

# **BUDGET 2025-2026**



## **PORT HURON MICHIGAN**

ADOPTED BY  
CITY COUNCIL  
MAY 27, 2025

**FINAL ADOPTED BUDGET**

**CITY OF PORT HURON**

**FOR**

**THE FISCAL YEAR**

**2025-2026**

# CITY OF PORT HURON BUDGET

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# CITY OF PORT HURON BUDGET

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## **Schedule of Estimated Revenues – General Fund**

# **SCHEDULE OF ESTIMATED REVENUES**

## **GENERAL FUND**

2025-2026

	Actual		Budget			
	2022-2023	2023-2024	2024-2025	2025-2026	Increase	Decrease
<b>TAXES:</b>						
Real property taxes	\$ 8,811,915	\$ 9,516,174	\$ 10,120,000	\$ 10,780,000	\$ 660,000	\$ -
Personal property taxes	715,072	718,787	720,000	870,000	150,000	-
Property tax administration fee	369,173	399,259	375,000	375,000	-	-
Income tax	10,015,449	9,585,727	9,200,000	9,660,000	460,000	-
Payment in lieu of taxes	61,600	73,249	60,000	70,000	10,000	-
Penalties and interest on taxes	190,319	226,426	225,000	225,000	-	-
	<u>20,163,528</u>	<u>20,519,622</u>	<u>20,700,000</u>	<u>21,980,000</u>	<u>1,280,000</u>	<u>-</u>
<b>BUSINESS LICENSES AND PERMITS:</b>						
Demolitions	440	440	3,000	1,000	-	2,000
Cable television	330,306	307,592	350,000	300,000	-	50,000
Miscellaneous	148,586	70,680	60,000	65,000	5,000	-
	<u>479,332</u>	<u>378,712</u>	<u>413,000</u>	<u>366,000</u>	<u>5,000</u>	<u>52,000</u>
<b>NONBUSINESS LICENSES AND PERMITS:</b>						
Building	376,930	310,721	275,000	300,000	25,000	-
Electrical	80,252	103,977	82,500	100,000	17,500	-
Heating	76,341	113,080	80,000	110,000	30,000	-
Plumbing	37,945	37,935	32,500	40,000	7,500	-
Right-of-way	3,485	31,792	5,000	30,000	25,000	-
Miscellaneous	15,870	3,635	-	3,000	3,000	-
	<u>590,823</u>	<u>601,140</u>	<u>475,000</u>	<u>583,000</u>	<u>108,000</u>	<u>-</u>
<b>GRANTS:</b>						
American Rescue Plan	5,241,966	1,728,277	3,007,000	-	-	3,007,000
Other grants	2,417,331	315,012	450,000	445,000	-	5,000
	<u>7,659,297</u>	<u>2,043,289</u>	<u>3,457,000</u>	<u>445,000</u>	<u>-</u>	<u>3,012,000</u>
<b>STATE SHARED REVENUE:</b>						
Sales and use tax - constitutional	\$ 3,182,003	\$ 3,128,639	\$ 3,190,000	\$ 3,190,000	\$ -	\$ -
Sales and use tax - statutory	1,209,566	1,282,034	1,400,000	1,400,000	-	-
Local community stabilization authority	966,512	916,626	1,015,000	925,000	-	90,000
Adult-use marijuana payments	-	-	300,000	290,000	-	10,000
Liquor licenses	30,373	46,886	30,000	45,000	15,000	-
	<u>5,388,454</u>	<u>5,374,185</u>	<u>5,935,000</u>	<u>5,850,000</u>	<u>15,000</u>	<u>100,000</u>

Continued

# **SCHEDULE OF ESTIMATED REVENUES**

## **GENERAL FUND**

2025-2026

	Actual		Budget			
	2022-2023	2023-2024	2024-2025	2025-2026	Increase	Decrease
CHARGES FOR SERVICES:						
Zoning board of appeals	6,000	5,700	3,500	5,000	1,500	-
20th and Court pool	-	-	-	-	-	-
Sanborn pool	33,518	31,001	30,000	30,000	-	-
Lakeside parking	256,255	270,193	365,000	325,000	-	40,000
Boat launch fees	42,433	42,638	45,000	40,000	-	5,000
Recreational fees	218,322	389,252	225,000	240,000	15,000	-
Children's museum	-	-	200,000	200,000	-	-
Lot splits	2,520	2,160	3,000	2,500	-	500
Hydrant maintenance	59,040	59,040	59,040	59,040	-	-
Blue Water Bridge reimbursement	300,000	300,000	300,000	400,000	100,000	-
Summer tax collection fee	1,663	1,662	1,460	1,500	40	-
County parks millage	158,438	155,835	155,000	160,000	5,000	-
Miscellaneous	102,030	105,057	66,000	200,000	134,000	-
	<u>1,180,219</u>	<u>1,362,538</u>	<u>1,453,000</u>	<u>1,663,040</u>	<u>255,540</u>	<u>45,500</u>
FINES AND FORFEITS:						
Parking violations	42,090	66,910	40,000	70,000	30,000	-
Ordinance fines	298,041	187,169	100,000	190,000	90,000	-
	<u>340,131</u>	<u>254,079</u>	<u>140,000</u>	<u>260,000</u>	<u>120,000</u>	<u>-</u>
INVESTMENT INCOME	<u>720,716</u>	<u>542,199</u>	<u>340,000</u>	<u>400,000</u>	<u>60,000</u>	<u>-</u>
RENTS	<u>341,260</u>	<u>324,237</u>	<u>325,000</u>	<u>325,000</u>	<u>-</u>	<u>-</u>
SALE OF PROPERTY AND EQUIPMENT	<u>89,036</u>	<u>3,200</u>	<u>973</u>	<u>-</u>	<u>-</u>	<u>973</u>
OTHER INCOME	<u>9,754,909</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Continued

# SCHEDULE OF ESTIMATED REVENUES

## GENERAL FUND

2025-2026

	Actual		Budget			
	2022-2023	2023-2024	2024-2025	2025-2026	Increase	Decrease
CHARGES TO OTHER FUNDS:						
Garbage and rubbish collection fund	111,449	143,884	153,519	159,732	6,213	-
Marina fund	48,495	74,981	45,071	35,168	-	9,903
Parking fund	13,225	10,940	10,728	11,376	648	-
Water fund	804,581	809,940	839,860	905,677	65,817	-
Wastewater fund	1,245,196	1,386,057	1,468,324	1,499,390	31,066	-
Central stores fund	8,341	9,203	9,051	11,831	2,780	-
Data processing fund	97,213	99,350	114,874	120,343	5,469	-
Motor vehicle fund	174,694	194,498	219,548	224,403	4,855	-
	<u>2,503,194</u>	<u>2,728,853</u>	<u>2,860,975</u>	<u>2,967,920</u>	<u>116,848</u>	<u>9,903</u>
Subtotal	<u>49,210,899</u>	<u>34,132,054</u>	<u>36,099,948</u>	<u>34,839,960</u>	<u>1,960,388</u>	<u>3,220,376</u>
TRANSFERS FROM OTHER FUNDS:						
Land purchase fund	150,000	-	-	-	-	-
Edison Redevelopment fund	-	-	360,000	-	-	360,000
	<u>150,000</u>	<u>-</u>	<u>360,000</u>	<u>-</u>	<u>-</u>	<u>360,000</u>
TOTAL	<u>49,360,899</u>	<u>34,132,054</u>	<u>36,459,948</u>	<u>34,839,960</u>	<u>1,960,388</u>	<u>3,580,376</u>

Concluded



## **Schedule of Estimated Expenditures**

# SCHEDULE OF ESTIMATED EXPENDITURES

2025-2026

	Actual		Budget			
	2022-2023	2023-2024	2024-2025	2025-2026	Increase	Decrease
GENERAL FUND						
General Government:						
City council	\$ 142,832	\$ 125,126	\$ 147,950	\$ 176,815	\$ 28,865	\$ -
City manager	363,544	416,743	424,946	402,990	-	21,956
Elections	135,701	99,435	140,975	102,080	-	38,895
Finance and accounting	752,646	751,737	802,134	766,466	-	35,668
Income tax	477,620	502,661	542,783	586,786	44,003	-
Assessor	383,622	460,499	430,545	480,040	49,495	-
Legal	144,034	130,329	160,000	160,000	-	-
Clerk	323,426	369,737	380,952	409,432	28,480	-
Human Resources	473,562	452,903	423,262	471,399	48,137	-
Purchasing	77,653	85,690	82,520	90,140	7,620	-
Board of review	2,458	2,123	2,800	2,800	-	-
Treasurer	265,629	279,597	295,338	301,790	6,452	-
Municipal office center	851,646	895,736	1,061,824	1,091,229	29,405	-
	<u>4,394,373</u>	<u>4,572,316</u>	<u>4,896,029</u>	<u>5,041,967</u>	<u>242,457</u>	<u>96,519</u>
Public Safety:						
Police administration	1,629,423	1,939,969	2,082,380	2,107,651	25,271	-
Detectives	1,377,133	1,505,576	1,694,587	1,849,433	154,846	-
Patrol	7,601,724	7,960,769	8,184,461	8,800,080	615,619	-
Communications	40,951	41,093	52,500	64,080	11,580	-
Fire	6,552,159	7,156,953	6,906,572	7,503,093	596,521	-
	<u>17,201,390</u>	<u>18,604,360</u>	<u>18,920,500</u>	<u>20,324,337</u>	<u>1,403,837</u>	<u>-</u>
Public Works:						
Inspection	495,485	538,364	501,095	569,016	67,921	-
Emergency management	2,371,917	796,042	159,858	35,348	-	124,510
Public works administration	146,341	153,557	153,894	166,858	12,964	-
Engineering	455,609	539,988	557,121	481,919	-	75,202
Street lighting	769,974	864,266	915,465	892,405	-	23,060
Blight and code enforcement	305,869	390,562	399,532	410,889	11,357	-
	<u>4,545,195</u>	<u>3,282,779</u>	<u>2,686,965</u>	<u>2,556,435</u>	<u>92,242</u>	<u>222,772</u>
Senior Citizens:						
Wastewater and water discounts	<u>3,971</u>	<u>3,798</u>	<u>4,500</u>	<u>4,500</u>	<u>-</u>	<u>-</u>

Continued

# SCHEDULE OF ESTIMATED EXPENDITURES

2025-2026

	Actual		Budget			
	2022-2023	2023-2024	2024-2025	2025-2026	Increase	Decrease
Recreation, Parks and Culture:						
Parks and forestry	\$ 1,956,536	\$ 2,473,457	\$ 2,051,794	\$ 2,169,102	\$ 117,308	\$ -
Boat launch ramps	32,463	17,436	18,792	17,472	-	1,320
Recreation	681,836	827,705	809,565	709,029	-	100,536
Rockin the rivers	43,680	37,916	56,351	27,942	-	28,409
20th and Court pool	131,815	193,709	168,241	193,392	25,151	-
Sanborn pool	200,840	277,714	239,127	226,200	-	12,927
Chillyfest	28,976	36,351	35,400	38,050	2,650	-
Parades & special events	42,323	45,228	55,600	54,100	-	1,500
Lighthouse park	38,679	27,918	77,323	88,823	11,500	-
Lakeside park	289,609	302,937	330,875	359,115	28,240	-
Palmer park recreation center	721,340	457,987	364,054	374,691	10,637	-
Library	8,000	8,000	8,000	8,000	-	-
Children's museum	-	264,506	207,746	304,304	96,558	-
Museum	76,009	120,786	134,173	67,663	-	66,510
	<u>4,252,106</u>	<u>5,091,650</u>	<u>4,557,041</u>	<u>4,637,883</u>	<u>292,044</u>	<u>211,202</u>
Other Functions:						
Planning	331,771	340,572	251,187	298,584	47,397	-
Telephone service	8,516	4,533	12,206	9,004	-	3,202
Contingencies	-	-	40,000	40,000	-	-
Insurance, health and safety	111,101	108,455	122,907	132,994	10,087	-
Taxes written off	10,036	-	15,000	15,000	-	-
Demolitions	41,718	22	50,000	84,543	34,543	-
Other community and economic development	-	95,552	-	-	-	-
	<u>503,142</u>	<u>549,134</u>	<u>491,300</u>	<u>580,125</u>	<u>92,027</u>	<u>3,202</u>
Subtotal	<u>30,900,177</u>	<u>32,104,037</u>	<u>31,556,335</u>	<u>33,145,247</u>	<u>2,122,607</u>	<u>533,695</u>
Public Improvements:						
Parks and recreation projects	4,360,758	657,059	1,750,000	570,000	-	1,180,000
MOC capital	-	-	1,500,000	-	-	1,500,000
Black river canal tainer gate project	-	-	500,000	-	-	500,000
Fire station #1 & #3 construction	4,551,205	6,895,783	-	-	-	-
Other public improvement	-	-	-	-	-	-
	<u>8,911,963</u>	<u>7,552,842</u>	<u>3,750,000</u>	<u>570,000</u>	<u>-</u>	<u>3,180,000</u>
Subtotal	<u>39,812,140</u>	<u>39,656,879</u>	<u>35,306,335</u>	<u>33,715,247</u>	<u>2,122,607</u>	<u>3,713,695</u>

Continued

# SCHEDULE OF ESTIMATED EXPENDITURES

2025-2026

	Actual		Budget			
	2022-2023	2023-2024	2024-2025	2025-2026	Increase	Decrease
Debt Service:						
Principal and interest payments	\$ 268,088	\$ 570,513	\$ 568,613	\$ 571,413	\$ 2,800	\$ -
Transfer to Other Funds:						
Land purchase fund	-	255,000	-	-	-	-
Streetsdape fund	-	1,600	35,000	-	-	-
Beautification commission fund	3,300	3,300	-	3,300	3,300	-
McMorran fund	1,140,000	800,000	550,000	550,000	-	-
	<u>1,143,300</u>	<u>1,059,900</u>	<u>585,000</u>	<u>553,300</u>	<u>3,300</u>	<u>-</u>
 TOTAL GENERAL FUND	 <u>41,223,528</u>	 <u>41,287,292</u>	 <u>36,459,948</u>	 <u>34,839,960</u>	 <u>2,128,707</u>	 <u>3,713,695</u>
 SPECIAL REVENUE FUNDS						
Street funds:						
Major streets	3,145,313	6,554,156	5,353,347	8,736,335	3,382,988	-
Local streets	2,240,095	3,028,568	3,894,759	2,526,637	-	1,368,122
Municipal streets	429,306	499,168	3,821,200	3,737,696	-	83,504
	<u>5,814,714</u>	<u>10,081,892</u>	<u>13,069,306</u>	<u>15,000,668</u>	<u>3,382,988</u>	<u>1,451,626</u>
Cemetery fund	628,513	766,599	689,785	700,713	10,928	-
Garbage and rubbish collection fund	2,170,406	2,924,309	3,019,201	3,144,193	124,992	-
Rental certification fund	357,650	548,178	609,128	669,388	60,260	-
OUIL fund	1,000	3,490	5,000	5,000	-	-
Drug law enforcement fund	23,818	17,000	20,000	20,000	-	-
Law enforcement fund	6,641	6,262	10,000	47,000	37,000	-
Enhanced 911 fund	983	-	-	-	-	-
Ambulance fund	314,703	338,531	350,000	400,000	50,000	-
Opioid Settlement fund	101,801	101,801	100,000	175,000	75,000	-
Community development block grant fund	860,800	1,151,369	1,384,945	1,366,403	-	18,542
Home program fund	279,570	302,825	1,416,412	1,428,339	11,927	-
Streetscape maintenance fund	56,638	36,869	78,544	34,750	-	43,794
Beautification commission fund	6,499	4,772	5,650	5,800	150	-
	<u>10,623,736</u>	<u>16,283,897</u>	<u>20,757,971</u>	<u>22,997,254</u>	<u>3,753,245</u>	<u>1,513,962</u>
 TOTAL SPECIAL REVENUE FUNDS	 <u>10,623,736</u>	 <u>16,283,897</u>	 <u>20,757,971</u>	 <u>22,997,254</u>	 <u>3,753,245</u>	 <u>1,513,962</u>

