - Total Capital of \$1,294,050 is proposed. \$900,000 is proposed for Phase I of the jail reconstruction and forfeiture funds will also be used to purchase seven cars as part of the City's vehicle replacement plan for use in covert operations. Total expected cost for these vehicles is \$294,000.



Supplies
Other Charges
Capital Outlay

The Special Response Team will receive new ballistics helmets for \$30,350, and three new sniper rifles for \$25,750. Additional proposed capital purchases include a rifle rated shield for \$7,000, a K-9 replacement for \$17,500, and additional FLOCK cameras for \$19,450.

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Supplies	\$69,400	\$28,250	\$23,800	\$33,950	\$33,950
Other Charges	269,910	485,820	547,720	753,750	753,750
Capital Outlay	511,880	971,050	962,170	1,294,050	1,294,050
Total	\$851,190	\$1,485,120	\$1,533,690	\$2,081,750	\$2,081,750

The Community Development Block Grant Fund serves many facets of the Sterling Heights community. In 1974, the Congress of the United States initiated the C.D.B.G. program. This program was designed to replace existing categorical programs identified with city development or redevelopment, namely: Urban Renewal and Neighborhood Development Programs, Model Cities Program, Neighborhood Facilities Programs, Open Space Acquisition, and Rehabilitation Loans.

One of the primary functions of the Community Development Act is to allow local communities the opportunity to structure the program to their own specific needs. This concept was unique at the time and offered local communities far greater flexibility than was present in the categorical programs.

Monies under this program may be spent on activities which are directed to fulfilling specific objectives: elimination of slums and blight, elimination of conditions which are detrimental to health, safety, and public welfare through code enforcement, conservation and expansion of the nation's housing stock in order to provide a decent home for all persons, expansion and improvement of community services principally for persons of low and moderate income, provide a more rational use of land, develop and improve neighborhoods, restore and preserve properties with historical value, and economically develop activities which aid in the revitalization of the community.

Block Grant funds also provide library books for low and moderate-income seniors at senior housing units. These book collections include large-print and audio books.

When funding allows, the City of Sterling Heights uses Block Grant funds to defer 100% of the special assessments that would be levied against a property within the neighborhood where these improvements occur. Households meeting the low and moderate income criteria may qualify for a total relief of the special assessments because program rules require that when capital improvements are made to a neighborhood, low and moderate income families may not be negatively impacted. The Housing Commission administers this program on behalf of the City Council.

Examples of activities undertaken in past years include the Upton House purchase and renovation, improvements to Nelson and Beaver Creek Parks, SMART Bus Stop Improvements along north Van Dyke, housing rehabilitation, Minor Home Repair Program, Adapted Recreation Program, the Home Chore Program, and meeting the federally mandated Americans With Disabilities Act requirements.

In the years that followed the pandemic, unspent grant funding was reallocated to the City's initiative to further improve the Senior Center. Completed projects include AV equipment upgrades, the outdoor fitness center, restroom renovations, and LED light replacement. The 2022/2023 budgeting year marked the completion of the three-year investment in the Senior Center. Concrete replacements were also emphasized with the reconstruction of Bonneville Road and Orban Drive.

The fiscal year 2023/24 budget concentrated funding on residential home rehabilitation, the renovation of the Beaver Creek parking lot and sub-recipient funding for various charitable organizations. Some of these organizations include MCREST, Turning Point, Care House, and the Home Chore program.

In 2024/25 sub-recipient funding continued, as well as funding for Senior Center kitchen renovations and the complete reconstruction Doncaster Drive.

For 2025/26, the focus will again be on the Senior Center and improving the quality of life and safety for residents. Notable projects include alarm system updates (\$62,000) , entry door upgrades (\$15,000), and wall and track replacement (\$190,000).

Funding for Housing Rehabilitation will also be significantly increased through carry forward of unused funds from prior year and the shifting of funds used toward road projects in past years.

Community Development Block Grant Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

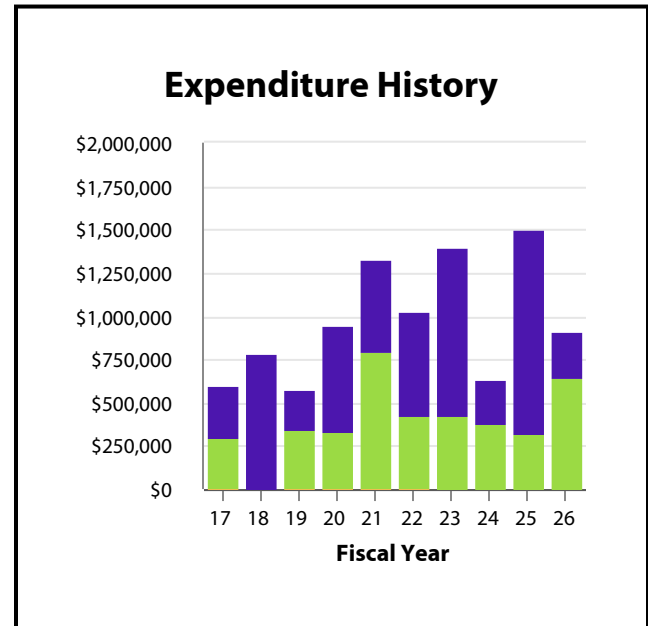
The total budget decreased by 39.4%.

Personnel Services – There is no Personnel budget for this cost center.

Supplies – Total Supplies is proposed decreased \$500 or 9.4%. The book supplies budget is returning to standard levels after funds were added in the prior year for increased program activity.

Other Charges – Total Other Charges increased \$323,600 or 101.7% primarily due to expansion of the housing rehabilitation program. Grant revenue unused in prior years will be carried forward to increase the budget for this program.

Capital – Total Capital of \$267,000 is proposed. Several improvements will be made to the senior center including \$62,000 for an alarm system replacement, \$15,000 to retrofit the entry door, and \$190,000 for the wall and indoor track to be replaced.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Supplies	3,820	5,300	6,900	4,800	4,800
Other Charges	379,590	318,200	300,150	641,800	641,800
Capital Outlay	255,260	1,184,750	1,183,350	267,000	267,000
Total	\$638,670	\$1,508,250	\$1,490,400	\$913,600	\$913,600

The Land Bank Fund is a Special Revenue Fund created to segregate funding for the purpose of purchasing property throughout the City to preserve green space or dedicate to public recreation.

Funding for this initiative comes from the voter-approved Pathway to Play and Preservation millage. This millage passed in November 2024 and begins collection in the 2025/2026 fiscal year.



The open space preservation initiative is a direct result of the 2040 Visioning process. A key guiding principle of the 2040 Vision is **Sustainability**: *A city that is exceptionally maintained, sustainable, and environmentally responsible.*

Open Space preservation provides for a healthier environment and thriving community thru:

- Improved Air and Water Quality
- Flood Control
- Groundwater Recharge
- Limiting Development Density
- Improved Quality of Life
- Property Value Appreciation



In the 2025/2026 fiscal year, the Pathways and Preservation millage is expected to raise \$5,588,450 in tax revenue \$40,000,000 in bond proceeds. This revenue will be split among several funds including the Land Bank Fund.

\$5,000,000 will be transferred to this fund for current and future open space land purchases.



Land Bank Fund

SUMMARY OF BUDGET CHANGES

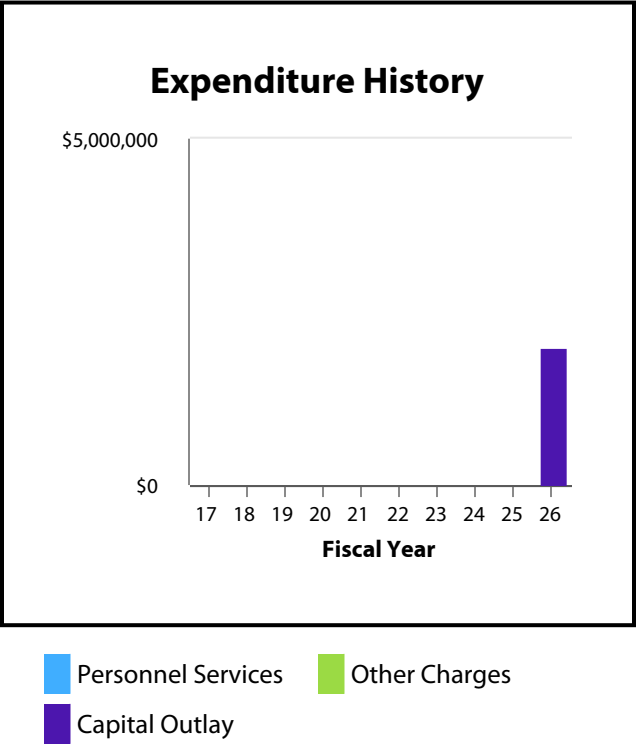
SIGNIFICANT NOTES - 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget for this fund is \$2,000,000.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – Total Capital Expenditures for this fund are budgeted at \$2,000,000 for the purpose of purchasing property throughout the City to preserve green space or dedicate to public recreation.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Other Charges	0	0	0	0	0
Capital Outlay	0	0	0	2,000,000	2,000,000
Total	\$0	\$0	\$0	\$2,000,000	\$2,000,000

The Opioid Settlement Fund is a Special Revenue Fund created to track the proceeds and expenditures related to the national opioid settlement approved in 2021.

In 2019 the City of Sterling Heights joined other Michigan communities to file a lawsuit to recover damages incurred in response to the opioid epidemic. This lawsuit targeted various manufacturers and distributors of opioids for negligent distribution and marketing of the highly addictive painkillers that is estimated to have affected millions of people in the United States. The lawsuit sought both injunctive relief and damages stemming from over-prescription of opioid medications, which has caused the City to incur significant response costs.



In 2021 the Michigan Attorney General announced that Michigan would participate in a \$26 billion nationwide settlement of the case. All eligible Michigan municipalities were given the option to participate in the settlement and Sterling Heights elected to do so.

In 2022 and 2023 settlements from additional pharmacies and manufacturers were announced. As a result the total settlement the City is expected to receive over the 18-year period increased to \$6.4 million.



The funds from this settlement are to be used for the prevention and treatment of opioid use disorder and any co-occurring substance use disorder or mental health conditions.



In the 2024/25 fiscal year, funds were used to complete a comprehensive Community Mental Wellness Strategic Plan. The goal of the strategic Plan is to understand systematic barriers and challenges, support and protect the overall health, well-being, and safety of Sterling Heights residents and visitors by utilizing data to expand and enhance targeted protocols, services, ease of access, resources, and community capacity.

Funds were also used to contract with Families Against Narcotics to provide ongoing full-time mental health and social services for our community.

For fiscal year 2025/26, a total of \$217,300 is proposed. \$158,300 to continue contracted mental health services, \$19,500 for ongoing mental health strategy consulting, and \$29,500 for the development of a database and software support for mental health services.

Opioid Settlement Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

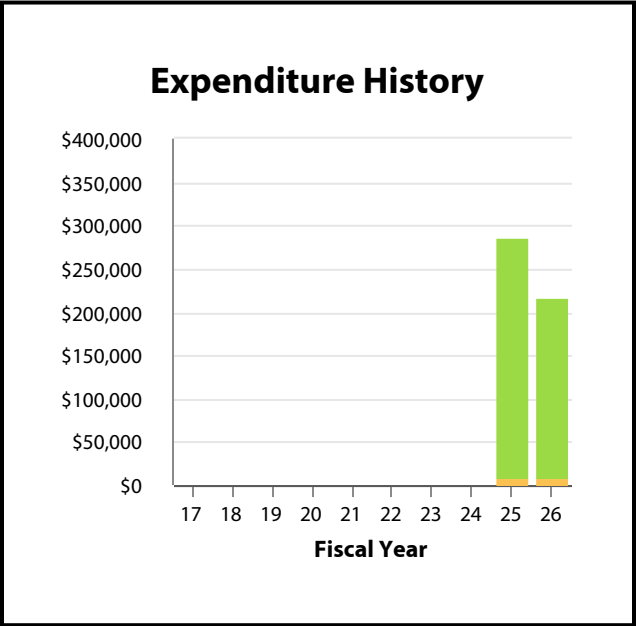
The total budget decreased by 25.3%.

Personnel Services - There is no Personnel budget for this cost center.

Supplies - Total Supplies for this fund remain the same as in the prior year at \$10,000. This includes operating supplies for the Drug Free Coalition to run special events.

Other Charges - Total Other Charges decreased by \$70,110 or 25.3%. In the prior year a community health study was completed for \$110,930. As this is was a one-time expenditure, funds will be redirected in the upcoming year to new initiatives. The City will be working with consultants to develop an ongoing mental health strategy and create a care team database. Funds designated for these two projects total \$19,500 and \$29,500 respectively. The cost of contracted social worker services is also expected to increase \$4,640.

Capital - There is no Capital proposed for this fund.



Personnel Services
Supplies
Other Charges

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel	\$0	\$0	\$0	\$0	\$0
Supplies	0	10,000	10,000	10,000	10,000
Other Charges	0	277,410	264,590	207,300	207,300
Total	\$0	\$287,410	\$274,590	\$217,300	\$217,300

The American Rescue Plan Act (ARPA) of 2021 was signed by the President on March 11, 2021. As part of the Act, approximately \$130 billion was allocated to Local Fiscal Recovery. Approximately \$45 billion of that was allocated to metropolitan cities. The City of Sterling Heights will receive \$19.8 million over a two year period. The funds must be obligated by the end of calendar year 2024 and spent by the end of calendar year 2026.

The funds can be used in four broad categories:

1. In response to the public health emergency or its negative impacts
2. Premium pay for essential workers
3. For government services to the extent of lost revenue
4. For investments in water, sewer or broadband infrastructure

There are two prohibited uses. The funds cannot be used for contributions to any pension fund or to pay down debt.

The City was able to show revenue losses of the entire amount of our allocation which will allow for the use of funds on a broad range of governmental services.

Based on input from City staff and City Council and resident feedback from community forums and through the website, as well as additional feedback provided at the Strategic Planning Session held in January 2022, an ARPA Action Plan was proposed and approved by City Council at the April 19, 2022 City Council meeting.

As required by the Act, all funds have been appropriated and obligated as of 12/31/24. These funds must be spent by 12/31/26. The final obligations of funding are as follows:

Plumbrook Road Resurfacing	\$4,160,000
ITC Corridor Multi-Use Path	2,572,800
M-59 Corridor Improvements	2,504,450
Ryan Road Repairs	1,765,250
Lakeside Island Bridge	1,700,750
Community Garden	1,005,000
Home Imp. Assistance Program	1,000,000
Enhanced Sidewalk Gap Program	894,500
Land Acquisition	871,050
Nature Center Bridge	804,750
Edison Court Reconstruction	636,950
Premium Pay to Public Sector Employees	505,300
Neighborhood Street Tree Planting	478,300
Household Assistance Program	398,500
Rain Barrel Program	156,500
Temporary Code Enforcement	134,000
Grant Consulting	107,050
Rental Assistance Program	72,650
Grant Management Software	38,000
Community Town Hall	31,500
Total Appropriated	\$19,837,300

As of 12/31/24, over \$13.6 million has been expended. The remaining projects were obligated by 12/31/24 and will be expended by 12/31/26 as required by federal law.



American Rescue Plan Act

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

There is no proposed budget for this fund.

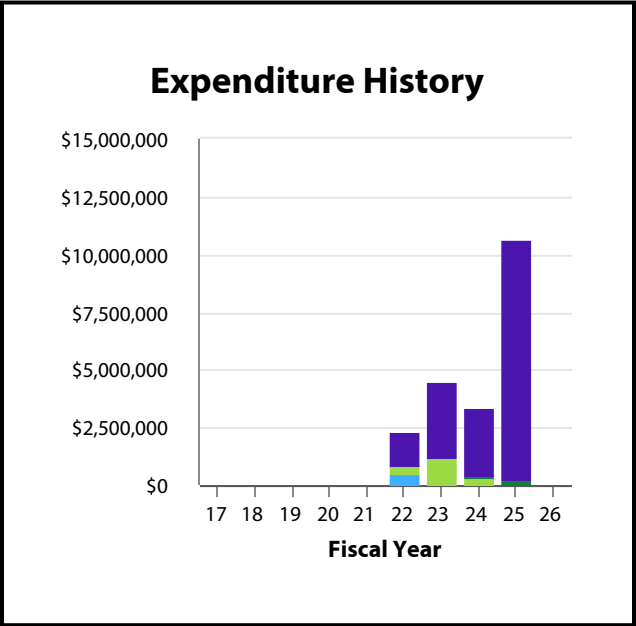
Personnel Services - There is no Personnel budget for this fund.

Supplies - There is no Supplies budget for this fund.

Other Charges - There is no Other Charges budget for this fund. The 2024/25 budget includes funding for the final Household Assistance payments.

Other Services - There is no Other Services budget for this fund. The 2024/25 budget includes the final expenditures related to street tree planting out of this fund.

Capital - The budget for Capital will be reduced to \$0 as this program's funding was fully allocated in the prior fiscal year.



Personnel Capital Outlay
Other Charges Other Services

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel	\$51,900	\$0	\$0	\$0	\$0
Supplies	0	0	0	0	0
Other Charges	365,290	6,530	6,550	0	0
Other Services	81,730	269,700	252,200	0	0
Capital Outlay	2,891,530	10,391,370	10,656,800	0	0
Total	\$3,390,450	\$10,667,600	\$10,915,550	\$0	\$0

***A well adjusted person is one who makes the same mistake twice
without getting nervous.***

~ Alexander Hamilton ~



Debt Service Funds



The City's Debt Service Funds are used to account for the accumulation of resources and payments of general long-term debt principal and interest. Debt Service Funds are required when legally mandated. Debt Service Funds include the General Drain Fund, Limited Tax General Obligation (LTGO) Debt Fund, Road Bond Debt Retirement Fund, and the Voted General Obligation Debt Fund.

GENERAL OBLIGATION

Section 11.01 of the Sterling Heights City Charter outlines the City's general borrowing power. It states that Council, by ordinance or resolution, may authorize the borrowing of money, the issuance of bonds, or other evidences of indebtedness, subject to State law and Charter provisions. The City may pledge its full faith credit and resources for the payment of the obligation created.

The Charter further states that the City may borrow money, within provisions stipulated by State law, in anticipation of the payment of special assessments made for defraying any public improvement costs and can issue revenue or other types of bonds. This borrowing authority is limited, however. The net bonded indebtedness incurred for all public purposes cannot exceed 10% of the assessed value of all real and personal property in the City subject to taxation. In the case of fire, flood or other disaster requiring an emergency fund for the relief of City inhabitants, or for the repair or rebuilding of municipal buildings, infrastructure, bridges, or streets, the City's legislative body may borrow money for up to five years and in the amount not exceeding three-eighths of one percent of the assessed valuation of all property in the City, notwithstanding such loan may increase the indebtedness beyond the limitation fixed in the Charter.

Some bonds are not included in the computation of net bond indebtedness including bonds issued in anticipation of the payment of special assessments, mortgage bonds that are secured only by a mortgage on the property or franchise of a public utility, Michigan Transportation Fund (MTF) road construction bonds, and bonds issued to refund monies advanced or paid on special assessments for water main extensions. The resources of the sinking fund pledged for the retirement of any outstanding bonds shall also be deducted from the amount of the bonded indebtedness. The City's portion of the sewer district's debt service is also excluded from this calculation.

The City's 2025 State Equalized Valuation plus the assessed value of abated property is \$8,489,737,850. Therefore, the City's debt limit is \$848,973,785 or 10% of total valuation. The City's population is 134,346. The outstanding Net Direct Bonded Debt for the City as of June 30, 2025 is shown here as a ratio of debt to state equalized value and debt per capita.

	Debt Out- standing 6/30/25	Debt to Assessed Value	Debt Per Capita
Net Direct			
Bonded Debt	\$124,730,000	1.47%	\$928

The City's Debt Management Program is the product of over 50 years of deliberate decision-making by our community's leaders. The City has made judicious use of its authorities to sell bonds or otherwise incur debt. Our current bond ratings are indicated on the next page. The City's favorable credit rating results from low debt levels, as well as a history of conservative budgeting, maintaining adequate reserves, and financial flexibility based on an operating tax rate margin. The City anticipates maintaining its low debt position due to a modest debt burden and a rapid debt amortization. 82.23% of the City's total non-sewer debt is scheduled to be repaid within ten years. Favorable credit ratings and low debt service will better position the City to finance debt in the future.

Total Debt Maturity within 10 Years = 82.3%

In compliance with the Uniform Budget Act of 1978, a summary of the City's total indebtedness as of June 30, 2025, including the principal and interest payments required for fiscal 2025/26 and the funding sources, is included in this Debt Service section. Total indebtedness is \$225,825,940. Total principal payment is \$14,970,300 and the interest payment is \$8,570,350. Brief descriptions of each type of debt incurred by the City are provided next, followed by the debt summary schedules.

BOND RATINGS		
Standard & Poors	Moody's Investor Service	Fitch
AAA	Aaa	AAA
AA+	Aa1	AA+
→ AA	Aa2	AA
AA-	A1	AA-
A+	A2	A+
A	A3	A
A-	Baa1	A-
BBB+	Baa2	BBB+
BBB	Baa3	BBB
BBB-	Ba1	BBB-
BB+	Ba2	BB+
BB	Ba3	BB
BB-	B1	BB-
B+	B2	B+
B	B3	B
B-	Caa1	B-
CCC+	Caa2	CCC+
CCC	Caa3	CCC
CCC-	Ca	CCC-

LIMITED TAX GENERAL OBLIGATION DEBT FUND

In 2018, a \$20 million Facilities Improvement Bond was issued to finance facility infrastructure and information technology improvements. Total principal payment for 2025/26 is \$865,000 and the interest payment is \$514,850.

In the spring of 2019, a Capital Improvement Bond of \$25 million was issued to finance the new Public Works building. The budgeted principal payment for 2025/26 is \$985,000 and interest is \$594,500.

In the November 2024 election, voters passed the Pathway to Play and Preservation millage. A \$40 million Capital Improvement Bond will be issued in 2025 to finance expansions to City parks and trails, sidewalk repair programs, and open space preservation. Payments for 2025/26 are estimated to be \$1,600,000 and \$1,999,500 for principal and interest respectively.

VOTED TAX GENERAL OBLIGATION DEBT FUND

In the spring of 2008, a \$5.0 million General Obligation bond was issued for the City's fire

stations. The final payment on this bond was made in the 2022/23 fiscal year.

MAJOR ROAD IMPROVEMENTS

The City uses Gas and Weight tax revenues to finance various road improvements. Indebtedness is \$38,386,000. The Principal payment is \$3,581,000 and interest is \$1,193,300.

SPECIAL ASSESSMENTS

In 2008, a \$3.26 million Special Assessment bond was issued to finance improvements within the Lakeside Shopping Center District. Total principal payment of \$200,000 and interest of \$31,050 is funded through special assessments.

WATER & SEWER FUND

In 2025/26, total principal of \$4,674,300 and interest of \$2,474,500 is budgeted for the City's portion of Sewer District Debt. Total indebtedness is \$61,909,940.

In the Spring of 2021, a \$15 million Water & Sewer capital bond was issued to fund the water and sewer main replacement on Mound Road and water main rehabilitation at 19 Mile between Schoenherr and Clinton River Road. Principal payment and interest payment for this bond in 2025/26 will be \$670,000 and 251,420 respectively.

In the Spring of 2022 a \$12.3 million Water & Sewer capital bond was issued to fund the city-wide water meter replacement program. Budgeted principal payments include \$440,000 and interest payments of 465,880.

PARKS & RECREATION FUND

In the spring of 2017, a \$42.1 million Limited Tax General Obligation Bond was issued to fund the Recreating Recreation improvements. Total principal payment for 2024/25 is \$1,955,000 and interest is \$1,045,350.■

DEBT SUMMARY

Description of Debt	Funding Sources	Debt Outstanding 6/30/2025	2025/26		Total
			Principal	Interest	
LIMITED TAX GENERAL OBLIGATION DEBT FUND					
2018 Facilities Improvement Bonds	Gen Fund	\$14,305,000	\$865,000	\$514,850	\$1,379,850
2019 Capital Improvement Bonds - DPW	Gen Fund	17,730,000	985,000	594,500	1,579,500
2025 Capital Improvement Bonds	PPP Fund	40,000,000	1,600,000	1,999,500	3,599,500
Total Debt Fund Direct Debt Service		72,035,000	3,450,000	3,108,850	6,558,850
ROAD BOND DEBT RETIREMENT FUND					
2016 MI Transportation Bonds	Major Rds	4,370,000	675,000	120,870	795,870
2017 MI Transportation Bonds	Major Rds	1,100,000	140,000	33,000	173,000
2018 MI Transportation Bonds	Major Rds	4,735,000	535,000	151,380	686,380
2020 MI Transportation Refunding Bonds	Major Rds	196,000	196,000	1,060	197,060
2021 MI Transportation Bonds	Major Rds	13,710,000	1,125,000	274,200	1,399,200
2022 MI Transportation Bonds	Major Rds	14,275,000	910,000	612,790	1,522,790
Subtotal MI Transportation Bonds		38,386,000	3,581,000	1,193,300	4,774,300
2008 Special Assessment Bonds	S/A - RBDF	800,000	200,000	31,050	231,050
Total Road Bond Debt Service		39,186,000	3,781,000	1,224,350	5,005,350
WATER & SEWER FUND					
Sewer District Rehabilitation Bonds (MID/OMID)	W&S Fund	61,909,940	4,674,300	2,474,500	7,148,800
2021 Capital Improvement Bonds	W&S Fund	12,460,000	670,000	251,420	921,420
2022 Capital Improvement Bonds	W&S Fund	11,005,000	440,000	465,880	905,880
Total W&S Debt Service		85,374,940	5,784,300	3,191,800	8,976,100
PARKS & RECREATION FUND					
2017 Capital Improvement Bonds	P&R Fund	29,230,000	1,955,000	1,045,350	3,000,350
Total Debt Service		\$225,825,940	\$14,970,300	\$8,570,350	\$23,540,650

Note: Outstanding Debt Balance does not include unamortized premium

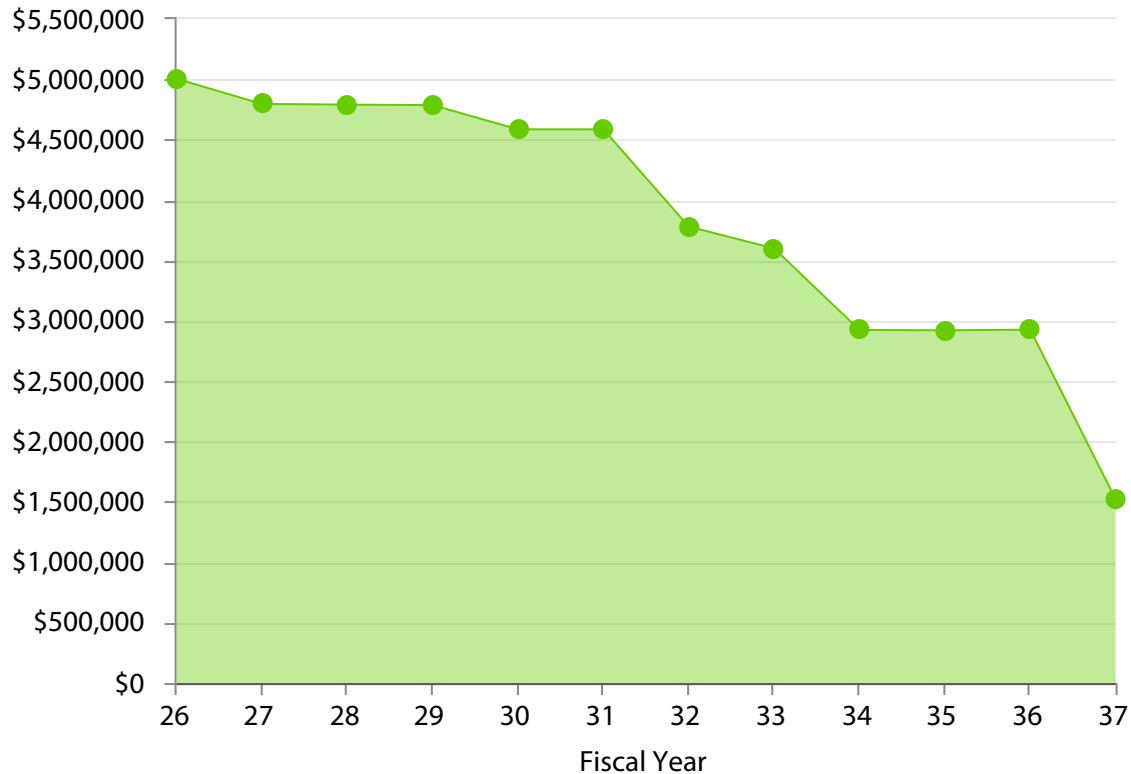
GENERAL FUND & TAX SUPPORTED DEBT SERVICE

Debt Service	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Budget
LIMITED TAX GENERAL OBLIGATION DEBT FUND						
2018 Facilities Improvement Bonds	\$1,377,360	\$1,380,110	\$1,375,900	\$1,375,900	\$1,379,850	\$1,379,850
2019 Capital Improvement Bonds	1,584,000	1,581,250	1,581,500	1,581,500	1,579,500	\$1,579,500
2025 Capital Improvement Bonds	0	0	0	0	3,599,500	3,599,500
Total General Fund Debt Service	2,961,360	2,961,360	2,957,400	2,957,400	6,558,850	6,558,850
VOTED TAX GENERAL OBLIGATION DEBT FUND						
2008 Fire Station Improvement Bonds (F)	586,500	0	0	0	0	0
Total VTGO Fund Debt Service	586,500	0	0	0	0	0
PARKS & RECREATION FUND						
2017 Capital Improvement Bonds	3,001,590	3,002,090	2,998,350	2,998,350	3,000,350	3,000,350
Total Parks and Recreation Debt Service	3,001,590	3,002,090	2,998,350	2,998,350	3,000,350	3,000,350
Total Tax Supported Debt Service	\$6,549,450	\$5,963,450	\$5,955,750	\$5,955,750	\$9,559,200	\$9,559,200

SCHEDULE OF PRINCIPAL & INTEREST ROAD BOND DEBT RETIREMENT FUND

Fiscal Year	2016 M.T.F. Bonds	2017 M.T.F. Bonds	2018 M.T.F. Bonds	2020 M.T.F. Refunding	2021 M.T.F. Bonds	2022 M.T.F. Bonds	2008 S.A.D. Bonds	Total
2025/26	795,870	173,000	686,380	197,060	1,399,200	1,522,790	231,050	5,005,350
2026/27	802,370	173,800	674,630		1,401,700	1,522,290	222,350	4,797,140
2027/28	805,000	174,450	675,190		1,398,700	1,524,540	213,500	4,791,380
2028/29	808,550	174,950	674,650		1,400,300	1,524,290	204,500	4,787,240
2029/30	806,350	180,300	677,250		1,401,400	1,521,540		4,586,840
2030/31	808,550	180,350	674,250		1,402,000	1,521,290		4,586,440
2031/32		180,250	675,800		1,402,100	1,523,290		3,781,440
2032/33			675,960		1,401,700	1,522,290		3,599,950
2033/34					1,400,800	1,524,090		2,924,890
2034/35					1,399,400	1,522,710		2,922,110
2035/36					1,402,500	1,524,760		2,927,260
2036/37						1,523,290		1,523,290
Total	\$4,826,690	\$1,237,100	\$5,414,110	\$197,060	\$15,409,800	\$18,277,170	\$871,400	\$46,233,330

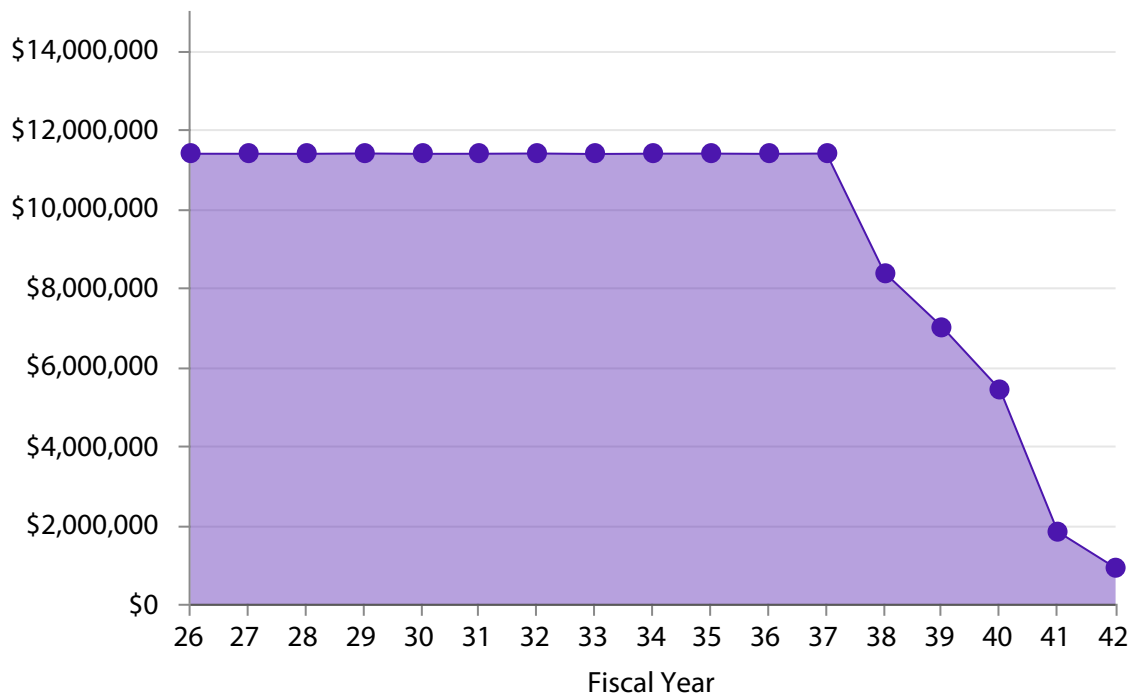
Total Debt Service by Fiscal Year - Road Bonds



LIMITED AND VOTED TAX GENERAL OBLIGATION DEBT SERVICE

Fiscal Year	2017 P&R Improve. Bonds (P&R)	2018 Facilities Improve. Bonds (LTGO)	2019 DPW Capital Improve. Bonds (LTGO)	2021 Capital Improve. Bonds (W&S)	2022 Capital Improve. Bonds (W&S)	2025 Facilities Improve. Bonds (LTGO)	Total
2025/26	3,000,350	1,379,850	1,579,500	921,420	905,880	3,599,500	11,386,500
2026/27	3,002,590	1,376,610	1,580,250	918,030	908,890	3,599,500	11,385,870
2027/28	2,999,840	1,376,360	1,583,500	919,430	905,640	3,599,500	11,384,270
2028/29	2,998,640	1,388,360	1,579,900	920,520	906,390	3,599,500	11,393,310
2029/30	2,999,030	1,378,360	1,579,700	921,320	905,890	3,599,500	11,383,800
2030/31	2,999,130	1,377,160	1,584,450	921,830	904,140	3,599,500	11,386,210
2031/32	3,002,130	1,380,060	1,583,000	922,030	906,140	3,599,500	11,392,860
2032/33	2,999,790	1,376,910	1,580,500	916,920	906,640	3,599,500	11,380,260
2033/34	3,001,920	1,376,440	1,581,950	921,620	906,840	3,599,500	11,388,270
2034/35	3,001,280	1,379,870	1,582,200	920,930	906,040	3,599,500	11,389,820
2035/36	3,002,880	1,375,550	1,581,250	919,930	904,240	3,599,500	11,383,350
2036/37	3,003,040	1,380,080	1,584,100	918,620	906,440	3,599,500	11,391,780
2037/38		1,376,550	1,580,600	917,020	907,440	3,599,500	8,381,110
2038/39			1,575,900	920,130	909,130	3,599,500	7,004,660
2039/40				917,830	904,690	3,599,500	5,422,020
2040/41				919,130	904,310		1,823,440
2041/42					907,810		907,810
Total	\$36,010,620	\$17,922,160	\$22,136,800	\$14,716,710	\$15,406,550	\$53,992,500	\$160,185,340

Total Debt Service by Fiscal Year - Limited and Voted Tax Bonds

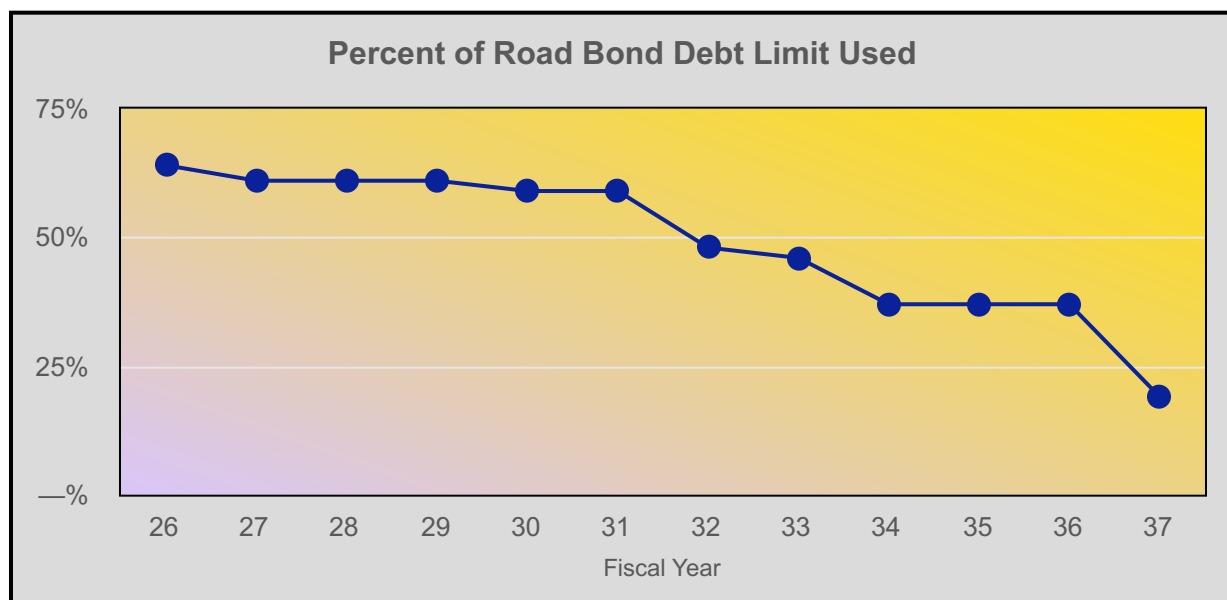


LEGAL DEBT MARGIN					
	2020	2021	2022	2023	2024
State Equalized Value (SEV)	5,851,809,075	6,211,667,616	6,490,425,650	6,760,163,400	7,375,136,140
10% of SEV	585,180,908	621,166,762	649,042,565	676,016,340	737,513,614
Total Debt	159,109,556	199,119,220	218,689,597	206,344,286	197,441,917
Less: Debt not subject to limit					
Michigan Transportation Fund Bonds	19,129,213	36,003,953	50,878,548	47,300,615	43,715,765
Special Assessment Bonds	1,800,000	1,600,000	1,400,000	1,200,000	1,000,000
MID District Special Assessments	1,983,169	1,844,015	1,704,561	1,565,415	1,424,711
OMID District Special Assessments	1,316,331	1,244,530	1,171,590	1,096,372	1,018,874
Net Debt subject to limit	134,880,843	158,426,722	163,534,898	155,181,884	150,282,567
Net Debt subject to limit as % of Debt Limit	23.05 %	25.50 %	25.20 %	22.96 %	20.38 %

The above chart represents the calculation of the City's legal debt margin over the past five years. Per the audited financial statements, for the fiscal year ended June 30, 2024, City debt totaled 20.38% of the legal limit.

