

# City of Hastings Annual Budget

Fiscal Year 2025-2026





**Mayor**

David J. Tossava

**First Ward**

Jon Rocha

**Third Ward**

Ann Devroy  
Norman Barlow

**Second Ward**

John Resseguie  
Terry Stenzelbarton

**Fourth Ward**

Jordan Brehm  
Jacquie McLean

**City Manager**

Sarah Moyer-Cale

**Finance Director**

Linda Perin

City of Hastings  
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# Table of Contents

Table of Contents .....	Page 1
City Manager’s Message.....	Page 2
<u>General Budget Information</u>	
Organizational Charts.....	Page 5
City Council Goals for FY 2026 .....	Page 7
Fund Descriptions .....	Page 9
Primary Activities (Expenditures) for City Funds.....	Page 10
Taxable Value and Millage Rates .....	Page 11
<u>General Fund</u>	
General Fund Overview .....	Page 12
General Fund Revenues .....	Page 14
General Fund Summary by Expenditure Type.....	Page 15
General Fund Summary by Activity Center .....	Page 16
General Fund Expense Highlights.....	Page 17
<u>Other Funds</u>	
Other Funds Summary .....	Page 20
Major Streets Fund.....	Page 21
Local Streets Fund .....	Page 22
Riverside Cemetery Fund.....	Page 23
Brownfields Fund.....	Page 24
Downtown Development Authority Fund .....	Page 25
Drug Enforcement Fund .....	Page 26
Police Training Fund.....	Page 27
Library Fund .....	Page 28
Water and Sewer Fund.....	Page 29
Equipment Internal Services Fund .....	Page 30
<u>Appendices</u>	
Appendix A – Budget Resolution .....	Page 32
Appendix B – Line-Item Budgets .....	Page



City of *Hastings* Michigan

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201 E. State Street 49058

April 28, 2025

To the Honorable Members of the City Council of the City of Hastings,

I am pleased to present to you the recommended budget for Fiscal Year 2025-2026. This is the first time that we have used our new software system, which is connected directly to our financial software, to assist with preparing the budget. Overall, the new process enables better collaboration and greater consistency. Budget development is a cooperative effort that represents both the identified needs of internal departments, the public, and the City Council's identified goals. The budget is a living document and is subject to amendments in compliance with the City Charter and State law.

This past year, we completed the downtown streetscape project on State Street between Broadway and Boltwood, which has been well-received. The DDA also funded the reconstruction of parking lot eight to improve the experience for customers downtown. Other infrastructure improvements include the development of a memorial space at the cemetery and replacing library windows. We also reconstructed a portion of East State Street using small urban funding dollars. The Fish Hatchery Park restroom reconstruction project is ongoing and should be finished prior to summer. Multiple vehicles and equipment were replaced for various city departments. We added a full-time position to the DPS department to better keep up with the expanding services offered by that department.

This upcoming year, we plan to continue to develop public/private partnerships to improve our parks, including Bob King, Tyden, and First Ward Park. We are also investing in public safety through renovations of the police department offices, expanding staff at the fire department, commencing an EMS study, and contributing monthly to Mercy Ambulance to sustain emergency service. The old salt barn will be replaced at DPS and we will also replace the rotating mechanisms on final clarifier two at the wastewater treatment plant. The largest project of the year will be the Green and Market Street reconstruction project, which will replace lead service lines, deficient sanitary sewer mains, storm sewers, rebuild the roads and sidewalks, and add a traffic circle at the intersection of Market and Green. This project is currently out to bid; we anticipate a project cost of \$7.3 million. The City has also supported several housing projects through financial incentives, which are now under construction and help support the long-term viability of the community.

Although there are many exciting projects ahead of us, substantial challenges remain for future service. We contribute an additional \$423,000 annually to MERS to pay down our pension liability. Our funding level has increased to 67% as of December 2023. Consistent with the Council's goals, we will be forming a committee to take a deep dive into the future of road funding as well as road maintenance and reconstruction planning for the next 5-10 years. The funds supplied by the state are wholly inadequate, and many of our "fair" condition roads are likely to be in the "poor" category within three years. We are applying to the state for additional water and sewer improvement

projects, including lead service line replacements, but have not yet been successful. This unfunded state mandate costs us about \$350,000 annually, which is paid by our water customers. The additional costs have narrowed our operating margins, which staff will continue to monitor.