Continued

# SCHEDULE OF ESTIMATED EXPENDITURES

2025-2026

ENTERPRISE FUNDS	Actual		Budget			
	2022-2023	2023-2024	2024-2025	2025-2026	Increase	Decrease
McMorran fund	\$ 2,839,474	\$ 2,241,738	\$ 2,728,040	\$ 2,671,703	\$ -	\$ 56,337
Marina fund	732,174	357,323	440,267	366,941	-	73,326
Land purchase fund	181,031	274,494	247,100	197,120	-	49,980
Parking fund	122,819	82,956	111,631	118,699	7,068	-
Water Fund:						
Treatment plant	2,724,574	2,745,398	5,905,758	8,664,192	2,758,434	-
Distribution	1,421,744	1,525,779	1,526,075	1,631,261	105,186	-
Customer accounting	483,960	520,405	569,413	574,619	5,206	-
Meter reading	323,922	351,488	460,700	482,529	21,829	-
Debt service	3,019,931	2,153,865	2,026,968	1,642,362	-	384,606
Capital outlay	2,799,464	2,352,502	3,000,000	3,877,000	877,000	-
	10,773,595	9,649,437	13,488,914	16,871,963	3,767,655	384,606
Wastewater Fund:						
Treatment plant	6,064,364	6,618,912	21,210,122	28,901,405	7,691,283	-
Collection, general	1,837,377	2,021,405	4,175,221	4,702,381	527,160	-
Collection system no. 1	21	21	221	-	-	221
Collection system no. 2	23,781	36,897	1,312,350	80,347	-	1,232,003
Collection system no. 3	24,569	35,187	87,537	103,884	16,347	-
Debt service	6,298,475	3,966,253	3,319,425	3,001,305	-	318,120
Capital outlay	4,162,112	4,735,032	948,000	1,940,000	992,000	-
	18,410,699	17,413,707	31,052,876	38,729,322	9,226,790	1,550,344
TOTAL ENTERPRISE FUNDS	33,059,792	30,019,655	48,068,828	58,955,748	13,001,513	2,114,593

Continued

# SCHEDULE OF ESTIMATED EXPENDITURES

2025-2026

	Actual		Budget			
	2022-2023	2023-2024	2024-2025	2025-2026	Increase	Decrease
INTERNAL SERVICE FUNDS						
Central stores fund	\$ 94,216	\$ 103,438	\$ 99,883	\$ 131,300	\$ 31,417	\$ -
Data processing fund	879,571	1,069,028	1,357,416	1,295,655	-	61,761
Motor vehicle fund	2,404,870	2,857,323	3,003,454	3,209,767	206,313	-
Energy performance services fund	400,414	399,256	411,400	399,286	-	12,114
Insurance and fringe benefit fund	15,298,314	15,197,088	15,177,357	17,501,525	2,324,168	-
TOTAL INTERNAL SERVICE FUNDS	19,077,385	19,626,133	20,049,510	22,537,533	2,561,898	73,875
TAX INCREMENT FUNDS						
Peerless site tax increment fund	96,749	87,807	93,000	90,000	-	3,000
Downtown development authority operating fund	364,877	436,963	499,131	506,705	7,574	-
Water street tax increment fund	86,097	369,932	411,000	1,292,600	881,600	-
Bank tax increment fund	290,277	62,770	88,000	19,605	-	68,395
Harrington Hotel tax increment fund	9,730	10,180	35,000	10,500	-	24,500
Edison redevelopment tax increment fund	364,239	355,570	360,000	390,000	30,000	-
Mainstreet tax increment fund	364,656	160,627	227,700	186,000	-	41,700
Industrial park expansion tax increment fund	97,599	128,174	1,085,000	1,191,600	106,600	-
Southside neighborhood initiative authority fund	-	-	140,000	264,000	124,000	-
Brownfield redevelopment tax increment fund:					-	-
Southside redevelopment	310,552	325,411	334,000	301,000	-	33,000
Harker Street redevelopment	27,339	27,350	41,000	40,000	-	1,000
Water Street Marina redevelopment	117,021	117,062	111,000	110,000	-	1,000
Wrigley center	-	-	130,000	138,000	8,000	-
Ben's 314 redevelopment	19	-	-	-	-	-
TOTAL TAX INCREMENT FUNDS	2,129,155	2,081,846	3,554,831	4,540,010	1,157,774	172,595
TOTAL ALL FUNDS	\$ 106,113,596	\$ 109,298,823	\$ 128,891,088	\$ 143,870,505	\$ 22,603,137	\$ 7,588,720

## **Schedule of Estimated Requirments by Budget Class**

# SCHEDULE OF ESTIMATED REQUIREMENTS BY BUDGET CLASSES

2025-2026

	Personal Services	Supplies and Materials	Contractual Services	Total Recurring Expenses	Capital Outlay	Total
<b>GENERAL FUND</b>						
General Government:						
City council	\$ 13,020	\$ 10,850	\$ 152,945	\$ 176,815	\$ -	\$ 176,815
City manager	346,916	4,600	51,474	402,990	-	402,990
Elections	67,575	14,120	20,385	102,080	-	102,080
Finance and accounting	631,995	5,600	128,871	766,466	-	766,466
Income tax	379,319	29,350	178,117	586,786	-	586,786
Assessor	376,796	10,700	92,544	480,040	-	480,040
Legal	-	-	160,000	160,000	-	160,000
Clerk	370,408	1,925	37,099	409,432	-	409,432
Human resources	420,212	3,300	47,887	471,399	-	471,399
Purchasing	77,915	-	12,225	90,140	-	90,140
Board of review	1,800	-	1,000	2,800	-	2,800
Treasurer	196,718	13,650	91,422	301,790	-	301,790
Municipal office center	384,626	48,413	638,190	1,071,229	20,000	1,091,229
	<u>3,267,300</u>	<u>142,508</u>	<u>1,612,159</u>	<u>5,021,967</u>	<u>20,000</u>	<u>5,041,967</u>
Public Safety:						
Police administration	1,746,664	46,000	314,987	2,107,651	-	2,107,651
Detectives	1,655,591	30,950	162,892	1,849,433	-	1,849,433
Patrol	7,435,555	237,420	1,127,105	8,800,080	-	8,800,080
Communications	-	-	64,080	64,080	-	64,080
Fire	6,542,372	305,879	654,842	7,503,093	-	7,503,093
	<u>17,380,182</u>	<u>620,249</u>	<u>2,323,906</u>	<u>20,324,337</u>	<u>-</u>	<u>20,324,337</u>
Public Works:						
Inspection	367,376	5,000	196,640	569,016	-	569,016
Emergency management	9,825	900	24,623	35,348	-	35,348
Public works administration	158,452	220	8,186	166,858	-	166,858
Engineering	402,630	6,600	72,689	481,919	-	481,919
Street lighting	4,610	1,000	886,795	892,405	-	892,405
Blight and code enforcement	344,462	5,800	60,627	410,889	-	410,889
	<u>1,287,355</u>	<u>19,520</u>	<u>1,249,560</u>	<u>2,556,435</u>	<u>-</u>	<u>2,556,435</u>
Senior Citizens:						
Wastewater and water discounts	-	-	4,500	4,500	-	4,500

Continued



# SCHEDULE OF ESTIMATED REQUIREMENTS BY BUDGET CLASSES

2025-2026

	Personal Services	Supplies and Materials	Contractual Services	Total Recurring Expenses	Capital Outlay	Total
Recreation, Parks and Culture:						
Parks and forestry	\$ 1,328,467	\$ 125,698	\$ 704,937	\$ 2,159,102	\$ 10,000	\$ 2,169,102
Boat launch ramps	8,940	2,000	6,532	17,472	-	17,472
Recreation	448,832	56,058	204,139	709,029	-	709,029
Rockin the rivers	7,578	9,695	10,669	27,942	-	27,942
20th and Court pool	58,820	36,985	97,587	193,392	-	193,392
Sanborn pool	135,196	40,735	50,269	226,200	-	226,200
Chilly Fest	2,900	6,050	29,100	38,050	-	38,050
Parades and Special Events	46,100	-	8,000	54,100	-	54,100
Lighthouse park	67,564	6,475	14,784	88,823	-	88,823
Lakeside park	174,379	27,555	157,181	359,115	-	359,115
Palmer park recreation center	317,080	4,035	53,576	374,691	-	374,691
Library	-	-	8,000	8,000	-	8,000
Children's musuem	232,014	20,540	51,750	304,304	-	304,304
Museum	-	200	67,463	67,663	-	67,663
	<u>2,827,870</u>	<u>336,026</u>	<u>1,463,987</u>	<u>4,627,883</u>	<u>10,000</u>	<u>4,637,883</u>
Other Functions:						
Planning	265,825	4,000	28,759	298,584	-	298,584
Telephone service	-	-	9,004	9,004	-	9,004
Contingencies	-	-	40,000	40,000	-	40,000
Insurance, health and safety	10,876	9,180	112,938	132,994	-	132,994
Taxes written off	-	-	15,000	15,000	-	15,000
Demolitions	-	-	84,543	84,543	-	84,543
	<u>276,701</u>	<u>13,180</u>	<u>290,244</u>	<u>580,125</u>	<u>-</u>	<u>580,125</u>
Subtotal	<u>25,039,408</u>	<u>1,131,483</u>	<u>6,944,356</u>	<u>33,115,247</u>	<u>30,000</u>	<u>33,145,247</u>
Public Improvements:						
Parks and recreation projects	-	-	-	-	570,000	570,000
MOC Capital	-	-	-	-	-	-
Black river canal tainer gate project	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>570,000</u>	<u>570,000</u>
Subtotal	<u>25,039,408</u>	<u>1,131,483</u>	<u>6,944,356</u>	<u>33,115,247</u>	<u>600,000</u>	<u>33,715,247</u>

Continued

# SCHEDULE OF ESTIMATED REQUIREMENTS BY BUDGET CLASSES

2025-2026

	Personal Services	Supplies and Materials	Contractual Services	Total Recurring Expenses	Capital Outlay	Total
Debt Service:						
Principal and interest payments	\$ -	\$ -	\$ 571,413	\$ 571,413	\$ -	\$ 571,413
Transfer to Other Funds:						
Streetscape fund	-	-	-	-	-	-
Beautification commission fund	-	-	3,300	3,300	-	3,300
McMorran fund	-	-	550,000	550,000	-	550,000
	-	-	553,300	553,300	-	553,300
<b>TOTAL GENERAL FUND</b>	<b>25,039,408</b>	<b>1,131,483</b>	<b>8,069,069</b>	<b>34,239,960</b>	<b>600,000</b>	<b>34,839,960</b>
<b>SPECIAL REVENUE FUNDS</b>						
Street funds:						
Major streets	1,665,787	313,386	2,189,162	4,168,335	4,568,000	8,736,335
Local streets	781,140	131,209	526,288	1,438,637	1,088,000	2,526,637
Municipal streets	30,705	12,789	3,694,202	3,737,696	-	3,737,696
	2,477,632	457,384	6,409,652	9,344,668	5,656,000	15,000,668
Cemetery fund	440,720	30,950	205,043	676,713	24,000	700,713
Garbage and rubbish collection fund	18,698	4,000	3,121,495	3,144,193	-	3,144,193
Rental certification fund	583,808	10,500	75,080	669,388	-	669,388
OUIL fund	-	1,000	1,000	2,000	3,000	5,000
Drug law enforcement fund	-	5,000	1,000	6,000	14,000	20,000
Law enforcement fund	-	10,000	17,000	27,000	20,000	47,000
Ambulance fund	-	-	400,000	400,000	-	400,000
Opioid Settlement fund	-	-	175,000	175,000	-	175,000
Community development block grant fund	122,264	2,250	12,989	137,503	1,228,900	1,366,403
Home program fund	16,802	-	1,000	17,802	1,410,537	1,428,339
Streetscape maintenance fund	8,800	2,350	23,600	34,750	-	34,750
Beautification commission fund	-	5,650	150	5,800	-	5,800
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>3,668,724</b>	<b>529,084</b>	<b>10,443,009</b>	<b>14,640,817</b>	<b>8,356,437</b>	<b>22,997,254</b>

Continued

# SCHEDULE OF ESTIMATED REQUIREMENTS BY BUDGET CLASSES

2025-2026

	Personal Services	Supplies and Materials	Contractual Services	Total Recurring Expenses	Capital Outlay	Total
<b>ENTERPRISE FUNDS</b>						
McMorran fund	\$ 1,323,893	\$ 93,100	\$ 1,244,910	\$ 2,661,903	\$ 9,800	\$ 2,671,703
Marina fund	186,947	73,500	106,494	366,941	-	366,941
Land purchase fund	-	-	197,120	197,120	-	197,120
Parking fund	36,000	12,180	70,519	118,699	-	118,699
Water Fund:						
Treatment plant	1,558,927	259,513	1,735,752	3,554,192	5,110,000	8,664,192
Distribution	778,340	176,460	658,897	1,613,697	17,564	1,631,261
Customer accounting	312,138	62,250	200,231	574,619	-	574,619
Meter reading	220,838	91,370	165,226	477,434	5,095	482,529
Debt service and capital projects	-	-	1,642,362	1,642,362	3,877,000	5,519,362
	2,870,243	589,593	4,402,468	7,862,304	9,009,659	16,871,963
Wastewater Fund:						
Treatment plant	3,101,516	1,211,576	3,760,013	8,073,105	20,828,300	28,901,405
Collection, general	1,073,839	222,835	1,533,207	2,829,881	1,872,500	4,702,381
Collection system no. 1	-	-	-	-	-	-
Collection system no. 2	11,230	5,300	51,817	68,347	12,000	80,347
Collection system no. 3	14,758	3,300	73,826	91,884	12,000	103,884
Debt service and capital projects	-	-	3,001,305	3,001,305	1,940,000	4,941,305
	4,201,343	1,443,011	8,420,168	14,064,522	24,664,800	38,729,322
<b>TOTAL ENTERPRISE FUNDS</b>	8,618,426	2,211,384	14,441,679	25,271,489	33,684,259	58,955,748