CURRENT YEAR ROAD BOND DEBT LIMIT CALCULATION	
2025 State Road (ACT 51) Revenue	\$15,668,850
50% of Revenue	\$7,834,425
2025/26 Debt Service	\$5,005,350
% of Limit	64%

Per Michigan Public Act 175 of 1952, the total debt service for Michigan Transportation Fund bonds may not exceed 50% of the total road funding received from the State for the preceding year. As shown in the chart above, the budgeted debt service for 2025/26 is 36% below the allowable levels. The chart below shows the forecasted change in the % of Debt Limit used over time.



DEBT SERVICE FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Debt Service Funds	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted
LIMITED TAX GENERAL OBLIGATION DEBT FUND						
<u>REVENUES</u>						
Other Revenue	\$10	\$2,510	\$3,400	\$100	\$100	\$100
Transfer from General Fund	2,962,360	2,962,360	2,958,400	2,958,400	6,560,350	6,560,350
Total Revenues	2,962,370	2,964,870	2,961,800	2,958,500	6,560,450	6,560,450
<u>EXPENDITURES</u>						
Principal	1,600,000	1,680,000	1,760,000	1,760,000	3,450,000	3,450,000
Interest	1,361,360	1,281,360	1,197,400	1,197,400	3,108,850	3,108,850
Other Charges	1,000	1,000	1,000	1,000	1,500	1,500
Total Expenditures	2,962,360	2,962,360	2,958,400	2,958,400	6,560,350	6,560,350
Excess of Revenues Over (Under) Expenditures	10	2,510	3,400	100	100	100
Beginning Fund Balance	300	310	2,820	2,820	2,920	2,920
Ending Fund Balance	\$310	\$2,820	\$6,220	\$2,920	\$3,020	\$3,020
GENERAL DRAIN FUND						
<u>REVENUES</u>						
Property Taxes	\$620	\$450	\$600	\$600	\$600	\$600
Interest Income	70	200	100	100	100	100
Total Revenues	690	650	700	700	700	700
<u>EXPENDITURES</u>						
Principal	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Transfers Out	0	0	0	0	0	0
Total Expenditures	0	0	0	0	0	0
Excess of Revenues Over (Under) Expenditures	690	650	700	700	700	700
Beginning Fund Balance	2,320	3,010	3,660	3,660	4,360	4,360
Ending Fund Balance	\$3,010	\$3,660	\$4,360	\$4,360	\$5,060	\$5,060

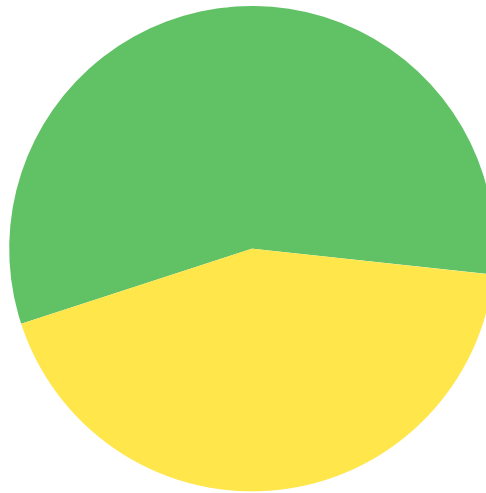
DEBT SERVICE FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Debt Service Funds	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted
VOTED TAX GENERAL OBLIGATION DEBT FUND						
<u>REVENUES</u>						
Property Taxes	\$551,260	\$7,560	(\$700)	(\$700)	\$300	\$300
State/Local Returns	39,300	42,160	0	0	0	0
Interest Income	9,280	3,260	1,650	3,800	3,250	3,250
Transfer from General Fund	0	0	0	0	0	0
Total Revenues	599,840	52,980	950	3,100	3,550	3,550
<u>EXPENDITURES</u>						
Principal	575,000	0	0	0	0	0
Interest	11,500	0	0	0	0	0
Other Charges	0	0	0	0	0	0
Total Expenditures	586,500	0	0	0	0	0
Excess of Revenues Over (Under) Expenditures	13,340	52,980	950	3,100	3,550	3,550
Beginning Fund Balance	6,640	19,980	72,960	72,960	76,060	76,060
Ending Fund Balance	\$19,980	\$72,960	\$73,910	\$76,060	\$79,610	\$79,610
ROAD BOND DEBT RETIREMENT FUND						
<u>REVENUES</u>						
Special Assessment Revenue	\$169,230	\$144,140	\$144,200	\$144,150	\$138,250	138,250
Federal Interest Rebates	0	0	0	0	0	0
Interest Income	11,150	15,080	13,200	4,000	3,400	3,400
Bond Proceeds	0	0	0	0	0	0
Transfer from Major Roads Fund	4,640,750	4,801,430	4,800,000	4,800,000	4,800,000	4,800,000
						0
Total Revenues	4,821,130	4,960,650	4,957,400	4,948,150	4,941,650	\$4,941,650
<u>EXPENDITURES</u>						
Principal	3,599,000	3,590,000	3,685,000	3,685,000	3,781,000	\$3,781,000
Interest	1,478,500	1,459,540	1,343,850	1,343,850	1,224,350	\$1,224,350
Other Charges	2,850	2,850	2,850	2,850	2,850	\$2,850
						\$0
Total Expenditures	5,080,350	5,052,390	5,031,700	5,031,700	5,008,200	\$5,008,200
Excess of Revenues Over (Under) Expenditures	(259,220)	(91,740)	(74,300)	(83,550)	(66,550)	(\$66,550)
Beginning Fund Balance	591,170	331,950	240,210	240,210	156,660	\$156,660
						\$0
Ending Fund Balance	\$331,950	\$240,210	\$165,910	\$156,660	\$90,110	\$90,110

Debt Service Funds Percent of Total Expenditures

Limited Tax General Obligation Debt Fund
57%



Road Bond Debt Retirement Fund
43%

This graph reflects budgeted expenditures for Debt Service Funds as a percent of the total \$11,568,550 Debt Service Funds budget.

GENERAL DRAIN TAXES

Although all City issued drain debt has been paid in full, small amounts of revenue are still realized primarily from the collection of delinquent property taxes.

OTHER FINANCING SOURCES

Other Financing Sources in the Debt Service Funds represent the Transfers In from other funds for debt service payments. The General Fund, Major Road Fund, and Pathways and Preservation Fund provide revenue to the Debt Service Funds through this revenue center.

In 2025/26, revenues generated from Other Financing Sources represent 98.7% of total Debt Service revenues, an increase of \$3,601,950 primarily due to anticipated debt service on a \$40 million bond to be issued in 2025 to finance the projects approved as part of the Pathway to Play and Preservation millage. Transfers from the General Fund total \$2,960,350 and fund the debt service on the debt issued for City Campus renovations and the DPW building. The transfer from the Major Road Fund to the Road Bond Debt Retirement Fund totals \$4,800,000.

STATE & LOCAL RETURNS

This source of revenue consists of reimbursements from the State to offset the elimination of property taxes on eligible manufacturing personal property. Due to the expiration of the Proposal F Debt millage, there is no longer revenue in this category.

OTHER REVENUE

Other Revenue consists of revenue from Interest on Investments and Special Assessment revenue. In the 2025/26 Budget, Other Revenues represent 1.3% of total Debt Service revenues, a decrease of \$17,450. Interest on Investments is expected to decrease based on lower cash balances, and Special Assessment revenue will be lower as final payments

are made on the Lakeside Improvement Special Assessment.

PUBLIC IMPROVEMENTS TAX

The Voted Tax General Obligation Debt Fund has been established to isolate the revenues and expenditures for the voter approved debt to finance various public improvements. This fund is used to account for the payment of principal and interest on the current debt portion of the public improvements. A specific millage is levied to retire the debt incurred and the necessary paying agent fees. The final payment on this debt was made in fiscal year 2022/23, therefore there is no tax revenue for this fund in the current budget year.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A budgeted use of fund balance exists when expenditures exceed revenues, provided that fund balance is available.

In the 2025/26 Budget, expenditures exceed revenues by \$62,200, as available fund balance in the Road Bond Debt fund is used and decreases the amount necessary to be transferred from the Major Roads fund to cover debt. ■

DEBT SERVICE FUNDS REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>TAXES</u>						
402000	City Operating Tax	\$600	0.01	\$600	0.01	\$600	0.01
412000	Delinquent Personal Property Tax	1,330	0.02	1,000	0.01	1,000	0.01
414000	Property Tax Refunds	990	0.01	(2,000)	(0.03)	(1,000)	(0.01)
445000	Penalties & Interest	120	0.00	0	0.00	0	0.00
	Total Taxes	3,040	0.04	(400)	(0.01)	600	0.01
	<u>OTHER FINANCING SOURCES</u>						
699101	Transfer From General Fund	2,962,360	37.13	2,958,400	37.35	2,960,350	25.73
699202	Transfer From Major Road Fund	4,801,430	60.17	4,800,000	60.60	4,800,000	41.72
699211	Transfer from Pathways & Pres. Fund	0	0.00	0	0.00	3,600,000	31.29
	Total Other Financing Sources	7,763,790	97.30	7,758,400	97.95	11,360,350	98.73
	<u>STATE & LOCAL RETURNS</u>						
573000	Personal Property Tax Reimbursement	42,160	0.53	0	0.00	0	0.00
	Total State & Local Returns	42,160	0.53	0	0.00	0	0.00
	<u>OTHER REVENUE</u>						
451000	Special Assessment Revenue	114,680	1.44	114,700	1.45	114,700	1.00
451002	Special Assessment Interest	29,460	0.37	29,500	0.37	23,550	0.20
665000	Interest on Investments	21,050	0.26	18,350	0.23	6,850	0.06
	Total Other Revenue	165,190	2.07	162,550	2.05	145,100	1.26
	<u>PUBLIC IMPROVEMENTS TAX</u>						
419000	Proposal F Debt Levy	4,970	0.06	300	0.00	300	0.00
	Total Public Improvements Tax	4,970	0.06	300	0.00	300	0.00
	Total Debt Service Funds	\$7,979,150	100.00	\$7,920,850	100.00	\$11,506,350	100.00

Note: The Actual Column is rounded to the nearest \$10.

DEBT SERVICE FUNDS EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>OTHER CHARGES</u>						
810000	Other Fees	\$3,850	0.05	\$3,850	0.05	\$4,350	0.04
	Total Other Charges	3,850	0.05	3,850	0.05	4,350	0.04
	<u>DEBT SERVICE</u>						
992000	Principal	5,270,000	65.75	5,445,000	68.15	7,231,000	62.51
993000	Interest	2,740,900	34.20	2,541,250	31.80	4,333,200	37.46
	Total Debt Service	8,010,900	99.95	7,986,250	99.95	11,564,200	99.97
	Total Debt Service Funds	\$8,014,750	100.00	\$7,990,100	100.00	\$11,568,550	100.00

Note: The Actual Column is rounded to the nearest \$10.

KEY FUND TRENDS

Debt Service Funds

City Bond Ratings

1.	Farmington Hills	AAA
2.	Troy	AAA
3.	Ann Arbor	AAA
4.	STERLING HEIGHTS	AA
5.	Grand Rapids	AA
6.	Livonia	AA
7.	Southfield	AA
8.	Warren	AA
9.	Lansing	A+
10.	Dearborn	A+

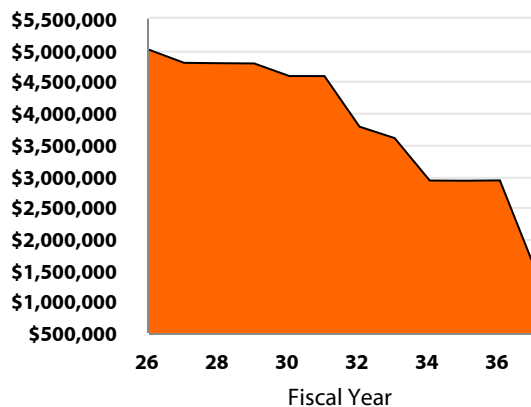
Only three of our comparable communities have a higher bond rating than Sterling Heights. Sterling Heights maintains a high Aa2 rating from Moody's and an AA rating from Fitch Investor's Rating Service due to the City's low costs and proactive response to changing economic conditions.

Government Debt Per Capita

1.	Lansing	\$3,361
2.	Grand Rapids	2,619
3.	Ann Arbor	2,313
4.	Dearborn	2,054
5.	Southfield	1,938
6.	Sterling Heights	1,653
7.	Warren	1,301
8.	Farmington Hills	872
9.	Livonia	472
10.	Troy	54

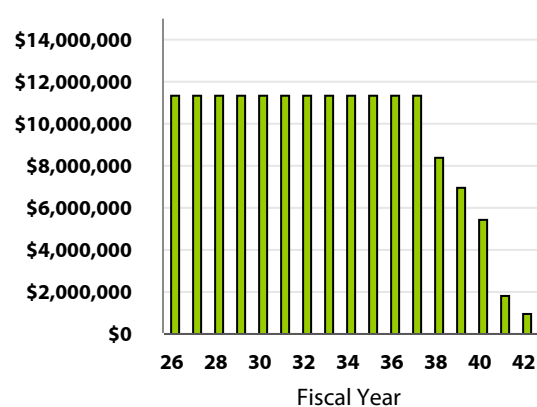
City debt per capita decreased as However, the City is still at only 23% of the legal debt limit.

Annual Debt Payments Road Bonds



Road Bond Debt payments will remain relatively stable for the next three years as no future issuances are anticipated. Debt Service will start to decrease in fiscal year 2026/27 when the 2020 MTF Refunding bond is retired.

Annual Debt Payments General Obligation Bonds



General Obligation Debt includes debt to fund the parks & recreation facilities paid for through the Recreating Recreation millage, as well as bonds issued to finance facilities renovations, a new DPW Building, and water and sewer infrastructure. New Facilities Improvements bonds were issued in 2025 as part of the Pathway to Play and Preservation millage and will fund construction of a pickleball complex, land purchases and park expansions. City debt payments increased by an estimated \$3.6 Million.

The Limited Tax General Obligation (LTGO) Fund is a Debt Service Fund that is used to account for the bond payments related to the construction and financing of City buildings and equipment.

The Limited Tax General Obligation Fund receives revenue for operations as a result of receiving cash transferred from the General Fund for the debt payments on Capital Improvement Bonds.

Debt Service accounts for only 2.2% of General Fund Expenditures

A \$20 million Facilities Improvement Bond was issued in the spring of 2018 to finance the facility infrastructure and information technology improvements identified as part of the facilities condition assessment completed in 2017 and the five-year information technology plan. This debt is scheduled to be retired in fiscal year 2037/38.



In the spring of 2019, a \$25 million Capital Improvement Bond was issued to finance the construction of a new Department of Public Works facility. This debt is scheduled to be retired in fiscal year 2038/39.



In 2024 the Pathway to Play and Preservation millage was approved by voters and introduced several projects to be financed through a bond issuance. Borrowed funds are anticipated to total \$40 Million with estimated annual repayments of \$3.6 million.

Bonded projects will include:

- Pickleball Complex
- Rotary Park Expansion
- Red Run Park Development
- Nature Preserve Trail
- Sidewalk Repair & Gap Program
- Open Space Preservation

In the 2025/26 fiscal year \$6,558,850 will be used for debt repayment.



Limited Tax General Obligation Fund

SUMMARY OF BUDGET CHANGES

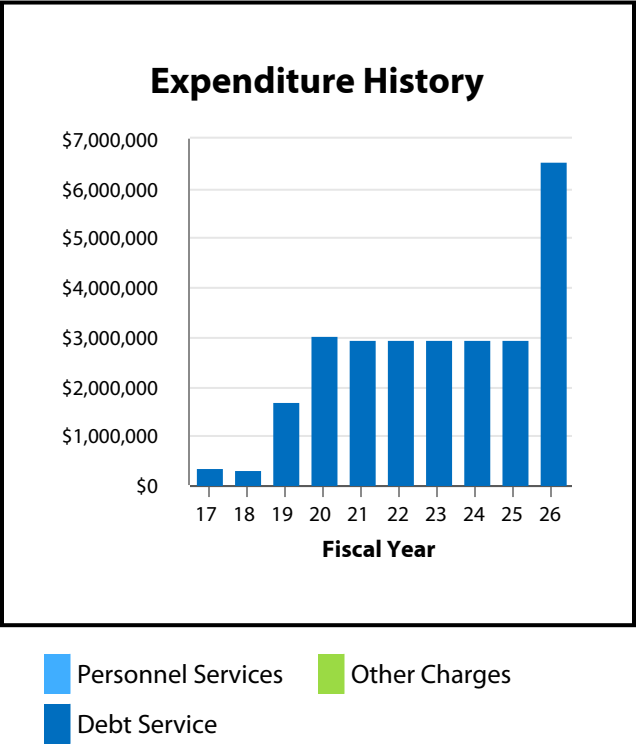
SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget increased by 121.8%.

Personnel Services - There is no Personnel budget for this fund.

Other Charges - Total Other Charges is proposed to increase by \$500 or 50% to \$1,500.

Debt Service - Total Debt Service is proposed to increase by \$3,601,450 or 121.8%. Total debt service payments will be \$6,558,850. The Pathways to Play and Preservation millage was approved by voters in the 2024 election, introducing several projects to be financed with a bond issuance. Total borrowing is anticipated to be \$40 Million. As such, debt service is expected to increase \$3,600,000 in the next fiscal year.



FUNDING LEVEL SUMMARY

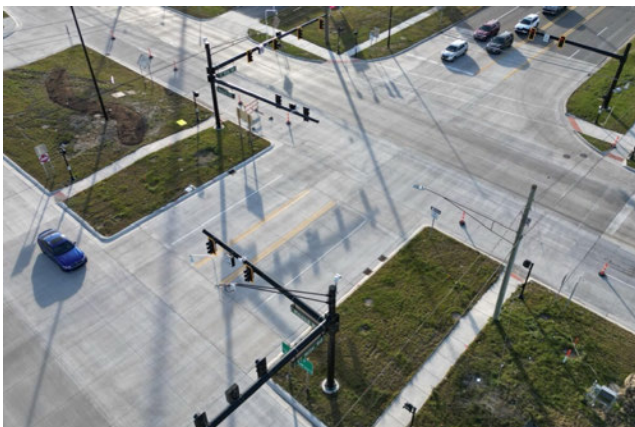
	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Other Charges	1,000	1,000	1,000	1,500	1,500
Debt Service	2,961,360	2,957,400	2,957,400	6,558,850	6,558,850
Total	\$2,962,360	\$2,958,400	\$2,958,400	\$6,560,350	\$6,560,350

The Road Bond Debt Retirement Fund is a Debt Service Fund. It is used exclusively for the retirement of debt incurred by the City for various road improvements.

The most significant revenue source of this fund is through a transfer from the Major Road Fund. In 2025/26, the Major Road Fund transfer represents 97% of total Road Bond Debt Retirement Fund revenues. Most of the bonded road construction projects are considered major roads and Public Act 51 guidelines allow for such transfer payments for major road construction and debt payments. Other sources of revenue include Interest on Investments and Special Assessment revenue.

The most significant revenue source of this fund is through a transfer from the Major Road Fund.

This Fund's debt budgeted to be paid in fiscal year 2025/26 totals \$5,005,350, which is comprised of \$3,781,000 toward principal and \$1,224,350 in interest payments on Michigan Transportation Fund (MTF) bonds and the Lakeside Special Assessment bond that was issued in the spring of 2008. The Special Assessment bond was issued to finance various improvements within the Lakeside Shopping Center district.



In recent years Michigan Transportation Fund bonds were issued in 2021 and 2022 to finance the City's portion of the total Mound Road

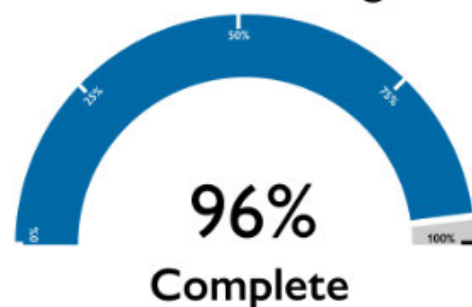
Reconstruction. No additional bonds will be issued In the fiscal year 2025/26 for this project.

The principal and interest payments for road bond projects are amortized based on the estimated total cost of the project times the interest rate for a fixed period of time - usually 15 years.

Road bond projects financed through this fund are specified on the Road Bond Construction Fund schedule located in the Capital Projects section of this document.■



Construction Progress



Road Bond Debt Retirement Fund

SUMMARY OF BUDGET CHANGES

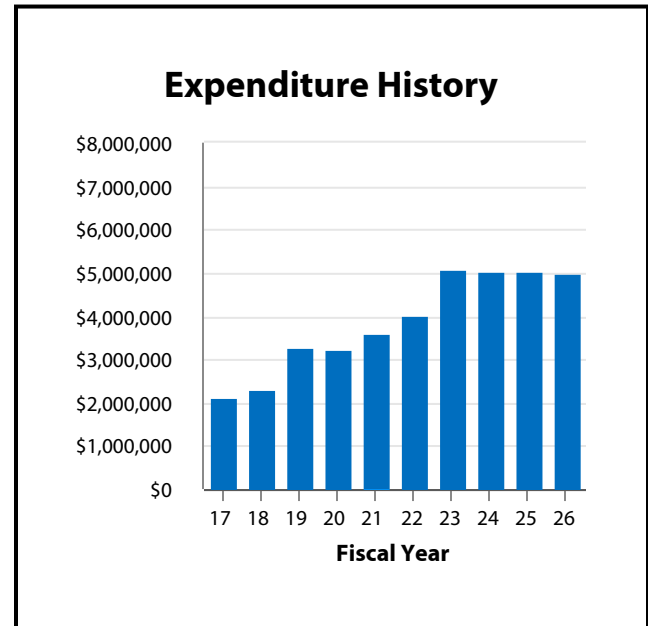
SIGNIFICANT NOTES – 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget decreased by 0.5%.

Supplies - There is no Supplies budget for this fund.

Other Charges - Total Other Charges remain the same as the prior year at \$2,850 for required fees for remaining bonds.

Debt Service - Total Debt Service decreased \$23,500 or 0.5% based on actual bond amortization schedules. There are no new road bond debt issuances planned for the budget year.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Supplies	\$0	\$0	\$0	\$0	\$0
Other Charges	2,850	2,850	2,850	2,850	2,850
Debt Service	5,049,540	5,028,850	5,028,850	5,005,350	5,005,350
Total	\$5,052,390	\$5,031,700	\$5,031,700	\$5,008,200	\$5,008,200

Whatever you are, be a good one.

~ Abraham Lincoln ~



Capital Projects



Capital Projects Funds are used to account for resources to be used for the acquisition or construction of major capital facilities, and for the purchase of capital equipment and vehicles. The City currently maintains two capital projects funds, the Capital Projects Fund and the Road Bond Construction Fund. The City's Capital Improvement Program is a multi-year planning instrument used to coordinate the financing and timing of improvements in a way that maximizes the return to residents.

CAPITAL PROJECT FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Capital Projects	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted
CAPITAL PROJECTS FUND						
REVENUES						
State & Local Returns	\$312,540	\$291,940	\$2,195,200	\$2,208,190	\$0	\$0
Other Revenue	1,026,070	1,232,230	1,696,690	577,950	448,650	448,650
Proceeds Long-Term Debt	0	0	0	0	0	0
Transfer from General Fund	7,244,630	5,590,000	5,804,200	5,804,200	4,978,200	5,466,900
Transfer from Facilities Fund	375,630	0	0	0	0	0
Transfer from Pathways	0	0	0	0	1,229,550	1,229,550
Total Revenues	8,958,870	7,114,170	9,696,090	8,590,340	6,656,400	7,145,100
EXPENDITURES						
Capital Equipment	643,720	830,890	1,392,280	1,356,220	370,050	370,050
Capital Equipment - IT	379,480	455,040	480,750	423,110	1,684,600	1,684,600
Capital Vehicles	1,362,300	2,152,350	4,584,990	4,585,020	2,620,000	2,620,000
Capital Projects	3,948,890	2,833,050	9,183,850	9,483,350	702,000	1,190,700
Total Expenditures	6,334,390	6,271,330	15,641,870	15,847,700	5,376,650	5,865,350
Rev. Over (Under) Expend.	2,624,480	842,840	(5,945,780)	(7,257,360)	1,279,750	1,279,750
Beginning Fund Balance	6,602,240	9,226,720	10,069,560	10,069,560	2,812,200	2,812,200
Ending Fund Balance	\$9,226,720	\$10,069,560	\$4,123,780	\$2,812,200	\$4,091,950	\$4,091,950
FACILITIES IMPROVE. FUND						
REVENUES						
Other Revenue	\$0	\$(86,490)	\$0	\$50,000	\$50,000	\$50,000
Transfer from General Fund	0	4,500,000	0	0	0	0
Total Revenues	0	4,413,510	0	50,000	50,000	50,000
EXPENDITURES						
Capital Improvements	0	0	0	0	4,500,000	4,500,000
Transfers to Capital Projects	375,630	0	0	0	0	0
Total Expenditures	375,630	0	0	0	4,500,000	4,500,000
Rev. Over (Under) Expend.	(375,630)	4,413,510	0	50,000	(4,450,000)	(4,450,000)
Beginning Fund Balance	375,630	0	4,413,510	4,413,510	4,463,510	4,463,510
Ending Fund Balance	\$0	\$4,413,510	\$4,413,510	\$4,463,510	\$13,510	\$13,510
CLINTON RIVER REST. FUND						
REVENUES						
Transfer from General Fund	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenues	0	0	0	0	0	0
EXPENDITURES						
Other Charges	4,320	0	0	0	0	0
Total Expenditures	4,320	0	0	0	0	0
Rev. Over (Under) Expend.	(4,320)	0	0	0	0	0
Beginning Fund Balance	17,230	12,910	12,910	12,910	12,910	12,910
Ending Fund Balance	\$12,910	\$12,910	\$12,910	\$12,910	\$12,910	\$12,910
SIDEWALK REPAIR & REPL. FUND						
REVENUES						
Transfer from Pathways Fund	\$0	\$0	\$0	\$0	\$10,000,000	\$10,000,000
Total Revenues	0	0	0	0	10,000,000	10,000,000
EXPENDITURES						
Capital Improvements	0	0	0	0	3,600,000	3,600,000
Total Expenditures	0	0	0	0	3,600,000	3,600,000
Rev. Over (Under) Expend.	0	0	0	0	6,400,000	6,400,000
Beginning Fund Balance	0	0	0	0	0	0
Ending Fund Balance	\$0	\$0	\$0	\$0	\$6,400,000	\$6,400,000
TREE PRESERVATION FUND						
REVENUES						
Transfer from Pathways Fund	\$0	\$0	\$0	\$0	\$600,000	\$600,000

CAPITAL PROJECT FUNDS

REVENUES, EXPENDITURES & FUND BALANCES

Capital Projects	2022/23 Actual	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Adopted
Total Revenues	0	0	0	0	600,000	\$600,000
EXPENDITURES						
Other Charges	0	0	0	0	600,000	600,000
Total Expenditures	0	0	0	0	600,000	600,000
Rev. Over (Under) Expend.	0	0	0	0	0	0
Beginning Fund Balance	0	0	0	0	0	0
Ending Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0
LAND & WATER CONSERV. FUND						
REVENUES						
Other Revenue	\$1,180	\$2,860	\$1,500	\$2,400	\$2,000	\$2,000
Total Revenues	1,180	2,860	1,500	2,400	2,000	2,000
EXPENDITURES						
Land Acquisition & Improve.	0	0	0	0	0	0
Total Expenditures	0	0	0	0	0	0
Rev. Over (Under) Expend.	1,180	2,860	1,500	2,400	2,000	2,000
Beginning Fund Balance	31,280	32,460	35,320	35,320	37,720	37,720
Ending Fund Balance	\$32,460	\$35,320	\$36,820	\$37,720	\$39,720	\$39,720
ROAD BOND CONSTR. FUND						
REVENUES						
Other Revenue	\$350,620	\$457,120	\$100,000	\$100,000	\$50,000	\$50,000
Total Revenues	350,620	457,120	100,000	100,000	50,000	50,000
EXPENDITURES						
Capital Improvements	11,474,230	9,901,380	5,088,860	5,088,860	0	0
Total Expenditures	11,474,230	9,901,380	5,088,860	5,088,860	0	0
Rev. Over (Under) Expend.	(11,123,610)	(9,444,260)	(4,988,860)	(4,988,860)	50,000	50,000
Beginning Fund Balance	25,851,530	14,727,920	5,283,660	5,283,660	294,800	294,800
Ending Fund Balance	\$14,727,920	\$5,283,660	\$294,800	\$294,800	\$344,800	\$344,800

Note: Actual columns are rounded to the nearest \$10.

STATE & LOCAL RETURNS

Revenue from Federal, State, and/or County grants is included in State and Local Returns. There is no grant revenue budgeted for the fiscal year 2025/26. Grants received in the prior year include Assistance to Firefighters grant and a grant through the Michigan Municipal Risk Management Authority.

OTHER FINANCING SOURCES

Other Financing Sources include all proceeds received from long-term debt as a result of planned Capital Project construction and/or acquisition by the City. Also included in this revenue center are transfers into the Capital Project Funds from other funds.

In the 2025/26 Budget, revenues generated from Other Financing Sources represent 96.9% of total revenue sources, an increase of \$11,492,250. The largest increase is due to the transfer of \$10.6 Million in bond proceeds from the Pathways and Preservation Fund. This funding is designated for the newly established Sidewalk Repair & Replacement Fund and the Tree Preservation Fund.

OTHER REVENUE

The revenue source of Other Revenue includes revenues that cannot be easily classified in other revenue centers. Included in this revenue center are Interest on Investments, Special Assessment Revenue, Reimbursements, Insurance Recovery, Miscellaneous Revenue, and Interest and Penalties.

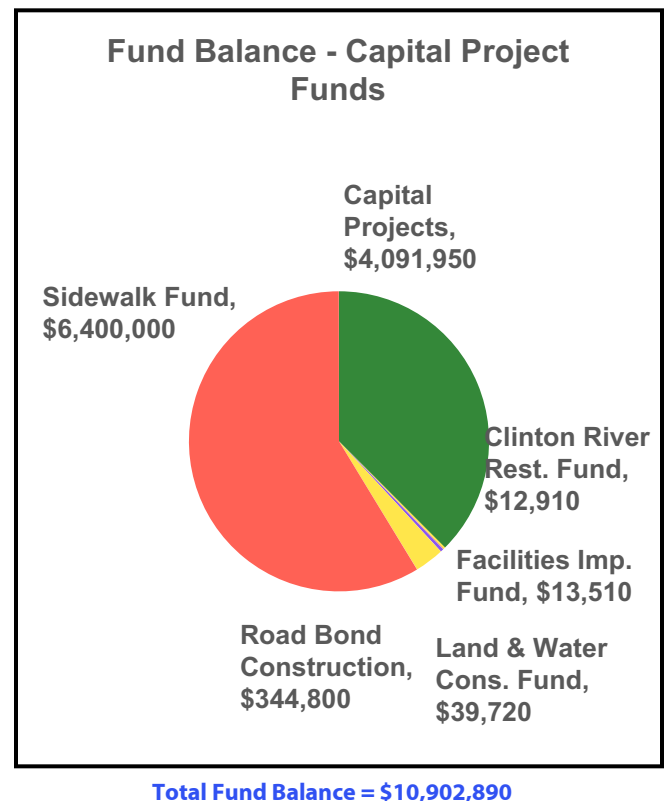
In the 2025/26 Budget, Other Revenues represent 3.1% of total revenue sources, a decrease of \$1,247,540. The City will not be collecting as much special assessment revenue as sidewalk programs will be funded by the Pathways to Play and Preservation millage. This specific revenue source decreased by \$18,650. Investments are expected to provide \$72,700 more in interest income. Rebates and insurance recoveries were reduced by \$12,000 and \$36,000 following one-time gains in the prior year.

EXCESS REVENUE OVER (UNDER) EXPENDITURES

A budgeted Contribution of Fund Balance exists when revenues exceed expenditures.

In the 2025/26 Budget, the contribution to fund balance across Capital funds \$3,281,750, primarily due to contribution to the Sidewalk Repair & Replacement and Capital Projects fund offset by a use of fund balance in the Facilities Improvement fund.

Fund balance reserves across all Capital Project Funds total \$10.9 million. \$6.4 million is held for future sidewalk repair and replacement programs and \$4.1 million is held for future Capital project and equipment expenditures including a \$1.2 million reserve for the ambulance replacement plan.