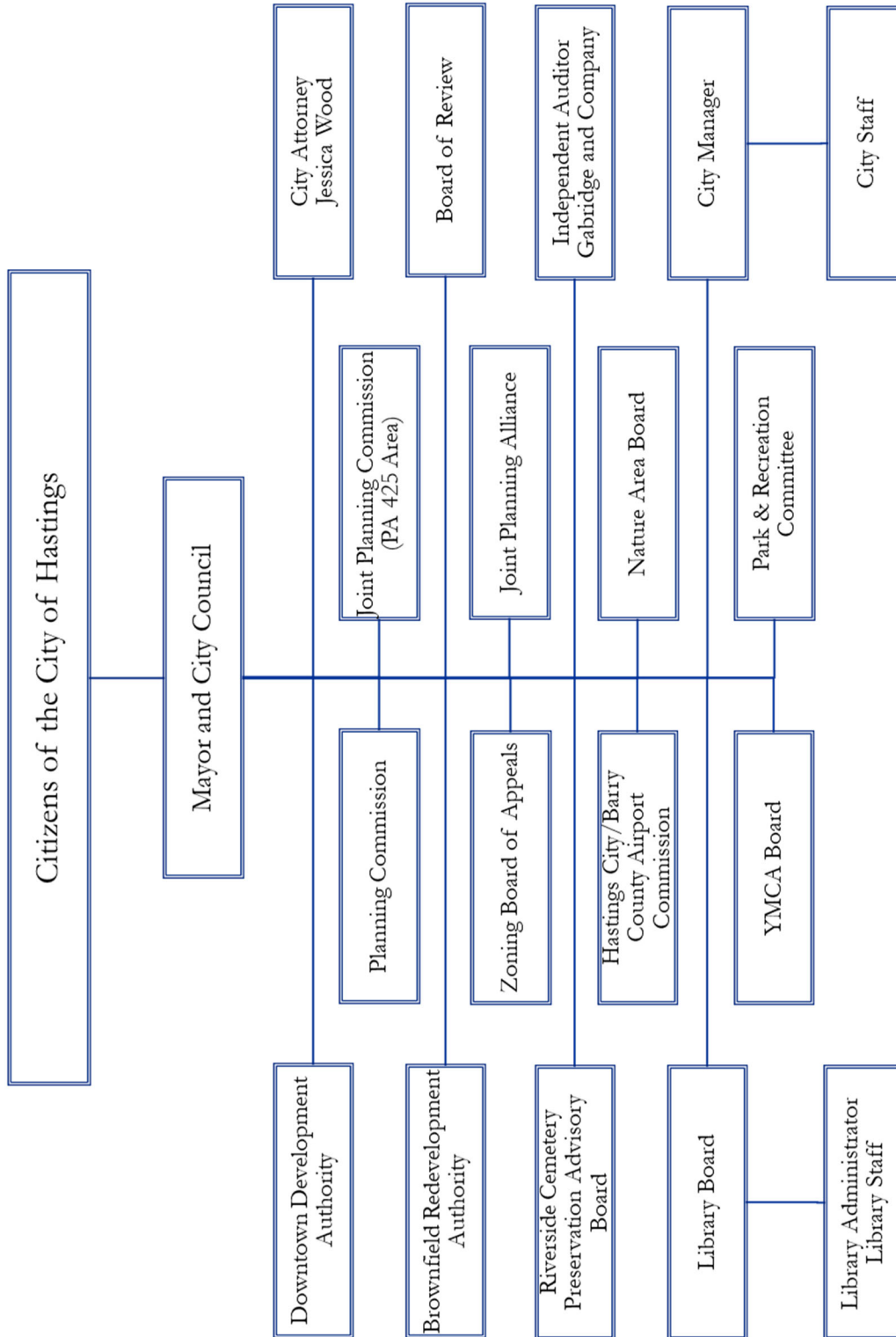
I would like to thank the department heads and board members who contributed to the budget development process. Finance Director Perin spent countless hours getting the budget system up and running and making our hybrid process work and I am grateful for her leadership through the process. We have a truly amazing team, and I feel fortunate to be a part of this community and a part of the great things we are able to accomplish together.