Continued

# SCHEDULE OF ESTIMATED REQUIREMENTS BY BUDGET CLASSES

2025-2026

	Personal Services	Supplies and Materials	Contractual Services	Total Recurring Expenses	Capital Outlay	Total
<b>INTERNAL SERVICE FUNDS</b>						
Central stores fund	\$ 5,605	\$ 9,602	\$ 108,593	\$ 123,800	\$ 7,500	\$ 131,300
Data processing fund	609,687	145,550	500,418	1,255,655	40,000	1,295,655
Motor vehicle fund	946,402	471,805	923,210	2,341,417	868,350	3,209,767
Energy performance services fund	-	-	399,286	399,286	-	399,286
Insurance and fringe benefit fund	14,157,100	9,000	3,335,425	17,501,525	-	17,501,525
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>15,718,794</b>	<b>635,957</b>	<b>5,266,932</b>	<b>21,621,683</b>	<b>915,850</b>	<b>22,537,533</b>
<b>TAX INCREMENT FUNDS</b>						
Peerless site tax increment fund	-	-	90,000	90,000	-	90,000
Downtown development authority operating fund	147,403	57,080	302,222	506,705	-	506,705
Water street tax increment fund	-	-	1,292,600	1,292,600	-	1,292,600
Bank tax increment fund	-	-	19,605	19,605	-	19,605
Harrington Hotel tax increment fund	-	-	10,500	10,500	-	10,500
Edison redevelopment tax increment fund	-	-	390,000	390,000	-	390,000
Mainstreet tax increment fund	-	-	186,000	186,000	-	186,000
Industrial park expansion tax increment fund	-	-	1,191,600	1,191,600	-	1,191,600
Southside neighborhood initiative authority fund	-	-	264,000	264,000	-	264,000
Brownfield redevelopment tax increment funds:						
Southside redevelopment	-	-	301,000	301,000	-	301,000
Harker Street redevelopment	-	-	40,000	40,000	-	40,000
Water Street Marina redevelopment	-	-	110,000	110,000	-	110,000
Wrigley center	-	-	138,000	138,000	-	138,000
<b>TOTAL TAX INCREMENT FUNDS</b>	<b>147,403</b>	<b>57,080</b>	<b>4,335,527</b>	<b>4,540,010</b>	<b>-</b>	<b>4,540,010</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 53,192,755</b>	<b>\$ 4,564,988</b>	<b>\$ 42,556,216</b>	<b>\$ 100,313,959</b>	<b>\$ 43,556,546</b>	<b>\$ 143,870,505</b>

Concluded

**Budget Overview**



## **BUDGET OVERVIEW**

The American Rescue Plan Act (ARPA) was enacted by the federal government during March 2021 to deal with the economic impact of the Coronavirus situation. ARPA provided funds to state and local governments, through the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) to respond to the negative public health and economic impact brought forth by the coronavirus. The City of Port Huron received an allocation share of \$17.96 million. The City was required to obligate any remaining funds as of December 31, 2024. The City has obligated the remaining \$2.51 million in funds to be used for improvements and housing development projects.

### **A. Budget Pressures**

The City of Port Huron continues to feel the impact of increasing cost pressures outside the government's control. The city is experiencing an increase in operating cost with health care cost and pension payments rising 17% and 45%, respectively, during fiscal year 2025. The Consumer Price Index (CPI) has been steadily on the rise since the 2007-08 financial crisis. CPI increased 3.00% from June 30, 2023 to June 30, 2024. It is estimated CPI will increase another 3.00% by June 30, 2025. The city faces an annual pressure of covering expenditures with ordinary revenues collected by the city. This is particularly due to the city recovering from the declines in property values and state cuts of revenue sharing beginning in 2002. Overall taxable values are rising, increasing 5.42% from year ending June 30, 2024 to June 30, 2025. As a result, property tax revenue is expected to increase by 4.13% for the year ending June 30, 2025.

The City will continue its efforts to reduce overall costs without the reduction of staff through continuous monitoring of the budget and reducing controllable cost such as postponement of non-grant funded projects, repair and rehabilitation projects and certain programs offered to city and county residents through the city's recreation program.

### **B. General Fund**

The General Fund budget reflects expected increases in property tax revenue and state shared revenue. Income Tax revenues are expected to be at \$9.6 million. As part of an effort to reduce expenses, each budget activity has been carefully scrutinized and changes have been implemented where appropriate.

In order to assure rating agencies and bond holders that costs will continue to be controlled, the City Council adopted both a Debt Management Policy and a Fund Balance Policy during January, 2015. The Debt Management Policy outlines the principles, guidelines and restrictions for incurring debt and payment of debt service. The Fund Balance Policy states the City's intention to manage the fund balance in its governmental funds in a manner consistent with Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The Fund Balance Policy also stated the City Council's intent to manage the General Fund's

activities in such a manner that over time the Unrestricted Fund Balance of the General Fund would move toward 25% of adopted expenditures. As of June 30, 2024, based on the proposed budget the percentage is expected to be 18.97%.

General Fund revenues have been relatively stagnant, increasing at substantially less than the rate of inflation. General Fund revenues are concentrated on the results of property and income taxes and state revenue sharing, expecting to generate \$27.8 million or 79.87% in General Fund revenue for the year ending June 30, 2026.

The General Fund provides for a variety of governmental services, including public safety (police and fire services); parks, recreation and culture; public works; planning and inspection and general governmental services. The stagnant revenues discussed above have required that costs be reduced. Revenue constrictions have impacted the City's ability to fund certain recreation programs utilized by city and county residents as well as capital projects and many repair or rehabilitation projects within the General Fund.

It is important to remember that there is some uncertainty to all of the revenue projections as the direction of the economy is unclear. This will necessitate close review of revenues throughout the year to determine if additional cuts will be necessary.

In summary, the General Fund budget, as proposed, continues, but does not expand, most government services. The proposed General Fund budget is predicated on current expected income tax revenues and the assumption that the City will qualify for the full amount of State shared revenues based upon current State estimates. It may need further review by Council during the upcoming year to either increase revenues or reduce services.

#### **C. Garbage and Solid Waste**

Funds received for garbage and solid waste removal not only provide for weekly garbage and recycling services, but also provided for public area pickup in the City's various parks, beaches and parkways, a brush and branch pickup program and two monthly street sweepings during the warmer months. The city charges an annual flat rate. The fee is to be assessed on parcels containing a residential dwelling. The annual fee will be at rate equivalent to the value of services provided to ensure the fund will breakeven at year end. For the year ending June 30, 2026 it is anticipated provided services will be funded for \$3,144,193 or \$317 per parcel compared to \$3,019,201 or \$304 per parcel for the year ending June 30, 2025.

#### **D. Street Funds**

Cities in Michigan receive state shared gas and weight taxes to partially offset the costs of maintaining and rebuilding major and local streets. These revenues have generally been sufficient for maintenance needs, but not for construction or major repairs. Michigan Legislature enacted and the Governor signed into law a series of new road funding laws which increased vehicle registration fees and gas taxes for all Michigan residents. This resulted in a substantial increase in the City's state shared revenue for the Street funds. This additional revenue will continue to help mitigate the effect of increasing costs.

The proposed budget will continue maintenance and preventative maintenance programs at levels somewhat reduced from prior years to allow annual operating expenses to continue to be more closely aligned with the expected revenues. The street construction millage, which was renewed for ten years during May, 2024, will provide approximately \$13.0 million for construction and street improvements for the ten-year period ending June 30, 2034. The street construction millage is an integral component of streets funding. This millage will allow the major rehabilitation of the City's streets to continue, when coupled with federal grants, state grants and the use of accumulated funds.

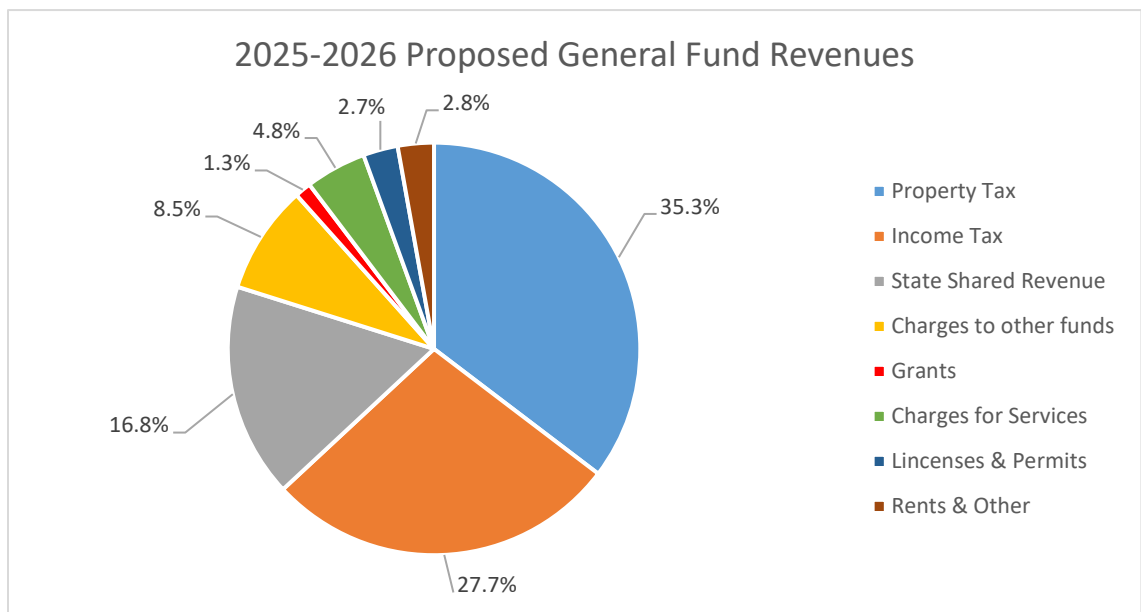
#### **E. Utility Funds**

The City's two utility funds, the Water Fund and the Wastewater Fund, are budgeted to receive operating revenues of approximately \$28.8 million. The two funds' cost of operating, debt service, and capital costs are expected to be approximately \$55.6 million. The budget proposes the use of water and wastewater accumulated balances and anticipates funding from the Local Development Finance Authority TIF for the 24<sup>th</sup> St. Project and from the issuance of long-term bonds. In addition, the budget includes a 3.46% blended rate increase in combined water and wastewater rates. This increase has been included in the projected revenues discussed above. Water and wastewater usage has been relatively stable over the last five years.

#### **F. General Fund Revenues**

History has shown that General Fund revenues have grown at substantially less than the rate of inflation. This has occurred while many commodities purchased by the City including gasoline, asphalt and natural gas have increased dramatically.

The following chart indicates the various General Fund revenue sources for 2025-26 and the proposed relative percentage supplied by each (without regard to the recognition of ARPA funding currently reported as a liability):





The City Council has the authority to levy a property tax as authorized by City Charter and citizen voted millages as follows:

City Charter Annual Operations	10.8173 mills
Police and Fire Operations	2.8844 mills
Parks and Recreation Programs	0.9614 mills
Municipal Streets Capital Outlay	1.9196 mills
Blue Water Transportation Authority	<u>0.6068 mills</u>
Total	<u>17.1895 mills</u>

The taxable valuation of all property within the City, as compiled by the City Assessor and revised by the Board of Review, is as follows:

Assessment roll:	
Real property	\$ 773,345,976
Personal property	62,137,300
Special Acts assessment rolls:	
Industrial facilities roll:	
New facilities, real property	3,317,319
New facilities, personal property	-
Neighborhood enterprise zone, real property	592,417
Obsolete property rehabilitation, real property	13,974,955
Other real property	<u>1,391,633</u>
	<u>\$ 854,759,600</u>

Taxable valuation has increased by 5.2% overall. Real property values increased 4.43%, while personal property values increased by 16.33%. State equalized valuation (SEV) has increased by 5.3% overall. Real property values increased by 4.81%, while personal property values increased by 16.33%.

Pursuant to legislation approved by voters in the August 2014 statewide election, the State of Michigan has phased out the personal property tax on industrial property. Also, beginning with the 2014-15 budget year, companies having taxable value less than \$40,000 were dropped from the tax rolls.

The State has pledged to provide full reimbursement for lost personal property tax revenue. State projections for the 2025-26 budget year includes \$925,000 in the General Fund and \$190,000 in the Municipal Streets Fund. This revenue is described as State Shared Revenue – Local Community Stabilization Authority.

Proposal A, which was approved by the voters on March 15, 1994, increased the state sales and use tax as a means to reduce the reliance on local property taxes for school financing. The property tax portion of this proposal limits individual assessment increases to the rate of inflation to be no more than 5%. For 2025 the increase was 3.1%. Beginning in 1994, taxable value replaced state equalized value as the basis for calculating property taxes. The taxable value for 2025 is the lower of the 2025 state equalized value or the 2024 taxable value adjusted by the rate of inflation for the period. When properties are sold, the limitation period no longer applies and taxable value will increase to one half true cash value (approximately one half market value). Taxable value can also increase or decrease due to physical changes in individual parcels.

The Headlee amendment to the State constitution requires a millage rollback if assessed value, excluding new construction, increases by more than the inflation rate. It currently appears that the City will be subject to a Headlee rollback and that City millage rates will be reduced as shown below:

	<u>2025 Millage Rates</u>	<u>2024 Millage Rates</u>
General Fund:		
Operating	10.8173	10.9754
Public Safety	2.8844	2.9266
Parks and Recreation	0.9614	0.9755
Streets Fund	<u>1.9196</u>	<u>1.9477</u>
	<u>16.5827</u>	<u>16.8252</u>

For 2025 and 2024, taxable value was lower than the state equalized value (SEV), resulting in property being taxed at an average of 70.7% and 70.8% of equalized value, respectively, as shown below:

	<u>2025</u>	<u>2024</u>
Equalized Value	\$ 1,209,269,800	\$ 1,147,870,100
Taxable Value	<u>854,759,600</u>	<u>812,395,176</u>
Difference	<u>\$ 354,510,200</u>	<u>\$ 335,474,924</u>

Although real estate values appear to be trending in a positive fashion, the effects of Proposal A and the Headlee Amendment will continue to limit potential increases in property tax revenue. It is essential that property tax limitations be considered and reviewed on an ongoing basis.