CAPITAL PROJECT FUNDS REVENUE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
	<u>STATE & LOCAL RETURNS</u>						
529000	Federal Grant - Other	\$259,100	2.16	\$841,700	8.59	\$0	0.00
540000	State Grants	0	0.00	1,353,500	13.81	0	0.00
581000	County & Other Local Grants	32,840	0.27	0	0.00	0	0.00
	Total State & Local Returns	291,940	2.44	2,195,200	22.41	0	0.00
	<u>OTHER FINANCING SOURCES</u>						
699101	Transfer from General Fund	10,090,000	84.17	5,804,200	59.24	5,466,900	30.63
699211	Transfers from Pathway Fund	0	0.00	0	0.00	11,829,550	66.28
	Total Other Financing Sources	10,090,000	84.17	5,804,200	59.24	17,296,450	96.91
	<u>OTHER REVENUE</u>						
451000	Special Assessment Revenue	45,400	0.38	29,000	0.30	10,350	0.06
451002	Special Assessment Interest	6,280	0.05	5,000	0.05	300	0.00
665000	Interest on Investments	670,340	5.59	367,300	3.75	440,000	2.47
665010	Interest & Penalties - Tax Roll	540	0.00	0	0.00	0	0.00
670001	Unrealized Gain/Loss	205,840	1.72	0	0.00	0	0.00
676000	Reimbursements	202,500	1.69	1,248,890	12.75	0	0.00
677004	Miscellaneous Revenue - MCPWC	474,820	3.96	100,000	1.02	100,000	0.56
687000	Refunds & Rebates	0	0.00	12,000	0.12	0	0.00
695000	Insurance Recovery	0	0.00	36,000	0.37	0	0.00
	Total Other Revenue	1,605,720	13.39	1,798,190	18.36	550,650	3.09
	Total Capital Projects Funds	\$11,987,660	100.00	\$9,797,590	100.00	\$17,847,100	100.00

Note: The Actual Column is rounded to the nearest \$10.

CAPITAL PROJECT FUNDS

EXPENDITURE SUMMARY BY ACCOUNT

Account Number	Account Name	2023-2024 Actual		2024-2025 Budget		2025-2026 Budget	
		Dollars	%	Dollars	%	Dollars	%
826000	OTHER CHARGES Contracted Services	\$0	0.00	\$0	0.00	\$600,000	4.12
	Total Other Charges	0	0.00	0	0.00	600,000	4.12
	CAPITAL OUTLAY						
975000	Building & Improvements	498,910	3.08	410,600	1.98	15,000	0.10
975001	Municipal Building Modernization	182,930	1.13	476,920	2.30	100,000	0.69
975002	Library Renovations	37,520	0.23	120,000	0.58	0	0.00
975003	DPW Building	161,000	1.00	655,060	3.16	0	0.00
975005	DPW Storage Facilities	9,980	0.06	0	0.00	0	0.00
975011	Fire Station Renovations	0	0.00	0	0.00	4,500,000	30.90
975012	Misc. Fire Station Improvements	291,950	1.81	112,940	0.54	0	0.00
979000	Computer Equipment	318,510	1.97	237,750	1.15	1,361,300	9.35
979003	Financial System - Hardware	64,840	0.40	148,500	0.72	190,200	1.31
979006	Police Department - Car Computers	0	0.00	0	0.00	112,500	0.77
979007	Police Department - Software	0	0.00	17,000	0.08	0	0.00
979011	Fire Department - Hardware	71,690	0.44	77,500	0.37	20,600	0.14
982000	Machinery & Equipment	348,600	2.16	571,360	2.76	370,050	2.54
982001	Machinery & Equipment - Grant	454,850	2.81	460,690	2.22	0	0.00
984000	Vehicles	1,963,910	12.14	4,335,080	20.91	2,410,000	16.55
984001	Vehicles - Police Up fitting	188,440	1.17	249,910	1.21	210,000	1.44
986000	Major Drain Improvements	622,580	3.85	275,640	1.33	188,700	1.30
987000	Public Art	27,440	0.17	360,230	1.74	0	0.00
988000	Construction	495,650	3.06	6,755,880	32.59	4,487,000	30.81
988076	M59 Regional Median Improvements	0	0.00	18,220	0.09	0	0.00
988116	Mound Reconstruction I696 to M59	9,901,380	61.22	5,070,640	24.46	0	0.00
988118	Gibson Drain CH 21 Drain Petit	0	0.00	18,690	0.09	0	0.00
988143	2022 Sidewalk Replacement Program	9,250	0.06	0	0.00	0	0.00
988144	Asphalt Resurfacing Fire Station	3,960	0.02	0	0.00	0	0.00
988154	ITC Corr Edison Court to Hall Road	6,790	0.04	0	0.00	0	0.00
988172	City Hall West Parking Lot Improvement	28,620	0.18	0	0.00	0	0.00
988174	Maple Lane Drive Developments	750	0.00	0	0.00	0	0.00
988179	Lakeside Island Bridge	56,580	0.35	0	0.00	0	0.00
988180	2023 Sidewalk Gap Program	426,580	2.64	358,120	1.73	0	0.00
	Total Capital Outlay	16,172,710	100.00	20,730,730	100.00	13,965,350	95.88
	Total Capital Projects Fund	\$16,172,710	100.00	\$20,730,730	100.00	\$14,565,350	100.00

The Actual Column is rounded to the nearest \$10.

The City of Sterling Heights uses a Capital Projects Fund to account for the development, improvement, and repair of capital facilities, and the purchase of capital vehicles and equipment, not financed by other funds. The receipt and disbursement of resources to be utilized for the construction or acquisition of capital facilities, and the performance of activities financed by governmental funds, is accounted for by capital funds. Receipts for such purposes arise from the sale of general obligation bonds, grants from other governmental units, transfers from other funds, or gifts from individuals or organizations.

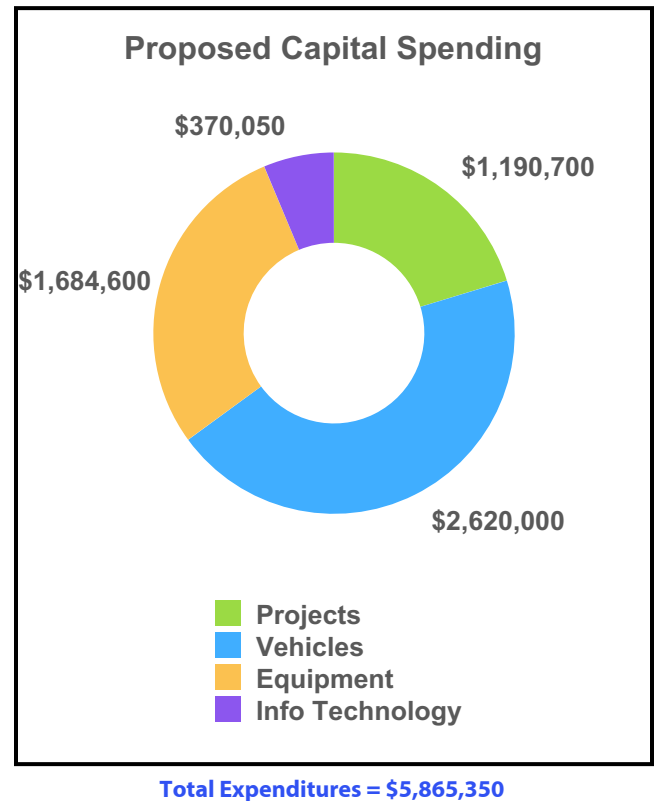
Creating a separate fund to account for capital projects, vehicles and equipment, provides a formal mechanism that enables administrators to ensure that revenues dedicated to a certain purpose are used for that purpose. This fund enables administrators to report to creditors and other grantors of capital projects fund resources that their requirements regarding the use of the resources were met.



As with all governmental funds, the Capital Projects Fund concentrates on inflows and outflows of available, spendable resources. Therefore, the Capital Projects Fund uses the modified accrual basis of accounting. The Capital Projects Fund has the authority to continue expenditures within prescribed limits until a project is completed.

Funding for Capital in 2025/26 totals \$5,865,350 and includes \$1,190,700 improvement projects, \$2,054,650 for capital equipment and information technology improvements and \$2,620,000 for vehicles.

For a complete list of all equipment, vehicles and projects, please refer to the Capital schedules on the following pages. ■



Capital Projects Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES - 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

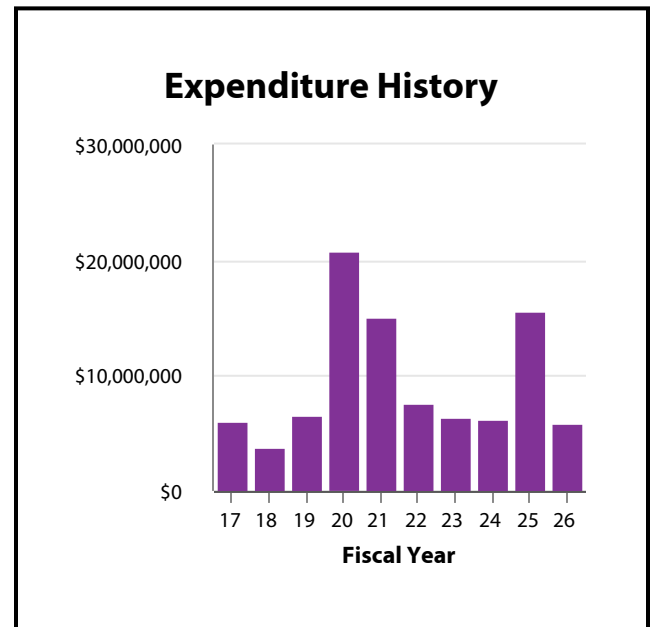
The total budget decreased by 62.5%.

Capital – Total Capital of \$5,865,350 is proposed. \$370,050 is for capital equipment, \$2,620,000 for capital vehicles, and \$1,684,600 for the Information Technology Capital Program. **The significant notes for equipment, vehicles, and Information Technology capital can be found in the General Fund activity in which the capital will be utilized.**

In addition, Capital Projects totaling \$1,190,700 are proposed. Significant projects are listed below:

- Upton House Railings and Porch Repair (\$15,000)
- Police Station Boilers (\$100,000)
- Trail Replacement Plan - North Clinton River Park & Under Riverland Bridge (\$315,000)
- Park Fencing Replacement (\$37,000)
- Parking Lot Repairs - Farmstead Park (\$35,000)

For a complete listing of all Capital Equipment, Vehicles, and Projects, please refer to the schedules on the following pages.



- Other Charges
- Capital Outlay
- Transfers Out

CITY COUNCIL ADJUSTMENTS TO PROPOSED BUDGET

Capital - Two additional projects were added to the upcoming fiscal year:

- Donovan Park Parking Lot (\$400,000)
- Stormwater Utility Feasibility Study (\$88,700)

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Other Charges	\$0	\$0	\$0	\$0	\$0
Capital Outlay	6,271,330	15,641,870	15,847,700	5,376,650	5,865,350
Transfers Out	0	0	0	0	0
Total	\$6,271,330	\$15,641,870	\$15,847,700	\$5,376,650	\$5,865,350

***When completed, the budget must provide the services we have
promised to our constituents.***

~ Jane D. Hull, Former Governor of Arizona ~



The Facilities Improvement Fund is used for large scale facility renovations to track costs separately from other capital projects. It was first used to account for the proceeds and expenditures of a \$20 million Capital Improvement Bond issued in the Spring of 2018 to finance facilities infrastructure improvements for City Hall, the 41-A District Court, the Public Library and the Police Department.

This fund will be used in the 2025/26 fiscal year to administer funding for the renovation of Fire Station #5. The Fire Department completed a facility condition assessment in the prior year to estimate the costs of renovation.

Station #5 serves as the primary location for administrative team and training division in addition to being an operating fire station. The building was originally constructed in 1990 and has remained largely unchanged since. As such, upgrades will be made to all facets of the space including infrastructural updates, storage solutions, replacements for aging mechanical systems, and new fixtures and furniture. The project is anticipated to cost \$9 Million.

\$4,500,000 is budgeted in the current year for Phase 1 of this project. Funds from tier 3 personal property tax reimbursements were allocated for this use in the final amendment of the 2024/25 budget.



Facilities Improvement Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES - 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

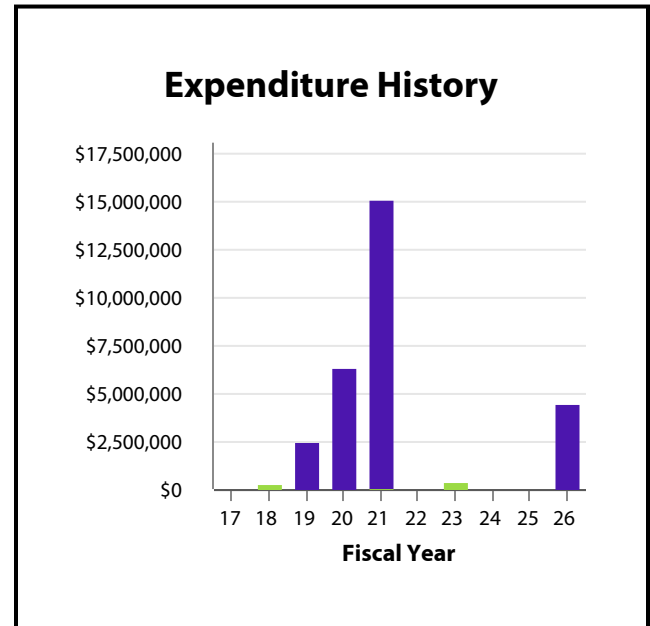
The total budget for this fund is \$4.5 Million.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital – Capital proposed for this fund totals \$4,500,000. Funding is dedicated to the complete renovation of Fire Station #5.

This renovation will overhaul the facilities, replace fixtures, furniture, electronic equipment, and add EV charging stations to the station.



■ Personnel Services
 ■ Other Charges
■ Capital Outlay
 ■ Transfers Out

FUNDING LEVEL SUMMARY

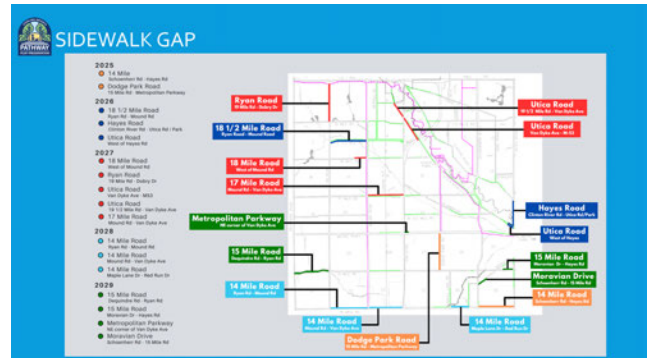
	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Other Charges	0	0	0	0	0
Capital Outlay	0	0	0	4,500,000	4,500,000
Transfers Out	0	0	0	0	0
Total	\$0	\$0	\$0	\$4,500,000	\$4,500,000

The Sidewalk Repair and Replacement Fund was established in conjunction with the Pathway to Play and Preservation Fund. This Capital Fund administers all sidewalk repair and replacement initiatives funded by the millage.



The millage creates a dedicated funding source to finance sidewalk repairs and replacements, eliminating the need for special assessments to property owners.

As noted in the previous paragraph, the five-year plan will complete all of the significant sidewalk gaps throughout the City.



For the 2025/26 fiscal year, the following gaps will be filled:

- 14 Mile Road - Schoenherr Road to Hayes Road
- Dodge Park Road - 15 Mile Road to Metropolitan Parkway
- 18 1/2 Mile Road - Hayes Road to Mound Road
- Hayes Road - Clinton River Road to Utica Road
- Utica Road - West of Hayes Road

	2025	2026	2027	2028	2029
Sidewalk Replacement	\$2.25M	\$1.3M	\$1.3M	\$1M	\$1M
Sidewalk Gap Completion	\$390K 14 Mile Road - Schoenherr Road to Hayes Road Dodge Park Road - 15 Mile Road to Metropolitan Parkway	\$1.25M 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road	\$1.2M 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road	\$450K 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road	\$750K 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road
• Easement Acquisition	\$340K 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road	\$25K 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road	\$300K 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road	\$50K 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road	\$0
• Feasibility Study	\$50K 14 Mile Road - Schoenherr Road to Hayes Road Hayes Road - Clinton River Road to Utica Road	\$0	\$0	\$0	\$0
Total Annual Cost	\$3.6M	\$2.6M	\$2.5M	\$1.5M	\$1.75M

For the 2025/26 fiscal year, the Sidewalk Repair & Replacement Fund will receive \$10,000,000 in funding transferred from the Pathway to Play and Preservation Fund. A significant five-year plan has been developed that will complete all major sidewalk gaps throughout the city as well as fund a significant annual repair program.



Sidewalk Repair and Replacement Fund

SUMMARY OF BUDGET CHANGES

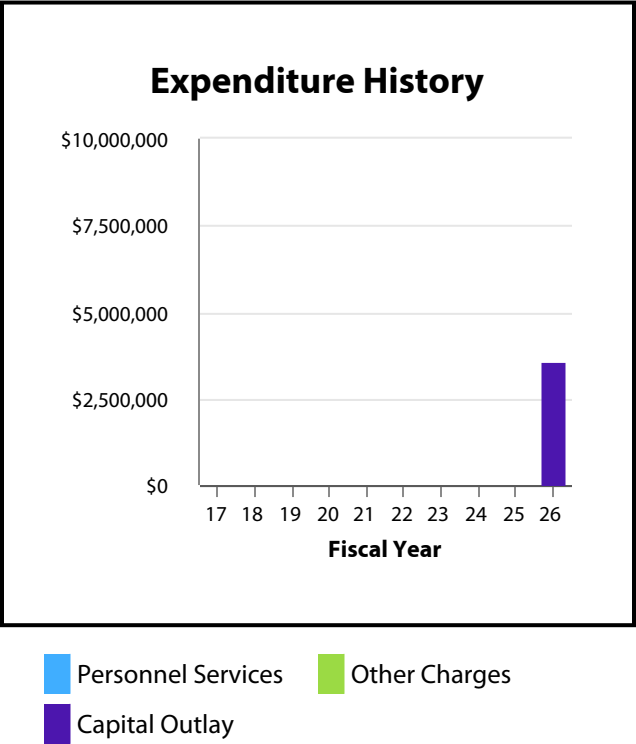
SIGNIFICANT NOTES - 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget for this fund is \$3.6 Million.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – There are no Other Charges proposed for this fund.

Capital – Capital charges for this fund total \$3,600,000 for sidewalk repair and gap programming. In this initial year the City will complete \$2.25 million of sidewalk replacements and \$390,000 of sidewalk completion. A \$50,000 feasibility study for several prospective project sites and easement acquisitions will be required totaling \$360,000.



FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Other Charges	0	0	0	0	0
Capital Outlay	0	0	0	3,600,000	3,600,000
Total	\$0	\$0	\$0	\$3,600,000	\$3,600,000

The Tree Preservation Fund has been established to account for reforestation efforts and is funded primarily through the voter approved Pathway to Play and Preservation millage. Any awarded grants and grant expenditures related to tree plantings will also be accounted for in this fund.

At 19% canopy coverage, Sterling Heights falls far below the state of Michigan's goal of 40% for municipalities. This is primarily due to the removal of thousands of Ash trees from city streets infested with Emerald Ash Borers in the early 2000's.

The time is now for effectuating a meaningful and on-going reforestation program for the City. The following well-documented benefits of street trees support investment in this green infrastructure:

Economic

- Reduce heating and cooling costs
- Increase property values

Environmental

- Improve air quality by capturing and removing CO2
- Reduce urban heat island effect
- Reduce stormwater runoff & improve groundwater quality
- Provide wildlife habitat

Social

- Slow neighborhood traffic
- Promote public health & well-being

Through a combination of revenue from the dedicated millage and awarded grants, the City will plant 15,000 new street trees over the next seven years. Tree plantings will be distributed throughout the City and species selection will focus on choosing native, diverse and resilient tree species.

In the first year of collection, the 2025/26 fiscal year the Tree Preservation Fund will receive \$600,000 in revenue from the Pathways and Preservation Fund. The City anticipates planing 1,600 trees with this funding.



Tree Preservation Fund

SUMMARY OF BUDGET CHANGES

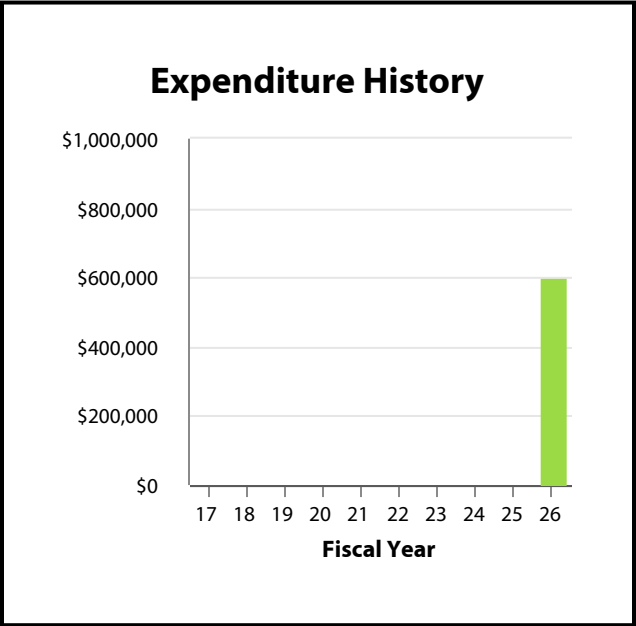
SIGNIFICANT NOTES - 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

The total budget for this fund is \$600,000.

Personnel Services – There is no Personnel budget for this fund.

Other Charges – Total Other Charges has a budget of \$600,000. These funds will be used to purchase and plant 1,600 neighborhood street trees throughout the City. This level of funding is expected to stay consistent for first seven years that the millage is active, with goal of planting 15,000 street trees over the seven year period.

Capital – There is no capital budget for this fund.



■ Personnel Services ■ Other Charges
■ Capital Outlay

FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Personnel Services	\$0	\$0	\$0	\$0	\$0
Other Charges	0	0	0	600,000	600,000
Capital Outlay	0	0	0	0	0
Total	\$0	\$0	\$0	\$600,000	\$600,000

The Road Bond Construction Fund is a Capital Projects Fund that was established in compliance with Government Accounting Standards Board (GASB) No. 6. Proceeds from the Long-Term Debt account are the most significant revenue source for this Fund.

The Road Bond Construction Fund is used to account for transactions relating to road construction costs, paving, or storm drain activities financed by special assessments or long-term bonds. Other transactions, which are accounted for in this Fund, are associated road construction costs such as engineering costs, legal fees, advertising costs for bids, and rights-of-way acquisition costs.

The Road Bond Construction Fund is a self-balancing group of accounts used for recording bond proceeds received from the sale of bonds. The offsetting expenditures are for the construction of capital projects.

The Road Bond Construction Fund is a self-balancing group of accounts used for recording bond proceeds received from the sale of bonds. The offsetting expenditures are for the construction of capital projects as described below.

Proposal R, Michigan Transportation Fund, Build America Bonds, and Special Assessment Bonds are sold to finance the cost of the road construction projects within this Fund.



A federal grant of \$98 million was awarded toward the total reconstruction of Mound Road from Interstate 696 to M59 and an additional \$32 million of funding from the State of Michigan was recently allocated. The City of Sterling Heights, the City of

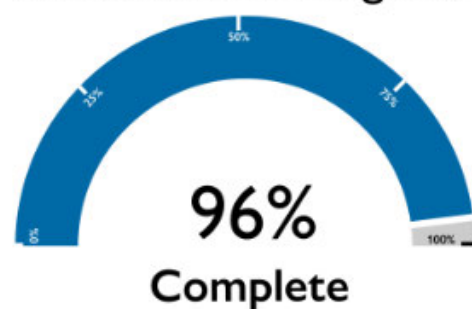
Warren, and Macomb County are contributing to the total project cost of \$230 million. A bond was sold in the spring of 2021 to begin funding the City's share. A second bond was sold in the spring of 2022 for the remainder of the project.

No additional expenditures have been proposed in this fund for fiscal year 2025/26, as the Mound Road reconstruction project is nearing completion.

Additional information regarding the projects undertaken in the Road Bond Construction Fund can be found in the Capital Projects section of this document. ■



**INNOVATE
MOUND**
Construction Progress



Road Bond Construction Fund

SUMMARY OF BUDGET CHANGES

SIGNIFICANT NOTES - 2025/26 BUDGET COMPARED TO PRIOR YEAR BUDGET

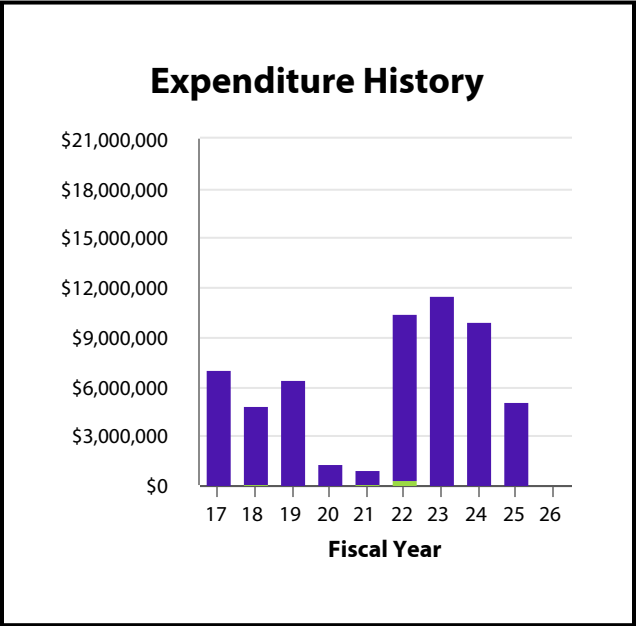
There is no proposed budget for this fund.

Supplies – There is no Supplies budget for this fund.

Other Charges – There is no Other Charges budget for this fund.

Capital - No additional expenditures have been proposed for this budget year, as the Mound Road project is nearing completion. No other road projects are budgeted out of this fund at this time.

Transfers Out – There are no Transfers Out proposed for this fund.



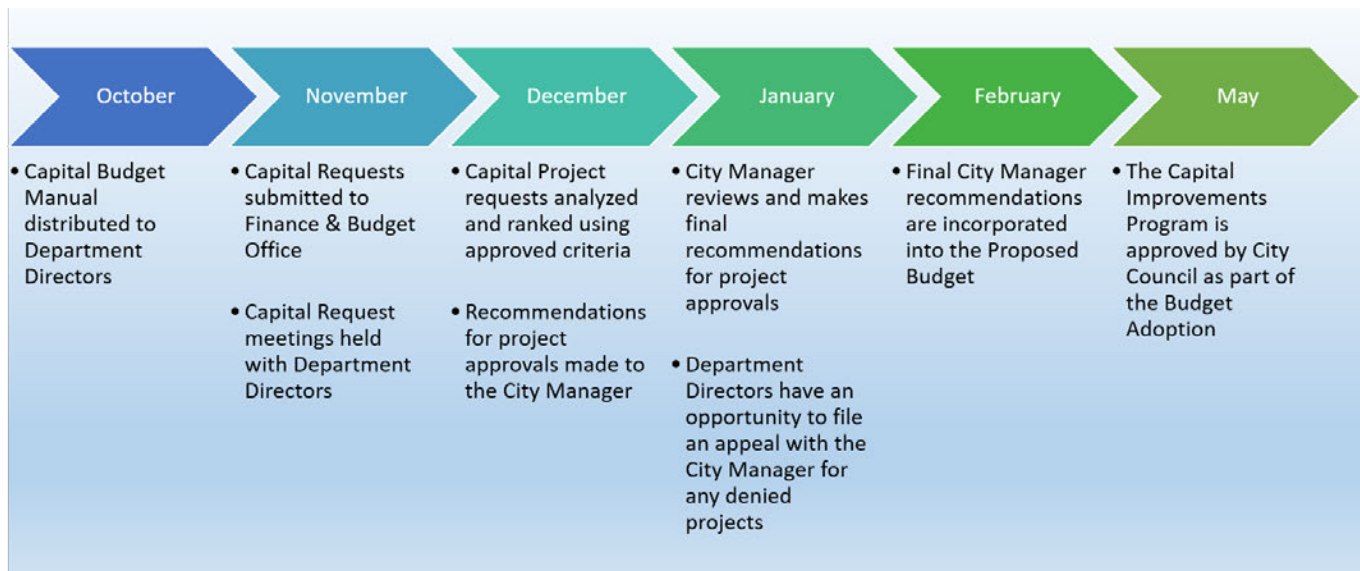
FUNDING LEVEL SUMMARY

	2023/24 Actual	2024/25 Budget	2024/25 Estimate	2025/26 Proposed	2025/26 Approved
Supplies	\$0	\$0	\$0	\$0	\$0
Other Charges	0	0	0	0	0
Capital Outlay	9,901,380	5,088,860	5,088,860	0	0
Transfers Out	0	0	0	0	0
Total	\$9,901,380	\$5,088,860	\$5,088,860	\$0	\$0

Since Sterling Heights was incorporated as a city on July 1, 1968, it has proudly followed its motto "To Strive on Behalf of All". Its 36.8 square miles makes Sterling Heights the third largest city in Michigan geographically. Fifty-five (55) years after its incorporation, the City has matured into a community serving approximately 134,346 residents. Coupled with the City's rapid growth has been a desire to provide top quality city services with an emphasis on roads, beautiful parks and safe neighborhoods.

Based on the five-year financial forecast previously prepared by the Finance & Budget Office, the total amount to be allocated to capital improvements is determined. Using information obtained from the request forms, the individual meetings, and the ranking criteria listed below, a recommendation is made to the City Manager as to the projects to be approved.

The City Manager reviews all submissions and makes final recommendations in December for inclusion



Along with the desire to provide for quality service is the realization that needs always exceed resources. The City's Capital Improvement process was developed by City administration to identify needed capital projects and to coordinate financing and timing of improvements to maximize the return to the residents of Sterling Heights.

The Capital Budget process typically begins in October for inclusion in the budget effective the following first of July. The Finance & Budget Office distributes a capital budget manual and forms for all departments to complete. Departmental requests include projects for the upcoming budget year as well as a forecast of capital needs for the next five years. The completed requests are submitted to the Finance & Budget Office, which in turn compiles all requests. Individual meetings are held with the Finance & Budget Director, the Assistant City Manager and each Departmental Director to discuss the justification for each request.

in the following year's proposed budget document. City Council then approves the Capital program as part of the annual budget adoption in May.

Capital improvement planning and programming priorities include the renovation of existing facilities, reduction of maintenance and operation costs, improvements for the health and safety of City employees and residents, and the completion of prior approved projects.

Specific Capital Improvement Program policies are as follows:

- Resident participation shall be strongly encouraged through the process of developing and adopting the Capital Improvement Program.
- Projects included in the Capital Program shall be consistent with the City's Master Plan.
- The Capital Program shall integrate all of the community's capital project resources (e.g.,

revenue sharing, grants, bonds, city funds allocated to capital projects, donations, and any other available funding).

- d. Efforts should be made to secure grants or private funds to finance specific projects.
- e. Capital projects should be financed to the greatest extent possible through user fees and assessment districts where direct benefit to users result from construction of the project.
- f. Efforts should be made to leverage funds which would not otherwise be available.
- g. Efforts should be made to continue cooperative efforts with other agencies (e.g., Road Commission of Macomb County, State of Michigan).

Projects which will receive priority consideration include:

- a. State and federal mandated projects
- b. Projects which have been previously initiated and are a completion of subsequent phases
- c. Projects which preserve and protect the health and safety of the community
- d. Projects that provide for the renovation of existing facilities resulting in the preservation of the community's prior investments
- e. Facilities whose construction or acquisition results in a new or substantial increase in operating costs. These should be considered only after an assessment indicates a clear need for the project and plans for funding operating costs are developed.

In recommending projects and replacements for funding, City Administration bases its ranking on overall policy direction and available funding. For capital project requests, the ranking process includes criteria which considers:

- a. Whether the project is legally required
- b. Whether public health or safety is impacted by the project
- c. Whether the project maintains or extends existing services
- d. Whether funding is a single or multiple year commitment
- e. Year in which the project must be initiated
- f. Cost of the project and the size of the user group(s) which will be affected

- g. Impact of the project upon City operating costs once completed
- h. Project life once completed

For capital equipment and vehicle request rankings, the criteria includes:

- a. Whether the project impacts the health and safety of City employees
- b. Impact of the project on employee productivity
- c. Impact of the project on energy consumption
- d. Whether the project will correct any condition which results in a poor public image
- e. Whether the project is essential to the provision of a minimal current or increased service level and whether the service is a basic, auxiliary, or discretionary service (i.e., Police, Fire-basic, Planning-auxiliary, Parks and Recreation, Library-discretionary).

In fiscal year 2025/26, the City's total capital funding is \$54,083,200. Of the total, \$48,758,700 is budgeted for improvements, \$3,111,000 is for vehicles, \$2,213,500 is for equipment and Information Technology.

The following schedules detail specific projects to be undertaken by major category. The first three sets of schedules in the Capital Improvement Program detail the equipment, technology improvements, and vehicles that are budgeted. These categories of capital are usually funded utilizing General Fund Tax Revenue. Capital equipment and vehicles are budgeted in the Capital Projects Fund with the exception of drug forfeiture, Parks & Recreation, and Local Development Finance Authority purchases, which are budgeted and expensed in their respective funds. The Water & Sewer Fund equipment, vehicles, and technology improvements are budgeted within the respective Water & Sewer division. The fourth and last set of schedules detail capital improvement costs, future years capital requests, future operational costs, and the proposed method of funding these costs.

The Capital Projects Fund is also used to account for the development of capital facilities other than those financed by the Enterprise Fund. The budget for facility improvements in the Capital Projects Fund for fiscal year 2025/26 is \$1,190,700.

The Road Bond Construction Fund is used to account for transactions relating to road construction, paving, or storm drain activities financed by special assessments. Road construction projects financed wholly or in part by bond issues are also accounted for in this fund. In fiscal year 2025/26, the budgeted expenditures total \$0. This expenditure represents the final phase of the Mound Road total reconstruction and uses remaining bond proceeds from previously issued bonds.

Gas & Weight tax revenue received in the Major Road Fund is used for construction, maintenance and other operations pertaining to all streets classified as “major” within the City. These revenues are generated by the tax on gasoline & vehicle sales. Funds are distributed to each community based on population, miles, and classification of road types and are commonly referred to as Act 51 Funds. Major Road Fund street improvements totaling \$4,950,000 are budgeted for fiscal year 2025/26.

The Local Road Fund provides for the construction, maintenance, traffic services, and snow & ice control for streets classified as “local” within the City. Local Road reconstruction is also financed using designated proceeds from the Safe Streets millage. Local Road Fund street improvements totaling \$6,626,000 are budgeted for fiscal year 2025/26. Approximately \$4,300,000 of which is funded through the dedicated millage.

The Land & Water Conservation Fund is used to reflect activities related to the acquisition of land and development of parks. These activities are mostly financed through Land & Water Conservation and Michigan Land Trust Fund grants and the sale of excess City property. The grants have been provided to the City on a matching basis with the General Fund typically providing the match. This year there are no capital projects funded in the Land & Water Conservation Fund.

The Parks & Recreation Fund was created after voter approval of the *Recreating Recreation* millage in November 2016. In 2025/26, \$294,000 is budgeted for park improvements including the construction of a paved path at Donovan Park, the installation of a disc golf course at Puffin Park, the replacement of the Baumgartner Park scoreboards, and the purchase of

equipment necessary to maintain the grounds of park properties.

The Community Development Block Grant Fund has been used in constructive ways in prior years for the development of the community. In 2025/26, \$267,000 is budgeted for the remodeling of the kitchen and the replacement of atrium lighting at the Senior Center, and the reconstruction of Doncaster Drive.