This proposed budget anticipates unrestricted General Fund property tax revenue of \$8.59 million based on a net uncaptured taxable value of \$803,759,000 at the proposed millage rate of 10.8173 mills. In addition, \$3.06 million of property tax revenue will be raised to support Police and Fire operations and Parks and Recreation programs.

#### **G. Property Tax Administration Fee**

Included in the General Fund there is a property tax administration fee. This fee is an additional one percent charge added to each property tax bill and is expected to provide \$375,000 in 2025-26. State law allows property tax collecting units like the City to assess a local property tax administration fee. It is defined as “a fee to offset costs incurred by a collecting unit in assessing property values, in collecting the property tax levies, and in the review and appeal process.” Most of the other local units in St. Clair County assess such a fee.

Even with the addition of the administrative fee during 2017-18, residential property owners (both residents and landlords) have seen increases significantly below the rate of inflation in overall property taxes. Because of the effects of Proposal A and the Headlee Amendment, it will be years before the City’s property tax revenue returns to the former levels.

## **H. User Fees and Other Miscellaneous Revenues**

The proposed 2025-26 General Fund budget anticipates approximately \$3.1 million in revenue from user fees and other revenues. User fee rates are reviewed annually and adjusted as necessary. Following is a list of the City's various categories of user fees and the projected amounts of revenue generated by each for 2025-26.

<u>Source</u>	<u>Anticipated Revenue</u>
Licenses and Permits:	
Cable television	\$ 300,000
Building permits	550,000
Other	<u>99,000</u>
	<u>949,000</u>
Charges for Services:	
Recreation fees	835,000
Blue Water Bridge reimbursement	400,000
County parks millage	160,000
Other	<u>268,040</u>
	<u>1,663,040</u>
Fines and Forfeits:	
Parking violations	70,000
Ordinance fines	<u>190,000</u>
	<u>260,000</u>
Investment Income	<u>400,000</u>
Rents – MOC and other	<u>325,000</u>
	<u>\$ 3,597,040</u>

Program fees for recreation activities are based upon the direct program costs for non-residents with resident fees set at 50% of the calculated amount. Further, the recreation department continues to work with local foundations to generate increased grant revenues for both programs and projects.

## **I. State Shared Revenue**

On March 21, 2011, Governor Rick Snyder presented a special message on community development and local government reforms. As part of that message, he announced the new Economic Vitality Incentive Program (EVIP), which replaced statutory revenue sharing, but at approximately 66% of prior levels. The state revenue sharing program distributes sales tax collected by the State of Michigan to local governments as unrestricted revenues. Previous funding of the program consisted of the following dedicated tax revenues:

- Constitutional - 15% of the 4% gross collections of the state sales tax
- Statutory - 21.3% of the 4% gross collections of the state sales tax

Distributions of constitutional revenue sharing are based on population. As a result, estimated revenue for 2025-26 has been based on the 2020 census. The formula for statutory distributions formerly included factors such as taxable value per capita, local unit type, population and a tax rate yield equalization factor. The initial EVIP program implemented by the State had three key aspects as follows:

1. Accountability and Transparency
2. Consolidation of Services Plan
3. Unfunded Accrued Liability Plan

During 2014 the State of Michigan established the City, Village and Township Revenue Sharing (CVTRS) program (a simplified version of the EVIP). Each eligible local unit must meet all of the requirements of Accountability and Transparency in order to receive the full CVTRS payments. A Consolidation of Services Plan and an Unfunded Accrued Liability Plan are not required under the CVTRS program.

The City has successfully met the criteria to receive the CVTRS payments and management believes the City will continue to qualify for these payments in the future. The budget has been prepared based on that assumption and also assumes the State of Michigan will continue to fund the CVTRS program at their estimated levels.

An important difference between the two types of shared revenues is that, with constitutional revenue sharing, the percentage of receipts that must be shared with local units of government is fixed by the state constitution, while the percentage for the CVTRS (formerly EVIP/statutory revenue sharing) is set by the state legislature. Amounts distributed under both methods fluctuate as economic conditions impact the amount of sales tax collected by merchants and remitted to the state treasury. This trend is illustrated by the following table.

The following table shows the breakdown of the constitutional and statutory portions of the City's state revenue sharing received for the past ten years and two years of budgeted amounts:

<b>Fiscal Year</b>	<b>Constitutional</b>	<b>Statutory/EVIP /CVTRS</b>	<b>Total</b>	<b>SSR as % of General Fund Expenditures**</b>
2014-15	2,307,540	1,074,268	3,381,808	16.1%
2015-16	2,278,547	1,079,599	3,358,146	15.5%
2016-17	2,410,158	1,079,599	3,489,757	15.4%
2017-18	2,474,977	1,100,019	3,574,996	15.5%
2018-19	2,592,667	1,104,008	3,696,675	14.4%
2019-20	2,677,361	1,125,146	3,802,507	14.1%
2020-21	2,783,073	941,145	3,724,218	13.4%
2021-22	2,890,586	1,419,963	4,310,549	14.4%
2022-23	3,182,003	1,209,556	4,391,559	13.4%
2023-24	3,128,639	1,282,034	4,410,673	13.8%
*2024-25	3,190,000	1,400,000	4,590,000	13.7%
*2025-26	3,190,000	1,400,000	4,590,000	13.2%

\* Budgeted amount

\*\* Fiscal years ending 2022, 2023, 2024 and 2025 General Fund Expenditures without regard to ARPA funding and use of restricted cash held for the construction of fire station 1.

## **J. Income Tax Revenues**

City income tax revenues have been estimated at \$9.66 million. Over the years income tax revenues have increased modestly as hiring by private employers has outpaced reductions in employment for public employers. Projected income tax revenues are the equivalent of 12.034 mills of property tax.

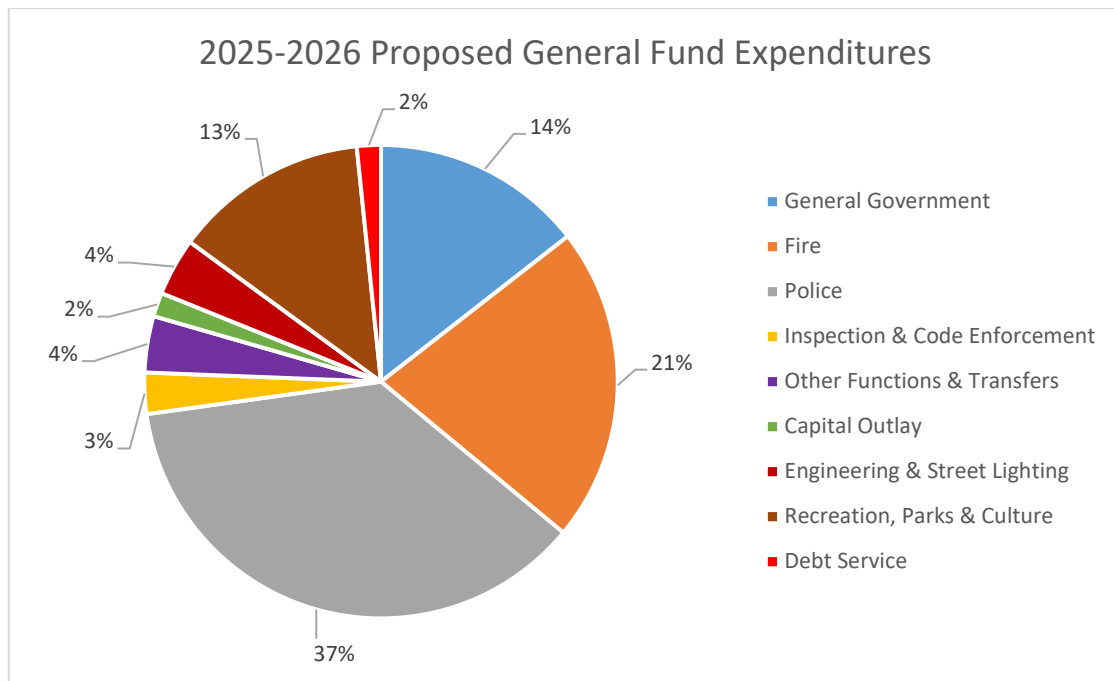
## **K. Grant Revenues**

The 2025-26 budget includes expected grant revenue of \$450,000 for various parks and recreation and public safety grants.

## **L. General Fund Expenditures**

The proposed budget generally continues current services and does not provide for any new General Fund programs. However, due to budget constraints the city faced with the 2025-2026 proposed budget, certain programs offered by the city and capital projects were postponed. Proposed expenditures for the fiscal year ending June 30, 2026 are approximately \$1.65 million lower than comparable budgeted expenditures for the proposed budget for fiscal year 2024-25, a decrease of 4.5% percent.

The illustration below depicts the major categories of General Fund expenditures for 2025-26 and the relative percentage of each:



After charging other funds for their cost of administrative expenses and receiving MOC rent, net general government expenses are 5.02% of General Fund expenditures.

Proposed expenditures of the General Fund, detailed herein, may be further summarized as follows:

Personal services	\$ 25,039,408
Supplies and materials	1,131,483
Contractual services	<u>6,944,356</u>
Total Operating Expenses	33,115,247
Transfers	553,000
Debt Service	571,413
Capital outlay:	
Departmental	30,000
Parks and recreation projects	<u>570,000</u>
Total	<u>\$ 34,839,960</u>

#### **M. Other Effects on Operating Costs**

Comparisons for each operating activity, with previous years, are summarized in schedules made part of this report.

Pension costs and health insurance premiums, discussed below, have a significant impact on the City's annual operating costs. These cost can fluctuate annually based valuations studies. Through policy changes and contract negotiations, the City has taken action to counter potential increases and reduce costs. Foremost of these actions is the closing of City's defined benefit and hybrid pension plans as well as the infusion of \$52 million to the City's pension plan, through the issuance of a General Obligation Limited Tax Pension Bond, during March, 2020.

#### **Pension Costs:**

Full-time City employees are members of the Municipal Employees Retirement System of Michigan (MERS). MERS released an experience study during the summer of 2016. The results of this study included several changes which had a detrimental effect on the City's funding levels. The main assumption and method changes were:

- The mortality table was adjusted to reflect longer lifetimes.
- The assumed annual rate of investment return, net of all expenses, was lowered from 7% to 6.93%.
- The asset smoothing was changed from 10 to 5 years.
- The amortization period was moved to a fixed period amortization for the December 31, 2014 annual valuations.
- Final Average Compensation (FAC) was increased from 3% to 4%.

Full-time employees, other than public safety, hired after July 1, 2008, were covered by a MERS hybrid pension plan, which was expected to reduce long-term costs substantially. Full-time public safety employees hired after July 1, 2014 were also covered by the MERS hybrid pension plan. All employees hired prior to July 1, 2008, had employee pension contributions increased by a cumulative 8% of their wages effective July 1, 2013.

Beginning July 1, 2018, those full-time employees covered under the defined benefit pension plan received a bridged benefit according to the MERS bridged pension formula. The employee benefit was reduced on a prospective basis, as a 2.0 percent multiplier was to be earned after July 1, 2018 rather than a 2.5 percent multiplier. Employee pension contributions were also be reduced on a comparable basis. Estimates from MERS indicated that the bridged pension change would ultimately reduce the City's unfunded pension liability by \$10.5 million and reduce annual pension expense by \$800,000.

Further changes were made in 2020 which will reduce pension costs substantially over the next 30 years. All full-time employees hired after February 1, 2020 will be covered by a defined contribution pension plan with MERS. These employees will have a minimum of ten percent of their covered wages set aside in their defined contribution plan. Employees can increase their participation to sixteen percent of wages by voluntarily contributing an additional three percent, with the City matching it.

Closing the current defined benefit and hybrid plans as well as depositing \$52 million with MERS from bond sales during 2019-20 has substantially increased the City's funding percentage. In addition, the annual bond payments (approximately \$2.7 million) combined with the remaining actuarially mandated payment will be approximately \$6 million in 2025-26. This is substantially less than the budgeted payment to MERS for the 2019-20 fiscal year. Additionally, without these steps undertaken during the 2019-20 year, MERS had projected that the annual payment would have escalated to \$11-\$14 million annually. Also MERS has allowed the City to re-set its amortization period to 30 years, which has contributed to the annual savings.

The City's annual required contribution (ARC) to MERS during the last two fiscal years, ended June 30, 2024, and 2023, was \$1,766,688 and \$2,413,488, respectively. The Governmental Accounting Standards Board issued Statement No. 68, *Accounting and Financial Reporting for Pension* effective the year ended June 30, 2015, requiring the City to change its method of accounting for pensions. One of the changes requires the calculation of the actual pension expense to account for the changes in the net pension liability and related deferrals, regardless, of payments made to MERS. The City's recognized pension expense for the years ended June 30, 2024 and 2023, was \$5,623,512 and \$8,812,165, respectively.

#### **Healthcare Insurance Premiums:**

The City of Port Huron provides health insurance to full time employees and eligible retirees. The proposed budget anticipates modest savings as negotiations with all of our unions have resulted in an emphasis on preventative care, cost sharing and reduced employer costs. The City has moved to a self-insured program with higher deductibles and co-pays. Cost results to date have been favorable.

Effective January 1, 2022, all Medicare eligible retirees have moved to a Medicare Advantage Plan. These retirees will receive essentially the same or slightly better coverage than before. The City's annual premiums are expected to be reduced by approximately \$500,000 per year once the program is fully realized. In addition, this change has increased the City's OPEB funding ratio from 39 percent to 84 percent. The proposed costs are summarized as follows:

Active Employee Health Costs	\$ 2,600,000
Retired Employee Health Costs	<u>4,000,000</u>
Total	<u>\$ 6,600,000</u>

The City's annual required contribution (ARC) to fund its OPEB liability during the last two fiscal years, ended June 30, 2024, and 2023 was \$1,013,739 and \$1,235,112, respectively. The results of the June 30, 2024 actuarial valuation showed the City's ARC payment for the 2024-25 fiscal year will be \$1 million.

#### **N. Support For Recreation, Parks and Culture**

The City of Port Huron recreation department provides recreation programs and other activities at the various public parks, playgrounds, pools and beaches. These facilities are maintained by the parks and forestry division. In addition, the City provides significant annual support to the McMorran Auditorium and Arena, the Port Huron Museum and its various locations and the municipal marinas.

The proposed McMorran subsidy consists of \$510,000 for operations and \$40,000 for capital improvements (partially funded by the county recreation millage).