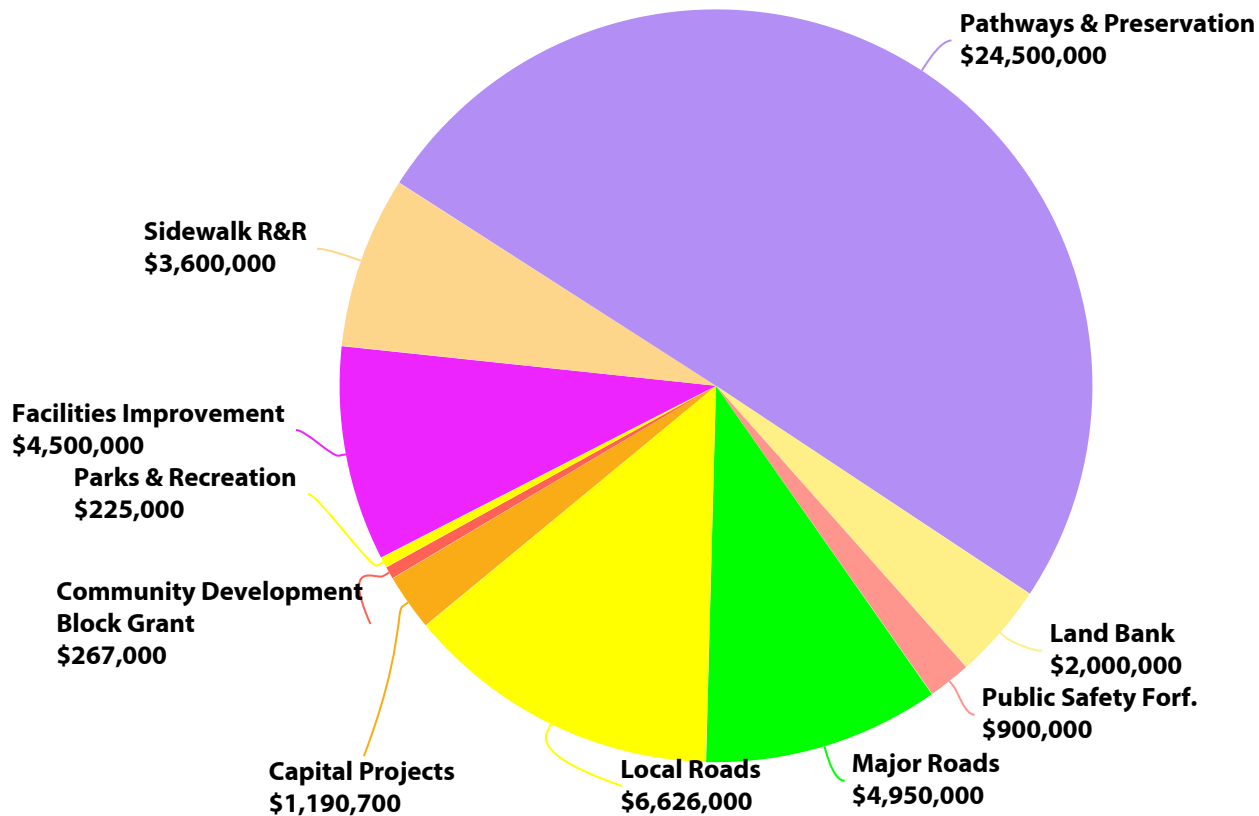
The American Rescue Plan Act Fund is a temporary fund created to account for the funds received from the American Rescue Plan and the expenditures for projects approved under the City's ARPA Action Plan. There are no new capital projects proposed in the 2025/26 budget, however many projects were appropriated in the 2023/24 amended budget and funds will be carried forward as necessary.

The Corridor Improvement Authority Fund is used to account for public improvements that are made utilizing tax increment financing. For 2025/26, there are no land acquisitions or public improvement projects in the proposed budget.

The Local Development Finance Authority Fund is utilized for the improvements and operational costs associated with the Velocity Collaboration Center and redevelopment in the City's commercial corridor district. In 2025/26, \$167,300 is budgeted for the replacement of the HVAC controls at the Velocity Center.

The primary funding sources for Water & Sewer Fund improvements and replacement projects are fees charged for connections into the existing system and funding from special assessments and bond proceeds. In 2025/26, a carry forward of bond proceeds will fund water & sewer main replacement under Clinton River Road and 18 Mile Road -two projects totaling \$3,707,050. ■

Total Capital Improvements* Program by Fund



This graph breaks down the total Capital Improvements Program of \$48,758,700 by Fund.

*Note: Excludes Vehicles, Equipment and Information Technology.

The secret of getting ahead is getting started.

~ Mark Twain ~



CAPITAL EQUIPMENT

Activity Name	Acct.	CURRENT CAPITAL BUDGET											
		Account Name	Qty.	Amended Budget 2024/25	Estimate 2024/25	Qty.	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Request 2026/27	Dept. Request 2027/28	Dept. Request 2028/29	Dept. Request 2029/30	Dept. Request 2030/31
City Administration Department													
Facilities Maintenance (401-265.170)													
HVAC Controls Update - Fire #4	982.000	Machinery & Equip.				1	30,000	30,000					
Trailer Mounted Z-Boom	982.000	Machinery & Equip.				1	65,000	65,000					
Council Chamber Signage	982.000	Machinery & Equip.				1	7,000	7,000					
Exercise Equipment	982.000	Machinery & Equip.	3	15,980	14,980								
Total Facilities Maintenance			3	\$15,980	\$14,980	3	\$102,000	\$102,000	\$0	\$0	\$0	\$0	\$0
Public Library Department (401-790.780)													
Additional Library Seating	982.000	Machinery & Equip.	2	15,000	13,790								
Interactive Play Table	982.000	Machinery & Equip.	1	7,000	6,600								
Total Public Library Department			3	\$22,000	\$20,390	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Police Department													
Police Investigations (401-310.301)													
Tactical Vests (CSU)	982.000	Machinery & Equip.	10	19,250	20,250								
Replacement Weapons (Less Trade In Value)	982.000	Machinery & Equip.	57	5,350	5,350								
Total Police Investigations			67	\$24,600	\$25,600	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Police Operations (401-315.301)													
High-Capacity Police Radio Batteries	982.000	Machinery & Equip.				161	27,650	27,650					
Total Police Operations			0	\$0	\$0	161	\$27,650	\$27,650	\$0	\$0	\$0	\$0	\$0
Total Police Department			67	\$24,600	\$25,600	161	\$27,650	\$27,650	\$0	\$0	\$0	\$0	\$0
Fire Department													
Fire Administration (401-337.336)													
Source Capture Exhaust Systems (AFG Grant)	982.001	Machinery & Equip.		4,820	4,820								
Paratech Lifting Bags	982.000	Machinery & Equip.		8,870	8,870								
Lucas Chest Compression System	982.000	Machinery & Equip.				1	16,500	16,500	17,000	17,500	18,000	18,500	19,100
Lucas Chest Compression System (AFG Grant)	982.001	Machinery & Equip.		16,420	16,420								
Turnout Gear Washer/Extractor (AFG Grant)	982.001	Machinery & Equip.		59,250	59,250								
Total Fire Administration			0	\$89,360	\$89,360	1	\$16,500	\$16,500	\$0	\$0	\$0	\$0	\$0
Fire Transport (401-338.336)													
LifePak 15 Cardiac Monitor/Defibrillator	982.000	Machinery & Equip.	1	44,200	42,300	1	45,550	45,550	46,900	48,300	49,700	51,200	52,700
Power Cot Replacement	982.000	Machinery & Equip.	2	65,050	85,450	1	30,500	30,500	69,000	71,000	37,000		
Total Fire Transport			3	\$109,250	\$127,750	2	\$76,050	\$76,050	\$115,900	\$119,300	\$86,700	\$51,200	\$52,700
Fire Extinguishment (401-339.336)													
Emergency Vehicle Preemption System	982.000	Machinery & Equip.	1	6,960	6,960								
Turnout Gear Replacement	982.000	Machinery & Equip.		80,000	65,000								
AED Replacements	982.000	Machinery & Equip.	7	16,750	8,060	1	17,200	17,200	17,700	18,200	18,700	19,300	19,900
SCBA Bottles	982.000	Machinery & Equip.	27	27,000	26,950	27	28,300	28,300	29,100	30,000	30,900	31,800	32,800

CAPITAL EQUIPMENT

Activity Name	Acct.	CURRENT CAPITAL BUDGET											
		Account Name	Qty.	Amended Budget 2024/25	Estimate 2024/25	Qty.	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Request 2026/27	Dept. Request 2027/28	Dept. Request 2028/29	Dept. Request 2029/30	Dept. Request 2030/31
Upgrade Knox Box System	982.000	Machinery & Equip.	34	55,000	39,360								
Fire Hose Replacement	982.000	Machinery & Equip.	1	46,450	45,730	1	46,450	46,450	52,150	55,000			
Zodiac Boat	982.000	Machinery & Equip.	1	31,000	29,230								
EMS Gator with Trailer and Stretcher	982.000	Machinery & Equip.	1	39,000	30,420								
Rescue Engine Tools	982.000	Machinery & Equip.	3	16,500	16,500								
Clean Cab Project	982.000	Machinery & Equip.	2	18,000	18,000								
Turnout Gear (Grant Funded)	982.001	Machinery & Equip.		353,500	353,500								
Exercise Equipment (AFG Grant)	982.001	Machinery & Equip.		26,700	24,200								
Total Fire Extinguishment			77	\$716,860	\$663,910	29	\$91,950	\$91,950	\$98,950	\$103,200	\$49,600	\$51,100	\$52,700
Total Fire Department			80	\$915,470	\$881,020	32	\$184,500	\$184,500	\$214,850	\$222,500	\$136,300	\$102,300	\$105,400
Public Works Department													
Street Services (401-446.440)													
Stump Grinder	982.000	Machinery & Equip.							95,000				
Backhoe	982.000	Machinery & Equip.							175,000				
Patch Oven	982.000	Machinery & Equip.									30,000		
Arrow Boards	982.000	Machinery & Equip.								10,000		10,000	
Loader	982.000	Machinery & Equip.							320,000				
Street Sweeper	982.000	Machinery & Equip.							425,000				
Water System for Flat Bed Truck	982.000	Machinery & Equip.				1	30,000	30,000					
Total Street Services			0	\$0	\$0	1	\$30,000	\$30,000	\$1,015,000	\$10,000	\$30,000	\$10,000	\$0
Total Public Works Department			0	\$0	\$0	1	\$30,000	\$30,000	\$1,015,000	\$10,000	\$30,000	\$10,000	\$0
Community Relations Dept. (401-261.289)													
TriCaster 2 Elite Switcher	982.000	Machinery & Equip.	1	54,000	54,000								
Video Storage System	982.000	Machinery & Equip.				1	15,300	15,300					
Booklet Maker	982.000	Machinery & Equip.				1	10,600	10,600					
Drone	982.000	Machinery & Equip.							7,500				
SHTV Studio Curtains	982.000	Machinery & Equip.							10,000				
Public Art - Other	987.000	Public Art	1	360,230	360,230				100,000	100,000	100,000	100,000	100,000
Total Community Relations Department			2	\$414,230	\$414,230	2	\$25,900	\$25,900	\$117,500	\$100,000	\$100,000	\$100,000	\$100,000
Total Capital Projects Fund			155	\$1,392,280	\$1,356,220	199	\$370,050	\$370,050	\$1,347,350	\$332,500	\$266,300	\$212,300	\$205,400

CAPITAL EQUIPMENT

Activity Name	Acct.	CURRENT CAPITAL BUDGET											
		Account Name	Qty.	Amended Budget 2024/25	Estimate 2024/25	Qty.	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Request 2026/27	Dept. Request 2027/28	Dept. Request 2028/29	Dept. Request 2029/30	Dept. Request 2030/31
<u>Parks & Recreation Fund (208-752.750)</u>													
Baumgartner Park Scoreboards	982.000	Machinery & Equip.	2	26,000	20,590								
Senior Center Projectors	982.000	Machinery & Equip.	2	11,000	6,850								
ABI Force Infield Groomer & Laser Grader	982.000	Machinery & Equip.	1	47,000	52,190								
Slit Seeder	982.000	Machinery & Equip.		6,000	6,000	1	10,000	10,000					
Mobile Watering System	982.000	Machinery & Equip.	1	8,500	8,500								
Chipper	982.000	Machinery & Equip.	1	15,000	16,360								
Z-Spray Spreader-Sprayer	982.000	Machinery & Equip.	1	25,000	21,510								
Trailer	982.000	Machinery & Equip.	1	8,000	14,500								
Dodge Park Basketball Court Lights	982.000	Machinery & Equip.				1	25,000	25,000					
John Deere Gator	982.000	Machinery & Equip.							17,000	18,000			
Sr. Center Pool Tables	982.000	Machinery & Equip.							26,000				
Zamboni	982.000	Machinery & Equip.									125,000		
Delia Park Scoreboards	982.000	Machinery & Equip.										80,000	
Total Parks & Recreation Fund			9	\$146,500	\$146,500	2	\$35,000	\$35,000	\$43,000	\$18,000	\$125,000	\$80,000	\$0
<u>Public Safety Forfeiture Fund</u>													
Federal Forfeitures (262-321.310)													
Rifle Rated Shields	982.000	Machinery & Equip.	1	7,100	7,000	1	7,000	7,000					
K-9 Replacement	982.000	Machinery & Equip.				1	17,500	17,500	17,500				
Ballistic Helmets (SRT)	982.000	Machinery & Equip.				23	30,350	30,350					
FLOCK Cameras	982.000	Machinery & Equip.				5	19,450	19,450					
Total Federal Forfeitures			1	\$7,100	\$7,000	30	\$74,300	\$74,300	\$17,500	\$0	\$0	\$0	\$0
State Forfeitures (262-323.320)													
Tactical Vests (SRT)	982.000	Machinery & Equip.	20	49,700	47,800								
Binoculars - Detective Bureau	982.000	Machinery & Equip.	12	4,200	4,200								
Sniper Rifle Replacement (SRT)	982.000	Machinery & Equip.	2	17,200	17,920	3	25,750	25,750					
Total State Forfeitures			34	\$71,100	\$69,920	3	\$25,750	\$25,750	\$0	\$0	\$0	\$0	\$0
Total Public Safety Forfeiture Fund			35	\$78,200	\$76,920	33	\$100,050	\$100,050	\$17,500	\$0	\$0	\$0	\$0

CAPITAL EQUIPMENT

Activity Name	Acct.	CURRENT CAPITAL BUDGET											
		Account Name	Qty.	Amended Budget 2024/25	Estimate 2024/25	Qty.	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Request 2026/27	Dept. Request 2027/28	Dept. Request 2028/29	Dept. Request 2029/30	Dept. Request 2030/31
<u>Water & Sewer Fund</u>													
<u>Water Distribution (592-556.000)</u>													
Replace Large Commercial Water Meters	982.000	Machinery & Equip.	1	17,850	10,000								
Backhoe Loader	982.000	Machinery & Equip.	1	175,000	174,850								
Ground Penetrating Radar	982.000	Machinery & Equip.							20,000				
Misc. Replacment Equipment	982.000	Machinery & Equip.							38,500	24,000			
<i>Total Water Distribution</i>			2	\$192,850	\$184,850	0	\$0	\$0	\$58,500	\$24,000	\$0	\$0	\$0
<u>Sewage Collection (592-558.000)</u>													
KISM Scada Sanitary Lift Stations	982.000	Machinery & Equip.		25,000	45,340								
Lift Station Pumps	982.000	Machinery & Equip.		80,650	60,310								
Cement Saw Trailer	982.000	Machinery & Equip.				1	23,800	23,800					
<i>Total Sewage Collection</i>			0	\$105,650	\$105,650	1	\$23,800	\$23,800	\$0	\$0	\$0	\$0	\$0
Total Water & Sewer Fund			2	\$298,500	\$290,500	1	\$23,800	\$23,800	\$58,500	\$24,000	\$0	\$0	\$0
Total City Equipment			201	\$1,915,480	\$1,870,140	235	\$528,900	\$528,900	\$1,423,350	\$356,500	\$266,300	\$212,300	\$205,400

INFORMATION TECHNOLOGY CAPITAL PROGRAM

Activity Name	Acct.	Item Description	CURRENT CAPITAL BUDGET						FUTURE CAPITAL REQUESTS				
			Qty.	Amended Budget 2024/25	Estimate 2024/25	Qty.	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Request 2026/27	Dept. Request 2027/28	Dept. Request 2028/29	Dept. Request 2029/30	Dept. Request 2030/31
CAPITAL PROJECTS FUND													
Information Technology (401-228.170)													
Information Technology	979.000	IT Data Center and MDF Closet Renovation	1	25,000	0								
Information Technology	979.000	Virtual Storage Area Network Replacement (VSAN)				1	600,000	600,000					
Information Technology	979.000	Storage Area Network System Replacement				1	750,000	750,000					
Information Technology	979.003	Financial System Server Replacement				1	122,000	122,000					
Information Technology	979.000	VDI Hardware Replacement								600,000			
Community Relations	979.000	Replacment MAC Computers				2	8,800	8,800			4,000		10,000
Community Relations	979.000	Touch Screen Monitor				1	2,500	2,500					
Public Library	979.000	Collection Management Software	1	12,750	11,750								
Parks & Recreation	979.000	Wireless Access at Dodge Park	1	200,000	200,250								
Various	979.003	Replacement Personal Computer	138	148,500	122,500	62	68,200	68,200	69,600	71,000	72,400	73,800	75,300
Various	979.003	Replacement iPads							15,000	15,300	15,600	15,900	16,200
Police Operations	979.006	In-Car Mobile Digital Computer (MDC) Replacement				21	74,000	74,000	75,500	77,000	78,500	80,100	
Police Operations	979.006	MDC Modem Replacement				20	38,500	38,500	39,300	40,100	40,900	41,700	
Police Operations	979.007	Web Brief Software	1	17,000	16,970								
Fire Operations	979.011	Mobile Computers	14	48,000	46,820							50,600	51,600
Fire Operations	979.011	Modem-Gateways	14	29,500	24,820							26,800	27,300
Fire Prevention	979.011	iPad Pro				9	12,600	12,600					
Fire Prevention	979.011	Havis Mounts				10	8,000	8,000					
Total Capital Projects Fund			170	\$480,750	\$423,110	128	\$1,684,600	\$1,684,600	\$199,400	\$803,400	\$211,400	\$288,900	\$180,400
Public Safety Forfeiture Fund													
<i>State Forfeitures (262-323.320)</i>													
Police Investigations	979.000	Dell Laptops											
Police Investigations	979.000	Dell 5430 Rugged Laptops	3	10,850	10,730								
Police Investigations	979.000	Additional PC - Computer Crimes Division	1	2,000	2,000								
Total Public Safety Forf. Fund			4	\$12,850	\$12,730	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total City Info. Technology			174	\$493,600	\$435,840	128	\$1,684,600	\$1,684,600	\$199,400	\$803,400	\$211,400	\$288,900	\$180,400

CAPITAL VEHICLES

Vehicle Description	Acct. No.	CURRENT CAPITAL BUDGET											
		Responsible Activity	Qty.	Amended Budget 2024/25	Estimate 2024/25	Qty.	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Request 2026/27	Dept. Request 2027/28	Dept. Request 2028/29	Dept. Request 2029/30	Dept. Request 2030/31
CAPITAL PROJECTS FUND (401) _													
Chevy Malibu (Replacement)	901.000-984.000	City Management	1	58,820	58,820								
Citizens on Patrol Vehicle (Replacement)	305.301-984.000	Police Administration				1	43,000	43,000					
Vehicle Replacement Plan	315.301-984.000	Police Operations	9	406,350	406,350	10	480,000	480,000	498,000	523,000	549,000	576,000	605,000
Upfitting for Police Vehicles	315.301-984.001	Police Operations	9	249,910	249,940	10	210,000	210,000	232,000	244,000	256,000	269,000	282,000
Chevy Blazer EV PPV	315.301-984.000	Police Operations	1	59,620	59,620								
Mobile Command Center (Grant Portion)	315.301-984.000	Police Operations	1	750,000	750,000								
Animal Control Van (Replacement)	326.301-984.000	Police Support Services				1	45,000	45,000					
Ford Maverick (Replacement)	337.336-984.000	Fire Administration	1	28,900	28,900								
Ford F-150 SSV (Replacement)	337.336-984.000	Fire Administration	1	47,730	47,730								
Ford F-150 (New Asst. Fire Chief position)	337.336-984.000	Fire Administration				1	62,000	62,000					
Vehicle (EMS Health Coordinator)	337.336-984.000	Fire Administration				1	50,000	50,000					
Ambulance (Replacement)	338.336-984.000	Fire Transport	1	700,980	700,980				403,000	423,000	444,000	466,000	485,000
Alternative Response Vehicles	339.336-984.000	Fire Operations	2	500,000	500,000								
Pierce Enforcer Fire Pumper	339.336-984.000	Fire Operations				1	722,000	722,000			975,000		
Ladder Truck	339.336-984.000	Fire Operations								2,100,000			
Ford Maverick (Replacement)	339.336-984.000	Fire Operations	2	63,250	63,250	1	36,000	36,000					
Ford Maverick (For CRRO Replaces On Call Vehicle)	341.336-984.000	Fire Prevention				1	36,000	36,000					
Ford Maverick (Replacement)	371.400-984.000	Building	1	28,900	28,900								
Ford Escape (Replacement)	371.400-984.000	Building	1	30,200	30,200	1	35,000	35,000					
Ford Escape (Replacement)	417.400-984.000	Neighborhood Services				1	35,000	35,000					
Ford F-150 (Replacement)	447.400-984.000	Engineering				3	144,000	144,000					
Combo Vactor Jet Truck (Replacement)	446.440-984.000	DPW Street Services				1	650,000	650,000					
Ford F-250 w/plow (Replacement)	446.440-984.000	DPW Street Services										225,000	
Ford F-350 w/plow (Replacement)	446.440-984.000	DPW Street Services	1	59,930	59,930								
Ford F-650 (Replacement)	446.440-984.000	DPW Street Services							275,000		250,000		
Tandem-Axle Dump Truck w/Plow	446.440-984.000	DPW Street Services	2	1,161,640	1,161,640				615,000	700,000	650,000		
Street Sweeper	446.440-984.000	DPW Street Services										375,000	
Chipper Truck w/ Bucket (Replacement)	446.440-984.000	DPW Street Services	1	254,780	254,780								
Sterling LT7501 (Replacement)	446.440-984.000	DPW Street Services							550,000				
Ford Transit 150 (Replacement)	572.440-984.000	Fleet	1	48,780	48,780								
Ford Escape (Pool Vehicles)	572.440-984.000	Fleet	2	60,400	60,400								
Annual Vehicle Replacement Plan	572.440-984.000	Fleet							420,000	441,000	463,000	486,000	486,000
Ford F-150 (Replacement)	752.750-984.000	Parks & Recreation	1	43,180	43,180								
Ford Maverick (Replacement)	752.750-984.000	Parks & Recreation	1	31,620	31,620	2	72,000	72,000					
Trolley	752.750-984.000	Parks & Recreation							300,000				
Total Capital Projects Fund Vehicles			39	\$4,584,990	\$4,585,020	35	\$2,620,000	\$2,620,000	\$3,293,000	\$4,431,000	\$3,587,000	\$2,397,000	\$1,858,000
PARKS & RECREATION FUND (208-752.750) _													
Ford Maverick Hybrid	984.000	Parks & Recreation				1	34,000	34,000					
F250 plus Dump and Plow	984.000	Parks & Recreation	1	72,040	72,040								
Utility Vehicle and Plow	984.000	Parks & Recreation	1	31,130	30,710								
Total Parks & Recreation Fund Vehicles			2	\$103,170	\$102,750	1	\$34,000	\$34,000	\$0	\$0	\$0	\$0	\$0

CAPITAL VEHICLES

Vehicle Description	Acct. No.	CURRENT CAPITAL BUDGET											
		Responsible Activity	Qty.	Amended Budget 2024/25	Estimate 2024/25	Qty.	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Request 2026/27	Dept. Request 2027/28	Dept. Request 2028/29	Dept. Request 2029/30	Dept. Request 2030/31
<i>Federal Forfeitures (262-321.310)</i>													
Vehicle Replacement Plan	984.000	Police Investigation	7	280,000	278,100	7	294,000	294,000	309,000	324,000	340,000	357,000	375,000
Mobile Command Center	984.000	Police Administration		300,000	278,710								
<i>Gambling Forfeitures (262-324.330)</i>													
Mobile Command Center	984.000	Police Administration		300,000	278,710								
Total Public Safety Forf. Fund Vehicles			7	\$880,000	\$835,520	7	\$294,000	\$294,000	\$309,000	\$324,000	\$340,000	\$357,000	\$375,000
<i>PPP FUND (208-752.750)</i>													
Ford Transit Connect Cargo Van									48,000				
Total Pathways & Preservation Fund Vehicles			0	\$0	\$0	0	\$0	\$0	\$48,000	\$0	\$0	\$0	\$0
<i>WATER & SEWER FUND</i>													
<i>Water Distribution (592-556.000)</i>													
Water Service Worker Truck (Replacement)	984.000	Water Distribution	1	254,880	255,980	1	95,000	95,000					
Vehicle Replacement Plan	984.000	Water Distribution		0					50,000	185,000	85,000	260,000	75,000
Ford F-250 w/Plow	984.000	Water Distribution	1	68,000	60,140								
Tandem-Axle Dump Truck w/Plow	984.000	Water Distribution	1	300,000	389,340								
Medium Duty Dump Truck Cab and Chassis	984.000	Water Distribution		0	138,730								
<i>Sewage Collection (592-558.000)</i>													
Ford F-250 w/Plow	984.000	Sewage Collection	1	68,000	61,770	1	68,000	68,000					
Flatbed Dump Truck	984.000	Sewage Collection	1	165,000	148,230								
Vehicle Replacement Plan	984.000	Sewage Collection		0					640,000	90,000	0	75,000	
Total Water & Sewer Fund Vehicles			5	\$855,880	\$1,054,190	2	\$163,000	\$163,000	\$690,000	\$275,000	\$85,000	\$335,000	\$75,000
Total City Vehicles			53	\$6,424,040	\$6,577,480	45	\$3,111,000	\$3,111,000	\$4,340,000	\$5,030,000	\$4,012,000	\$3,089,000	\$2,308,000

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended Budget 2024/25	Estimate 2024/25	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Requests 2026/27	Dept. Requests 2027/28	Dept. Requests 2028/29	Dept. Requests 2029/30	Dept. Requests 2030/31	
	CAPITAL PROJECTS FUND (401-902.000)											
971.000	Rotary Park Land Acquisition	750,000		750,000								GF
975.000	Facility Renovations: City Hall, Police Department, Library, Court	355,830	25,600	26,450								GF
975.000	Facilities Maintenance Workspace/Storage Facility	385,000	385,000	385,000								GF
975.000	Upton House Railings and Purch Repairs	15,000			15,000	15,000						GF
975.000	Generator Replacement - City Hall	130,000					130,000					GF
	Subtotal	1,635,830	410,600	1,161,450	15,000	15,000	130,000	0	0	0	0	
975.001	Modernize City Campus Elevators (Library)	272,610	118,060	118,060								GF
975.001	Modernize Elevators (Police Main/Police General)	257,360	102,360	102,360			155,000					GF
975.001	Police Station Boilers	100,000			100,000	100,000						GF
975.001	Restroom Renovations (Upper & Lower Level Public Restrooms/ Inc. Lobby painting)	119,000	119,000	119,000								GF
975.001	City Hall Door Replacement (S. Main Entrance, Engineering Entrance, W. Employee Entrance,	130,000	130,000	130,000								GF
975.001	Awning Replacement - 41A District Court	7,500	7,500	7,500								GF
	Subtotal	886,470	476,920	476,920	100,000	100,000	155,000	0	0	0	0	
975.002	Elevator Modernization - Library Freight	120,000	120,000	120,000								GF
	Subtotal	120,000	120,000	120,000	0	0	0	0	0	0	0	
975.003	DPW Building	24,102,740	655,060	655,060								GF
	Subtotal	24,102,740	655,060	655,060	0	0	0	0	0	0	0	
975.012	Generator Replacements - Fire Stations (Fire #4/Fire #2)	240,000	112,940	112,940			120,000					GF
	Subtotal	240,000	112,940	112,940	0	0	120,000	0	0	0	0	
986.000	Drain Improvements - Macomb County	NA	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000		GF
986.000	Drain Improvements - Miscellaneous	NA	175,640	175,640			100,000	100,000	100,000	100,000		GF
986.000	Stormwater Utility Feasibility Study	88,700				88,700						
	Subtotal	88,700	275,640	275,640	100,000	188,700	200,000	200,000	200,000	200,000	0	
988.000	Baumgartner Park Ballpark Reconstruction	33,670	33,670	33,670								GF

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended Budget 2024/25	Estimate 2024/25	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Requests 2026/27	Dept. Requests 2027/28	Dept. Requests 2028/29	Dept. Requests 2029/30	Dept. Requests 2030/31	
988.000	Clinton River Bank Stabilization	NA	200,000	200,000			100,000	100,000	100,000	100,000	100,000	GF
988.000	Trail Replacement Plan - "P" Loop	214,000	214,000	214,000								GF
988.000	Trail Replacement Plan - North Clinton River Park & Under Riverland Bridge	NA	0		315,000	315,000	325,000	325,000	400,000	372,000	325,000	GF
988.000	Park Fencing Replacement	NA	44,550	44,550	37,000	37,000	45,000	50,000	55,000	60,000	60,000	GF
988.000	Maisano Drive Connection to Moravian Park	60,000	60,000	60,000								GF
988.000	Municipal Parking Lot Sealing	99,950	91,260	91,260								GF
988.000	Drain Trail Extention at Nelson Park (City Share of County Project)	887,250	232,500	232,500								GF
988.000	Parking Lot Repairs - (Baumgartner/Farmstead/Fire #5 Rear Lot)	325,000	190,000	190,000	35,000	35,000	60,000	40,000				GF
988.000	Parking Lot Resurfacing, Sealcoating & Striping (moved to Operations)	0	120,000	0	0							GF
988.000	Red Run Park Improvements	2,000,000	2,000,000	2,000,000								GF
988.000	Riverland Park Improvements	0	331,350	0								GF
988.000	Donovan Park Parking Lot Paving and New Entrance	400,000				400,000						GF
988.000-24430	Parking Lot - Fire #1	750,000	750,000	750,000								GF
988.000-24432	Sidewalk Repair Program: 2023	1,599,550	1,599,550	1,599,550								PPP
988.000	Sidewalk Gap Program: 2024	450,000	450,000	450,000								PPP
	Subtotal	6,819,420	6,316,880	5,865,530	387,000	787,000	530,000	515,000	555,000	532,000	485,000	
988.118	Gibson Drain Erosion/Sediment Study	20,000	18,690	18,690								GF
988.180	Sidewalk Gap Program: 2023	400,000	358,120	358,120								SAD
988.184	Retention Pond Fence Replacements and Repairs	NA	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	GF
988.184	Stormwater Pump Station Repairs	341,000	339,000	339,000								GF
	Total Capital Improvements	\$35,404,160	\$9,183,850	\$10,233,350	\$702,000	\$1,190,700	\$1,235,000	\$815,000	\$855,000	\$832,000	\$585,000	
	Total Information Technology Projects	N/A	\$480,750	\$423,110	\$1,684,600	\$1,684,600	\$199,400	\$803,400	\$211,400	\$288,900	\$180,400	
	Total Vehicles	N/A	\$4,584,990	\$4,585,020	\$2,620,000	\$2,620,000	\$3,293,000	\$4,431,000	\$3,587,000	\$2,397,000	\$1,858,000	
	Total Equipment	N/A	\$1,392,280	\$1,356,220	\$370,050	\$370,050	\$1,347,350	\$332,500	\$266,300	\$212,300	\$205,400	
	Total Capital Projects Fund	\$35,404,160	\$15,641,870	\$16,597,700	\$5,376,650	\$5,865,350	\$6,074,750	\$6,381,900	\$4,919,700	\$3,730,200	\$2,828,800	

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended Budget 2024/25	Estimate 2024/25	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Requests 2026/27	Dept. Requests 2027/28	Dept. Requests 2028/29	Dept. Requests 2029/30	Dept. Requests 2030/31	
	<u>FACILITIES IMPROVEMENT FUND (404)</u>											
975.011	Fire Station # 5 Renovations	9,000,000			4,500,000	4,500,000	4,500,000					GF
	Total Facilities Improvement Fund	\$9,000,000	\$0	\$0	\$4,500,000	\$4,500,000	\$4,500,000	\$0	\$0	\$0	\$0	
	<u>SIDEWALK REPAIR & REPLACEMENT FUND</u>											
988.000	Sidewalk Repair & Replacement Program	12,950,000			3,600,000	3,600,000	2,600,000	2,500,000	1,500,000	1,750,000	1,000,000	PPP
	Total Sidewalk Repair & Replacement Fund	\$12,950,000	\$0	\$0	\$3,600,000	\$3,600,000	\$2,600,000	\$2,500,000	\$1,500,000	\$1,750,000	\$1,000,000	
	<u>ROAD BOND CONST. FUND (427-902.000)</u>											
988.076	M-59 Regional Median Improvements	NA	18,220	18,220								MRF
988.116	Mound Road Total Reconstruction (MTF21/MTF22)	38,490,100	5,070,640	5,070,640								MRF
	Total Road Bond Construction Fund	\$38,490,100	\$5,088,860	\$5,088,860	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	<u>MAJOR ROAD FUND (202-902.000)</u>											
	<u>STATE/COUNTY ROADS</u>											
988.000	18 Mile Road Resurfacing - Plumbrook Drain to Utica Road	4,800,000	2,400,000	2,400,000								MRF
988.000	Hayes Bridge Rehabilitation over Clinton River Road	500,000	100,000	320,720								MRF
988.000	Saal Road Safety Improvements	1,050,000					300,000					MRF
988.000	Utica Road/Canal Road Safety Improvements	1,050,000					300,000					MRF
988.000	Metro Parkway Street Lighting and Median Improvements	500,000				500,000						MRF
988.000-24435	Dodge Park/Utica Road Safety Improvements	400,000	300,000	300,000								MRF
988.000-24435	Crosswalk Improvements - Schoenherr Road (Havel Elem.)	21,700	21,700	21,700								MRF
988.000-24440	Schoenherr Road Concrete Repairs - 14 Mile to 15 Mile	637,570	318,800	318,800								MRF
988.000-24441	14 Mile Road Resurfacing - Van Dyke Avenue to Maple Lane	3,250,000	551,500	551,500								MRF
988.000-25433	Schoenherr West Pedestrian Bridge at Plumbrook	500,000	381,500	381,500								MRF
988.000	Design Work North Van Dyke - 18 1/2 Mile to M-59	200,000	200,000	200,000								MRF
988.000	Schoenherr Bridge Superstructure Repair over Red Run Drain	5,300,000			500,000	500,000						MRF
988.000-24440	Schoenherr Road Resurfacing - 14 Mile to 15 Mile Road	3,500,000						700,000				MRF
988.000	Metro Parkway Resurfacing - Dodge Park to Schoenherr Road	5,200,000								2,600,000		MRF

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended Budget 2024/25	Estimate 2024/25	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Requests 2026/27	Dept. Requests 2027/28	Dept. Requests 2028/29	Dept. Requests 2029/30	Dept. Requests 2030/31	
988.140	Metro Parkway Rehabilitation - Andrew Drive to Dodge Park Road	1,708,690	801,860	801,860								MRF
988.158	Schoenherr Road Resurfacing - 19 Mile Road to M59	2,085,850	428,620	428,620								MRF
988.159	14 Mile Road Resurfacing - Hayes Road to Maple Lane	1,984,400	436,460	436,460								MRF
988.160	Metro Parkway Resurfacing - Mound Road to Ryan Road	5,120,000	582,420	582,420								MRF
988.162	Metropolitan Parkway Corridor Study - Mound Road to Van Dyke (Cost Share)	1,245,000	93,240	93,240								MRF
988.162	Metropolitan Parkway Reconstruction - Mound Road to Van Dyke (Cost Share)	25,000,000					2,500,000					MRF
988.173	Metro Parkway Concrete Repair - Dodge Park to Schoenherr	1,012,390	192,480	192,480								MRF
988.175	M59 Shared Use Trail, Dequindre to Van Dyke	930,990	680,120	680,120								MRF
988.176	Moravian Road Resurfacing - Schoenherr Road to Hayes Road	4,000,000	1,690,170	1,690,170								MRF
	Total State/County Roads	\$69,996,590	\$9,178,870	\$9,399,590	\$500,000	\$1,000,000	\$3,100,000	\$700,000	\$0	\$2,600,000	\$0	
	CITY ROADS											
988.000	15 Mile Road Reconstruction - Mound Road to Van Dyke Avenue	2,900,000			1,200,000	1,200,000						MRF
988.000	15 Mile Road Resurfacing - Van Dyke Avenue to Maple Lane	2,700,000			1,200,000	1,200,000						MRF
988.000	15 Mile Road Resurfacing - Ryan Road to Dequindre	3,200,000							1,400,000			MRF
988.000	17 Mile Road Resurfacing - Mound Road to Van Dyke Avenue	2,100,000	1,000,000	1,000,000								MRF
988.000	17 Mile Road Concrete Repairs - Dequindre to Mound Road	2,000,000							2,000,000			MRF
988.000	Dobry Drive Resurfacing - Ryan Road East to crossover	1,100,000			1,100,000	1,100,000						MRF
988.000	Shoreline Drive Resurfacing - Lakeside Circle to Hayes	1,700,000						1,700,000				MRF
988.000	Clinton River Road Reconstruction - Hayes to Canal	10,400,000	3,000,000	3,000,000								MRF
988.000	Dobry Road Resurfacing- Dequindre to Ryan	2,900,000					1,200,000					MRF
988.000	Utica Road Resurfacing - Van Dyke to 19 1/2 Mile Road	1,500,000						1,500,000				MRF
988.000	18 1/2 Mile Resurfacing - Ryan to Mound Road	1,900,000					1,900,000					MRF
988.000	16 1/2 Mile Road Reconstruction - Van Dyke to Dodge Park Road	1,900,000						1,900,000				MRF
988.000	Riverland Drive Resurfacing - Van Dyke to Clinton River Road	2,000,000							2,000,000			MRF

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended Budget 2024/25	Estimate 2024/25	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Requests 2026/27	Dept. Requests 2027/28	Dept. Requests 2028/29	Dept. Requests 2029/30	Dept. Requests 2030/31	
988.000	Red Run/Moravian Reconstruction - 14 Mile Road to Schoenherr	2,000,000								2,000,000		MRF
988.000	19 Mile Road Resurfacing - Mound Road to Van Dyke	2,900,000								1,200,000		MRF
988.000	Ryan Road Reconstruction - 14 Mile to Metro Parkway	25,000,000									5,000,000	MRF
988.000	Concrete Sectional Repair	NA	350,000	190,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	MRF
988.147	Ryan Road Resurfacing - Metro Parkway to 18 Mile Road	1,400,000	499,140	499,140								MRF
988.150	Plumbrook Road Resurfacing - Utica Road to Van Dyke Avenue	1,665,000	19,820	238,060								MRF
988.161	17 Mile Bridge over Plumbrook Drain	1,000,000	340,940	340,940								MRF
988.170	Pondview - 19 Mile Road to Mapleleaf Court	900,000	14,560	14,560								MRF
988.171	Pedestrian Improvements	100,000	22,880	22,880								MRF
988.174	Maple Lane Resurfacing - 14 Mile Road to Volpe	2,700,000	48,820	48,820								MRF
	TRAFFIC CONTROLS											
988.000	Miscellaneous Locations/Safety Improvements	NA	150,000	150,000	150,000	150,000	100,000	100,000	100,000	100,000	100,000	MRF
988.000	Traffic Safety Program (Cost Share)	2,293,960		594,350								MRF
	Total City Major Road	\$76,258,960	\$5,446,160	\$6,098,750	\$3,950,000	\$3,950,000	\$3,500,000	\$5,500,000	\$5,800,000	\$3,600,000	\$5,400,000	
	Total Major Road Fund	\$146,255,550	\$14,625,030	\$15,498,340	\$4,450,000	\$4,950,000	\$6,600,000	\$6,200,000	\$5,800,000	\$6,200,000	\$5,400,000	
	LOCAL ROAD FUND (203-902.000)											
988.053	Gardner Street East - Paving	450,000	324,310	324,310	126,000	126,000						LRF
988.000	Nathan East/Pokley Drive - Paving	600,000					600,000					LRF
988.000	Dawn Drive - Paving	250,000						250,000				LRF
988.000	Denson Drive - Paving	500,000							500,000			LRF
988.155	City Roadway Asset Management Plan	32,000	21,850	21,850								LRF
988.166	2023 Local Road Sectional Repair Program: Farmdale, Faith, Dundee, Susan, Havana, Hearn, Carriage, Heartsworth, Edgevale, Blackstone, Cologne	2,105,520	155,090	155,090								LRF
988.000-24429	2024 Local Road Sectional Repair Program: Burroughs, Elmcrest, Lindell, Firesteel, Groth, Kebbe, Doyle, Owasso Ct., Daniel, Wickes Ln, Flis, Vancouver, Myra Ct.	2,500,000	2,300,000	2,373,000								LRF

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended Budget 2024/25	Estimate 2024/25	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Requests 2026/27	Dept. Requests 2027/28	Dept. Requests 2028/29	Dept. Requests 2029/30	Dept. Requests 2030/31	
988.000	2025 Local Road Sectional Repair Program: Vintners Place, St. Topez, Biraritz, Caraway, Streamwood Ct., Kirkton, Sawyer, Eclipse, Bloomfield, Virginia, Gladstone, Ketsin	1,850,000			1,850,000	1,850,000	1,906,000	1,944,000	1,983,000	2,023,000	2,063,000	LRF
	Neighborhood Road Repairs - Safe Streets											
988.167	2023 Local Road Reconstruction Program: Gregory, Ellsworth, Kenwood, Kings, Oak Pointe, Rosewood, Devere, Lamparter, Sprucewood, Palm, Leslie, Kristen, Pickwick, Allison, Ketsin, English, Jackman, Joslyn, and Waltham	4,375,000	257,710	257,710								SS
988.000-24428	2024 Local Road Reconstruction Program: Castleton, Cabot, Belcrest, Lyford, Shrewsbury, Deming, Ellicot, Ewald Ct., Darcy, Goldberg	3,380,250	3,380,250	3,380,250								SS
988.000	2025 Local Road Reconstruction Program: Carnation, Kenilworth, Felstone, Marlbank, Kinburn, Cobden, Charity, Hacker, Davison, Crestview	4,650,000			4,650,000	4,650,000	4,743,000	4,838,000	4,935,000	5,034,000	5,135,000	SS
	Total Local Road Fund	\$20,692,770	\$6,439,210	\$6,512,210	\$6,626,000	\$6,626,000	\$7,249,000	\$7,032,000	\$7,418,000	\$7,057,000	\$7,198,000	
	PARKS & RECREATION FUND - (208-752.750)											
972.008	Donovan Park Path	150,000	150,000	150,000								RR
972.008	Disc Golf at Puffin Park	63,000	63,000	63,000								RR
988.000	ADA Bleachers - Donovan Park	140,000			140,000	140,000						RR
	PARKS & RECREATION FUND - RECREATING RECREATION (208-753.750)											
972.008	Delia Dog Park Shade Structures	85,000			85,000	85,000						RR
972.008	Magnolia Park Pickleball Resurfacing	20,000	7,860	7,860								RR
972.008	Bank Stabilization - Lakeside Island	258,830	258,830	258,830								RR
972.008	Park Improvements	N/A					250,000	250,000	250,000	250,000	250,000	RR
	Total Parks & Recreation Improvements	\$716,830	\$479,690	\$479,690	\$225,000	\$225,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	
	Total Vehicles	N/A	\$103,170	\$102,750	\$34,000	\$34,000	\$0	\$0	\$0	\$0	\$0	
	Total Equipment	N/A	\$146,500	\$146,500	\$35,000	\$35,000	\$43,000	\$18,000	\$125,000	\$80,000	\$0	
	Total Parks & Recreation Fund	\$716,830	\$729,360	\$728,940	\$294,000	\$294,000	\$293,000	\$268,000	\$375,000	\$330,000	\$250,000	
	PATHWAYS AND PRESERVATION FUND (211)											
975.019	Nature Preserve Trail	3,000,000			3,000,000	3,000,000						PPP
975.020	Pickleball Complex	10,000,000			10,000,000	10,000,000						PPP

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended Budget 2024/25	Estimate 2024/25	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Requests 2026/27	Dept. Requests 2027/28	Dept. Requests 2028/29	Dept. Requests 2029/30	Dept. Requests 2030/31	
975.021	Rotary Park Improvements	7,500,000			7,500,000	7,500,000						PPP
975.022	Red Run Park Improvements	4,000,000			4,000,000	4,000,000	300,000					PPP
	Total Pathways and Preservation Fund	\$24,500,000	\$0	\$0	\$24,500,000	\$24,500,000	\$300,000	\$0	\$0	\$0	\$0	
	LOCAL DEVELOPMENT FINANCING AUTH.											
	Velocity (250-728.003)											
975.000	HVAC Controls	167,300	167,300	167,300								LDFA
975.000	HVAC Replacement	800,000		800,000								LDFA
975.000	Roof Replacement	1,200,000					1,200,000					LDFA
988.052	Repl. Parking Lot - Phase 2 - Velocity	513,190	513,190	0			513,190					LDFA
	Total Velocity	\$2,680,490	\$680,490	\$967,300	\$0	\$0	\$1,713,190	\$0	\$0	\$0	\$0	
	Total L.D.F.A. Fund	\$2,680,490	\$680,490	\$967,300	\$0	\$0	\$1,713,190	\$0	\$0	\$0	\$0	
	PUBLIC SAFETY FORFEITURE FUND (262)											
975.000	Jail Renovation - Phase 1	2,000,000			900,000	900,000	1,100,000					FF
977.000	Office Remodel for Officers Relocating from Velocity	37,000		37,000								FF
	Total Building & Improvements	\$2,037,000	\$0	\$37,000	\$900,000	\$900,000	\$1,100,000	\$0	\$0	\$0	\$0	
	Total Information Technology Projects	N/A	\$12,850	\$12,730	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Total Vehicles	N/A	\$880,000	\$835,520	\$294,000	\$294,000	\$309,000	\$324,000	\$340,000	\$357,000	\$375,000	
	Total Equipment	N/A	\$78,200	\$76,920	\$100,050	\$100,050	\$17,500	\$0	\$0	\$0	\$0	
	Total Public Safety Forfeiture Fund	\$2,037,000	\$971,050	\$962,170	\$1,294,050	\$1,294,050	\$1,426,500	\$324,000	\$340,000	\$357,000	\$375,000	
	COMMUNITY DEVELOPMENT BLOCK GRANT FUND (278-902.000)											
975.000	Senior Center Kitchen Remodeling	350,000	350,000	350,000								CDBG
975.000	Senior Center Atrium Lighting	60,000	60,000	60,000								CDBG
975.000	Senior Center Alarm System Replacement	62,000			62,000	62,000						CDBG
975.000	Senior Entry Door Retrofit	15,000			15,000	15,000						CDBG
975.000	Senior Center Wall and Track Replacement	190,000			190,000	190,000						CDBG
988.000-24431	Beaver Creek Parking Lot Renovation	413,000	409,700	409,700								CDBG

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended Budget 2024/25	Estimate 2024/25	Proposed Budget 2025/26	Adopted Budget 2025/26	Dept. Requests 2026/27	Dept. Requests 2027/28	Dept. Requests 2028/29	Dept. Requests 2029/30	Dept. Requests 2030/31	
988.000-24436	Doncaster Drive Reconstruction	363,650	365,050	363,650								CDBG
	Total C.D.B.G. Fund	\$1,453,650	\$1,184,750	\$1,183,350	\$267,000	\$267,000	\$0	\$0	\$0	\$0	\$0	
	LAND BANK (283-902.000)											
971.000	Land Acquisition	5,000,000			2,000,000	\$2,000,000	\$2,000,000	\$1,000,000		\$1,000,000	\$1,000,000	PPP
	Total Land Bank Fund	\$5,000,000	\$0	\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$1,000,000	\$0	\$1,000,000	\$1,000,000	
	AMERICAN RESCUE PLAN ACT FUND (286-902.000)											
971.000	Land Acquisition	3,500,000	29,380	30,350								ARPA
972.012	Community Garden	1,099,950	1,099,950	1,099,950								ARPA
988.000-25438	Repair Nature Center Bridge	804,800	786,520	804,800								ARPA
988.139	Sidewalk Gap: Right of Way Acquisition	137,310	15,000	15,000								ARPA
988.139	Sidewalk Gap Mound Road: East Side	477,250	490,300	477,250								ARPA
988.139	Sidewalk Gap 14 Mile Road at ITC Corridor	37,500	37,500	37,500								ARPA
988.139	Sidewalk Gap Moravian East of Schoenherr	150,000	150,000	150,000								ARPA
988.154	ITC Corridor Path	2,703,000	2,447,620	2,703,000								ARPA
988.174	Maple Lane Drive Developments	533,240	0	2,200								ARPA
988.178	Edison Court Reconstruction	619,650	616,380	619,650								ARPA
988.179	Lakeside Island Bridge	1,666,900	1,668,530	1,666,900								ARPA
988.181	Dobry Fence Replacement	2,504,440	2,504,440	2,504,450								ARPA
988.183	Sidewalk Gap Clinton River Road, 19 Mile to Henry Ford High School & M-59 M-53 to Sterritt	443,550	443,550	443,550								ARPA
988.183	M-53 Sidewalk Gap 18 Mile to M59	102,200	102,200	102,200								ARPA
	Total American Rescue Plan Act Fund	\$14,779,790	\$10,391,370	\$10,656,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	WATER & SEWER FUND											
	Total Water & Sewer Fund Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Total Information Technology Projects	N/A	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Total Vehicles	N/A	\$855,880	\$1,054,190	\$163,000	\$163,000	\$690,000	\$275,000	\$85,000	\$335,000	\$75,000	
	Total Equipment	N/A	\$298,500	\$290,500	\$23,800	\$23,800	\$58,500	\$24,000	\$0	\$0	\$0	

CAPITAL IMPROVEMENTS

Acct.	Project Description	Total Project Cost	CURRENT CAPITAL BUDGET				FUTURE CAPITAL REQUESTS					Fund. Source
			Amended	Estimate	Proposed	Adopted	Dept.	Dept.	Dept.	Dept.	Dept.	
			Budget	Estimate	Budget	Budget	Requests	Requests	Requests	Requests	Requests	
			2024/25	2024/25	2025/26	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
	Total Water & Sewer Fund (Budgeted)	\$0	\$1,154,380	\$1,344,690	\$186,800	\$186,800	\$748,500	\$299,000	\$85,000	\$335,000	\$75,000	
	Total Capital Improvements	\$314,004,050	\$48,073,250	\$50,656,900	\$47,770,000	\$48,758,700	\$27,547,190	\$17,797,000	\$15,823,000	\$17,089,000	\$15,433,000	
	Total Information Technology Projects	N/A	\$493,600	\$435,840	\$1,684,600	\$1,684,600	\$199,400	\$803,400	\$211,400	\$288,900	\$180,400	
	Total Vehicles	N/A	\$6,424,040	\$6,577,480	\$3,111,000	\$3,111,000	\$4,292,000	\$5,030,000	\$4,012,000	\$3,089,000	\$2,308,000	
	Total Equipment	N/A	\$1,915,480	\$1,870,140	\$528,900	\$528,900	\$1,466,350	\$374,500	\$391,300	\$292,300	\$205,400	
	Total Budgeted Capital Expenditures	\$314,004,050	\$56,906,370	\$59,540,360	\$53,094,500	\$54,083,200	\$33,504,940	\$24,004,900	\$20,437,700	\$20,759,200	\$18,126,800	
	WATER & SEWER IMPROVEMENT FUND											
	WATER & SEWER REPLACEMENT MAINS/OTHER											
931.003	Sewer Critical Repair	1,490,000	1,094,710	1,094,710								W&S
975.006	Meter Replacement Project	12,000,000	605,920	605,920								W&S
988.000	Water & Sewer Main Replacement - Clinton River Road	3,708,030	3,707,050	3,250,000								W&S
988.000	Water & Sewer Main Replacement - 18 Mile Road	457,050		457,050								W&S
988.000	Water & Sewer Main Replacement - Section 3	5,700,000					3,100,000	2,600,000				W&S
988.116	Water & Sewer Main Replacement - Mound Road	7,640,250	3,313,330	3,313,330								W&S
988.130	Water & Sewer Main Replacement - 19 Mile Road	1,669,590	515,770	515,770								W&S
	Total Replacement Items	\$32,664,920	\$9,236,780	\$9,236,780	\$0	\$0	\$3,100,000	\$2,600,000	\$0	\$0	\$0	
	Total Water & Sewer Fund Improvements (Non-Budgeted)	\$32,664,920	\$9,236,780	\$9,236,780	\$0	\$0	\$3,100,000	\$2,600,000	\$0	\$0	\$0	
	Total Capital Improvements	\$346,668,970	\$57,310,030	\$59,893,680	\$47,770,000	\$48,758,700	\$30,647,190	\$20,397,000	\$15,823,000	\$17,089,000	\$15,433,000	
	Total Information Technology Projects	N/A	\$493,600	\$435,840	\$1,684,600	\$1,684,600	\$199,400	\$803,400	\$211,400	\$288,900	\$180,400	
	Total Vehicles	N/A	\$6,424,040	\$6,577,480	\$3,111,000	\$3,111,000	\$4,292,000	\$5,030,000	\$4,012,000	\$3,089,000	\$2,308,000	
	Total Equipment	N/A	\$1,915,480	\$1,870,140	\$528,900	\$528,900	\$1,466,350	\$374,500	\$391,300	\$292,300	\$205,400	
	Total Planned Capital Expenditures	\$346,668,970	\$66,143,150	\$68,777,140	\$53,094,500	\$54,083,200	\$36,604,940	\$26,604,900	\$20,437,700	\$20,759,200	\$18,126,800	

Supplemental Information



This section provides additional information about the City of Sterling Heights, including Financial & Demographic Data, Labor Agreements, and other Statistical Data. This section also includes the Appropriations Ordinance and Fee Schedule, as well as the Glossary and Index.

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Fiscal Year Ended June 30	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue										
Property Taxes	\$62,231,352	\$64,036,721	\$60,946,929	\$66,282,454	\$72,759,327	\$72,179,599	\$74,402,654	\$78,406,913	\$81,474,109	\$87,715,017
Fees & Permits	1,800,968	2,149,069	2,568,909	2,648,068	2,629,072	2,562,476	2,344,498	2,572,200	2,443,600	1,950,238
Federal Sources	1,456,596	1,990,255	6,300,698	4,122,227	2,356,723	2,713,283	8,277,635	4,452,146	7,773,120	7,145,668
State & Local Sources	21,054,148	21,279,925	27,584,764	31,365,436	34,699,398	36,310,073	37,924,816	40,764,798	44,377,240	46,131,483
Fines & Forfeitures	2,567,229	3,057,417	2,944,500	2,384,499	2,517,198	1,540,704	1,079,803	1,678,277	2,469,429	2,087,493
Charges For Services	10,085,731	9,719,467	9,842,019	12,373,661	14,938,523	14,298,086	13,657,617	14,569,479	15,939,463	17,284,624
Investment Income	247,437	426,998	112,450	1,120,683	3,382,059	2,045,963	671,876	(2,582,927)	1,764,819	6,192,201
Special Assessments	212,828	201,579	199,092	222,250	263,804	126,507	119,427	151,788	148,520	162,491
Rental Income	1,829,381	1,578,977	1,488,753	1,630,951	1,552,811	1,498,761	1,640,887	1,746,415	1,565,433	1,545,160
Cable Revenue	2,533,069	2,595,396	2,579,599	2,414,752	2,329,624	2,227,827	2,218,739	2,114,490	1,982,585	1,763,682
Other	1,414,282	1,960,041	1,568,519	1,866,109	2,510,236	2,792,592	2,426,826	1,871,711	3,525,346	2,739,193
Total Revenue	105,433,021	108,995,845	116,136,232	126,431,090	139,938,775	138,295,871	144,764,778	145,745,290	163,463,664	174,717,250
Expenditures										
General Government	7,803,567	8,154,052	8,300,238	9,118,455	11,087,713	12,485,728	12,753,975	14,177,083	16,224,085	16,181,309
41A District Court	3,087,262	3,223,740	3,242,874	3,309,841	3,480,346	3,646,569	3,569,512	3,959,102	4,042,861	4,424,549
Public Safety	49,752,772	49,704,157	48,646,567	50,311,362	54,426,486	55,657,071	59,704,317	62,044,521	64,490,069	68,032,197
Public Works	21,450,688	20,929,934	20,869,103	23,165,358	21,359,651	20,507,719	21,707,991	22,276,474	22,372,141	25,127,599
Recreation & Culture	4,189,468	4,393,760	7,664,887	4,805,997	6,159,499	7,039,735	7,153,046	7,782,054	8,784,166	9,862,891
General Expenditures	1,119,452	1,027,555	1,164,656	1,845,158	1,589,904	2,369,508	2,922,963	3,411,578	2,700,717	2,723,566
Capital Outlay	14,388,416	19,122,277	22,513,996	39,333,835	44,685,871	62,799,049	45,291,490	30,724,425	33,399,832	35,110,256
Debt Service - Principal	2,620,000	1,725,000	2,280,000	4,100,000	5,340,000	6,462,520	5,535,000	6,803,000	7,464,000	7,045,000
Debt Service - Interest	628,563	545,331	700,971	2,025,489	3,109,779	3,574,278	3,638,619	3,760,843	4,162,943	3,967,983
Total Expenditures	105,040,188	108,825,806	115,383,292	138,015,495	151,239,249	174,542,177	162,276,913	154,939,080	163,640,814	172,475,350
Other Financing Sources										
Long-term Financing	198,633	9,630,000	47,315,000	27,590,000	0	24,919,316	18,973,000	16,850,000	0	0
Sale of Fixed Assets	0	0	80,363	41,655	87,482	17,875	41,899	77,230	123,057	108,601
Bond Premium	0	254,555	2,902,577	1,302,812	0	0	702,899	1,036,153	0	0
Transfers In	13,594,435	10,797,379	10,180,735	10,588,025	23,133,990	17,627,275	19,940,070	17,012,684	22,252,546	22,109,960
Transfers Out	(10,494,435)	(9,447,315)	(10,180,735)	(10,588,025)	(23,133,990)	(17,627,275)	(19,940,070)	(17,012,684)	(22,252,546)	(22,109,960)
Total Other Fin. Sources	3,298,633	11,234,619	50,297,940	28,934,467	87,482	24,937,191	19,717,798	17,963,383	123,057	108,601
Net Change in Fund Balance	\$3,691,466	\$11,404,658	\$51,050,880	\$17,350,062	(\$11,212,992)	(\$11,309,115)	\$2,205,663	\$8,769,593	(\$54,093)	\$2,350,501

GENERAL FUND

EXPENDITURE HISTORY BY ACTIVITY

Activity Name	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget
City Council	\$167,750	\$178,710	\$251,120	\$294,400	\$307,750	\$360,250	\$370,200
City Management	1,446,560	1,647,550	1,759,640	2,023,260	1,959,350	2,377,150	3,090,350
City Clerk	967,040	1,076,550	1,116,040	1,356,530	1,222,840	1,701,420	1,462,250
Facilities Maintenance	2,254,760	2,166,190	2,156,790	2,469,920	2,456,690	2,744,510	2,904,400
Information Technology	1,454,300	1,477,760	1,489,770	1,729,590	2,021,460	2,332,930	2,538,700
Assessing	1,091,280	1,131,540	1,063,590	1,113,560	1,122,150	1,372,390	1,410,350
Financial Services	948,270	959,490	1,515,800	1,859,330	2,000,270	2,195,040	2,450,450
Purchasing	458,290	380,940	476,210	411,230	499,770	566,190	621,550
Treasury	1,196,770	1,274,310	812,080	834,760	908,810	999,720	1,050,900
Act 78 - Civil Service Commission	21,540	39,640	32,210	48,610	39,500	53,500	53,500
General Employees Pension Board	90,300	43,100	86,400	67,160	46,630	64,100	64,100
Legal	859,830	1,108,980	960,270	1,078,290	1,039,960	1,095,000	1,095,000
Total City Administration Dept.	10,956,690	11,484,760	11,719,920	13,286,640	13,625,180	15,862,200	17,111,750
Library	2,809,710	2,828,450	2,793,270	2,864,080	3,053,580	3,214,570	3,467,350
Historical Commission	4,000	3,940	4,760	6,830	9,250	5,150	5,250
Total Library Department	2,813,710	2,832,390	2,798,030	2,870,910	3,062,830	3,219,720	3,472,600
Police Administration	5,520,240	5,652,570	5,690,130	6,037,770	6,368,620	6,689,750	7,063,500
Police Investigations	7,607,950	7,752,700	8,316,010	8,667,270	9,219,870	9,498,900	10,051,250
Police Operations	19,592,060	20,819,950	21,741,770	22,403,310	23,511,440	24,831,800	25,559,450
Police Support Services	1,831,540	2,048,750	2,078,430	2,099,770	2,190,380	2,383,050	2,585,250
Total Police Department	34,551,790	36,273,970	37,826,340	39,208,120	41,290,310	43,403,500	45,259,450
Fire Administration	1,723,910	1,892,100	1,904,780	2,175,560	2,207,980	2,150,090	2,405,800
Fire Extinguishment	17,938,890	19,841,870	20,731,840	21,461,530	22,572,480	22,633,190	24,367,750
Fire Prevention	1,296,470	1,537,890	1,411,740	1,458,930	1,548,180	1,660,670	1,833,000
Total Fire Department	20,959,270	23,271,860	24,048,360	25,096,020	26,328,640	26,443,950	28,606,550
Fleet Maintenance	2,998,690	2,727,510	3,340,390	3,442,680	3,388,830	3,751,900	3,771,800
Public Works Center	263,870	115,460	136,420	151,420	128,630	147,150	155,750
Street Services	2,795,450	3,067,880	3,173,750	3,166,660	3,221,880	3,550,650	3,691,000
Total Public Works Department	6,058,010	5,910,850	6,650,560	6,760,760	6,739,340	7,449,700	7,618,550

GENERAL FUND

EXPENDITURE HISTORY BY ACTIVITY

Activity Name	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24 Actual	2024/25 Budget	2025/26 Budget
Refuse Collection	4,500,480	4,567,230	4,618,500	4,846,810	0	0	0
Total Refuse Collection	4,500,480	4,567,230	4,618,500	4,846,810	0	0	0
Building	1,118,740	1,148,210	1,141,970	1,119,870	1,477,400	1,613,870	1,688,250
Economic Development	362,260	352,350	342,880	358,930	1,392,790	2,735,850	600,950
Engineering	1,419,390	1,408,770	1,424,770	1,496,280	1,597,070	1,707,220	1,804,650
Neighborhood Services	1,810,100	1,956,950	1,994,720	2,029,400	2,220,390	2,665,220	2,909,100
Planning	284,360	302,140	319,130	557,080	658,520	848,360	843,850
Planning Commission	6,960	10,600	17,640	20,230	23,700	27,350	29,100
Sustainability Commission	0	0	0	440	560	1,350	1,350
Zoning Board of Appeals	6,450	9,670	13,220	16,320	15,960	23,600	23,650
Component Unit Funding	200,000	0	0	0	0	0	0
Total City Development Dept.	5,208,260	5,188,690	5,254,330	5,598,550	7,386,390	9,622,820	7,900,900
Community Relations	1,528,780	1,268,930	1,552,220	1,746,360	2,102,980	2,458,620	2,463,350
Arts Commission	0	0	0	50	0	100	100
Beautification Commission	230	280	1,230	2,230	2,320	2,450	2,500
Total Community Relations Dept.	1,529,010	1,269,210	1,553,450	1,748,640	2,105,300	2,461,170	2,465,950
41-A District Court	3,475,760	3,362,130	3,626,600	3,654,420	3,949,340	4,396,030	4,706,400
General Expenditures	2,165,410	1,932,310	3,407,230	2,696,880	2,723,560	3,566,930	3,688,100
Transfers Out	14,431,220	17,550,810	12,994,780	17,236,170	17,308,530	13,010,500	12,175,150
Total General Fund	\$106,649,610	\$113,644,210	\$114,498,100	\$123,003,920	\$124,519,420	\$129,436,520	\$133,005,400

Note: The Refuse department was recorded under the General Fund until the 2023/24 fiscal year when it was changed to a Special Revenue Fund.

**GENERAL FUND BALANCE COMPARED TO ANNUAL EXPENDITURES
AND OTHER FINANCING USES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Fund Balance	Annual Expenditures & Other Uses	General Fund Balance as % of Expenditures & Other Uses
2015	7,539,734	90,289,405	8.35%
2016	11,394,869	89,866,581	12.68%
2017	17,266,609	89,450,707	19.30%
2018	24,713,754	92,906,988	26.60%
2019	26,883,913	109,476,928	24.56%
2020	29,914,428	106,676,131	28.04%
2021	32,249,173	113,715,596	28.36%
2022	32,874,306	114,607,548	28.68%
2023	35,463,474	123,090,063	28.81%
2024	40,817,040	124,587,709	32.76%

**ASSESSED & ESTIMATED ACTUAL VALUATION
OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Real Assessed Valuation (1)	Personal Assessed Valuation (1)	Total Valuation	Percent of True Value (2)
2015	3,564,635,642	714,092,150	4,278,727,792	50%
2016	3,665,393,466	670,143,500	4,335,536,966	50%
2017	3,737,558,043	366,173,450	4,103,731,493	50%
2018	3,855,214,582	327,166,100	4,182,380,682	50%
2019	4,032,937,100	289,445,900	4,322,383,000	50%
2020	4,244,580,889	305,210,600	4,549,791,489	50%
2021	4,427,329,545	282,249,500	4,709,579,045	50%
2022	4,562,968,811	319,918,100	4,882,886,911	50%
2023	4,823,098,811	282,964,300	5,106,063,111	50%
2024	5,185,909,481	243,973,490	5,429,882,971	50%

(1) All taxable values reflect the year in which tax revenue streams were generated. For example, the 2014 TV's (stated above in the 2015 row) were used to generate tax revenue for the year ended June 30, 2015.

(2) In accordance with the 1970 State of Michigan Constitution, the assessed value is 50 percent of appraised or estimated value.

HOMESTEAD PROPERTY TAX RATES **DIRECT AND OVERLAPPING GOVERNMENTS** **(PER \$1,000 OF TAXABLE VALUATION)**

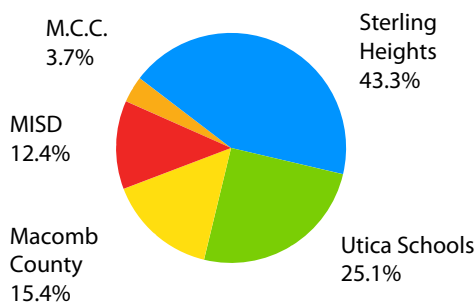
	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>City of Sterling Heights</u>									
Operating (1)	9.49090	9.48560	9.49400	10.49400	9.49400	9.31060	9.49400	9.49400	9.49400
Refuse	1.14240	1.10620	1.08270	1.04200	1.00380	0.96390	0.98770	0.94680	1.16320
Police & Fire Pension	1.90260	1.97880	2.01240	2.12790	2.19840	2.44410	2.72400	2.51890	2.41090
Public Improvements	0.11220	0.11520	0.11140	0.09710	0.10960	0.10970	0.11500	0.10960	0.00000
Drain	0.03770	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Recreating Recreation	0.00000	0.00000	0.97000	0.95160	0.95060	0.94430	0.93780	0.92570	0.92600
Safe Streets	2.50000	2.50000	2.48530	2.46780	2.45050	2.43430	2.41570	2.38500	2.38590
Total City	15.18580	15.18580	16.15580	17.18040	16.20690	16.20690	16.67420	16.38000	16.38000
<u>Overlapping Governments</u>									
Macomb County	4.57350	4.56160	4.52920	4.49750	4.45920	4.41500	4.37210	4.32000	4.32000
Utica Comm. Schools	3.85000	3.85000	3.85000	3.76000	3.50000	3.50000	3.50000	3.50000	3.50000
Warren Consol. Schools	10.69660	11.66140	11.37910	10.94780	10.57310	10.13830	9.84520	7.46240	8.22640
State Education	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000	6.00000
Macomb Comm. College	1.53020	1.42120	1.40340	1.46400	1.45310	1.43870	1.42470	1.40770	1.40770
M.I.S.D.	2.94300	2.93550	2.91460	2.89450	2.87440	4.72960	4.68450	4.63000	4.71000
Huron/Clinton Metro Auth.	0.21460	0.21460	0.21400	0.21290	0.21170	0.21040	0.20890	0.20700	0.20700
S.M.A.R.T.	1.00000	0.99740	0.99030	1.00000	0.99260	0.98270	0.97310	0.95000	0.95000
County Zoo Authority	0.10000	0.09970	0.09890	0.09850	0.09770	0.09670	0.09570	0.09450	0.09450
D.I.A.	0.20000	0.19940	0.19790	0.19650	0.19500	0.19300	0.19110	0.19560	0.19560
Med Call	0.00000	0.00000	0.00000	0.00000	0.00000	0.09900	0.00000	0.00000	0.00000
Veterans Operations	0.04000	0.03980	0.06820	0.06760	0.06740	0.06670	0.06600	0.06520	0.06900
Total									
Utica Schools (2)	35.63710	35.50500	36.42230	37.37190	36.05800	37.93870	38.19030	37.75000	37.83380
Total									
Warren Schools (2)	42.48370	43.31640	43.95140	44.55970	43.13110	44.57700	44.53550	41.71240	42.56020

(1) City general operating tax rate charter limit equals 12.0 mills.

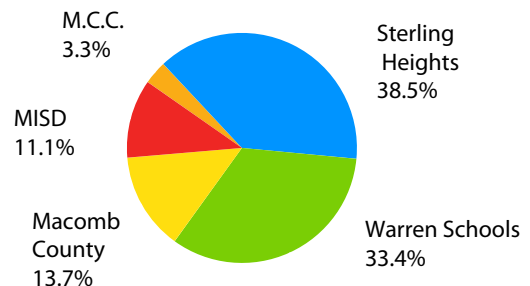
(2) Sterling Heights taxable valuation is based on 62% for Utica Schools and 38% for Warren Consolidated Schools for the year ended June 30, 2023.