The City owns the following facilities which it leases to the Port Huron Museum:

- Carnegie Center (Main Museum Facility)
- Thomas Edison Depot
- Huron Lightship
- Fort Gratiot Hospital

Under the current lease terms of these facilities, the City pays all utility, insurance and maintenance costs (with the exception of maintenance costs for the Huron Lightship, as discussed below). In addition, the City has made major improvements to the facilities. This budget proposes that the Museum continues to pay all maintenance expenses of the Huron Lightship, which will continue to make the Museum more self-sufficient and less dependent on City taxpayers.

A subsidiary of the City of Port Huron, Discovery City Children's Museum, formerly Knowlton Ice Museum, opened to the public on October 15, 2024 to offer hands-on and interactive exhibits for children. The City made improvements to the facility as well as purchased many of the exhibits.

In fiscal year 2024 the City started to take over the operation of the River Street Marina to provide services along the Black River in the downtown. For fiscal year 2026 operations are budgeted to bring in operating revenue of \$379,500 and incur operating expenses of \$366,941.

The budget for parks and recreation programs and services is \$4,637,883. This portion of the budget includes the City's parks and playgrounds, museum, children's museum, beaches and pools, boat launches, riverfront parkways, the Palmer Park Recreation Center and the City's many forested public areas and boulevards. Recreation and other fees and grants offset certain of these costs. During the past years these fees have been increased to cover direct program costs.



**O. General Fund Comparison**

The General Fund budget presented herein may be summarized and compared with the adopted budget for the current fiscal year ending June 30, 2026, as follows:

	Proposed Budget 2025-2026	Adopted Budget 2024-2025	Increase Or (Decrease)
Means of Financing:			
Property taxes	\$ 12,320,000	\$ 11,500,000	\$ 820,000
Income tax	9,660,000	9,200,000	460,000
Business licenses and permits	366,000	413,000	(47,000)
Nonbusiness license permits	583,000	475,000	108,000
Grants	445,000	3,457,000	(3,012,000)
State shared revenue	5,850,000	5,935,000	(85,000)
Charges for services	1,663,040	1,453,000	210,040
Fines and Forfeits	260,000	140,000	120,000
Investment income	400,000	340,000	60,000
Rents	325,000	325,000	-
Sale of assets	-	973	(973)
Charges to other funds	2,967,920	2,860,975	106,945
Transfer from other funds	-	360,000	(360,000)
Total	<u>\$ 34,839,960</u>	<u>\$ 36,459,948</u>	<u>\$ (1,619,988)</u>
Estimated Requirements:			
General government	\$ 5,041,967	\$ 4,896,029	\$ 145,938
Public safety	20,324,337	18,920,500	1,403,837
Public works	2,556,435	2,686,965	(130,530)
Senior Citizens	4,500	4,500	-
Recreation, parks and culture	4,637,883	4,557,041	80,842
Other functions	580,125	491,300	88,825
Capital outlay	570,000	3,750,000	(3,180,000)
Debt Service	571,413	568,613	2,800
Transfers to other funds	553,300	585,000	(31,700)
Total	<u>\$ 34,839,960</u>	<u>\$ 36,459,948</u>	<u>\$ (1,619,988)</u>

**P. Water and Wastewater Funds**

The City of Port Huron operates two utility funds, the Water Fund and the Wastewater Fund. The Water Fund accounts for the operation of the City's water treatment plant and distribution system. The City provides water service to all City residents and businesses, as well as to portions of the townships of Fort Gratiot, Port Huron, Kimball and Clyde. Services to those townships are charged based on water usage and rates charged to City of Port Huron users, by contract. The Wastewater Fund accounts for the operation of the City's wastewater treatment facility and collection system. In addition to providing services to City residents, the wastewater treatment facility also provides services to portions of the townships of Fort Gratiot, Port Huron and Kimball. The three townships have purchased capacity in the wastewater treatment facility and share in annual operating expenses based on fixed contractual percentages.

**Q. Bond Commitments**

The State of Michigan, through the Michigan Municipal Bond Authority (MMBA), has approved borrowings under the State Revolving Fund (SRF) and Drinking Water Revolving Fund (DWRF) loan programs subject to certain conditions. Among the conditions are those prescribed by the MMBA's public financial consultants which include, in part, the following two conditions which are similar to those contained in the bond ordinances and agreements.

1. Water and Sewer Use Revenue – Sufficient revenues are generated from water supply and sewage disposal services to satisfy all operations, maintenance and replacement costs. It is projected and understood that annual rate increases will be required over the next few years.
2. Rate Adjustments – All rates, charges and fees shall be reviewed annually and adjusted as necessary to assure that, at the minimum, sufficient revenues will be available to satisfy all operation, maintenance, replacement and debt service costs to the system.

Recorded in the various funds of the City are general obligation bonds and revenue bonds amounting to \$94,783,480 at June 30, 2024 for which the City's full faith and credit is pledged. It is anticipated that the principal and interest on this debt will continue to be serviced by the funds incurring the debt, predominately the Water and Wastewater Funds for the borrowings referred to above, the Insurance and Fringe Benefits Fund for the pension bonds issued during March, 2020 and the General Fund for the bonds issued during December, 2022 for the construction of the new fire station.

The requirements to pay principal and interest on the obligations outstanding at June 30, 2024 are listed below. The annual payments for the first five years are listed individually and thereafter are listed in five-year groupings. They are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 6,525,464	\$ 2,469,098	\$ 8,994,563
2026	5,460,608	2,337,532	7,798,141
2027	4,331,746	2,216,576	6,548,323
2028	4,091,147	2,120,835	6,211,982
2029	3,933,592	2,027,718	5,961,310
2030-2034	18,637,018	8,735,061	27,372,080
2035-2039	17,098,446	6,533,580	23,632,027
2040-2044	16,267,267	4,289,710	20,556,977
2045-2049	16,346,318	1,914,846	18,261,164
2050-2054	<u>2,091,873</u>	<u>185,815</u>	<u>2,277,688</u>
	<u>\$ 94,783,480</u>	<u>\$ 32,830,771</u>	<u>\$ 127,614,251</u>

Continuous review of this significant debt obligation will be necessary to properly manage the City's commitments.

#### **R. Monthly Utility Billings**

This budget includes a blended rate increase of 3.46%. This includes an 8.7% increase in commodity cost while ready to serve fees remain unchanged for both water and sewer. This increase should provide much of the necessary revenue for operations, capital needs and debt retirement during that period. However, budgeted capital projects in the Water and Wastewater Funds will require additional resources. These capital projects have been funded, as much as prudently possible, from cost containment measures and use of cash reserves in recent years. However, new funds are now needed to finance continuing capital needs. As additional resources are needed, issuance of long-term bonds will be necessary.

The effects of the proposed rate increase on the combined water and sewage rate charges for a 5/8 inch residential customer at various consumption levels, per month, are as follows:

	<u>Consumption (Cubic Feet)</u>	<u>Adjusted Rates</u>	<u>Present Rates</u>	<u>Increase</u>	<u>Percent Change</u>
	167	\$ 80.58	\$ 79.64	\$ 0.94	1.18%
	333	92.86	90.92	1.94	2.13%
	500	105.21	102.27	2.94	2.87%
Average Residential	567	110.17	106.82	3.35	3.14%
	667	117.56	113.62	3.94	3.46%
	833	129.84	124.90	4.94	3.96%
	1,000	142.19	136.26	5.93	4.35%
	1,167	154.54	147.60	6.94	4.70%
	1,333	166.82	158.89	7.93	4.99%
	1,500	179.17	170.24	8.93	5.25%

## S. Proposed Public Works Projects

Public works projects necessary for street reconstruction may include upgraded sewer and water lines where appropriate. As a result, the costs associated with these projects are recorded in the Streets Fund, the Water Fund and the Wastewater Fund. Certain of these projects could also be recorded in other funds when appropriate.

The current estimated costs of public works projects for the 2025-26 year are as follows:

	Street Funds	Water Fund	Wastewater Fund	Total
Current Projects:				
McLaren Hospital Area Roads				
Phase II	\$ 753,000	\$ 880,000	\$ 325,000	\$ 1,958,000
Lapeer Ave – 16 <sup>th</sup> St. to 24 <sup>th</sup> St.	1,172,000	94,000	55,000	1,321,000
Elmwood - St. Stone to Gratiot	280,000	357,000	270,000	907,000
Elmwood - St. 10 <sup>th</sup> St. to Stone	-	225,000	-	225,000
Water - St. Military to 7 <sup>th</sup> St.	800,000	-	-	800,000
10 <sup>th</sup> St. - Lapeer to Black River	850,000	-	-	850,000
Concrete Pavement Rehab	750,000	-	-	750,000
Oak St. Military to 24 <sup>th</sup> St.	50,000	250,000	-	300,000
Lead Service Replacement	-	500,000	-	500,000
Total Current	<u>4,655,000</u>	<u>2,306,000</u>	<u>650,000</u>	<u>7,611,000</u>
Carryover Projects:				
McLaren Hospital Area Roads				
Phase I	374,000	1,046,000	1,040,000	2,460,000
24 <sup>th</sup> Street	625,000	325,000	150,000	1,100,000
Ravenswood Sewer Extension	-	-	100,000	100,000
15 <sup>th</sup> St. Watermain Extension	-	200,000	-	200,000
Total Carryover	<u>999,000</u>	<u>1,571,000</u>	<u>1,290,000</u>	<u>3,860,000</u>
Total Current and Carryover	<u>5,654,000</u>	<u>3,877,000</u>	<u>1,940,000</u>	<u>11,471,000</u>
Sidewalk Projects	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Total	<u>\$ 5,804,000</u>	<u>\$ 3,877,000</u>	<u>\$ 1,940,000</u>	<u>\$ 11,621,000</u>

The public works projects are expected to be funded as follows:

	Street Funds	Water Fund	Wastewater Fund	Total
Grants:				
LDFA Funding	625,000	325,000	150,000	1,100,000
Water St. TIF Funding	800,000	-	-	800,000
MDOT Federal Funds	1,172,000	-	-	1,172,000
Sidewalk Projects	150,000	-	-	150,000
Current Revenues and Reserves:				
Street Millage	3,057,000	-	-	3,623,000
Water/Wastewater Fund	<u>-</u>	<u>3,552,000</u>	<u>1,790,000</u>	<u>11,621,000</u>
Total	<u>\$ 5,804,000</u>	<u>\$ 3,877,000</u>	<u>\$ 1,940,000</u>	<u>\$ 11,621,000</u>

## **T. Special Revenue Funds**

The Cemetery Fund continues to face financial pressures. Revenue received in the fund is unable to meet the demand of inflation, increasing operating expenditures. Though City Council previously approved an increase to fees charged, for various cemetery services, in an effort to mitigate cost pressures. These efforts have only delayed the depletion of the reserved fund balance forcing fund operations to be subsidized from either the General Fund or Land Purchase Fund in years past. These other funds are facing the same cost pressures and are unable to subsidize the budgeted operations for the Cemetery Fund in fiscal year 2025-26. While efforts are put forth to brainstorm ideas in an effort to reduce cost in the fund, it was determined to increase the funds transferred from the Cemetery Perpetual Care Fund to meet the Cemetery Funds demands.

The Garbage and Rubbish Collection Fund reflects the expected annual charges for the 2025-26 year. The City charges a flat rate assessed on parcels containing a residential dwelling. The annual fee will be at rate equivalent to the value of services provided to ensure the fund will breakeven at year end. The 2025-26 budget provides for a Public Area Program with the costs charged to the Garbage and Rubbish Collection Fund. The Public Area Program provides for trash removal from parks, beaches, marinas and other public areas maintained by the City.

The City has established a separate Rental Certification Fund to segregate all revenues and expenditures of this program so that the fee structure is based upon actual costs. The current budget continues to fund the additional full-time positions for Rental Inspectors. This allows rental properties to be inspected on a more regular basis. Over time, this will help improve the quality of rental properties in the City of Port Huron. The current fees are \$100 for the first unit and \$70 per unit for each additional unit.

The Drug Law Enforcement and Law Enforcement Funds account for property forfeited to the City in connection with drug related activities. The Enhanced 911 Fund was established to account for the revenues and capital outlay, as required by statute, from the user fee as assessed to all city telephone customers. No further revenues are expected from the user fees. The remaining funds are available for future capital needs.

The Community Development Block Grant (CDBG) Fund and the Home Program Fund are budgeted using the allocation of grant funds previously approved by the City Council. Existing staff, with assistance from part-time clerical employees, continue to be able to manage the CDBG and HOME programs.

## **U. Internal Service Funds**

The City operates five internal service funds, consisting of the Central Stores, Data Processing, Motor Vehicle, Energy Performance Services and Fringe Benefit Funds. These funds provide services to other activities of the City. Revenues are derived from the fee charges for the services rendered. The budget for these funds are included in this report. The operations of the Motor Vehicle Fund and Fringe Benefit Fund were previously reviewed. Annual operating costs are budgeted to increase as a result of increased operations as well as increased insurance rates and annual required pension payments. As a result, vehicle lease charges and fringe benefit rates increased to cover the anticipated increase in cost.

## **V. Tax Increment Funds**

The City of Port Huron has used tax increment financing to undertake several economic development projects. This financial tool, authorized by various state statutes, allows a municipality to construct public improvements to provide incentives for industrial, commercial and residential developments. These public improvements are financed from the revenues generated by the new development from the taxes levied on the captured (increased) value of the district.

For the presented budget, it is proposed that commercial development continues to be funded by those tax increment districts which continue to have undeveloped land or significant vacant properties. The districts are noted in the following list.

Each of these districts are budgeted for separately and consist of the following:

- The Peerless Site Tax Increment Fund (captured taxes committed to St. Clair County)
- The Harrington Hotel Tax Increment Fund (taxes no longer captured)
- The Bank Tax Increment Fund (taxes no longer captured)
- The Edison Redevelopment Tax Increment Fund
- The Water Street Tax Increment Fund (taxes no longer captured)
- The MainStreet Tax Increment Fund
- The Industrial Park Expansion Tax Increment Fund (taxes no longer captured)
- The Southside Redevelopment Brownfield Redevelopment Tax Increment Fund
- The Harker Street Redevelopment Brownfield Redevelopment Tax Increment Fund
- Water Street Marina Brownfield Redevelopment Tax Increment Fund
- Wrigley Center Brownfield Redevelopment Tax Increment Fund
- The Southside Neighborhood Initiative Authority Tax Increment Fund

For the Southside Redevelopment Brownfield Redevelopment District, one-half of the incremental non-school and school taxes are captured. For districts where advances are repaid and projects completed, captured taxes are passed on to the appropriate taxing authorities. For other districts, expenditures are projected based upon continuance of current capital projects or development.

## **Individual Fund Budgets**

# GENERAL FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Property taxes	\$ 12,320,000	\$ 11,500,000
Income tax	9,660,000	9,200,000
Business licenses and permits	366,000	413,000
Nonbusiness licenses and permits	583,000	475,000
Grants	445,000	3,457,000
State shared revenues	5,850,000	5,935,000
Charges for services	1,663,040	1,453,000
Fines and forfeits	260,000	140,000
Investment income	400,000	340,000
Rents	325,000	325,000
Sale of assets	-	973
Charges to other funds	2,967,920	2,860,975
Transfer from other funds	-	360,000
<b>TOTAL MEANS OF FINANCING</b>	<b>34,839,960</b>	<b>36,459,948</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	25,039,408	23,612,934
Supplies and materials	1,131,483	1,152,789
Contractual services	6,944,356	6,714,112
	<b>33,115,247</b>	<b>31,479,835</b>
Transfers	553,300	585,000
Debt Service	571,413	568,613
Capital outlay:		
Departmental	30,000	76,500
Parks and recreation projects	570,000	1,750,000
MOC capital	-	1,500,000
Black river tainer gate project	-	500,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>34,839,960</b>	<b>36,459,948</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>6,000,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 6,000,000</b>	



# STREET FUNDS MAJOR STREETS

## Budget Summary

	<b><u>Proposed Budget 2025-2026</u></b>	<b><u>Adopted Budget 2024-2025</u></b>
<b>MEANS OF FINANCING:</b>		
State shared revenues:		
Major streets	\$ 3,030,000	\$ 3,078,409
Trunkline maintenance	455,456	411,349
Right of way	100,000	90,000
Federal and State grants	1,172,000	697,000
Contribution from LDFA	625,000	575,000
Contribution from DDA - Water St	800,000	-
Transfer from Municipal streets to Major streets	<u>2,550,000</u>	<u>502,000</u>
<b>TOTAL MEANS OF FINANCING</b>	<u>8,732,456</u>	<u>5,353,758</u>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	1,665,787	1,529,185
Supplies and materials	313,386	313,228
Contractual services:		
Engineering and other professional services	<u>2,189,162</u>	<u>1,165,934</u>
	4,168,335	3,008,347
Capital outlay:		
Departmental	1,000	-
Street resurfacing and/or reconstruction from:		
Street millage	437,000	276,000
Other sources	<u>4,130,000</u>	<u>2,069,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<u>8,736,335</u>	<u>5,353,347</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	(3,879)	<u>\$ 411</u>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<u>50,000</u>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<u><u>\$ 46,121</u></u>	

# STREET FUNDS LOCAL STREETS

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
State shared revenues:		
Local streets	\$ 1,110,000	\$ 1,094,000
Right of way	30,000	27,000
Transfers:		
Transfer from Major streets to Local streets	757,500	-
Transfer from Municipal streets to Local streets	625,000	2,775,000
<b>TOTAL MEANS OF FINANCING</b>	<b>2,522,500</b>	<b>3,896,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	781,140	718,299
Supplies and materials	131,209	131,622
Contractual services	526,288	494,838
	1,438,637	1,344,759
Capital outlay:		
Departmental	1,000	-
Street resurfacing and/or reconstruction from:		
Street millage	1,087,000	1,094,000
Other sources	-	1,456,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>2,526,637</b>	<b>3,894,759</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>(4,137)</b>	<b>\$ 1,241</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>5,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 863</b>	

# STREET FUNDS MUNICIPAL STREETS

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 1,410,000	\$ 1,320,000
Personal property taxes	114,000	95,000
BWATC	450,000	420,000
State shared revenue - Local community stabilization authority	190,000	190,000
Charges for services	160,000	160,000
<b>TOTAL MEANS OF FINANCING</b>	<b>2,324,000</b>	<b>2,185,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	30,705	60,888
Supplies and materials	12,789	2,500
Contractual services:		
Engineering and other professional services	69,202	60,812
BWATC property taxes	450,000	420,000
Transfers:		
From Municipal streets to Major streets	2,550,000	502,000
From Municipal streets to Local streets	625,000	2,775,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>3,737,696</b>	<b>3,821,200</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 1,413,696)</b>	<b>\$( 1,636,200)</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>6,000,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 4,586,304</b>	

**STREET FUNDS**  
**COMBINED MAJOR, LOCAL AND MUNICIPAL STREETS**

**Budget Summary**

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 1,410,000	\$ 1,320,000
Personal property taxes	114,000	95,000
BWATC	450,000	420,000
State shared revenues:		
Major streets	3,030,000	3,078,409
Local streets	1,110,000	1,094,000
Trunkline maintenance	455,456	411,349
Right of way	130,000	117,000
Local community stabilization authority	190,000	190,000
Federal and State grants	1,172,000	697,000
Charges for services	160,000	160,000
Contribution from LDFA	625,000	575,000
Contribution from DDA - Water St	800,000	-
Transfers:		
Transfer from Major streets to Local streets	757,500	-
From Municipal streets to Major streets	2,550,000	502,000
From Municipal streets to Local streets	625,000	2,775,000
<b>TOTAL MEANS OF FINANCING</b>	<b>13,578,956</b>	<b>11,434,758</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	2,477,632	2,308,372
Supplies and materials	457,384	447,350
Contractual services:		
Engineering and other professional services	2,784,652	1,721,584
BWATC property taxes	450,000	420,000
Transfers:		
From Municipal streets to Major streets	2,550,000	502,000
From Municipal streets to Local streets	625,000	2,775,000
	<b>9,344,668</b>	<b>8,174,306</b>
Capital outlay:		
Departmental	2,000	-
Street resurfacing and/or reconstruction from:		
Street millage	1,524,000	1,370,000
Other sources	4,130,000	3,525,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>15,000,668</b>	<b>13,069,306</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 1,421,712)</b>	<b>\$( 1,634,548)</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>6,055,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 4,633,288</b>	

# CEMETERY FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Foundations	\$ 25,000	\$ 25,000
Graveside interments	75,000	75,000
Chapel interments	15,000	10,000
Other services	16,500	23,000
Transfer from Cemetery perpetual care fund	570,000	575,000
<b>TOTAL MEANS OF FINANCING</b>	<b>701,500</b>	<b>708,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	440,720	431,874
Supplies and materials	30,950	33,808
Contractual services	205,043	194,103
	676,713	659,785
Capital outlay	24,000	30,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>700,713</b>	<b>689,785</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>787</b>	<b>\$ 18,215</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>5,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>5,787</b>	

# GARBAGE AND RUBBISH COLLECTION FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 3,144,193	\$ 3,019,201
<b>TOTAL MEANS OF FINANCING</b>	<b>3,144,193</b>	<b>3,019,201</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Rubbish Collection Program:		
Ordinary recurring expenses:		
Personal services	18,698	15,647
Supplies and materials	4,000	1,500
Contractual services	3,121,495	2,967,886
	<u>3,144,193</u>	<u>2,985,033</u>
Public Area Collection Program:		
Ordinary recurring expenses:		
Personal services	-	1,700
Contractual services	-	32,468
	<u>-</u>	<u>34,168</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>3,144,193</b>	<b>3,019,201</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>800,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 800,000</b>	

# RENTAL CERTIFICATION FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 489,000	\$ 481,000
<b>TOTAL MEANS OF FINANCING</b>	<u>489,000</u>	<u>481,000</u>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	583,808	527,916
Supplies and materials	10,500	10,500
Contractual services	75,080	70,712
	<u>669,388</u>	<u>609,128</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<u>669,388</u>	<u>609,128</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	( 180,388)	<u><u>\$( 128,128)</u></u>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<u>450,000</u>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<u><u>\$ 269,612</u></u>	

## O.U.I.L. FUND

### Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Fines and forfeits	\$ 5,000	\$ 1,000
<b>TOTAL MEANS OF FINANCING</b>	<u>5,000</u>	<u>1,000</u>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Supplies and materials	1,000	1,000
Contractual services	<u>1,000</u>	<u>1,000</u>
	2,000	2,000
Capital outlay	<u>3,000</u>	<u>3,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<u>5,000</u>	<u>5,000</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	-	<u><u>\$ (4,000)</u></u>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<u>1,500</u>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<u><u>\$ 1,500</u></u>	



# DRUG LAW ENFORCEMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Fines and forfeits	\$ 20,000	\$ 20,000
<b>TOTAL MEANS OF FINANCING</b>	<u>20,000</u>	<u>20,000</u>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Supplies and materials	5,000	5,000
Contractual services	<u>1,000</u>	<u>1,000</u>
	6,000	6,000
Capital outlay	<u>14,000</u>	<u>14,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<u>20,000</u>	<u>20,000</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	-	\$ -
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>-</u>

# LAW ENFORCEMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 47,000	\$ 10,000
<b>TOTAL MEANS OF FINANCING</b>	<b>47,000</b>	<b>10,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Supplies and materials	47,000	10,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>47,000</b>	<b>10,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	-	\$ -
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	-	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	\$ -	

# AMBULANCE FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 400,000	\$ 350,000
<b>TOTAL MEANS OF FINANCING</b>	<b>400,000</b>	<b>350,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services	400,000	350,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>400,000</b>	<b>350,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>-</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ -</b>	

# OPIOID SETTLEMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 175,000	\$ 100,000
<b>TOTAL MEANS OF FINANCING</b>	<u>175,000</u>	<u>100,000</u>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services	<u>175,000</u>	<u>100,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<u>175,000</u>	<u>100,000</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	-	\$ -
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<u>6,000</u>	<u></u>
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<u>\$ 6,000</u>	<u></u>

# COMMUNITY DEVELOPMENT BLOCK GRANT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Federal grant:		
Current allocation	\$ 703,151	\$ 703,151
Federal grant carryover	663,252	681,794
<b>TOTAL MEANS OF FINANCING</b>	<b>1,366,403</b>	<b>1,384,945</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Code enforcement/neighborhood preservation:		
Personal services	122,264	121,338
Supplies and materials	2,250	2,750
Contractual services	12,989	15,232
	137,503	139,320
Capital outlay - programs:		
Emergency home repairs	138,400	152,500
Rehabilitation	899,000	860,500
Code enforcement	97,500	86,625
Demolitions	25,000	36,500
Project brush-up	50,000	100,000
Neighborhood clean-up	19,000	9,500
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>1,366,403</b>	<b>1,384,945</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	-	\$ -
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	-	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	\$ -	

# HOME PROGRAM FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Federal grant		
Current allocation	\$ 229,339	\$ 229,339
Federal grant carryover	1,199,000	1,187,073
<b>TOTAL MEANS OF FINANCING</b>	<b>1,428,339</b>	<b>1,416,412</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Code enforcement/neighborhood preservation:		
Personal services	16,802	19,512
Supplies and materials	-	300
Contractual services	1,000	2,600
	<u>17,802</u>	<u>22,412</u>
Capital outlay:		
CHDO project	283,000	201,000
CHDO administration	52,000	45,000
Urban pioneer	242,000	351,000
HOME ARP	833,537	797,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>1,428,339</b>	<b>1,416,412</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>-</b>	<b>-</b>
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ -</b>	<b>-</b>

# STREETSCAPE MAINTENANCE FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 34,750	\$ 44,000
Transfer from General fund	-	\$ 35,000
<b>TOTAL MEANS OF FINANCING</b>	<b>34,750</b>	<b>79,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	8,800	29,744
Supplies and materials	2,350	3,500
Contractual services	23,600	45,300
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>34,750</b>	<b>78,544</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ 456</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>90</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 90</b>	

# BEAUTIFICATION COMMISSION FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Miscellaneous	\$ -	\$ 4,000
Transfer from General fund	3,300	-
<b>TOTAL MEANS OF FINANCING</b>	<b>3,300</b>	<b>4,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Supplies and materials	5,650	5,500
Contractual services	150	150
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>5,800</b>	<b>5,650</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 2,500)</b>	<b>\$( 1,650)</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>10,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 7,500</b>	



# MCMORRAN FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 2,123,350	\$ 2,116,500
Transfer from General fund	550,000	550,000
<b>TOTAL MEANS OF FINANCING</b>	<b>2,673,350</b>	<b>2,666,500</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	1,323,893	1,349,268
Supplies and materials	93,100	76,600
Contractual services	1,244,910	1,210,672
	2,661,903	2,636,540
Capital outlay	9,800	91,500
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>2,671,703</b>	<b>2,728,040</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>1,647</b>	<b>\$( 61,540)</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>5,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 6,647</b>	

# MARINA FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Gas Sales	\$ 80,000	\$ 106,000
Dockage	285,000	288,000
Ice Sales	4,500	1,000
Merchandise Sales	10,000	-
Transfer from Land purchase fund	-	50,000
<b>TOTAL MEANS OF FINANCING</b>	<b>379,500</b>	<b>445,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	186,947	163,140
Supplies and materials	73,500	82,650
Contractual services	106,494	194,477
	<b>366,941</b>	<b>440,267</b>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>366,941</b>	<b>440,267</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>12,559</b>	<b>\$ 4,733</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>400,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 412,559</b>	

# LAND PURCHASE FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Transfer from tax increment funds:		
Edison redevelopment	\$ 390,000	\$ -
Mainstreet	186,000	216,200
<b>TOTAL MEANS OF FINANCING</b>	<b>576,000</b>	<b>216,200</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Engineering and other professional services	107,120	107,100
Transfer to:		
Parking fund	90,000	90,000
Marina fund	-	50,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>197,120</b>	<b>247,100</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>378,880</b>	<b>\$( 30,900)</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>80,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 458,880</b>	

# PARKING FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Annual permits	\$ 25,000	\$ 20,000
Transfer from Land purchase fund	90,000	90,000
<b>TOTAL MEANS OF FINANCING</b>	<b>115,000</b>	<b>110,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Parking System - Non Revenue Producing:		
Ordinary recurring expenses:		
Personal services	36,000	26,380
Supplies and materials	12,180	9,180
Contractual services	70,519	76,071
	<b>118,699</b>	<b>111,631</b>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>118,699</b>	<b>111,631</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 3,699)</b>	<b>\$( 1,631)</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>50,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 46,301</b>	

# WATER FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Sale of water	\$ 9,050,000	\$ 9,630,000
Penalty charges	40,000	10,000
Hydrant charges	59,040	59,040
Charges for services	25,000	25,000
Contributions from LDFA	325,000	325,000
Pro rata share of water administration and meter reading budget reimbursed from Wastewater fund	750,414	734,058
Proceeds from issuance of long-term bonds	10,000,000	8,000,000
<b>TOTAL MEANS OF FINANCING</b>	<b>20,249,454</b>	<b>18,783,098</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	2,870,243	2,585,534
Supplies and materials	589,593	624,250
Contractual services	2,760,106	2,464,201
	<u>6,219,942</u>	<u>5,673,985</u>
Debt service requirements for payment of principal and interest on Revenue and State Drinking Water Revolving Fund bonds	1,642,362	2,026,968
Capital outlay:		
Departmental	5,132,659	2,787,961
Construction projects	3,877,000	3,000,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>16,871,963</b>	<b>13,488,914</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>3,377,491</b>	<b>\$ 5,294,184</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>500,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 3,877,491</b>	