City of Sterling Heights **2023/24 Distribution of Homestead Taxes**

Utica Community Schools



Warren Consolidated Schools

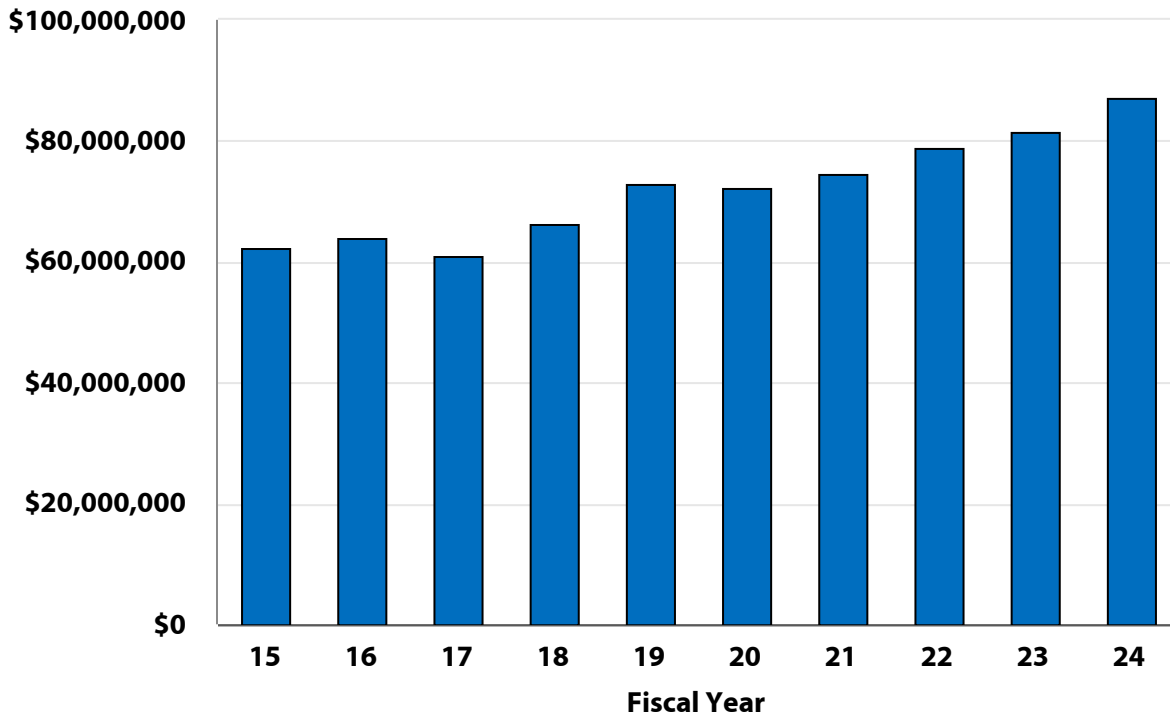


GENERAL GOVERNMENT TAX REVENUES BY SOURCE LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Fund Property Taxes					Local Rds Prop Taxes	P&R Prop Taxes	Refuse Prop Taxes	Debt Service Funds Prop Taxes			Total All Property Taxes
	Operating	Refuse	Police & Fire Retirement System	Safe Streets	Total	Safe Streets	Recreating Recreation	Refuse & Recycling	General Drain	Voted Tax General Obligation	Total	
2015	38,380,857	4,615,657	7,905,424	6,969,239	57,871,177	3,271,161	0	0	658,448	430,566	1,089,014	62,231,352
2016	40,154,336	4,786,968	7,992,154	7,121,201	60,054,659	3,344,947	0	0	164,288	472,828	637,116	64,036,722
2017	38,159,793	4,418,198	7,914,369	6,786,371	57,278,731	3,201,818	0	0	2,297	464,084	466,381	60,946,930
2018	39,003,553	4,425,923	8,251,737	6,916,401	58,597,614	3,258,923	3,965,701	0	1,052	459,166	460,218	66,282,456
2019	44,404,945	4,407,310	9,011,570	7,102,036	64,925,861	3,330,120	4,032,610	0	688	413,759	414,447	72,703,038
2020	42,343,466	4,454,516	9,780,505	7,400,807	63,979,294	3,479,548	4,228,073	0	628	492,057	492,685	72,179,600
2021	42,719,547	4,416,896	11,220,782	7,580,766	65,937,991	3,564,606	4,331,004	0	607	506,343	506,950	74,340,551
2022	44,817,855	4,654,345	12,866,281	7,748,836	70,087,317	3,631,075	4,402,377	0	615	549,205	549,820	78,670,589
2023	47,287,467	4,705,616	12,556,551	8,071,382	72,621,016	3,795,529	4,600,110	0	619	551,550	552,169	81,568,824
2024	50,549,495	0	12,847,034	8,608,416	72,004,945	4,055,322	4,917,738	6,161,022	601	1,488	2,089	87,141,116

Note: The Refuse Collection department was converted to a Special Revenue Fund in 2024.

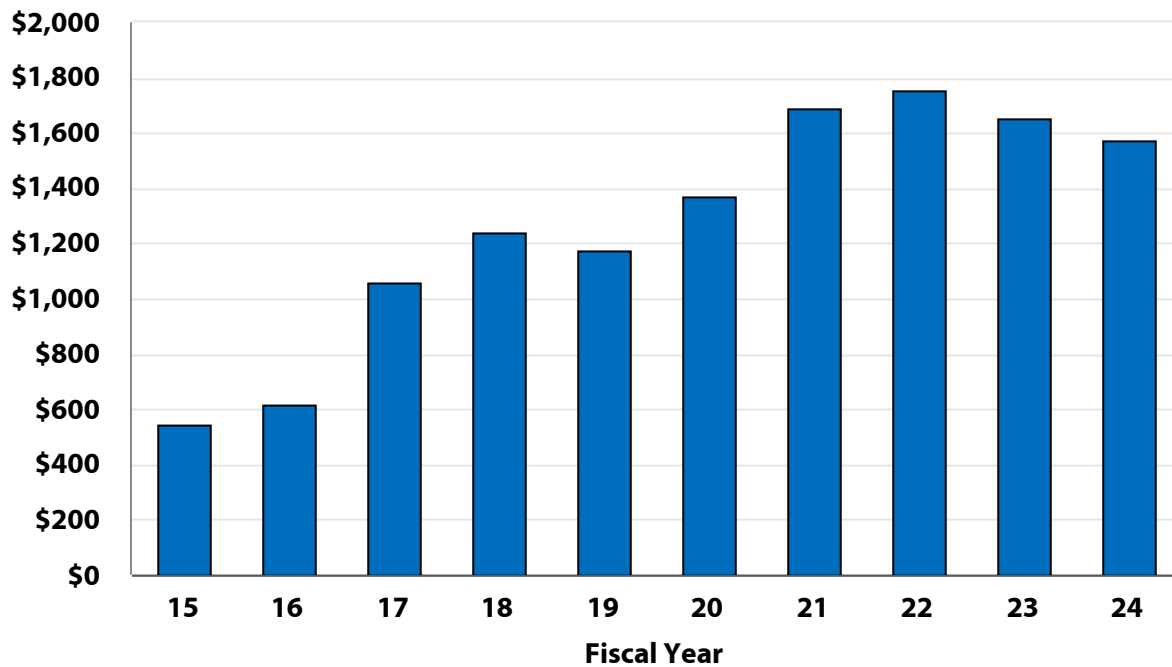
Property Tax Revenue



RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Governmental Activities				Business-Type Activities County Issued			Total Primary Gov't.	% of Personal Income	Pop.	Govt. Debt Per Capita
	General Obligation Bonds	Michigan Transp. Bonds	Special Assess. Bonds	County Issued Bonds	General Obligation Bonds	Special Assess. Bonds	Revolving Loan Funds				
2015	5,253,950	7,465,086	2,550,000	150,000	33,071,724	4,098,344	17,592,684	70,181,788	2.23%	129,699	541.11
2016	4,667,114	16,480,393	2,400,000	0	31,831,025	4,054,112	20,725,947	80,158,591	2.55%	129,699	618.04
2017	46,135,000	16,595,000	2,250,000	0	46,597,435	3,702,527	22,126,394	137,406,356	4.38%	129,699	1,059.42
2018	63,190,000	23,180,000	2,100,000	0	48,741,669	2,258,379	21,072,504	160,542,552	5.11%	129,699	1,237.81
2019	60,335,000	20,845,000	1,950,000	0	46,797,853	1,962,402	19,973,656	151,863,911	4.84%	129,699	1,170.90
2020	84,852,623	19,129,213	1,800,000	0	51,344,551	1,983,169	18,860,521	177,970,077	5.67%	129,699	1,372.18
2021	80,975,911	36,003,953	1,600,000	0	80,269,356	1,844,015	18,485,695	219,178,930	6.98%	129,699	1,689.90
2022	76,866,655	50,878,548	1,400,000	0	87,839,833	1,704,561	17,320,226	236,009,823	5.61%	134,346	1,756.73
2023	72,517,518	47,300,615	1,200,000	0	83,760,738	1,565,415	15,754,110	222,098,396	5.28%	134,346	1,653.18
2024	68,517,431	43,715,765	1,000,000	0	82,784,010	1,424,711	14,065,716	211,507,633	5.02%	134,346	1,574.35

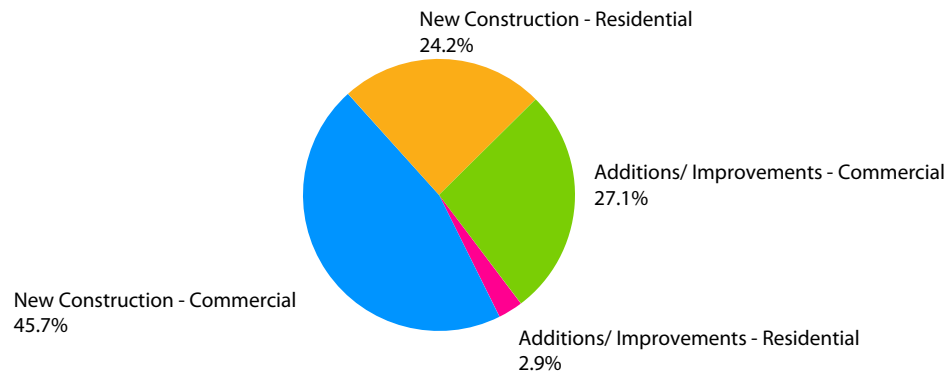
Outstanding Debt Per Capita



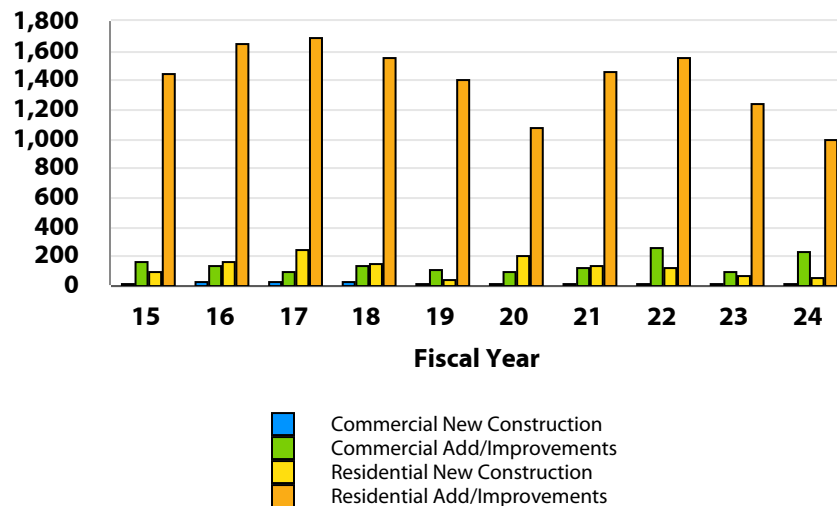
BUILDING PERMITS AT MARKET VALUE LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Residential					Commercial				
	New Construction		Additions/Improve.		Total Residential	New Construction		Additions/Improve.		Total Commercial
	No.	Value	No.	Value		No.	Value	No.	Value	
2015	96	22,656,130	1,443	1,126,895	23,783,025	10	25,455,891	166	26,570,017	52,025,908
2016	170	87,099,668	1,652	1,528,732	88,628,400	31	31,932,939	135	15,628,005	47,560,944
2017	247	55,558,146	1,694	958,155	56,516,301	29	81,070,698	94	9,340,587	90,411,285
2018	155	28,786,551	1,548	1,101,534	29,888,085	31	77,545,580	131	31,448,148	108,993,728
2019	42	13,392,236	1,401	887,605	14,279,841	11	108,794,390	110	29,263,744	138,058,134
2020	198	38,434,748	1,076	1,107,943	39,542,691	15	74,557,626	90	40,847,483	115,405,109
2021	130	45,584,777	1,465	1,241,345	46,826,122	10	32,648,979	120	37,667,034	70,316,013
2022	128	68,867,372	1,561	1,033,094	69,900,466	9	26,217,462	260	58,202,708	84,420,170
2023	74	34,099,939	1,236	568,316	34,668,255	10	14,475,834	99	20,276,906	34,752,740
2024	59	18,580,198	998	2,256,772	20,836,970	12	35,013,682	236	20,803,405	55,817,087

Market Value of 2024 Building Permits



Building Permits



DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Estimated Population		Median Age (2)	Age 25 or Older (2)		Per Capita Income (2)	Income In Thousands	Number of Households (2)	Median Household Income (1)	Sterling Heights Unemployment Rate (3)/(4)
				High School Graduate or Higher	Bachelor's Degree or Higher					
2015	129,699	(1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	7.0%
2016	129,699	(1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	4.6%
2017	129,699	(1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	3.4%
2018	129,699	(1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	3.9%
2019	129,699	(1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	4.2%
2020	129,699	(1)	40-44	86.4%	22.9%	24,213	3,140,402	49,576	53,390	17.5%
2021	132,438	(1)	40-44	86.4%	26.7%	30,631	4,056,708	51,615	64,833	4.3%
2022	134,346	(1)	40-44	86.4%	26.7%	31,335	4,209,732	51,615	64,833	4.1%
2023	134,346	(1)	40-44	86.4%	26.7%	31,335	4,209,732	51,615	64,833	3.4%
2024	134,346	(1)	40-44	87.7%	30.8%	31,335	4,209,732	51,615	64,833	4.1%

Sources:

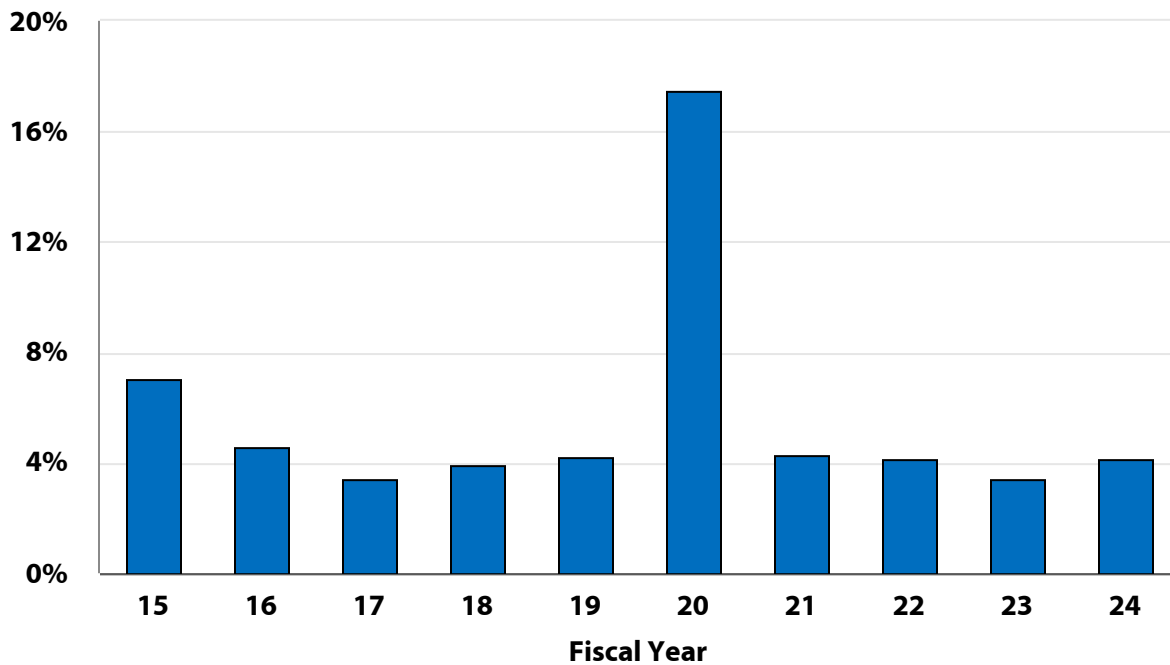
(1) United States Census Bureau

(2) Southeast Michigan Council of Governments (SEMCOG)

(3) Michigan Department of Career Development, Employment Security Agency, Office of Labor Market Information

(4) Michigan Department of Technology, Labor & Budget

City of Sterling Heights Unemployment Rate



2025/26 BUDGET

Activity Name

Police & Fire Pension Board

Activity

2380

Account Number	Account Name	2023/24 Actual	2024/25 Budget	2024/25 To 12/31	2024/25 Estimate	2025/26 Budget
	Supplies					
729.000	Postage	\$210	\$400	\$150	\$400	\$400
751.000	Operating Supplies	40	400	0	400	400
	Total Supplies	250	800	150	800	800
	Other Charges					
802.000	Audit & Accounting Services	20,350	36,640	1,600	36,640	36,640
805.000	Administrative Services	51,470	75,000	38,310	75,000	77,000
806.000	Legal Services	7,680	11,000	0	11,000	11,000
807.000	Medical Services	0	2,000	0	2,000	2,000
810.000	Other Fees	18,230	22,000	5,880	22,000	22,000
826.000	Other Contracted Services	1,463,500	1,533,750	453,140	1,533,750	1,533,750
826.012	Other Professional Services	1,000	1,500	1,160	1,500	1,500
957.000	Memberships & Dues	200	200	0	200	200
958.000	Education & Training	6,500	10,000	3,280	10,000	10,000
	Total Other Charges	1,568,930	1,692,090	503,370	1,692,090	1,694,090
	Capital Outlay					
979.000	Computer Equipment	0	0	0	0	0
	Total Capital Outlay	0	0	0	0	0
Total Activity		\$1,569,180	\$1,692,890	\$503,520	\$1,692,890	\$1,694,890

NOTE: The "2023/24 Actual" & "2024/25 To 12/31" columns are rounded to the nearest \$10.

NAME	CONTRACT EXPIRATION	BUDGETED EMPLOYEES	
		FULL-TIME	PART-TIME
<u>Union Employees</u>			
Police Officers - MAP	6/30/2027	126	
Fire Fighters - IAFF Local 1557	6/30/2029	113	
Technical/Office - MAPE	6/30/2029	73	31*
DPW Field - Teamsters Local 214	6/30/2028	60	
Police Command Officers - COA	6/30/2029	37	
Professional & Technical - MAPE	6/30/2026	53	11
Court Clerical - AFSCME Local 1884	6/30/2025	20	3
Police Clerical - MAP	6/30/2026	20	
Supervisory - MAPE	6/30/2029	18	
Executive Group - SHEG	6/30/2029	7	
DPW Supervisors - AFSCME Local 1917	6/30/2028	9	
Total Union Employees		536	45
<u>Non-Union Employees</u>			
41-A District Court Administration	N/A	11	
41-A District Court Judges	N/A	3	
Ordinance Employees	N/A	4	
Other Employees (Seasonal/Part-time)**			85
Total Non-Union Employees		18	85
<u>Total All Employees</u>		554	130

* Includes thirteen part-time employees that are excluded from the part-time limit.

**Excludes Parks & Recreation seasonal employees.

Population

Total Population ¹	134,346
Gender ²	
Male	65,250
Female	68,223
Age ²	
Under 5 years	6,875
5 to 9 years	7,050
10 to 14 years	7,284
15 to 19 years	8,132
20 to 24 years	8,061
25 to 34 years	19,746
35 to 44 years	14,413
45 to 54 years	18,296
55 to 59 years	9,351
60 to 64 years	9,748
65 to 74 years	14,310
75 to 84 years	7,021
85 years and older	3,186
Racial Makeup ¹	
White	107,043
African American	8,802
American Indian & Alaska Native	254
Asian	10,960
Native Hawaiian & Other Pacific Islander	17
Other Race	1,006
Two or more races	6,264

Housing

Median Housing Value	\$255,526
Total Housing Units	55,599
Houses	33,037
Condominiums	8,873
Apartments	11,998
Mobile Homes	1,691

Principal Property Taxpayers

Company/Taxable Value	
Stellantis	\$88,320,659
Detroit Edison Company	63,590,015
Consumers Energy Company	49,467,887
Ford Motor Company	30,624,868
Chalk Spade Investments	26,286,671
ITC Transmission	22,112,691
Liberty Park Commerce Center LLC	17,794,074
Comcast	16,594,788
Bae Systems Land & Armaments L.P.	16,440,375
General Dynamics Land Systems	14,574,619

Major Employers

Company/Employees	
Stellantis	7,965
General Dynamics Land Systems	7,300
Conti LLC	7,091
Ford Motor Company	3,785
America's Back Office	3,500
Utica Community Schools	2,500
SRG Global Automotive	1,551
21st Century Newspapers Inc.	1,500
Corewell Health	1,299
Kuka Systems North America LLC	1,000

Employment Status ²

Population 16 years & over	110,842
In labor force	68,559
Civilian labor force	68,450
Employed	64,205
Unemployed	4,245
Percent of civilian labor force	7
Armed Forces	109
Not in labor force	42,283

Occupation ²

Employed civilian population 16 yrs. & over	64,205
Management, business, science & arts occupations	25,699
Service occupations	9,698
Sales & office occupations	13,630
Natural resources, construction, & maintenance occupations	4,309
Production, transportation & material moving occupations	10,869

Industry ²

Agriculture, forestry, fishing and hunting, & mining	237
Construction	3,239
Manufacturing	14,198
Wholesale trade	1,052
Retail trade	7,991
Transportation and warehousing & utilities	3,650
Information	899
Finance, insurance, real estate & rental and leasing	3,788
Professional, scientific, management, administrative & waste management	5,930
Educational, health & social assistance	12,724
Arts, entertainment, recreation, accommodation & food services	5,211
Other services	3,240
Public administration	2,046

School Enrollment ²

Population 3 yrs. & over enrolled in school	29,405
Nursery school, preschool	1,270
Kindergarten	2,134
Elementary (grades 1-8)	12,676
High School (grades 9-12)	5,679
College or graduate school	7,646

Streets & Sidewalks

Miles of City Streets:	
Primary	63
Secondary	290
Estimated Sidewalks in Miles	641
Bridges	11
Street Lights	2,535

Police Protection

Group A offenses ³	3,776
Group B offenses ⁴	5,079
Injury Accidents	815
Property Damage	2,930
Private Property Damage	207
Total Traffic Violations	21,884
Civil Infractions	17,314
Parking Violations	1,433
Adult Arrests	2,507
Juvenile Arrests	5
OUIL Arrests	278

Fire Protection

Stations	5
Emergency Alarms Answered	17,657
Medical Emergencies	13,563
Fire Inspections Conducted	2,100
Inspection Violations Issued	1,954
Training Hours Completed	33,448

41-A District Court

Cases Handled:	
Civil	3,327
Criminal	2,838
Traffic	19,388
Landlord & Tenant	2,875
Small Claims	250

Election Data

Registered Voters	108,488
Voters at Polls	N/A
Absentee Ballots	N/A
Percent Voting	0.00%

Parks & Recreation

Acres	821
Developed Parks	28
Adult Athletics Attendance	13,021
Instructional Rec. Attendance	40,576
Nature Program Attendance	12,915
50+ Activity Program Attendance	110,986
Special Event Attendance	145,636
Summer Playground Attendance	7,960
Adaptive Recreation Program Attendance	5,000

Library

Registered Borrowers	70,608
In-House Materials Usage	35,080
Items Circulated	486,722
Reference Transactions	47,550
Program Attendance	18,747
Library Visits	179,222
Inter Library Loan Requests	40,406
Inter Library Loans - Lent	37,788
Outreach Visits	484
Electronic Database Usage	13,824

Water & Sewer Services

Customers:	
Residential	39,727
Commercial/Industrial	2,814
Miles of Water Mains	667
Miles of Sanitary Sewers	475
Fire Hydrants	7,455
Water (in thousand cubic feet):	
Purchased from Detroit	562,863
Sold to Residents	558,297
Rates:	
100 Cubic Feet (water and sewer)	\$9.60
Sewer Only - Per Billing	\$33.00

1 Source: U.S. Census Bureau, Census 2020

2 Source: 2023 American Community Survey 5-year estimates. Totals will not foot to Census 2020 population.

3 Murder, criminal sexual conduct, robbery, aggravated assault, burglary, larceny, arson, motor vehicle theft, damage to property, retail fraud, etc.

4 Disorderly conduct, assault, family trouble, negligent homicide, obstructing justice, OUIL, etc.

**CITY OF STERLING HEIGHTS
MACOMB COUNTY, MICHIGAN
ORDINANCE NO. 500**

AN ORDINANCE TO PROVIDE FOR THE GENERAL APPROPRIATIONS OF THE CITY, AND SETTING FORTH THE AMOUNTS APPROPRIATED TO DEFRAY THE EXPENDITURES AND SETTING FORTH A STATEMENT OF ESTIMATED REVENUES, BY SOURCE, IN EACH FUND; TO ADOPT THE CITY'S BUDGETS FOR THE FISCAL YEAR 2025/26; TO ADOPT THE FEE SCHEDULE FOR PUBLIC RECORDS AND SERVICES FOR THE FISCAL YEAR 2025/26; AND TO ADOPT WATER AND SEWAGE DISPOSAL RATES FOR THE FISCAL YEAR 2025/26.

THE CITY OF STERLING HEIGHTS ORDAINS:

ARTICLE I

TITLE

This ordinance shall constitute the "ANNUAL APPROPRIATIONS ORDINANCE" in accordance with Section 9.14 of the City Charter, the "GENERAL APPROPRIATIONS ACT" in accordance with the Michigan Uniform Budgeting and Accounting Act, MCL 141.436 and the "SPECIAL APPROPRIATIONS ACT" pursuant to Public Act 493 of 2000.

ARTICLE II

The following is an estimate of revenues, by source, in each fund and an appropriation of monies as authorized by law, as may be needed or deemed necessary to defray all expenses and liabilities of the City as specified for the corporate purposes and objects of the City for the fiscal year July 1, 2025 through June 30, 2026. The City Council does hereby adopt, by budgetary center, the following General Fund and Special Revenue Funds budgets for 2025/26.

Sec. 2.01

GENERAL FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Net General Tax Revenue	\$56,332,000	
Licenses and Permits	2,354,000	
Federal/State/Local Returns	22,305,450	
Fines and Forfeitures	2,272,000	
Charges for Services	16,855,550	
Other Revenue	5,242,650	
Cable Revenue	1,600,000	
Use of Fund Balance	<u>1,268,250</u>	
Total General Revenue		108,229,900
Police & Fire Pension Tax Revenue	15,280,000	
Safe Streets Tax Revenue	<u>9,493,000</u>	
Total Other Tax Revenue		<u>24,773,000</u>
Total Revenues		<u>\$133,002,900</u>

OTHER FINANCING SOURCES

Transfers In	<u>2,500</u>	
Total Other Financing Sources		<u>2,500</u>

Total Revenues & Other Financing Sources		<u>\$133,005,400</u>

and does hereby designate \$56,207,000 to be raised by 9.4940 mills tax levied for General Purposes on the assessed valuation of all real and personal property subject to taxation in the City,

and does hereby designate \$15,280,000 to be raised by 2.5803 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of meeting appropriations for fire and police pension purposes, as authorized by MCL 38.551, et. seq.

and does hereby designate \$9,478,000 to be raised by 1.6009 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for police and fire protection as authorized by the electors of the City in the renewal of the Safe Streets Proposal in 2019, et. seq.

and directs the Treasurer to add a collection fee of one-half (1/2) percent per month to all taxes, charges and assessments paid after September 1, and further, upon all taxes, charges and assessments returned to the County Treasurer upon any delinquent tax roll, a charge of three percent (3%) shall be added and the same shall be collected by the County Treasurer in like manner as and together with the taxes, charges and assessments so returned.

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES

City Administration Department	\$17,111,750	
Public Library Department	3,472,600	
Police Department	45,259,450	
Fire Department	28,606,550	
Public Works Department	7,618,550	
City Development Department	7,900,900	
Community Relations Department	2,465,950	
41-A District Court	4,706,400	
General Expenditures	3,688,100	
Contribution to Fund Balance	<u>0</u>	
Total Expenditures		120,830,250

OTHER FINANCING USES

Transfers Out	<u>12,175,150</u>	
Total Other Financing Uses		<u>12,175,150</u>

Total General Fund

\$133,005,400

Sec. 2.02

WATER & SEWER OPERATING FUND:

OPERATING REVENUES

Operating Revenues	<u>\$65,364,600</u>

Total Operating Revenues

\$65,364,600

OPERATING EXPENSES

Administration	\$6,120,700
Water Distribution	23,528,300
Sewage Collection	35,239,650
Contribution to Retained Earnings	<u>475,950</u>

Total Water & Sewer Operating Fund

\$65,364,600

and does hereby designate the rates to be charged for water and sewage disposal services to be as follows for all bills rendered on or after July 1, 2025.

WATER RATES

Volume Charges Per Billing Period:	Rate Per 100 Cubic Ft. (CCF)
Residential Volume	
Block 1 (1-12 CCFs)	\$2.66
Block 2 (Above 12 CCFs)	\$4.87
Commercial Volume (per CCF)	\$4.03
Fixed Meter Charge (Monthly):	
5/8"	\$ 9.60
3/4"	9.60
1"	21.50
1 1/2"	40.30
2"	64.00
3"	137.30
4"	244.80
6"	504.90
8"	1,085.60
10"	1,627.10
12"	1,627.10

SEWER RATES

Volume Charges Per Billing Period:	Rate Per 100 Cubic Ft. (CCF)
Residential (per CCF)	\$7.07
Commercial (per CCF)	\$7.07
Fixed Charge (Monthly)	\$8.30

BILLING

Bills for water and sewer service shall be rendered periodically as set forth in this article. The billing period for all customers will be monthly. All bills shall be due and payable twenty (20) days from the date thereon. A penalty of six percent (6%) of the amount of the unpaid portion of each current bill shall be added to each bill not paid on or before the due date. An additional penalty of seventeen percent (17%) of the total of the unpaid balance and the six percent (6%) penalty shall be added at the time the delinquent bill is entered upon the tax roll, pursuant to section 35-6 (a) of the Sterling Heights City Code.

For all single-family residential customers of both water and sewer services from the City, sewer usage will be based on water consumption during the current billing period or the average of the actual water consumption (rounded up to nearest whole unit) of the bills issued on January 1, February 1, and March 1, whichever is lower. The City reserves the right to base sewer consumption charges on a minimum of 300 Ccf (cubic feet) per month for any residential customer in situations where minimal or zero usage is recorded for any portion of the designated winter months. For commercial and multi-family residential customers, sewer usage is based on actual water consumption at all times of the year. There will be a \$101.00 charge per bill for commercial sewer only customers and a \$34.00 charge per bill for residential sewer only customers.

Sec. 2.03**MAJOR ROAD FUND BUDGET:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$0	
State Sources	12,143,750	
Other Revenue	472,950	
Total Revenues		12,616,700

OTHER FINANCING SOURCES

Transfer from General Fund	500,000	
Total Other Financing Sources		500,000

Total Revenues & Other Financing Sources**\$13,116,700****EXPENDITURES & OTHER FINANCING USES****EXPENDITURES**

Administration Expenses	\$101,150	
Major Street Maintenance	2,618,500	
Major Street Improvements	4,950,000	
Contribution to Fund Balance	647,050	
Total Expenditures		8,316,700

OTHER FINANCING USES

Transfer to Road Bond Debt Retirement Fund	4,800,000	
Transfer to Local Road Fund	0	
Total Other Financing Uses		4,800,000

Total Major Road Fund**\$13,116,700****Sec. 2.04****LOCAL ROAD FUND BUDGET:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$0	
Net Property Taxes	4,463,150	
State Sources	4,789,000	
Charges for Services	25,000	
Other Revenues	142,950	
Total Revenues		9,420,100

OTHER FINANCING SOURCES

Transfer from General Fund	0	
Transfer from Major Road Fund	0	
Total Other Financing Sources		0

Total Revenues & Other Financing Sources**\$9,420,100**

and does hereby designate \$4,460,150 to be raised by 0.7533 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for local street improvements as authorized by the electors of the City in the renewal the Safe Streets Proposal in 2019, et. seq.

EXPENDITURES & OTHER FINANCING USES

EXPENDITURES

Administration Expenses	\$125,100	
Local Street Maintenance	2,387,500	
Local Street Improvements	6,626,000	
Contribution to Fund Balance	<u>281,500</u>	
Total Expenditures		9,420,100

OTHER FINANCING USES

Transfer to Road Bond Debt Retirement Fund	<u>0</u>	
Total Other Financing Uses		<u>0</u>

Total Local Road Fund \$9,420,100

Sec. 2.05

PARKS & RECREATION FUND BUDGET:

REVENUES & OTHER FINANCING SOURCES

REVENUES

Fund Balance	\$355,000	
Property Taxes	5,412,600	
State Sources	608,000	
Charges for Services	1,617,000	
Other Revenue	<u>191,000</u>	
Total Revenues	8,183,600	8,183,600

OTHER FINANCING SOURCES

Transfer from General Fund	<u>3,247,900</u>	
Total Other Financing Sources		<u>3,247,900</u>

Total Revenues & Other Financing Sources \$11,431,500

and does hereby designate \$5,409,600 to be raised by 0.9137 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue to acquire, construct, furnish, equip and operate parks and recreation improvements, including a new community center, as authorized by the electors of the City in approving the *Recreating Recreation* Proposal in 2016.

EXPENDITURES

Personnel Services	\$4,847,950
Supplies	404,500
Other Charges	2,884,700
Capital Outlay	294,000
Debt Service	3,000,350
Contribution to Fund Balance	<u>0</u>

Total Parks & Recreation Fund \$11,431,500

Sec. 2.06**PATHWAYS AND PRESERVATION FUND BUDGET:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$0	
Property Taxes	<u>5,588,450</u>	
Total Revenues		5,588,450

OTHER FINANCING SOURCES

Bond Proceeds	<u>40,000,000</u>	
Total Other Financing Sources		<u>40,000,000</u>

Total Revenues & Other Financing Sources **\$45,588,450**

and does hereby designate \$5,588,450 to be raised by 0.9439 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of providing revenue for quality of life City improvements including developing trails, sidewalk repairs, recreational facilities, and tree canopy expansion, as authorized by the electors of the City in approving the Pathway to Play and Preservation Proposal in 2024.

EXPENDITURES

Capital Outlay	\$ 24,500,000
Transfers Out	20,429,550
Contribution to Fund Balance	<u>658,900</u>

Total Pathways and Preservation Fund **\$45,588,450**

Sec. 2.07**REFUSE AND RECYCLING FUND BUDGET****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$290,000	
City Refuse Tax	7,371,650	
State Sources	520,450	
Charges for Services	35,000	
Other Revenue	<u>175,000</u>	
Total Revenues		8,392,100

OTHER FINANCING SOURCES

Transfer from General Fund	<u>0</u>	
Total Other Financing Sources		<u>0</u>

Total Revenues & Other Financing Sources **\$8,392,100**

and does hereby designate \$7,371,650 to be raised by 1.2462 mills tax levied on the assessed valuation of all real and personal property subject to taxation in the City, for the purpose of the collection and removal of garbage and trash of the City as authorized by MCL 123.261, et. seq.