# WASTEWATER FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Sewage charges	\$ 16,430,000	\$ 16,410,000
Penalty charges	150,000	20,000
Other income	20,000	20,000
Investment income	200,000	-
Contributions from LDFA	150,000	150,000
Proceeds for operating and capital costs:		
Fort Gratiot Township	1,170,000	1,040,000
Port Huron Township	1,270,000	1,160,000
Kimball Township	550,000	480,000
Proceeds from issuance of long-term bonds	12,000,000	12,500,000
<b>TOTAL MEANS OF FINANCING</b>	<b>31,940,000</b>	<b>31,780,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	4,201,343	3,965,038
Supplies and materials	1,443,011	1,544,574
Contractual services	5,418,863	5,363,839
	11,063,217	10,873,451
Debt service requirements for payment of principal and interest on Revenue and State Revolving Fund bonds	3,001,305	3,319,425
Capital outlay:		
Departmental	22,724,800	15,912,000
Construction projects - Collection system	1,940,000	948,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>38,729,322</b>	<b>31,052,876</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 6,789,322)</b>	<b>\$ 727,124</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>17,000,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 10,210,678</b>	

# CENTRAL STORES FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 131,300	\$ 100,200
<b>TOTAL MEANS OF FINANCING</b>	<b>131,300</b>	<b>100,200</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	5,605	4,820
Supplies and materials	9,602	8,250
Contractual services	108,593	80,813
	<u>123,800</u>	<u>93,883</u>
Capital outlay	<u>7,500</u>	<u>6,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b><u>131,300</u></b>	<b><u>99,883</u></b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ 317</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b><u>1,000</u></b>	<b><u>1,000</u></b>
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b><u>\$ 1,000</u></b>	<b><u>1,317</u></b>

# DATA PROCESSING FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 1,299,712	\$ 1,299,712
<b>TOTAL MEANS OF FINANCING</b>	<b>1,299,712</b>	<b>1,299,712</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	609,687	525,142
Supplies and materials	145,550	185,500
Contractual services	500,418	481,774
	<u>1,255,655</u>	<u>1,192,416</u>
Capital outlay	<u>40,000</u>	<u>165,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b><u>1,295,655</u></b>	<b><u>1,357,416</u></b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>4,057</b>	<b><u>\$( 57,704)</u></b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b><u>400,000</u></b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b><u>\$ 404,057</u></b>	



# MOTOR VEHICLE FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 3,209,767	\$ 2,955,000
<b>TOTAL MEANS OF FINANCING</b>	<u>3,209,767</u>	<u>2,955,000</u>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	946,402	892,931
Supplies and materials	471,805	469,765
Contractual services	923,210	905,508
	<u>2,341,417</u>	<u>2,268,204</u>
Capital outlay	<u>868,350</u>	<u>735,250</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<u>3,209,767</u>	<u>3,003,454</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	-	<u><u>\$ ( 48,454)</u></u>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<u>5,000</u>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<u><u>\$ 5,000</u></u>	

# ENERGY PERFORMANCE SERVICES FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 330,000	\$ 330,000
<b>TOTAL MEANS OF FINANCING</b>	<b>330,000</b>	<b>330,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Debt service requirements for principal and interest on energy performance debt	399,286	411,400
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>399,286</b>	<b>411,400</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 69,286)</b>	<b>\$( 81,400)</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>77,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 7,714</b>	

# INSURANCE AND FRINGE BENEFIT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Charges for services	\$ 17,200,000	\$ 15,200,000
Investment income	45,000	-
<b>TOTAL MEANS OF FINANCING</b>	<b>17,245,000</b>	<b>15,200,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services:		
Healthcare premiums	7,800,000	6,200,000
Pension contributions	3,323,100	2,600,000
Payroll taxes	1,160,000	1,100,000
Workers compensation insurance	210,000	350,000
Dental insurance	290,000	290,000
Unemployment insurance	17,000	20,000
Disability benefits	150,000	155,000
Vacation and sick pay	360,000	350,000
Other	847,000	789,000
	<u>14,157,100</u>	<u>11,854,000</u>
Supplies and materials	9,000	11,500
Contractual services	<u>3,335,425</u>	<u>3,311,857</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b><u>17,501,525</u></b>	<b><u>15,177,357</u></b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 256,525)</b>	<b>\$ 22,643</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b><u>4,000,000</u></b>	<b><u>4,000,000</u></b>
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b><u>\$ 3,743,475</u></b>	

## **Tax Increment Authority Fund Budgets**

# PEERLESS SITE TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 74,000	\$ 72,000
Personal property taxes	16,000	21,000
<b>TOTAL MEANS OF FINANCING</b>	<b>90,000</b>	<b>93,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Payment to St. Clair County - development agreement	90,000	93,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>90,000</b>	<b>93,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>-</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ -</b>	

# DOWNTOWN DEVELOPMENT AUTHORITY (DDA) OPERATING FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 141,000	\$ 72,000
Personal property taxes	8,000	3,000
Grants - American Rescue Plan	85,500	98,000
Social district stickers	15,000	15,000
Sponsorships	78,500	78,500
Various event fees	51,500	55,000
Rentals	35,000	-
Farmer's market	64,500	56,500
Contributions from various DDA plans	27,705	113,000
<b>TOTAL MEANS OF FINANCING</b>	<b>506,705</b>	<b>491,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Personal services	147,403	140,259
Supplies and materials	57,080	52,050
Contractual services:		
Physical improvements	-	15,000
Other contractual services	302,222	291,822
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>506,705</b>	<b>499,131</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$( 8,131)</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>10,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 10,000</b>	

# WATER STREET DDA TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ -	\$ 370,000
Personal property taxes	-	41,000
<b>TOTAL MEANS OF FINANCING</b>	<b>-</b>	<b>411,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Professional and other services	1,600	37,500
	1,600	37,500
Capital outlay:		
Available for infrastructure improvements or other services	1,291,000	373,500
	1,291,000	373,500
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>1,292,600</b>	<b>411,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 1,292,600)</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>1,292,600</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ -</b>	

# BANK DDA TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>	<u>\$ -</u>	<u>\$ -</u>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Professional and other services	<u>19,605</u>	<u>-</u>
	19,605	-
Capital outlay:		
Available for infrastructure improvements or other services	<u>-</u>	<u>88,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<u>19,605</u>	<u>88,000</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	( 19,605)	<u><u>\$( 88,000)</u></u>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<u>155,000</u>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<u><u>\$ 135,395</u></u>	



# HARRINGTON HOTEL DDA TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING</b>	<u>\$ -</u>	<u>\$ -</u>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Professional and other services	<u>800</u>	<u>10,000</u>
	800	10,000
Transfer to DDA	9,700	9,500
Capital outlay:		
Available for infrastructure improvements or other services	<u>-</u>	<u>15,500</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<u>10,500</u>	<u>35,000</u>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	( 10,500)	<u><u>\$ ( 35,000)</u></u>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<u>10,500</u>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	

# EDISON REDEVELOPMENT DDA TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 390,000	\$ 360,000
<b>TOTAL MEANS OF FINANCING</b>	<b>390,000</b>	<b>360,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Transfer to Land purchase fund and/or General fund	390,000	360,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>390,000</b>	<b>360,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	-	\$ -
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	-	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	\$ -	

# MAINSTREET DDA TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 186,000	\$ 220,000
Personal property taxes	-	7,700
<b>TOTAL MEANS OF FINANCING</b>	<b>186,000</b>	<b>227,700</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Professional and other services	-	5,000
Transfer to DDA	-	6,500
Transfer to Land purchase fund	186,000	216,200
	<b>186,000</b>	<b>227,700</b>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>186,000</b>	<b>227,700</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>3,900</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ 3,900</b>	

# INDUSTRIAL PARK EXPANSION LOCAL DEVELOPMENT FINANCE TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ -	\$ 150,000
Personal property taxes	-	11,000
State shared revenue - LCSA	-	250,000
<b>TOTAL MEANS OF FINANCING</b>	<b>-</b>	<b>411,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Economic development alliance	85,000	80,368
Industrial development - other	2,600	4,632
	<u>87,600</u>	<u>85,000</u>
Capital outlay:		
Available for infrastructure improvements or other services	<u>1,104,000</u>	<u>1,000,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b><u>1,191,600</u></b>	<b><u>1,085,000</u></b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 1,191,600)</b>	<b><u><u>\$ ( 674,000)</u></u></b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b><u>1,191,600</u></b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b><u><u>\$ -</u></u></b>	

# SOUTHSIDE REDEVELOPMENT BROWNFIELD REDEVELOPMENT TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 285,000	\$ 320,000
Personal property taxes	16,000	14,000
<b>TOTAL MEANS OF FINANCING</b>	<b>301,000</b>	<b>334,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Repayment to developer	301,000	334,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>301,000</b>	<b>334,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>-</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ -</b>	

# HARKER STREET REDEVELOPMENT BROWNFIELD REDEVELOPMENT TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 24,000	\$ 21,000
Personal property taxes	16,000	20,000
<b>TOTAL MEANS OF FINANCING</b>	<b>40,000</b>	<b>41,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Repayment to developer and/or other entities	40,000	41,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>40,000</b>	<b>41,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>-</b>	<b>\$ -</b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>-</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ -</b>	

# WATER STREET MARINA BROWNFIELD REDEVELOPMENT TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Proposed Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 100,000	\$ 100,000
Personal property taxes	10,000	11,000
<b>TOTAL MEANS OF FINANCING</b>	<b>110,000</b>	<b>111,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Repayment to developer	110,000	111,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>110,000</b>	<b>111,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	-	\$ -
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	-	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b>\$ -</b>	

# WRIGLEY CENTER BROWNFIELD REDEVELOPMENT TAX INCREMENT FUND

## Budget Summary

	<b>Proposed Budget 2025-2026</b>	<b>Adopted Budget 2024-2025</b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 52,000	\$ 78,000
<b>TOTAL MEANS OF FINANCING</b>	<b>52,000</b>	<b>78,000</b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Repayment to developer	138,000	130,000
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b>138,000</b>	<b>130,000</b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 86,000)</b>	<b><u>\$( 52,000)</u></b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b>98,000</b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b><u>\$ 12,000</u></b>	



**SOUTHSIDE  
NEIGHBORHOOD INITIATIVE AUTHORITY**

**Budget Summary**

	<b><u>Proposed Budget 2025-2026</u></b>	<b><u>Adopted Budget 2024-2025</u></b>
<b>MEANS OF FINANCING:</b>		
Taxes:		
Real property taxes	\$ 130,000	\$ 140,000
<b>TOTAL MEANS OF FINANCING</b>	<b><u>130,000</u></b>	<b><u>140,000</u></b>
<b>ESTIMATED REQUIREMENTS:</b>		
Ordinary recurring expenses:		
Contractual services:		
Repayment to developer and/or other entities	<u>264,000</u>	<u>140,000</u>
<b>TOTAL ESTIMATED REQUIREMENTS</b>	<b><u>264,000</u></b>	<b><u>140,000</u></b>
<b>INCREASE (DECREASE) IN CASH BALANCE</b>	<b>( 134,000)</b>	<b><u><u>\$ -</u></u></b>
<b>ESTIMATED CASH BALANCE - BEGINNING OF YEAR</b>	<b><u>134,000</u></b>	
<b>ESTIMATED CASH BALANCE - END OF YEAR</b>	<b><u><u>\$ -</u></u></b>	

## **Governmental Funds Summary**

# GOVERNMENTAL FUNDS SUMMARY

## Budget Summary

**2025-2026**

Governmental Fund	Estimated Designated Fund Balance July 1, 2025	Budget 2025 - 2026		Estimated Change In Fund Balance June 30, 2026
		Means of Financing	Estimated Requirements	
General fund	\$ -	\$ 34,839,960	\$ 34,839,960	\$ -
Major streets fund	\$ 3,879	\$ 8,732,456	\$ 8,736,335	\$ -
Local streets fund	\$ 4,137	\$ 2,522,500	\$ 2,526,637	\$ -
Municipal streets fund	\$ 1,413,696	\$ 2,324,000	\$ 3,737,696	\$ -
Cemetery fund	\$ -	\$ 701,500	\$ 700,713	\$ 787
Garbage and rubbish collection fund	\$ -	\$ 3,144,193	\$ 3,144,193	\$ -
Rental certification fund	\$ 180,388	\$ 489,000	\$ 669,388	\$ -
O.U.I.L. fund	\$ -	\$ 5,000	\$ 5,000	\$ -
Drug law enforcement fund	\$ -	\$ 20,000	\$ 20,000	\$ -
Law enforcement fund	\$ -	\$ 10,000	\$ 10,000	\$ -
Community development block grant fund	\$ -	\$ 1,366,403	\$ 1,366,403	\$ -
Home program fund	\$ -	\$ 1,428,339	\$ 1,428,339	\$ -
Streetscape maintenance fund	\$ -	\$ 34,750	\$ 34,750	\$ -
Beautification commission fund	\$ 2,500	\$ 3,300	\$ 5,800	\$ -
Peerless site tax increment fund	\$ -	\$ 90,000	\$ 90,000	\$ -
Downtown development fund	\$ -	\$ 506,705	\$ 506,705	\$ -
Water Street tax increment fund	\$ 1,292,600	\$ -	\$ 1,292,600	\$ -
Bank tax increment fund	\$ 19,605	\$ -	\$ 19,605	\$ -
Harrington Hotel tax increment fund	\$ 10,500	\$ -	\$ 10,500	\$ -

Continued

# GOVERNMENTAL FUNDS SUMMARY

## Budget Summary

2025-2026

Governmental Fund	Estimated Designated Fund Balance July 1, 2025	Budget 2025 - 2026		Estimated Change In Fund Balance June 30, 2026
		Means of Financing	Estimated Requirements	
Edison redevelopment tax increment fund	\$ -	\$ 390,000	\$ 390,000	\$ -
Mainstreet tax increment fund	\$ -	\$ 186,000	\$ 186,000	\$ -
Industrial park expansion tax increment fund	\$ 1,191,600	\$ -	\$ 1,191,600	\$ -
Brownfield redevelopment tax increment funds:				
Southside redevelopment	\$ -	\$ 301,000	\$ 301,000	\$ -
Harker Street redevelopment	\$ -	\$ 40,000	\$ 40,000	\$ -
Water Street Marina redevelopment	\$ -	\$ 110,000	\$ 110,000	\$ -
Wrigley center	\$ 86,000	\$ 52,000	\$ 138,000	\$ -
Neighborhood Initiative Authority:				
Southside	\$ 134,000	\$ 130,000	\$ 264,000	\$ -