EXPENDITURES & OTHER FINANCING USES**EXPENDITURES**

Personnel Services	\$187,250
Supplies	500
Other Charges	8,204,350
Contribution to Fund Balance	0

Total Refuse and Recycling Fund**\$8,392,100****Sec. 2.08****BROWNFIELD AUTHORITY FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Property Taxes	\$802,550
Other Revenue	32,000

Total Revenues**\$834,550****EXPENDITURES**

Other Charges	\$800,050
Transfer to General Fund	2,500
Contribution to Fund Balance	32,000

Total Brownfield Authority Fund**\$834,550****Sec. 2.09****CORRIDOR IMPROVEMENT AUTHORITY FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$0
Property Taxes	361,900
Other Revenue	68,000

Total Revenues**\$429,900****EXPENDITURES**

Other Charges	\$80,000
Capital Outlay	0
Contribution to Fund Balance	349,900

Total Corridor Improvement Authority Fund**\$429,900**

Sec. 2.10**LOCAL DEVELOPMENT FINANCE AUTHORITY FUND BUDGET:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Federal Grants	\$907,900	
Property Taxes	2,089,750	
Other Revenue	524,200	
Total Revenues		3,521,850

OTHER FINANCING SOURCES

Transfer from Economic Development Fund	0	
Total Other Financing Sources		0

Total Revenues & Other Financing Sources**\$3,521,850****EXPENDITURES**

Incubator Renovations	\$0
Incubator Operations	1,590,800
SmartZone Improvements	357,000
Small Business Support	767,900
Contribution to Fund Balance	806,150

Total Local Development Finance Authority Fund**\$3,521,850****Sec. 2.11****INDIGENT DEFENSE FUND BUDGET:****REVENUES**

Fund Balance	\$0
State Grants	662,450
Interest on Investments	15,300

Total Revenues**\$677,750****EXPENDITURES**

Supplies	\$250
Other Charges	677,500

Total Indigent Defense Fund**\$677,750****Sec. 2.12****PUBLIC SAFETY FORFEITURE FUND BUDGET:****REVENUES**

Fund Balance	\$1,744,450
Act 302 Training Funds	199,800
Interest Income	137,500

Total Revenues**\$2,081,750****EXPENDITURES**

Federal Forfeitures	\$1,208,650
Treasury Forfeitures	400,000

State Forfeitures	248,100	
Gambling Forfeitures	0	
Operating While Intoxicated Forfeitures	11,000	
Act 302 Training Funds	214,000	
Total Public Safety Forfeiture Fund		<u><u>\$2,081,750</u></u>

Sec. 2.13

COMMUNITY DEVELOPMENT BLOCK GRANT FUND BUDGET:

<u>REVENUES</u>		
Community Development Block Grant	\$913,600	
Total Revenues		<u><u>\$913,600</u></u>
<u>EXPENDITURES</u>		
Administrative Expenses	\$155,000	
Books	3,500	
Minor Home Repair	50,000	
Adaptive Recreation Program	18,000	
Housing Rehabilitation Program	327,200	
Contributions to Non-Profit Organizations	92,900	
Capital & Other Improvements	267,000	
Total Community Development Block Grant Fund		<u><u>\$913,600</u></u>

Sec. 2.14

LAND BANK FUND BUDGET:

<u>OTHER FINANCING SOURCES</u>		
Transfer from Pathways and Preservation Fund	\$5,000,000	
Total Revenues		<u><u>\$5,000,000</u></u>
<u>EXPENDITURES</u>		
Capital Outlay	\$2,000,000	
Contribution to Fund Balance	3,000,000	
Total Land Bank Fund		<u><u>\$5,000,000</u></u>

Sec. 2.15

OPIOID SETTLEMENT FUND BUDGET:

<u>REVENUES</u>		
Fund Balance	\$0	
Other Revenue	477,150	
Total Revenues		<u><u>\$477,150</u></u>
<u>EXPENDITURES</u>		
Supplies	\$10,000	
Other Charges	207,300	
Contribution to Fund Balance	259,850	
Total Opioid Settlement Fund		<u><u>\$477,150</u></u>

Sec. 2.16**AMERICAN RESCUE PLAN ACT FUND BUDGET:****REVENUES**

Other Revenue	\$150,000	

Total Revenues**\$150,000****EXPENDITURES**

Contribution to Fund Balance	\$150,000	

Total American Rescue Plan Act Fund**\$150,000****Sec. 2.17****LIMITED TAX GENERAL OBLIGATION DEBT FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Other Revenue	\$100	

Total Revenues

100

OTHER FINANCING SOURCES

Transfer from General Fund	6,560,350	

Total Other Financing Sources

6,560,350

Total Revenues & Other Financing Sources**\$6,560,450****EXPENDITURES**

Principal	\$3,450,000	

Interest	3,108,850	

Other Fees	1,500	

Contribution to Fund Balance	100	

Total Limited Tax General Obligation Debt Fund**\$6,560,450****Sec. 2.18****GENERAL DRAIN DEBT FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$0	

Operating Taxes	600	

Other Revenue	100	

Total Revenues**\$700****EXPENDITURES**

Contribution to Fund Balance	\$700	

Total General Drain Debt Fund**\$700**

Sec. 2.19**VOTED TAX GENERAL OBLIGATION DEBT FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$0
Operating Taxes	300
Other Revenue	3,250

Total Revenues**\$3,550****EXPENDITURES**

Contribution to Fund Balance	\$3,550

Total Voted Tax General Obligation Debt Fund**\$3,550****Sec. 2.20****ROAD BOND DEBT RETIREMENT FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$66,550
Special Assessment Revenue	138,250
Interest Income	3,400
Federal Interest Rebates	0
Total Revenues	

208,200

OTHER FINANCING SOURCES

Transfer from Major Road Fund	4,800,000
Transfer from Road Bond Construction Fund	0
Total Other Financing Sources	

4,800,000

Total Revenues & Other Financing Sources**\$5,008,200****EXPENDITURES**

Principal	\$3,781,000
Interest	1,224,350
Other Fees	2,850
Contribution to Fund Balance	0

Total Road Bond Debt Retirement Fund**\$5,008,200**

Sec. 2.21**CAPITAL PROJECTS FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

State & Local Returns	\$0	
Other Revenue	448,650	
Total Revenues		448,650

OTHER FINANCING SOURCES

Transfer from General Fund	5,466,900	
Transfer from the Pathways and Preservation Fund	1,229,550	
Total Other Financing Sources		6,696,450

Total Revenues & Other Financing Sources**\$7,145,100****EXPENDITURES**

Capital Equipment	\$2,054,650
Capital Vehicles	2,620,000
Capital Projects	1,190,700
Contribution to Fund Balance	1,279,750

Total Capital Projects Fund**\$7,145,100****Sec. 2.22****FACILITIES IMPROVEMENT FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Use of Fund Balance	\$4,450,000
Other Revenue	50,000

Total Revenues**\$4,500,000****EXPENDITURES**

Capital Outlay	\$4,500,000
Contribution to Fund Balance	0

Total Facilities Improvement Fund**\$4,500,000**

Sec. 2.23**SIDEWALK REPAIR & REPLACEMENT FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Use of Fund Balance	\$0	
Total Revenues		0

OTHER FINANCING SOURCES

Transfer from Pathways and Preservation Fund	10,000,000	
Total Other Financing Sources		10,000,000

Total Revenues & Other Financing Sources**\$10,000,000****EXPENDITURES**

Capital Outlay	\$3,600,000
Contribution to Fund Balance	6,400,000

Total Sidewalk Repair & Replacement Fund**\$10,000,000****Sec. 2.24****TREE PRESERVATION FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Use of Fund Balance	\$0	
Total Revenues		0

OTHER FINANCING SOURCES

Transfer from Pathways and Preservation Fund	600,000	
Total Other Financing Sources		600,000

Total Revenues & Other Financing Sources**\$600,000****EXPENDITURES**

Other Charges	\$600,000
Contribution to Fund Balance	0

Total Tree Preservation Fund**\$600,000**

Sec. 2.25**LAND AND WATER CONSERVATION FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Use of Fund Balance	\$0	
Other Revenue	2,000	

Total Revenues

\$2,000

EXPENDITURES

Contribution to Fund Balance	\$2,000	

Total Land and Water Conservation Fund

\$2,000

Sec. 2.26**ROAD BOND CONSTRUCTION FUND:****REVENUES & OTHER FINANCING SOURCES****REVENUES**

Fund Balance	\$0	
Other Revenue	50,000	
Total Revenues		50,000

OTHER FINANCING SOURCES

Proceeds from Long-Term Debt	0	
Transfer from Major Road Fund	0	
Total Other Financing Sources		0

Total Revenues & Other Financing Sources

\$50,000

EXPENDITURES & OTHER FINANCING USES**EXPENDITURES**

Construction	\$0	
Contribution to Fund Balance	50,000	

Total Road Bond Construction Fund

\$50,000

ARTICLE III

The City Council adopts the following fee schedule for public records and services provided by the City of Sterling Heights for the fiscal year July 1, 2025 through June 30, 2026. Any parts of resolutions and ordinances in conflict with this article are repealed. This article is intended to preserve all existing charges and fees set forth in any resolution, ordinance, or law which are not in conflict with this article and to fulfill the requirements of any ordinance authorizing the City Council to establish fees by resolution.

Fees for public records not set forth in this article, or in any other resolution, ordinance, or law, shall be set by the City Manager in accordance with Act 442 of the Public Acts of 1976, as amended. Fees for public services not specifically set forth in this article or in any other resolution, ordinance, or law may be established by the City Manager, who shall promptly notify the City Council in writing of each of them. The City Manager shall establish fees for public services based upon the cost of providing the public service.

Sec. 3.01

ASSESSING OFFICE:

Lot Splits	650.00
Lot Combinations	550.00
Processing Labels (per page)	1.80
Resident Field Sheet Fee	2.30
Apartment Listing (Names/Sidwells/Assessments)	74.00
Shopping Center List	74.00
Section or Subdivision Listing (per page)	1.00
Assessing, Board of Review, & Sales Information (first page):	2.25
Additional Pages	0.30
Board of Review Member Compensation (per hour)	20.00
Plat Map	161.00
Custom Assessment Information Report	82.00
IFEC Extension Application Fee	675.00
IFEC Request for Extension to Complete Project Application Fee	675.00
IFEC Request for Revision of Final Project Cost Application Fee	675.00
Application to Establish a Speculative Building Designation Fee	675.00
Tax Hardship Income Limits:	
1 Person	15,650.00
2 Person	21,150.00
3 Person	26,650.00
4 Person	32,150.00
5 Person	37,650.00
6 Person	43,150.00
7 Person	48,650.00
8 Person	54,150.00
Each Additional Person	5,500.00

Sec. 3.02

BUILDING OFFICE:

Fence Permit	45.00
Fence Permit – Masonry, Separation	130.00
Board of Code Appeals	356.00
Reestablish Expired Permit Fee	75.00
Overtime Inspections, Each Hour (3 hour minimum)	105.00
Special Inspections, Each Trade - Residential	62.00
Special Inspections, Each Trade - Commercial under 50,000 sq ft	86.00
Special Inspections, Each Trade - Commercial over 50,000 sq ft	121.00
Special Inspections, Each Trade - illegal Grow Compliance	121.00
Building Code Publication	Cost + 18.00 Administration Fee
Building Moving Permit	335.00
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third or Subsequent Repeat Offenses	1,500.00

Electrical Work

Application Fee (Non-refundable)	54.00
Miscellaneous	74.00
Permit fee (minimum)	74.00
Electrical Contractor's Registration	32.00
Fire Alarm Contractor's Registration	32.00
Sign Contractor's Registration	32.00
Furnace Wiring	39.00
Air Conditioner Reconnect	39.00
Circuits: Each (New or extended)	27.00
Fixtures: Each 25	27.00
Motors, Power, Heating Units, Furnaces, Transformers:	
Each ¼ to 10 HP	33.00
Each 11 to 30 HP	38.00
Each 31 to 50 HP	43.00
Each 51 to 60 HP	49.00
Each 61 and over	63.00
Feeders (Conduit, Wire ways, Bus Ducts, Cables):	
Each 100 ft. (or less)	56.00
Refrigeration Units:	
Air Conditioning (Residential)	33.00
Interruptible Service	33.00
Air Conditioning (Commercial):	
Up to 5 Tons	38.00
5 to 40 Tons	56.00
Over 40 Tons	85.00
Electric Ranges, Ovens, Dryers, Water Heaters, X-Ray Equipment:	
Each unit of type	33.00
Swimming Pools/Hot Tubs (all)	62.00
Service (Lights, Heat, and Power):	

100 Ampere or less	33.00
101 to 200 Ampere	43.00
201 to 300 Ampere	43.00
301 to 400 Ampere	43.00
401 to 500 Ampere	43.00
501 to 900 Ampere	56.00
901 Ampere or more	68.00
EV Chargers	32.00
Solar Panels:	
Up to 10 KVA	33.00
11-30 KVA	43.00
31-50 KVA	56.00
51 KVA or more	68.00
Signs: Sign Circuit	49.00
Sign Tag Inspection	71.00
Sign Connection	76.00
General Repair & Alterations (per hour or fraction thereof)	64.00
Generator Connection	56.00
Motion Picture Apparatus	56.00
Special Inspections not specifically covered:	
Festivals	149.00
Carnivals	149.00
Circuses	149.00
Shop Inspection	83.00
Theatrical Road Show	83.00
Christmas Tree Lot	83.00
Temporary Wiring:	
Display Area (Sq. Ft.):	
Up to 100,000 sq. ft.	73.00
Over 100,000 to 200,000 sq. ft.	139.00
Over 200,000 to 300,000 sq. ft.	166.00
Over 300,000 to 400,000 sq. ft.	247.00
Over 400,000 sq. ft.	330.00
Low Voltage Wiring	
Up to 20 Devices	75.00
21 - 100 Devices	100.00
Over 100 Devices	125.00
Outline Tubing – Connection or Tag Inspection:	
Each 100 feet	82.00
Mobile Home and Trailer Park Inspections (minimum)	74.00
Fire Alarm Inspection (minimum)	77.00
Manual Pull Station	17.00
A/V, Strobe, Voice Speaker	17.00
Water Flow/Tamper Switch	17.00
Heat or Smoke Detector	17.00
Flame, Duct Detector	17.00
Auxiliary Panel	17.00
Electric Door Release	17.00
Elevator Recall Status	17.00
Fire Alarm Circuit	26.00

Alterations to existing system	74.00
Reinspection Fee	74.00
Miscellaneous Fire Alarm Fee	74.00
Plumbing Work	
Application Fee (Non-refundable)	54.00
Miscellaneous	74.00
Permit Fee (minimum)	74.00
Plumber's Registration	1.00
Journeyman Plumber's Registration	0.50
Fixture Inspection: (New and Replacement)	
New Stack or Stack Alteration	24.00
Air Admittance Valve	24.00
Roof Conductor	24.00
Sump or Interceptor	24.00
Backflow Preventor	24.00
Pump or Water Lift	24.00
Hose Connection (sillcocks)	24.00
Water Treatment Device	24.00
Water Closets	24.00
Shower Traps	24.00
Baths	24.00
Water heater	38.00
Electric Water Heater Reconnect	39.00
Tankless Water Heater	38.00
Basement Waterproofing	54.00
Radon	123.00
Sinks (any description)	24.00
Lavatories	24.00
Laundry Trays	24.00
Floor Drains	24.00
Ice Maker	24.00
Back Water Valve	24.00
Thermal Expansion Tank	24.00
Bidet	24.00
Dental Chair	24.00
Grease or Oil Interceptor	24.00
Drinking Fountains	24.00
Soda Fountains/bars	24.00
Waste Opening	24.00
Humidifiers	24.00
Food Waste Grinders	24.00
Dishwashers	24.00
Urinals	24.00
Whirlpools	43.00
Lawn Sprinkler Systems	74.00
All other fixtures not mentioned	24.00
Reinspection Fee	74.00
Special Equipment (Automatic laundry, humidifier, beverage vending machine, vacuum systems, nitrous oxide, oxygen, nitrogen, medical air):	
Automatic Machines (minimum)	38.00

Each additional	24.00
Building Sewer Connection – sump connection	56.00
Drains:	
Storm drains to catch basin for main storm sewer	328.00
Lines less than 4" in diameter	34.00
Lines less than 6" in diameter	39.00
Lines less than 8" in diameter	50.00
Lines less than 10" in diameter	64.00
Lines less than 12" in diameter	82.00
Lines less than 14" in diameter	98.00
Lines less than 16" in diameter	115.00
Lines less than 18" in diameter	132.00
Lines exceeding 18" in diameter (per inch)	22.00
Water Distribution System:	
3/4"	28.00
1"	39.00
1 1/4"	44.00
1 1/2"	57.00
2"	73.00
2 1/2"	108.00
3"	122.00
4"	139.00
Exceeding 4"	165.00
Replace piping, no increase in size	44.00
Mechanical Work	
Application Fee (Non-refundable)	54.00
Miscellaneous	74.00
Permit Fee (minimum)	74.00
License/Registration	15.00
Gas-Fired Equipment; Oil Burners; New or Replacement –	
Burners with input:	
up to 75,000	56.00
75,001 to 500,000	63.00
500,001 – 1,000,000	112.00
1,000,001 – 2,000,000	126.00
2,000,001 – 3,000,000	160.00
over 3,000,000	193.00
Air Handlers:	
Up to 2,000 CFM	56.00
Over 2,000 CFM	112.00
Duct Work	56.00
Hydronic Piping	64.00
Gas Piping:	
Mains up to 2"	49.00
Mains 2 1/2" to 4"	63.00
Mains over 4"	77.00
Each Opening off of Main	21.00
Factory Built Chimneys:	
Up to 8"	27.00
9" to 12"	38.00

Over 12"	49.00
Pre-Fab Fireplace	63.00
Flue Liner	43.00
Exhaust Fans:	
Up to 400 cfm	22.00
401 cfm to 1,000 cfm	27.00
1,001 cfm to 4,000 cfm	38.00
Over 4,000 cfm	49.00
Fire Damper/CRD:	
First 10 Devices	75.00
Additional 10 Devices	45.00
Fire/Smoke Damper (Per Device)	75.00
Dryer Vents	27.00
Furnace Reconnect	39.00
A/C Reconnect	39.00
Kitchen Hood and Duct (UL300/FM200)	74.00
Spray Booth Hood and Duct	74.00
Generators	57.00
Humidifiers	28.00
VAV Box	28.00
Water Heater	42.00
Proless Piping	152.00
Chillers	55.00
Alterations to existing installations	74.00
Alterations to existing boilers	74.00
Reinspection Fee	74.00
Refrigeration Systems –	
2 Tons or Less, each	49.00
Over 2 to 5 Tons, each	56.00
Alterations to each system	74.00
Remote Systems:	
5 Tons or Less, each	56.00
Over 5 to 50 Tons, each	77.00
Over 50 Tons, each	126.00
Alterations to each system	74.00
Cooling Towers	77.00
Stand Pipes and Fire Suppression:	
Riser pipe up to 4" diameter	50.00
Riser pipe up to 6" diameter	83.00
Riser pipe up to 8" diameter	117.00
Riser pipe 8" or more diameter	251.00
Each suppression opening (each head of the system)	8.50
Alteration to existing system	75.00
Flammable and Bulk Storage Tanks:	
Tanks under 500 Gallons	57.00
Tanks under 5,000 Gallons	72.00
Tanks under 20,000 Gallons	97.00
Tanks under 50,000 Gallons	114.00
Tanks under 200,000 Gallons	128.00
Tanks over 200,000 Gallons	245.00

Buildings

Application Fee (Non-refundable)	55.00
Miscellaneous	75.00
Plan Review Deposits (Non-refundable):	
Single Family Residential	650.00
Commercial Alteration	266.00
New Commercial/Industrial Building	1,315.00
Commercial/Industrial Addition	650.00
Building Permit Fees (all use groups):*	
Valuation to \$1,000	61.00
Valuation \$1,001 to \$10,000	61.00 + 15.00 per 1,000 over 1,000
Valuation \$10,001 to \$100,000	245.00 + 6.00 per 1,000 over 10,000
Valuation \$100,001 to \$500,000	1,020.00 + 6.00 per 1,000 over 100,000
Valuation \$500,001 and over	4,400.00 + 6.00 per 1,000 over 500,000
Residential Bond (5% Retained)	610.00
Temporary C/O Refundable Bond	630.00
Multi-Family Bond (5% Retained)	910.00
Commercial Bond - New or Addition (5% Retained)	1,850.00
Industrial Bond - New or Addition (5% Retained)	3,720.00
Mobile Homes	173.00
Plan Review Fee:*	
Valuation \$0 - \$500,000	0.0040 of valuation but not less than 100.00
Valuation over \$500,000	2,570.00 + 0.0015 of valuation over 500,000
Residential Plan Review: If Plan Number is on File	128.00
Additional Expedited Commercial Interior Alteration Plan Review Fee	236.00
Miscellaneous Plan Review	75.00
Misc. Items (concrete, antennas, awnings, sheds, canopies, tents, gazebos, decks, porches, reroofs)	77.00
Pigeon Loft Inspection	77.00
Use Permit (tenant space)	108.00
Fire Repair/Water Repair/Storm Repair	Based on valuation but not less than 300.00
Fire Inspection Fee (New City Businesses)	104.00
Spray Booth	74.00
Solar Panel	150.00
Reinspection Fee	74.00
Demolition:	
Plan review and administration base fee	75.00 + 0.10 per square ft.
Swimming Pools:	
Above Ground	77.00
Below Ground	158.00
Signs:	
Application Fee (non-refundable)	54.00
Plan Review Fee	75.00
Permanent	164.00
Temporary	73.00
Contractor Registration Fee	32.00
Residential Basement Finish	261.00
Residential Interior Finish	261.00
Minor Commercial Alterations under 400 sq. ft.	247.00

**Valuations are based on the most recent International Code Council Building Valuation Data table. (Normally updated in February and August of each year.)*

Sec. 3.03

CITY ADMINISTRATION:

Amusement Device License (2-year)	800.00
Amusement Device Distributor License (2-year)	270.00
Attorney Services	Attorney fees & costs
Auction Sales License (per day)	25.00
Auctioneer License	67.00
Banquet & Event Facility License	530.00
Renewal Fee	265.00
General Business License Annual Fee	60.00
Late Fee (Applied after March 1 st)	30.00
Penalty Fee (Applied after March 8 th)	9.00
Carnival/Festival License	86.00 + 6.00 each booth, ride, etc.
Cigarette Vending Machine License	76.00 + 6.00 each additional machine
Commercial Outdoor Patio Space License:	530.00
Renewal Fee	265.00
Renewal Fee with Major Material Modifications	530.00
Death and Birth Certificate (Non-FOIA):	26.00
Additional Copies (Non-FOIA)	9.50
Dog License:	
Newly Acquired Dog - Jan. 1 to Oct. 31 OR License Renewal - Jan. 1 to Mar. 31:	
Spayed/Neutered Dog:	
1-Year License	12.00
2-Year License	18.00
3-Year License	24.00
Unaltered Dog:	
1-Year License	25.00
2-Year License	45.00
3-Year License	65.00
Newly Acquired Dog - Nov. 1 to Dec. 31	
Spayed/Neutered Dog:	
1-Year License	7.00
Unaltered Dog:	
1-Year License	13.00
Newly Acquired Dog - Registering later than 30 days after acquisition:	
Additional Late Fee	13.00
License Renewal - After Mar. 31:	
Additional Late Fee	13.00
Senior (60+) Owner	No charge
Service Dog	No charge
Potentially Dangerous Dog Annual License Fee	66.00
Replacement Dog Tag	7.00
Fire Inspection Fee (new City businesses – charged by Building)	104.00
Going Out of Business Sales License	50.00
Renewal Fee	50.00
House Moving License	85.00

Industrial Development District Filing Fee	1,140.00
Industrial Facilities Exemption Certificate Filing Fee	2,440.00
Industrial Facilities Exemption Certificate Application Amendment Fee	1,140.00
Industrial Facilities Exemption Certificate Transfer Fee	1,140.00
New Personal Property Exemption Fee	2,440.00
Junk Yard License	325.00
Medical Marijuana Location Registration Fee	845.00
Mobile Vending License	228.00
Pawnbroker License	500.00
Refuse Collection License	119.00 + 7.00 each truck
Secondhand Goods Merchant Registration Fee	124.00
Snow Removal License	233.00
Solicitor/Peddler License	150.00
Tattoo Permit	660.00
Taxi License (annual fee)	117.00 + 12.00 per vehicle
Massage Establishment License:	775.00
Renewal Fee Massage Establishment License	385.00
Passport Acceptance Fee	35.00
Passport Photo	20.00
Precinct Map	5.50
City Street Map	6.50
Zoning Map	6.50
City Budget	60.00
City Financial Audit	40.00
Collective Bargaining Agreement	7.00
Voter and Business Registry Labels (per page)	1.80
Voter and Business Registry Lists (per computer hour)	Payroll + 0.05/page
Voter List	37.00
Liquor License: Class C	2,480.00
Tavern	2,480.00
SDD & SDM	2,480.00
Entertainment and/or Dance Permit	2,480.00
Extended Hours Permit	2,480.00
Shareholder Partial Transfer	1,210.00
Hotel/Motel License:	2,480.00
Renewal Fee Hotel/Motel License	1,210.00
Certifications	8.00
Photo Copies – Black & White (Non-FOIA):	2.25
Additional Pages – Black & White (Non-FOIA)	0.30
Photo Copies – Color (Non-FOIA):	2.25
Additional Pages – Color (Non-FOIA)	0.85
Microfilm Copies (per page) (Non-FOIA)	6.10
Recording Fee (formerly Encroachment Fee)	50.00
Notary Fee	10.00
Fireworks Display Permit	825.00
Close Proximity Pyrotechnic Display Permit	825.00
Sterlingfest Art Fair Applications:	255.00
Double Booth Fee	435.00
Corner Booth Additional Charge	36.00
Sterlingfest Art Fair Vendor Jury Fee (Non-Refundable)	20.00

Sterlingfest Booth – Food Cart Vendors	685.00
Sterlingfest Booth - Restaurateurs	1,595.00
Digital Files:	
Resident (Non-FOIA)	5.00
Non-Resident (Non-FOIA)	10.00
Gazebo Rental (per event):	
Resident	69.00
Non-Resident	110.00
Gazebo Rental for Photographs Only (per 1 hour rental):	
Resident	42.00
Non-Resident	55.00
Sterling Heights Magazine Advertisement Fees:	
Full Page, Premium (Covers)	1,650.00
Full Page Ad (Two Color)	1,100.00
One-Half Page Ad (Full Color)	665.00
One-Half Page Ad (Two Color)	550.00
One-Fourth Page Ad (Full Color)	330.00
One-Fourth Page Ad (Two Color)	290.00
Business Card Ad (Full Color)	110.00
Business Card Ad (Two Color)	84.00
Three-Edition Ad Commitment (Minimum)	20% Discount
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction (Failure to Obtain Amusement Device/Amusement Device Distributor License):	
First Violation	500.00
First Repeat Offense	500.00
Reduced Fee if License Obtained Prior to Court Appearance	150.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction (Failure to Comply with Owner/Keeper of a Potentially Dangerous Dog Requirements):	
First Violation	500.00
First Repeat Offense	750.00
Second and Subsequent Repeat Offenses	1,000.00
Municipal Civil Infraction (Failure to License a Dog with the City Clerk):	
First Violation	500.00
First Repeat Offense	750.00
Reduced Fee if Licensed Prior to Court Appearance	150.00
Second and Subsequent Repeat Offenses	1,000.00

Sec. 3.04

ECONOMIC DEVELOPMENT OFFICE:

Brownfield Redevelopment Auth./Local Dev. Finance Auth. Fees:	
Application Fee (one-time up front)	590.00
Application Fee - Transformational Brownfield (one-time up front)	50,000.00
Tax Increment Plan Annual Administrative Fee	2,900.00

Sec. 3.05

ENGINEERING OFFICE:

Review Fees (To be collected with Planning Site Review Fees) :

Site Plan	680.00 + 115.00/acre + 1.3% of site imp.cost
Multiple Developments	680.00 + 115.00/acre + 1.3% of site imp.cost
Cluster Developments	680.00 + 115.00/acre + 1.3% of site imp.cost
Site Condominiums	680.00 + 115.00/acre + 1.3% of site imp.cost
Subdivisions	680.00 + 115.00/acre + 1.3% of site imp.cost

Plan Revision Review Fee	110.00

The Engineering acreage fees shall be collected with Planning Site Review Fees

Design Fees:

Construction plans and specifications -

*Class 1	7.0% of construction costs
**Class 2	8.7% of construction costs

Field engineering and contract administration -

*Class 1	2.4% of construction costs
**Class 2	2.7% of construction costs

Engineering Bid Packet Fee	57.00

R.O.W. Permits:

Review Fees – Public Improvements	1.3% of construction cost (\$75 minimum)
Review Fees – Privately Owned Facility	\$0.05/linear foot (\$75 minimum)
Inspection	Payroll +180%

Telecommunications ROW Application Fee	782.00

Major Road Residential Drive Approach (Review & Inspection)	285.00

Staking Fees	Payroll + 180%

Inspection Fees:

Site Plan	Payroll +180%
Multiple Development	Payroll +180%
Cluster Development	Payroll +180%
Site Condominiums	Payroll +180%
City Construction Projects	Payroll +180%
Subdivisions	Payroll +180%
Inspections by Consultants	Consultant Fee +10%

Private Development Engineering Consultant Fee	Consultant Fee +10%

Sidewalk Repair and Gap Programs	Cost +20%

Easement Vacations	Attorney fee+ 290.00

Easement Encroachments	310.00

Building Number Assignments (per address)	32.00

S.E.S.C. Review Fee for:

Commercial, Industrial, Multi-Family, Subdivision	¼ of 1% of first \$500,000.00 + 1/8 of 1% over \$500,000 (\$75.00 minimum)
Single-Family Residential House	80.00
Underground Private Utility	0.05 linear foot (75.00 minimum)

S.E.S.C. Inspection Fee (per inspection)	55.00

S.E.S.C. Inspection by Consultant	Consultant fee +10%

S.E.S.C. Permit Renewal Fee (\$50 min.)	10% of Permit Fee

Water & Sewer Permit Revision Review Fee	123.00

Public Services Agreement Execution Fee	43.00

Recording Fee	60.00

Water & Sewer Debt Service Agreement Finance Charge	20%

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Document Copying for:

24" x 36" Prints (Xerox 2510 or blueline) - each	10.50
34" x 34" Prints (Xerox 2510 or blueline) - each	10.50
Larger than 34" x 34" (Xerox 2510 or blueline) - each	10.50
Topographic Map 36" x 36" (blueline)	52.00
Planimetric Map 36" x 36" (blueline)	35.00
Overall Watermain Map (blueline)	13.50
Overall Sanitary Sewer Map (blueline)	13.50
Overall Storm Sewer Map (blueline)	13.50
Master Storm Sewer Plan (book form)	59.00
Master Watermain Plan (book form)	47.00
Master Sanitary Sewer Plan (book form)	47.00
Master Road Plan (book form) 1998 HRC	59.00
Municipal Civil Infraction for Various Soil Erosion and Sedimentation Control Regulations:	
First and Subsequent Repeat Offenses	750.00
Municipal Civil Infraction for Unabated Knowing Violations of City Code Chapter 17:	
Each Violation	5,000.00
First Repeat Offense	7,500.00
Second and Subsequent Repeat Offenses	10,000.00
Municipal Civil Infraction for Unabated Knowing Violations After a Notice of Determination:	
Each Violation	10,000.00
First Repeat Offense	15,000.00
Second and Subsequent Repeat Offenses	20,000.00
* Class 1 projects include drain enclosures, channel improvements, sanitary sewer, water main, and pavement overlay.	
** Class 2 projects include new road construction or reconstruction, bridges, pumping stations, etc.	

Sec. 3.06

FIRE DEPARTMENT:

Fire Reports: First Page (Non-FOIA)	17.00
Additional Pages (Non-FOIA)	1.00
Digital Photographs:	
5" x 7" Color Print (Non-FOIA)	42.00
8" x 10" Color Print (Non-FOIA)	42.00
8" x 10" Contact Sheet (Non-FOIA)	42.00
Compact Disc (Non-FOIA)	35.00
Burning Permit	250.00
Fireworks Sales Permit	840.00
Fireworks Display Permit	840.00
Close Proximity Pyrotechnic Display Permit	840.00
Board of Code Appeals	356.00
Witnessed Acceptance Test Fee	205.00
Off-Hour Witnessed Acceptance Test Fee (3 hour minimum)	945.00
Each additional hour	317.00
Reinspection Fee for Witnessed Acceptance Test	205.00
Phase I Site Inspection (1 hour minimum)	70.00 + 45.00 per hour
Special Fire Prevention Inspection (festivals, craft shows, carnivals, haunted houses, flea markets):	
Each Inspection	225.00
Each Re-Inspection	225.00
Off-Hour Inspection (3 hour minimum)	317.00

Each Additional Hour	96.00
Off-Hour Re-Inspection (3 hour minimum)	317.00
Each Additional Hour	96.00
Plan Review Fee	194.00
Resubmitted Plan Review Fee	63.00
Explosive Materials Permit Fee	240.00
Requested Fire Services (Schools, Businesses, Hazmat Incidents, etc.)	Cost+30%
Fire Inspection (New City Businesses)	104.00
Food Truck Inspection	25.00
Reinspection Fees:	
First Reinspection	104.00
Second and Subsequent Reinspections	150.00
Medical Fees:	
BLS Non-Emergency	515.00
Resident Discounted Fee	455.00
BLS Emergency	650.00
Resident Discounted Fee	600.00
ALS Non-Emergency	655.00
Resident Discounted Fee	605.00
ALS Level I Emergency	775.00
Resident Discounted Fee	700.00
ALS Level II Emergency	1,400.00
Resident Discounted Fee	950.00
Advanced Life Support Treat No Transport (subject to insurance)	505.00
Resident Discounted Fee	455.00
Oxygen	46.00
Mileage (per patient mile)	16.00
Non-emergency Lift Assists (Residential Living Facilities)	800.00
Non-emergency Responses (Residential Living Facilities)	500.00
CPR Classes (per person)	50.00
False Alarm Fees: (within a 12 month period)	
First Response	No Fee
Second Response	200.00
Third Response	370.00
Fourth and Subsequent Responses	740.00
Municipal Civil Infraction:	
First Offense Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction for Violation of a Stop Work Order:	
First Offense Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00

Sec. 3.07

NEIGHBORHOOD SERVICES:

Administrative Warrant	220.00
Board of Ordinance Nuisance Abatement Appeals	240.00
Board of Ordinance Noxious Weed Appeals	65.00
Board of Ordinance Appeals Member Compensation (per meeting)	50.00
Cutting of noxious weeds	Contract costs + 60% administrative fee + 43.00 fine
Single Family Res. Non-Homestead Inspection Fee (biennial)	145.00
Nuisance Abatement Administrative Fee	25%
Nuisance Abatement Agreement Execution Fee	Attorney Fee + 25%
Sidewalk Snow Removal Fee	Cost + 25% + 67.00
Tree Evaluation (if determined to be dead or hazardous)	75.00
Claimed Signs:	
16 sq. ft. or less	5.00 ea.
17 – 31 sq. ft.	25.00 ea.
32 sq. ft. and over	120.00 ea.
Reinspection Fee	70.00
Real Estate Sign Removal Fee	Contract Costs + 25% Administration Fee
Municipal Civil Infraction (Residential Parking and Signs):	
Each Violation	100.00
First Repeat Offense	250.00
Second and Subsequent Repeat Offenses	500.00
Municipal Civil Infraction for Prohibited Parking during a Snow Emergency (within a 2-year period):	
Each Violation	25.00
First Repeat Offense	100.00
Second and Subsequent Repeat Offenses	125.00

Sec. 3.08

PARKS & RECREATION:

Pavilion Rental:	
Dodge Park 1 & 2	
Weekday (Resident)	108.00
(Non-Resident)	159.00
Weekend (Resident)	139.00
(Non-Resident)	220.00
Dodge Park 4	
Weekday (Resident)	63.00
(Non-Resident)	93.00
Weekend (Resident)	73.00
(Non-Resident)	108.00
Farmstead & Nelson	
Weekday (Resident)	94.00
(Non-Resident)	144.00
Weekend (Resident)	126.00
(Non-Resident)	189.00
Security Deposit	100.00
Nature Center Classes:	
School Field Trips (WCS/UCS Schools)	50.00

(All Other Districts per class)	75.00
Children's Nature Classes (3 wk) (Resident)	23.00
(Non-Resident)	35.00
Adult Nature Classes (6 wk) (Resident)	51.00
(Non-Resident)	77.00
Nature Center Archery (Resident)	13.00
(Non-Resident)	20.00
Scout Badge Classes	11.00
Birthday Parties (Resident)	128.00
(Non-Resident)	166.00
Parent & Tot Classes:	
1 Child Per Family (1 hr) (Resident)	65.00
(Non-Resident)	97.00
1 Child Per Class (1.5 hr) (Resident)	97.50
(Non-Resident)	145.50
2 Children Per Family (1 hr) (Resident)	71.00
(Non-Resident)	105.00
Little Learners (1.5 hr):	
Resident	94.00
Non-Resident	134.00
Summer Playground:	
Resident	140.00
Non-Resident	215.00
Field Trip Bus Fee (Per Person)	10.00
Adaptive Recreation Dances:	
Pre-Registered (Resident)	11.00
(Non-Resident)	14.00
Staff Registration	6.00
Prom Dance – Individual (Resident)	29.00
(Non-Resident)	43.00
Christmas Dance Resident)	26.00
(Non-Resident)	35.00
Adaptive Recreation Playgrounds:	
P.O.H.I. – Individual (Resident)	280.00
(Non-Resident)	420.00
C.I. – Individual (Resident)	280.00
(Non-Resident)	420.00
Adaptive Recreation:	
Meal Prep (Resident)	23.00
(Non-Resident)	33.00
Exercise (6 weeks) (Resident)	38.00
(Non-Resident)	56.00
Softball – Individual (Resident)	57.00
(Non-Resident)	73.00
Softball – 2nd player - Same Family (Resident)	47.00
(Non-Resident)	62.00
Softball – 3rd player - Same Family (Resident)	37.00
(Non-Resident)	52.00
Basketball (Resident)	63.00
(Non-Resident)	81.00
Kickball (Resident)	47.00

(Non-Resident)	61.00
Adaptive Bike Club: (Resident)	47.00
(Non-Resident)	61.00
Adaptive Diner's Club: (Resident)	10.00
(Non-Resident)	13.00
Farmers Market:	
Advanced Pay-Full Season	408.00
Per-Day Rate	30.00
Electricity (Additional Fee Per Day)	8.00
Vendor Alcohol Permit Per Day	8.00
Vendor Alcohol Permit Full Season	55.00
Food Truck/Vendor (Rate per day)	80.00
Food Truck/Vendor-Non Market (Rate per Day)	48.00
Splash Pad:	
Resident	0.00
Non-Resident	5.00
Ice Rink:	
Resident	0.00
Non-Resident	5.00
Skate Rental	5.00
Ice Skating Lessons: (Resident)	41.00
(Non-Resident)	53.00
Dodge Park Carriage Rides:	
Couple	75.00
Foursome	100.00
Dog Park Annual Membership:	
Resident	12.00
Non-Resident	24.00
Senior Resident	10.00
Senior Non-Resident	20.00
Drop-in Community Center Fee:	
Resident	0.00
Non-Resident	5.00
Coffeehouse Tickets:	
Advance Tickets (Resident)	19.00
(Non-Resident)	23.00
Subscription (Resident)	42.00
(Non-Resident)	55.00
At the Door Sales (Resident)	19.00
(Non-Resident)	25.00
Mom 2 Mom Resale:	
10 x 8 Space (Resident)	20.00
(Non-Resident)	30.00
12 x 10 Space (Resident)	35.00
(Non-Resident)	45.00
Table Rental	10.00
Beg. Karate (60 Minute):	
Resident	66.00
Non-Resident	86.00
Adv. Karate (90 Minute):	

Resident	100.00
Non-Resident	130.00
Yoga/Fitness Classes (6 weeks):	
Resident	45.00
Non-Resident	58.00
Essentrics Classes (6 weeks):	
45 Minutes (Resident)	49.00
(Non-Resident)	63.00
30 Minutes (Resident)	42.00
(Non-Resident)	55.00
Home Alone Safety:	
Resident	17.00
Non-Resident	22.00
Babysitting:	
Resident	33.00
Non-Resident	42.00
Sporties for Shorties / Rookie Recreators (6 Weeks)	
Resident	39.00
Non-Resident	50.00
Double Header Softball	960.00
Single Header Softball	630.00
Co-ed Kickball	350.00
Sand Volleyball League	278.00
Adult Basketball	480.00
Youth Basketball:	
Early Registration:	
Resident	120.00
Non-Resident	156.00
Registration	
Resident	130.00
Non-Resident	169.00
Late Registration	
Resident	150.00
Non-Resident	195.00
Ball Field Rental Fees – Daily:	
Delia or LWB Park (per field per day):	
MABF Teams/Church Teams	120.00
All Other Users	130.00
All Users – Lighted Fields Additional Fee (per day)	69.00
Donovan Park (per field per day):	
MABF Teams/Church Teams	100.00
All Other Users	110.00
All Users – Lighted Fields Additional Fee (per day)	49.00
Ball Field Request to Groom/Stripe Additional Fee	Cost+25%
Cricket Field Rental Fees:	
Weekend (6 hours; Sat/Sun)	300.00
Weekday (3 hours; M-F)	150.00
Soccer Field Rental Fees (per field up to 6 hours):	
Daily	100.00
Weekly (one week only)	300.00
Youth Baseball/Softball:	

Early Registration:	
Resident	155.00
Non-Resident	200.00
Registration	
Resident	170.00
Non-Resident	220.00
Late Registration	
Resident	195.00
Non-Resident	250.00
E Sports Tournament	5.00
E Sports League: (Resident)	36.00
(Non-Resident)	47.00
Daddy/Daughter Dance:	
Resident per person	30.00
Non-Resident per person	39.00
Daddy/Daughter Dance (Matinee):	
Resident per person	18.00
Non-Resident per person	23.00
Mother/Son Cookout:	
Resident Couple	30.00
Non-Resident Couple	39.00
Gymnastics (10 Weeks):	
45 minute Class (Resident)	80.00
Non-Resident	104.00
One Hour Class (Resident)	96.00
Non-Resident	125.00
30 Minute Dance:	
Fall Session (Resident)	55.00
Non-Resident	72.00
Winter/Spring Session (Resident)	66.00
Non-Resident	86.00
45 Minute Dance Classes:	
Fall Session (Resident)	67.00
Non-Resident	87.00
Winter/Spring Session (Resident)	100.00
Non-Resident	130.00
60 Minute Dance Classes:	
Fall Session (Resident)	78.00
Non-Resident	101.00
Winter/Spring Session (Resident)	110.00
Non-Resident	143.00
Senior Center Activities:	
Arthritis Exercise (Resident)	7.00
Non-Resident	9.00
Belly Dancing (Resident)	7.00
Non-Resident	9.00
Bowling League (Resident)	18.00
Non-Resident	26.00
Exercise (Resident)	7.00
Non-Resident	9.00

Line Dance (Resident)	7.00
Non-Resident	9.00
Senior News Subscription per year (Resident)	13.00
Non-Resident	19.00
Stained Glass Class (Resident)	7.00
Non-Resident	9.00
Tai Chi (Resident)	7.00
Non-Resident	9.00
Zumba Gold (Resident)	7.00
Non-Resident	9.00
Pickleball League (6 Weeks) (Resident)	26.00
Non-Resident	34.00
Seasonal Events (Resident)	22.00
Non-Resident	28.00
Holiday Party (Resident)	27.00
Non-Resident	34.00
Senior Center Annual Membership (Resident)	16.00
(Non-Resident)	32.00
Senior Bus Trip:	
1 Day.....(Resident)	11.00
Non-Resident	16.00
2-4 Days....(Resident)	18.00
Non-Resident	26.00
SMART Bus Day Trips: (Resident)	6.00
Non-Resident	9.00
Parks and Recreation Plan	10.50
Community Garden:	
Large Plot (Resident)	120.00
Non-Resident	180.00
Planter Bed (Resident)	60.00
Non-Resident	90.00
Children's Bed (Resident)	30.00
Non-Resident	45.00

Sec. 3.09

PLANNING:

Special Approval Land Use/Planned Unit Development	696.00
Temporary Use Planning Commission	514.00
Temporary Use Administrative Review	305.00
Variances to Subdivision Regulations	520.00
Right-of-Way Vacations	745.00
Rezoning Petition:	
First Acre	2,135.00
Additional Acre	80.00
Revisions to Approved Conditional Rezoning Agreements	amount consistent with original fee
Public Hearing Postponements (Petitioner Requested)	100.00
Ordinance Text Amendment	2,135.00
Subdivision Plat/Site Condominium	1,670.00
Each lot over 100 lots	10.00

Site Plan Review: (incl. Landscape Plan, Inspection and Tree Preservation Administrative Fee)	
First Acre	680.00
Additional Acre	115.00
Master Land Use Report	50.00
Master Land Use Map	17.00
Subdivision Plat Print (per sheet)	17.00
Planning Commissioner Compensation (per meeting)	100.00
Board of Zoning Appeals Member Compensation (per meeting)	100.00
Alternate Member Compensation (per meeting)	30.00
Zoning Board of Appeals:	
Variance (Regular Meeting)	520.00
Variance (Special Meeting)	995.00
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third or Subsequent Repeat Offenses	1,500.00

Sec. 3.10

POLICE DEPARTMENT:

Police Reports:	
First Page (Non-FOIA)	16.00
Additional Pages (Non-FOIA)	2.00
Clearance Letter	21.00
Photos: 8" x 10" Color (Non-FOIA)	38.00
5" x 7" Color (Non-FOIA)	36.00
8" x 10" Contact Sheet (Non-FOIA)	36.00
Compact Disc (Non-FOIA)	51.00
Administrative Towing Fees: (Charged to Towing Company)	
Inspection of VIN	32.00
Reports on TR-52 Tracking	37.00
Administration and Presence at Auction	680.00
Audio Tape Duplication Fee (Non-FOIA)	48.00
Video Tape, DVD, CD Duplication Fee (Non-FOIA)	51.00
Animal Give-up Fee:	
No Euthanasia	175.00
No Euthanasia With Vaccines and/or Sterilization	225.00
Euthanasia	175.00
Animal Impoundment Fee (Per Day)	35.00
Macomb County Animal Care Fee (Per Day)	35.00
Animal Trap Rental Deposit (Per 5 Days)	75.00
Animal 10-Day Quarantine Fee	350.00
Rabies Testing:	
Euthanasia Not Required	Cost + \$35.00 Convenience Fee
Euthanasia Required	Cost + \$35.00 Convenience Fee
Treatment Rendered to an Animal	Cost + \$35.00 Convenience Fee
Use of Tranquilizer Equipment (County)	Cost + \$35.00 Convenience Fee
County Animal Control Officer Fee	Cost + \$35.00 Convenience Fee
Personal Breathalyzer Test (PBT)	34.00

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Booking Photo (Non-FOIA)	17.00
Notary Fee for Gun Permits	10.00
Park Alcohol Permit Fee	44.00
Temporary Liquor License Application Fee:	215.00
Outdoor Service Permit	310.00
Towed Vehicle Impound Fee	36.00
Warrant Fee (All Warrants)	10.00
False Alarm Fees: (within a 12 month period)	
First Response	No Fee
Second Response	No Fee
Third Response (Residential)	45.00
Third Response (Non-Residential)	119.00
Fourth Response (Residential)	77.00
Fourth Response (Non-Residential)	245.00
Fifth and Subsequent Responses (Residential)	162.00
Fifth and Subsequent Responses (Non-Residential)	483.00
Municipal Civil Infraction (including Animal Control Regulations):	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction for Prohibited Parking during a Snow Emergency (within a 2-year period):	
Each Violation	25.00
First Repeat Offense	100.00
Second and Subsequent Repeat Offenses	125.00
Municipal Civil Infraction for Youth Curfew Violations:	
Each Violation	25.00
First Repeat Offense	50.00
Second and Subsequent Repeat Offenses	100.00
Municipal Civil Infraction for Violation of Bicycle Regulations (City Parks):	
Each Violation	10.00
First Repeat Offense	25.00
Second and Subsequent Repeat Offenses	50.00

Sec. 3.11

PUBLIC LIBRARY:

Overdue fines (per day):	
Hardcover Books (maximum \$10.00)	0.25
Paperback Books (maximum \$3.00)	0.25
Magazines (maximum \$3.00)	0.25
Audios (maximum \$10.00)	0.25
Compact Discs (maximum \$10.00)	0.25
DVD's (maximum \$10.00)	0.25
Replacement Library Card	3.00
Suburban Library Cooperative Non-Resident Library Card	200.00
Black & White Copy/Computer Print	0.10
Color Copy/Computer Print	1.00
Internet Use Without Library Card	No fee
Municipal Civil Infraction:	

Each Violation	75.00
First Repeat Offense	150.00
Second or Subsequent Repeat Offenses	300.00

Sec. 3.12

PUBLIC WORKS DEPARTMENT:

Sewer Inspection	124.00
Sewer Tap	1,350.00
Sewer Capital - Based on Meter Size:	
5/8"	530.00
3/4"	530.00
1"	1,140.00
1 1/2"	2,450.00
2"	3,910.00
3"	8,480.00
4"	15,370.00
6"	33,500.00
8"	68,270.00
10"	102,390.00
12"	190,070.00
Sewer Frontage (per front ft.)	80.00
Sewage Disposal Service Only - Commercial (per billing)	101.00
Sewage Disposal Service Only - Residential (per billing)	34.00
Residential and Commercial Water Meters:	
3/4" Remote	520.00
1" Remote	600.00
1 1/2" Remote	920.00
2" Compound Remote	2,360.00
3" Compound Remote	4,210.00
4" Compound Remote	5,900.00
6" Compound Remote	8,740.00
Damaged Meter Fee 5/8" - 3/4"	230.00
Water Inspection	124.00
Water Tap:	
1"	1,570.00
1 1/2"	2,180.00
2"	2,560.00
3"	4,790.00
4"	4,880.00
6"	5,570.00
Additional Charge for 86 ft. wide street:	
1"	440.00
1 1/2"	490.00
2"	630.00
Additional Charge for 120 ft. wide street:	
1"	780.00
1 1/2"	1,070.00
2"	1,330.00
Additional Charge for 204 ft. wide street:	

1"	1,950.00
1 ½"	2,490.00
2"	3,560.00
Water Capital - Based on Meter Size:	
5/8"	530.00
¾"	530.00
1"	1,390.00
1 ½"	2,750.00
2"	4,440.00
3"	9,440.00
4"	17,390.00
6"	35,840.00
8"	77,180.00
10"	115,870.00
12"	215,080.00
Water Frontage (per front ft.)	49.00
Monitor Surcharge	per GLWA Indust. Waste Control Base Structure
Water Turn On Fee	109.00
Water Service Fee (avoidable & repeat visits)	119.00
Water Service Abandonment Fee:	
Residential	560.00
Commercial	Contract Costs + 1,120.00
Sewer Service Abandonment Fee	123.00
Water Service Re-Use Fee:	
Residential	560.00
Commercial	Contract Costs + 1,120.00
Sewer Service Re-Use Fee	123.00
Water Meter Testing Fee	122.00
24 Hour and 48 Hour Bacteria Sampling	109.00
Water Meter Rescheduling Fee	230.00
Non-Compliance with Service Request	280.00
Non-Compliance with Back Flow Fee	280.00
Water Meter Interface Unit (MIU) Opt-out Enrollment fee (one time)	260.00
Manual Read Fee for MIU Opt-Out Program (monthly)	35.00
Automatic Fixed Network Meter Read Permit	207.00
Final Water Meter Read	44.00
Final Water & Sewer Bill Preparation Fee	22.00
Monthly Bill Credit for AutoPay and Ebill Sign up	(5.00)
Duplicate Water Bills Printed & Mailed (per bill/month)	5.00
Citizen Water Service Request – after hours	109.00
Public Works Services Provided	Cost+25%
Water Meter Removal/Reinstallation for common area irrigation system (one-time fee/year)	109.00
Landlord/Tenant Affidavit Filing Fee	280.00
Fire Hydrant Rental – Payable by City	31.00
Private Use of Fire Hydrant:	
Per Hydrant	110.00 per month + 420.00 water usage dep.
Bypass Inspection Fee	Back bill + 185.00
Common Area Irrigation System Permit	480.00
Planting of Tree in Right-of-way	310.00
Culvert installation permit	112.00

Ditch enclosure permit	112.00
Monitoring well installation permit	540.00
Sewer connection to discharge treated ground water	540.00
Special Pickup/Additional Refuse Collection	Contract costs + 25% administrative fee
Refuse Collection Fees (Schools)	Contract costs
Refuse Collection Fees (Mobile Home Parks and Apartment Complexes)	Contract costs +
	5% administrative fee – refuse taxes paid
Curbside Recycling License (min. \$1,500/year)	1% of program revenue based upon previous yr
Debris Removal Fee	Contract Costs + 25% administrative fee
Tree Branch Chipping Fee (in-house)	125.00
Fleet Services Requested by Other Cities	Cost+30%
Municipal Civil Infraction:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00
Municipal Civil Infraction for Trash Placed at Curb Outside of Permitted Hours:	
Each Violation	25.00
First Repeat Offense	50.00
Second and Subsequent Repeat Offenses	100.00
Municipal Civil Infraction for Violation of a Mandatory Water Restriction:	
Each Violation	25.00
First Repeat Offense	50.00
Second and Subsequent Repeat Offenses	100.00
Municipal Civil Infraction for Raking Leaves Into Street:	
Each Violation	25.00
First Repeat Offense	50.00
Second and Subsequent Repeat Offenses	100.00

Sec. 3.13

TREASURY OFFICE:

Bounced Check Fee	30.00
Delinquent Bill to Tax Roll Penalty (excluding Water & Sewer)	17%
Late Payment Penalty	6%
Penalty Assessment on Delinquent Taxes	3%
Attorney Review Fee for Liens or Discharges	90.00
Subordination of Lien	600.00
Annual Lien Penalty	6% + lien filing costs
O.U.I.L./O.U.I.D.	370.00 + additional reimbursements
Property Tax Administration Fee (P.T.A.F.)	1%
Summer Tax Roll Request	100.00
Winter Tax Roll Request	100.00
City Delinquent Collection Fee on all Taxes, Charges, and Assessments paid after Sept. 1 (per month)	1/2%
Municipal Civil Infraction for Failure to Pay Police or Fire False Alarm Invoices:	
Each Violation	150.00
First Repeat Offense	375.00
Second Repeat Offense	750.00
Third and Subsequent Repeat Offenses	1,500.00

ARTICLE IV

The City Manager is hereby authorized to make transfers within the budgetary centers established in this ordinance but all transfers between budgetary centers, contingencies, reserves, and fund balances shall be made only by further action of the City Council pursuant to law; the City Manager is hereby authorized to sign letters of severance after notifying the City Council and establish City programs which are a de minimis, but necessary expenditure for the benefit of the recipient employee and funded through appropriations in this ordinance; the City Manager is hereby authorized to release bidding documents for those capital items and recurring commodities expressly authorized within appropriations in this ordinance for public review by the City Council following receipt of bids.

ARTICLE V

SEVERABILITY

If any clause, sentence, paragraph, or part of this ordinance, or the application thereof to any person or circumstance, shall for any reason be adjudged by any Court of competent jurisdiction to be unconstitutional or invalid, said judgment shall not affect, impair, or invalidate the remainder of this ordinance and the application of such provision to other persons or circumstances, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered and to the person or circumstances involved. It is hereby declared to be the legislative intent of this body that the ordinance would have been adopted had such invalid provision not been included.

ARTICLE VI

EFFECTIVE DATE

This ordinance shall become effective July 1, 2025.

BY ORDER OF CITY COUNCIL

ADOPTED: 05/06/2025

PUBLISHED: 05/28/2025

EFFECTIVE: 07/01/2025

Believe you can and you're halfway there.

~ Theodore Roosevelt ~



A

ACCRUAL BASIS - Accrual basis accounting recognizes transactions when they occur, regardless of the timing of related cash flows. The application of accrual accounting techniques prevents distortions in financial statement representations due to shifts in the timing of cash flows and related underlying economic events near the end of a fiscal period.

ACT 51 - Highway and street funds derived from gas and weight taxes, distributed to communities by the Michigan Department of Transportation based on a municipality's population and number of street miles.

ACT 78 CIVIL SERVICE COMMISSION - Established by Act No. 78 of the Michigan Public Acts of 1935 and incorporated into the City Charter. A General Fund Activity which governs the testing for appointment, employment, promotion, transfer, suspension, reinstatement, and discharge of all Police and Fire personnel.

ACTIVITY - An office within a department to which specific expenses are to be allocated.

AMORTIZATION - The process of reducing, or accounting for, an amount (usually a financial debt) over a period according to a plan.

APPROPRIATION - An authorization granted by a legislative body to incur obligations and to expend public funds for a stated purpose.

APPROPRIATIONS ORDINANCE - The official enactment by the City Council establishing the legal authority for the City to incur obligations and to expend public funds for a stated purpose.

APPO - Administrative Policies & Procedures Order. Promulgation of orders to help ensure efficiency, effectiveness or fiscal responsibility in municipal operations.

ASSET - Anything owned by an individual or a business, which has commercial exchange value. Assets may consist of specific property or claims against others, in contrast to obligations due others.

AUDIT - An official inspection of an individual's or organization's accounts, typically by an independent body.

B

BALANCED BUDGET - A budget in which estimated revenues and use of reserves are equal to or greater than estimated expenditures.

BOND - a certificate issued by a government or a public company promising to repay borrowed money at a fixed rate of interest at a specified time.

BUDGET - An estimate of income and expenditure for a set period of time.

BUDGET MESSAGE - A written policy and financial overview of the City as presented by the City Manager.

BUDGETARY CENTER - A grouping of offices' or activities' budgets that are combined to create a cost center in which actual expenditures cannot exceed budgeted appropriations.

C

CAPITAL OUTLAY - A disbursement of money which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than \$2,500 to be a capital item.

CAPITAL PROJECTS FUND - A fund to account for the development of municipal capital facilities other than those financed by the Enterprise Fund.

COMPENSATED ABSENCE - An absence for which an employee is paid, such as vacation, holiday, or sick leave.

COMPONENT UNIT - A legally separate organization for which a primary government is financially accountable. The City has four component units: the Corridor Improvement Authority, the Local Development Finance Authority, the Economic Development Corporation, and the Brownfield Redevelopment Authority.

CONTINGENCY - An estimated amount of funds needed for deficiency, contingent or emergency purposes.

D

DEBT SERVICE FUND - A fund to account for the accumulation of resources for and the payment of general long-term debt principal and interest.

DEFERMENT - A form filed by qualifying residents allowing a postponement of the summer homestead tax, without levying interest or penalty, unless payment is made after the deferment date.

DEFICIT - An excess of liabilities and reserves of a fund over its assets.

DEPARTMENTAL MISSION STATEMENT - A mission statement provides the full range of activities that will be used in the results oriented budget format to link the municipal purpose with the financial resources of the department.

DEPRECIATION - The amount of expense charged against earnings by a company to write off the cost of an asset over its useful life, giving consideration to wear and tear, obsolescence, and salvage value.

E

EFFICIENCY PERFORMANCE INDICATOR - The quantifying of the relationship between input and output.

EFFECTIVENESS PERFORMANCE INDICATOR - The measure of results, accomplishments, or quality of the item or service provided.

ENCUMBRANCE - An anticipated expenditure, or funds restricted for anticipated expenditures, such as for outstanding purchase orders.

ENTERPRISE FUND - A fund established to account for operations that are financed and operated in a manner similar to a private business, i.e., the intent of the governing body is that the costs of providing goods or services to the general public on a

continuing basis be financed or recovered primarily through user charges. (Water & Sewer is an example of an enterprise fund.)

EQUALIZATION FACTOR - A multiplier that is applied to the Assessed Value of a class of property by the County Equalization Department or State Tax Commission that will produce a sum that represents 50% of the true cash value of that class.

EXPENDITURE - The cost of goods delivered and services rendered, whether paid or unpaid, including expenses, debt retirement not reported as liability of the fund from which retired, or capital outlay.

EXPENDITURE OBJECT - An expenditure object is a specific classification of expenditure accounts which includes a number of related accounts determined by the type of goods and services to be purchased. For example, the personnel services expenditure object includes the wages account as well as all fringe benefit accounts. Expenditure objects include personnel services, supplies, other charges, capital outlay, debt service, and transfers out.

F

FTE - The amount of funding for full-time positions and part-time positions converted to the decimal equivalent of a full-time position (based on 2,080 hours per year, as set by the ICMA Center for Performance Measurement).

FIDUCIARY FUND - A fund established to account for resources held for the benefit of parties outside of the government. The City's fiduciary funds include both the pension and other postemployment benefit trust funds and the custodial funds (tax receiving and Cour

FISCAL YEAR - An accounting period of twelve months. The City's fiscal year begins July 1st and ends June 30th.

FIXED ASSETS - Fixed assets are equipment and other capital items used in governmental fund type operations and are accounted for in the

governmental full accrual statements and recorded as expenditures at the time of purchase.

FUND - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities.

FUND ACCOUNTING - The accounts of the City are organized on the basis of funds and account groups in order to report on its financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

FUND BALANCE - The excess of a fund entity's accumulated assets over its liabilities. Typically, excess revenues over expenditures at year-end will increase a fund's fund balance.

G

GAAP - Generally Accepted Accounting Principles. The guiding conventions, rules, and procedures that define accepted accounting practice at a particular time in the United States.

GENERAL FUND - The City's major operating fund to account for all financial resources except those required to be accounted for in another fund.

GOVERNMENTAL FUND - A monetary resource of the City that is used in financing government projects and expenditures.

GROUP A CRIME OFFENSE - A more serious group of crimes such as larceny, robbery, murder, or gambling.

GROUP B CRIME OFFENSE - A less serious group of crimes such as solicitation, trespassing, or disorderly conduct.

H

HEADLEE ROLLBACK - A term coined with the passage of the Headlee Amendment to the Michigan Constitution in 1978. Headlee requires a local unit of government to reduce its millage when annual growth on existing property is greater than the rate of inflation.

I

ICMA CENTER FOR PERFORMANCE MEASUREMENT - Center created to help communities obtain fair, accurate and comparable data about the quality and efficiency of service delivery to their residents.

INTERNAL SERVICE FUNDS - Funds used to finance and account for services furnished by a designated department to another department within a single governmental unit. Included in this category is the Self-Insurance Fund. This Fund was established in 1986 when the City became a participant in the Michigan Municipal Risk Management Authority. Expenses in this Fund include reinsurance charges, administration fees, and claims expenses and reserves for both reported and unreported claims.

L

LIABILITY - A loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honored by that entity.

LINE ITEM BUDGET - A budget which emphasizes allocations of resources to given organizational units for particular expenditures, such as salaries, supplies, services, and equipment. Line item budgets may be organized to provide accountability at varying levels, such as department, division, or agency levels.

M

MIDC - Michigan Indigent Defense Commission

MIP - A multi-year *Municipal Improvement Program* that is developed to plan and guide the needed capital improvements and expenditures in a fiscally sound manner, and to ensure that these

improvements are consistent with the goals and policies of the City Council and the City's residents.

MAJOR FUND - A fund whose revenues, expenditures, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

MILLAGE RATE - A rate used to determine the amount of annual property tax a property owner must pay. This rate is expressed in mills per dollar or 1/10 cent. Each governing body that levies property taxes sets its own millage rate annually. Property taxes may generally be calculated by multiplying the millage rate by the amount of, or a percentage of, the assessed value. (A mill represents \$1 of tax per \$1,000 of assessed valuation.)

MODIFIED ACCRUAL BASIS - The basis of accounting under which revenues are recognized in the period they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority. Exceptions to the general rule of expenditure recognition occur in debt service.

O

OPERATING BUDGET - The operating budget is the authorized revenues and expenditures for on-going municipal services and is the primary means by which government is controlled. The life span of an operating budget typically is one year or less. Personnel costs, supplies, and other charges are found in an operating budget. A capital budget typically has a long term outlook where a project can span a several year period.

OPERATING TRANSFER - Transfer from a fund receiving revenue to the fund through which the resources are to be expended.

ORDINANCE EMPLOYEE - An employee position which is called for and whose duties are described

in the City Charter and who is not a member of a collective bargaining agreement.

OTHER CHARGES - An expenditure object within an activity which includes professional services, utilities, rents, and training for example.

OUIL - Operating Under the Influence of Liquor. The detainment of an individual who is operating, authorizing or knowingly permitting another person to operate a motor vehicle while under the influence of intoxicating liquor or controlled substance, or combination thereof, or with blood alcohol level content of .10% or more.

OUTPUT PERFORMANCE INDICATOR - The measure of quantity or volume of products or service provided.

P

PERFORMANCE INDICATOR - A measurement of how a program is accomplishing its mission through the delivery of products or service. See Output Performance Indicator, Effectiveness Performance Indicator, or Efficiency Performance Indicator.

PERFORMANCE OBJECTIVE - Desired output oriented accomplishment which can be measured within a given time period.

PERSONNEL SERVICES - An expenditure object within an activity, which includes payroll and all fringe benefits.

R

RESULTS ORIENTED BUDGETING - A management concept which links the annual line item budget to departmental results of operations.

REVENUE - An addition to the assets of a fund, which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets, and does not represent a contribution of fund capital in enterprise or in intra-governmental service funds.

S

SAD - Special Assessment District. A geographic area over which a governing authority has power to levy taxes for specific public uses.

SERVICE STATEMENT - A statement of general and specific service deliveries rendered by an activity for the community.

SINKING FUND - A special reserve account created by a bond issuer. The issuer promises to put money into the account at regular intervals and to use the cash that accumulates to redeem the bonds.

SMARTZONE - The Smartzone program was created by the State of Michigan in 2005 as a tool to spur technology development and business creation. In SmartZone areas, unique technology development, entrepreneurial support, and infrastructure are available to meet the needs of growing technology companies.

SPECIAL ASSESSMENT - A tax or levy imposed against specific parcels of real estate that will benefit from a proposed public improvement like a street or sewer.

SPECIAL REVENUE FUND - A fund to account for the proceeds of specific revenue sources (other than special assessment, expendable trusts, or the major capital projects) that are legally restricted to expenditures for specified purposes.

SUPPLIES - An expenditure object within an activity which includes all supplies that have a useful life of less than one year and/or a purchase price of less than \$1,000.

SURPLUS - An excess of the assets of a fund over its liabilities and reserves.

T

TRANSFER IN/OUT - A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

TRUST & AGENCY FUND - Trust & Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments, or other funds. These include the Retirement Systems and the Agency Funds. The Retirement Systems are accounted for in the same manner as a proprietary fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operations.

W

WATER & SEWER FUND - This enterprise fund accounts for the operation of a combined water and sewer system. The revenues consist of charges for services from City businesses and residences which are used to pay for all water and sewer related expenses.

ACFR - Annual Comprehensive Financial Report

ADA - Americans with Disabilities Act

AED - Automated External Defibrillator

AFSCME - American Federation of State, County & Municipal Employees

ALS - Advanced Life Support

AMAR - Audit of Minimum Assessing Requirements

AMI - Advanced Metering Infrastructure

APPO - Administrative Policies & Procedures Order

ARPA - American Rescue Plan Act

BCSEM - Beautification Council of Southeastern Michigan

BEST - Border Enforcement Security Task Force

BLS - Basic Life Support

BOA - Board of Ordinance Appeals

BOCA - Board of Code Appeals

BRA - Brownfield Redevelopment Authority

BS & A - Financial software system

CAMA - Computer Assisted Mass Appraisal

CARES - Coronavirus Aid, Relief and Economic Security

CCF - 100 cubic feet

CCU - Capital Coordinating Unit

CCW - Concealed Carry Weapon

CDBG - Community Development Block Grant

CERT - Community Emergency Response Team

CFM - Cubic feet per minute

CIA - Corridor Improvement Authority

COA - Command Officers Association

COBRA - Consolidated Omnibus Budget Reconciliation Act (Continuation of Health Coverage)

CORE - Community Outreach and Engagement

COPS - Citizens on Patrol

COVID-19 - Coronavirus 2019

CRU - Community Response Unit

CSU - Crime Suppression Unit

DIA - Detroit Institute of Arts

DEA - Drug Enforcement Agency

DEQ - Department of Environmental Quality

DPU - Directed Patrol Unit

DPW - Department of Public Works

DROP - Deferred Retirement Option Plan

DTE - DTE Energy

EDC - Economic Development Corporation

EGLE - Department of Environment, Great Lakes and Energy

ELB - Electronic Lock Box

EMS - Emergency Medical Services

EOC - Emergency Operations Center

EPA - Environmental Protection Agency

EROP - Early Retirement Option Plan

ERP - Enterprise Resource Planning

ESOG - Emergency Services Operations Group

ESRI - Environmental Systems Research Institute

EV - Electric Vehicle

FAN - Families Against Narcotics

FANTOM - Federal Anti-Narcotics Team of Macomb

FASB - Financial Accounting Standards Board

FOIA - Freedom of Information Act

FTE - Full-time Equivalent

GAAP - Generally Accepted Accounting Principles

GASB - Governmental Accounting Standards Board

GERS - General Employees' Retirement System

GEMT - Ground Emergency Medical Transport

GFOA - Government Finance Officers Association

GHG - Green House Gas

GIS - Geographical Information System

GLWA - Great Lakes Water Authority

HRIS - Human Resources Information System

IAFF - International Association of Fire Fighters

ICAC - Internet Crimes Against Children

ICMA - International City/County Management Association

IFEC - Industrial Facilities Exemption Certificate

IFT - Industrial Facilities Tax

IROL - Inspection Reports Online

ITB - Invitation to Bid

JIS - Judicial Information Services

KVA - 1,000 volt amps

LCSA - Local Community Stabilization Authority

LDFA - Local Development Finance Authority

LED - A light source that is more economical than traditional electric lighting

LTGO - Limited Tax General Obligation

LWB - L.W. Baumgartner Park

MABF - Macomb Amateur Baseball Federation

MACC - Managed Assigned Counsel Coordinator

MACRO - Macomb Area Communities for Regional Opportunities

MAMC - Michigan Association of Municipal Clerks

MAP - Michigan Association of Police

MAPE - Michigan Association of Public Employees

MATS - Macomb Auto Theft Squad

MCOLES - Michigan Commission on Law Enforcement Standards

MCPW - Macomb County Public Works

MCREST - Macomb County Rotating Emergency Shelter Team

MCTA - Macomb County Treasurers' Association

MDC - Mobile Data Computer

MDEQ - Michigan Department of Environmental Quality

MDOT - Michigan Department of Transportation

MEDC - Michigan Economic Development Corporation

MelCat - Michigan electronic library catalog

MGFOA - Michigan Government Finance Officers Association

MIDC - Michigan Indigent Defense Commission

MICRS - Michigan Care Improvement Registry

MIP - Municipal Improvement Program

MISD - Macomb Intermediate School District

MITN - Michigan Inter-Governmental Trade Network

MIU - Milli-international unit

MLEAC - Michigan Law Enforcement Accreditation Program

MML - Michigan Municipal League

MMSVP - Michigan Marshall & Swift Valuation Platform

MMTA - Michigan Municipal Treasurer's Association

MPELRA - Michigan Public Employer Labor Relations Association

MRF - Material Recycling Facility

MUNIS - Financial Software

MTF - Michigan Transportation Fund

MTU - Meter Transmission Unit (Water measurement)

NFA - National Fire Academy

NFIRS - National Fire Incident Reporting System

NFPA - National Fire Protection Association

NIMS - National Incident Management System

NLC - National League of Cities

NVDA - North Van Dyke Avenue District

OBA - Ordinance Board of Appeals

OMID - Oakland Macomb Interceptor District

OnBase - City Clerk's document managing system

OPEB - Other Post-employment Benefits

OUIL - Operating Under the Influence of Liquor

OWI - Operating While Intoxicated

PASER - Pavement Surface Evaluation and Rating

PFRS - Police & Fire Retirement System

PPP - Pathway to Play and Preservation

PTAF - Property Tax Administration Fee

PUD - Planned Unit Development

PZE - Planning, Zoning & Engineering

QRT - Quick Response Team

QVF - Qualified Voter File

RFP - Request for Proposal

SAD - Special Assessment District

SAW - Stormwater, Asset Management and Wastewater

SAFER Grant - Staffing for Adequate Fire and Emergency Response

SCBA - Self-Contained Breathing Apparatus

SEMCOG - Southeastern Michigan Council of Governments

SEMREO - Southeast Michigan Regional Energy Office

SESC - Soil Erosion and Sediment Control

SHACF - Sterling Heights Area Community Foundation

SHINE - Sterling Heights Initiative for Neighborhood Excellence.

SHEG - Sterling Heights Executive Group

SHPD - Sterling Heights Police Department

SHTV - Sterling Heights Television

SMART - Suburban Mobility Authority for Regional Transportation

SMART Moves - Skills Master and Resilience Training

SRT - Special Response Team

STEM - Science, Technology, Engineering, and Mathematics

TNR - Trap, Neuter and Return

TIF - Tax Increment Financing

VSAN - Virtual Storage Area Network

VTGO - Voted Tax General Obligation

UCS - Utica Community Schools

WAN - Wide Area Network

WCS - Warren Consolidated Schools

Wdesk - Budget book builder software

WRAP - Water Residential Assistance Program

ZBA - Zoning Board of Appeals

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We must consult our means rather than our wishes.

~ George Washington ~