## **Projected Revenues and Expenditures**

**SCHEDULE OF PROJECTED REVENUES**  
**GENERAL FUND**  
2025-2026

	Actual		Budget		Budget Projection		
	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TAXES:							
Real property taxes	8,811,915	9,516,174	10,120,000	10,780,000	11,114,180	11,458,720	11,813,940
Personal property taxes	715,072	718,787	720,000	870,000	896,970	924,776	953,444
Property tax administration fee	369,173	399,259	375,000	375,000	386,625	398,610	410,967
Income tax	10,015,449	9,585,727	9,200,000	9,660,000	9,959,460	10,268,203	10,586,518
Payment in lieu of taxes	61,600	73,249	60,000	70,000	72,170	74,407	76,714
Penalties and interest on taxes	190,319	226,426	225,000	225,000	231,975	239,166	246,580
	<u>20,163,528</u>	<u>20,519,622</u>	<u>20,700,000</u>	<u>21,980,000</u>	<u>22,661,380</u>	<u>23,363,883</u>	<u>24,088,163</u>
BUSINESS LICENSES AND PERMITS:							
Demolitions	440	440	3,000	1,000	1,031	1,063	1,096
C.A.T.V.	330,306	307,592	350,000	300,000	309,300	318,888	328,774
Miscellaneous	148,586	70,680	60,000	65,000	67,015	69,092	71,234
	<u>479,332</u>	<u>378,712</u>	<u>413,000</u>	<u>366,000</u>	<u>377,346</u>	<u>389,044</u>	<u>401,104</u>
NONBUSINESS LICENSES AND PERMITS:							
Building	376,930	310,721	275,000	300,000	309,300	318,888	328,774
Electrical	80,252	103,977	82,500	100,000	103,100	106,296	109,591
Heating	76,341	113,080	80,000	110,000	113,410	116,926	120,550
Plumbing	37,945	37,935	32,500	40,000	41,240	42,518	43,837
Right-of-way	3,485	31,792	5,000	30,000	30,930	31,889	32,877
Miscellaneous	15,870	3,635	-	3,000	3,093	3,189	3,288
	<u>590,823</u>	<u>601,140</u>	<u>475,000</u>	<u>583,000</u>	<u>601,073</u>	<u>619,706</u>	<u>638,917</u>
GRANTS:							
American Rescue Plan	5,241,966	1,728,277	3,007,000	-	-	-	-
Other grants	2,417,331	315,012	450,000	445,000	50,000	50,000	50,000
	<u>7,659,297</u>	<u>2,043,289</u>	<u>3,457,000</u>	<u>445,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

Continued

**SCHEDULE OF PROJECTED REVENUES**  
**GENERAL FUND**  
2025-2026

	Actual		Budget		Budget Projection		
	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
STATE SHARED REVENUE:							
Sales and use tax - constitutional	\$ 3,182,003	\$ 3,128,639	\$ 3,190,000	\$ 3,190,000	\$ 3,288,890	\$ 3,390,846	\$ 3,495,962
Sales and use tax - statutory	1,209,566	1,282,034	1,400,000	1,400,000	1,443,400	1,488,145	1,534,278
Local community stabilization authority	966,512	916,626	1,015,000	925,000	953,675	983,239	1,013,719
Adult-use marijuana payments	-	-	300,000	290,000	298,990	308,259	317,815
Liquor licenses	30,373	46,886	30,000	45,000	46,395	47,833	49,316
	<u>5,388,454</u>	<u>5,374,185</u>	<u>5,935,000</u>	<u>5,850,000</u>	<u>6,031,350</u>	<u>6,218,322</u>	<u>6,411,090</u>
CHARGES FOR SERVICES:							
Zoning board of appeals	6,000	5,700	3,500	5,000	5,155	5,315	5,480
20th and Court pool	-	-	-	-	-	-	-
Sanborn pool	33,518	31,001	30,000	30,000	30,930	31,889	32,877
Lakeside parking	256,255	270,193	365,000	325,000	335,075	345,462	356,172
Boat launch fees	42,433	42,638	45,000	40,000	41,240	42,518	43,837
Recreational fees	218,322	389,252	225,000	240,000	247,440	255,111	263,019
Children's museum	-	-	200,000	200,000	206,200	212,592	219,183
Lot splits	2,520	2,160	3,000	2,500	2,578	2,657	2,740
Hydrant maintenance	59,040	59,040	59,040	59,040	60,870	62,757	64,703
Blue Water Bridge reimbursement	300,000	300,000	300,000	400,000	400,000	400,000	400,000
Summer tax collection fee	1,663	1,662	1,460	1,500	1,547	1,594	1,644
County parks millage	158,438	155,835	155,000	160,000	164,960	170,074	175,346
Miscellaneous	102,030	105,057	66,000	200,000	206,200	212,592	219,183
	<u>1,180,219</u>	<u>1,362,538</u>	<u>1,453,000</u>	<u>1,663,040</u>	<u>1,702,194</u>	<u>1,742,562</u>	<u>1,784,182</u>
FINES AND FORFEITS:							
Parking violations	42,090	66,910	40,000	70,000	72,170	74,407	76,714
Ordinance fines	298,041	187,169	100,000	190,000	195,890	201,963	208,223
	<u>340,131</u>	<u>254,079</u>	<u>140,000</u>	<u>260,000</u>	<u>268,060</u>	<u>276,370</u>	<u>284,937</u>
INVESTMENT INCOME	<u>720,716</u>	<u>542,199</u>	<u>340,000</u>	<u>400,000</u>	<u>412,400</u>	<u>425,184</u>	<u>438,365</u>
RENTS	<u>341,260</u>	<u>324,237</u>	<u>325,000</u>	<u>325,000</u>	<u>335,075</u>	<u>345,462</u>	<u>356,172</u>
SALE OF ASSETS	<u>\$ 89,036</u>	<u>\$ 3,200</u>	<u>\$ 973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

**SCHEDULE OF PROJECTED REVENUES**  
**GENERAL FUND**  
2025-2026

	Actual		Budget		Budget Projection		
	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
OTHER INCOME	9,754,909	-	-	-	-	-	-
CHARGES TO OTHER FUNDS:							
Garbage and rubbish collection fund	111,449	143,884	153,519	159,732	164,684	169,789	175,052
Marina fund	48,495	74,981	45,071	35,168	36,258	37,382	38,541
Parking fund	13,225	10,940	10,728	11,376	11,729	12,092	12,467
Water fund	804,581	809,940	839,860	905,677	933,753	962,699	992,543
Wastewater fund	1,245,196	1,386,057	1,468,324	1,499,390	1,545,871	1,593,793	1,643,201
Central stores fund	8,341	9,203	9,051	11,831	12,198	12,576	12,966
Data processing fund	97,213	99,350	114,874	120,343	124,074	127,920	131,885
Motor vehicle fund	174,694	194,498	219,548	224,403	231,359	238,532	245,926
	<u>2,503,194</u>	<u>2,728,853</u>	<u>2,860,975</u>	<u>2,967,920</u>	<u>3,059,926</u>	<u>3,154,783</u>	<u>3,252,581</u>
TOTAL	<u>\$ 49,210,899</u>	<u>\$ 34,132,054</u>	<u>\$ 36,099,948</u>	<u>\$ 34,839,960</u>	<u>\$ 35,498,804</u>	<u>\$ 36,585,317</u>	<u>\$ 37,705,511</u>

Concluded



**SCHEDULE OF PROJECTED EXPENDITURES**  
**GENERAL FUND**  
2025-2026

	Actual		Budget		Budget Projection		
	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
General Government:							
City council	\$ 142,832	\$ 125,126	\$ 147,950	\$ 176,815	\$ 182,296	\$ 187,947	\$ 193,774
City manager	363,544	416,743	424,946	402,990	415,483	428,363	441,642
Elections	135,701	99,435	140,975	102,080	105,244	108,507	111,871
Finance and accounting	752,646	751,737	802,134	766,466	790,226	814,723	839,980
Income tax	477,620	502,661	542,783	586,786	604,976	623,731	643,066
Assessor	383,622	460,499	430,545	480,040	494,921	510,264	526,082
Legal	144,034	130,329	160,000	160,000	164,960	170,074	175,346
Clerk	323,426	369,737	380,952	409,432	422,124	435,210	448,702
Human Resources	473,562	452,903	423,262	471,399	486,012	501,079	516,612
Purchasing	77,653	85,690	82,520	90,140	92,934	95,815	98,786
Board of review	2,458	2,123	2,800	2,800	2,887	2,976	3,069
Treasurer	265,629	279,597	295,338	301,790	311,145	320,791	330,736
Municipal office center	851,646	895,736	1,061,824	1,091,229	1,125,057	1,159,934	1,195,892
	<u>4,394,373</u>	<u>4,572,316</u>	<u>4,896,029</u>	<u>5,041,967</u>	<u>5,198,268</u>	<u>5,359,414</u>	<u>5,525,556</u>
Public Safety:							
Police administration	1,629,423	1,939,969	2,082,380	2,107,651	2,172,988	2,240,351	2,309,802
Detectives	1,377,133	1,505,576	1,694,587	1,849,433	1,906,765	1,965,875	2,026,817
Patrol	7,601,724	7,960,769	8,184,461	8,800,080	9,072,882	9,354,142	9,644,120
Communications	40,951	41,093	52,500	64,080	66,066	68,115	70,226
Fire	6,552,159	7,156,953	6,906,572	7,503,093	7,735,689	7,975,495	8,222,736
	<u>17,201,390</u>	<u>18,604,360</u>	<u>18,920,500</u>	<u>20,324,337</u>	<u>20,954,391</u>	<u>21,603,978</u>	<u>22,273,701</u>
Public Works:							
Inspection	495,485	538,364	501,095	569,016	586,655	604,842	623,592
Emergency management	2,371,917	796,042	159,858	35,348	36,444	37,574	38,738
Public works administration	146,341	153,557	153,894	166,858	172,031	177,364	182,862
Engineering	455,609	539,988	557,121	481,919	496,858	512,261	528,141
Street lighting	769,974	864,266	915,465	892,405	920,070	948,592	977,998
Blight and code enforcement	305,869	390,562	399,532	410,889	423,627	436,759	450,299
	<u>4,545,195</u>	<u>3,282,779</u>	<u>2,686,965</u>	<u>2,556,435</u>	<u>2,635,684</u>	<u>2,717,391</u>	<u>2,801,630</u>
Senior Citizens:							
Wastewater and water discounts	3,971	3,798	4,500	4,500	4,640	4,783	4,932
	<u>3,971</u>	<u>3,798</u>	<u>4,500</u>	<u>4,500</u>	<u>4,640</u>	<u>4,783</u>	<u>4,932</u>

Continued

**SCHEDULE OF PROJECTED EXPENDITURES**  
**GENERAL FUND**  
2025-2026

	Actual		Budget		Budget Projection		
	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
Recreation, Parks and Culture:							
Parks and forestry	\$ 1,956,536	\$ 2,473,457	\$ 2,051,794	\$ 2,169,102	\$ 2,236,344	\$ 2,305,671	\$ 2,377,147
Boat launch ramps	32,463	17,436	18,792	17,472	18,014	18,572	19,148
Recreation	681,836	827,705	809,565	709,029	731,009	753,670	777,034
Rockin the rivers	43,680	37,916	56,351	27,942	28,808	29,701	30,622
20th and Court pool	131,815	193,709	168,241	193,392	199,387	205,568	211,941
Sanborn pool	200,840	277,714	239,127	226,200	233,212	240,442	247,895
Chillyfest	28,976	36,351	35,400	38,050	39,230	40,446	41,699
Parades and special events	42,323	45,228	55,600	54,100	55,777	57,506	59,289
Lighthouse park	38,679	27,918	77,323	88,823	91,577	94,415	97,342
Lakeside park	289,609	302,937	330,875	359,115	370,248	381,725	393,559
Palmer park recreation center	721,340	457,987	364,054	374,691	386,306	398,282	410,629
Library	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Children's museum	-	264,506	207,746	304,304	313,737	323,463	333,491
Museum	76,009	120,786	134,173	67,663	69,761	71,923	74,153
	<u>4,252,106</u>	<u>5,091,650</u>	<u>4,557,041</u>	<u>4,637,883</u>	<u>4,781,409</u>	<u>4,929,385</u>	<u>5,081,948</u>
Other Functions:							
Planning	331,771	340,572	251,187	298,584	307,840	317,383	327,222
Telephone service	8,516	4,533	12,206	9,004	9,283	9,571	9,868
Contingencies	-	-	40,000	40,000	40,000	41,240	42,518
Insurance, health and safety	111,101	108,455	122,907	132,994	137,117	141,367	145,750
Taxes written off	10,036	-	15,000	15,000	15,000	15,000	15,000
Demolitions	41,718	22	50,000	84,543	50,000	50,000	50,000
	<u>503,142</u>	<u>453,582</u>	<u>491,300</u>	<u>580,125</u>	<u>559,240</u>	<u>574,561</u>	<u>590,358</u>
Public Improvements:							
Parks and recreation projects	4,360,758	657,059	1,750,000	570,000	1,799,000	868,000	142,000
MOC capital	-	-	1,500,000	-	1,160,000	2,355,000	1,570,000
Black river canal tainer gate project	-	-	500,000	-	3,500,000	3,500,000	-
Fire station #1 & #3 construction	4,551,205	6,895,783	-	-	-	-	-
Other public improvements	-	-	-	-	906,000	475,000	-
	<u>8,911,963</u>	<u>7,552,842</u>	<u>3,750,000</u>	<u>570,000</u>	<u>7,365,000</u>	<u>7,198,000</u>	<u>1,712,000</u>
Debt Service	<u>268,088</u>	<u>570,513</u>	<u>568,613</u>	<u>571,413</u>	<u>571,413</u>	<u>568,913</u>	<u>571,113</u>
Transfer to Other Funds:							
Land purchase fund	-	255,000	-	-	-	-	-
Streetscape fund	-	1,600	35,000	-	-	-	-
Beautification commission fund	3,300	3,300	-	3,300	3,300	3,300	3,300
McMorran fund	1,140,000	800,000	550,000	550,000	550,000	550,000	550,000
	<u>1,143,300</u>	<u>1,059,900</u>	<u>585,000</u>	<u>553,300</u>	<u>553,300</u>	<u>553,300</u>	<u>553,300</u>
TOTAL GENERAL FUND	<u>\$ 41,223,528</u>	<u>\$ 41,191,740</u>	<u>\$ 36,459,948</u>	<u>\$ 34,839,960</u>	<u>\$ 42,623,346</u>	<u>\$ 43,509,725</u>	<u>\$ 39,114,537</u>

Concluded