Very truly yours,

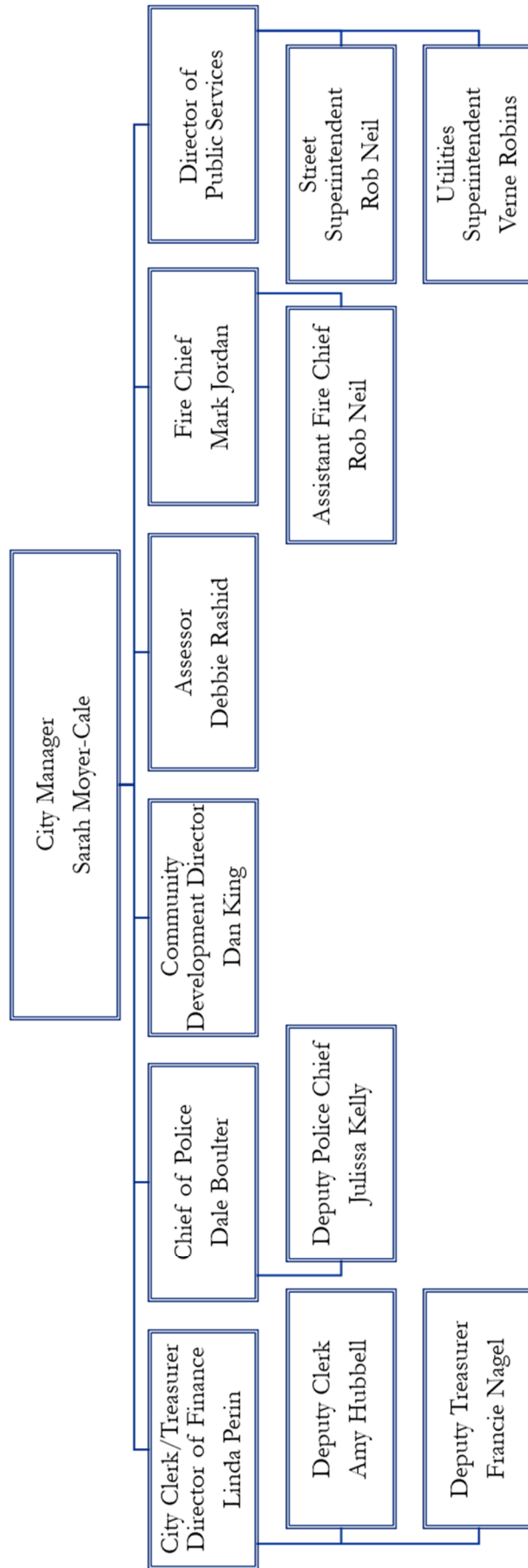
A handwritten signature in dark ink, appearing to read "Sarah Moyer-Cale". The signature is fluid and cursive, with the first name "Sarah" being more prominent.

Sarah Moyer-Cale  
City Manager

# General Budget Information







## City Council Goals for Fiscal Year Ending 2026

<b>Goal 1: Develop a funding strategy for long-term costs</b>	
<b>Steps toward implementing the goal</b>	<b>How goal is included in budget document (if relevant)</b>
Create an ad hoc committee to evaluate funding options for road improvements and new fire station.	Initial steps does not require funding.
Make a recommendation to City Council about plan implementation.	This step does not require funding.

<b>Goal 2: Improve mobility-related infrastructure</b>	
<b>Steps toward implementing the goal</b>	<b>How goal is included in budget document (if relevant)</b>
Use the sidewalk assessment data to remove significant obstructions and create a multi-year plan.	This step does not require funding. Implementation would require funds not yet budgeted.
Develop a continuous sidewalk inspection plan	This step does not require funding.
Look for areas to remediate pedestrian/vehicle conflict points	This step does not require funding. Implementation would require funds not yet budgeted.
Evaluate adding a pedestrian bridge over Broadway near Tyden Park	This step does not require funding. Further project development would require a feasibility study.
Complete Green & Market St projects	This project is budgeted for this fiscal year.

<b>Goal 3: Enhance citizen education and awareness opportunities</b>	
<b>Steps toward implementing the goal</b>	<b>How goal is included in budget document (if relevant)</b>
Continue to develop and implement a citizen's academy	\$700 for citizen academy miscellaneous costs in city council budget.
Use social media & public engagement plan to promote awareness of City programs and activities	This step does not require funding.
Strengthen the relationship with city schools, including classroom programs	Costs are unknown at this time.
Consider a series of informative videos on municipal topics	Costs are unknown at this time.

<b>Goal 4: Review City Charter for Potential Updates</b>	
<b>Steps toward implementing the goal</b>	<b>How goal is included in budget document (if relevant)</b>
Create ad hoc committee to review Charter and make a recommendation to the city council for action.	This is a staff initiative that currently does not require funding. Implementation may require legal expenses depending on the recommendation made by the committee.

## Fund Descriptions

City services and operations are organized into funds, capturing revenues and expenditures associated with the functions of each fund. The city has twelve funds, with a description of each fund noted in the table below. Each fund maintains a separate fund balance.

Fund Number	Fund Name	Description	Page No.
101	General Fund	The General Fund is the primary operating fund of the City of Hastings	12
202	Major Streets	Supports maintenance and improvements on 14.81 miles of major streets in the city	21
203	Local Streets	Supports maintenance and improvements on 32.46 miles of local streets in the city	22
209	Riverside Cemetery	Supports management, maintenance, operations, and improvements at the city-owned Riverside Cemetery	23
243	Brownfields	Supports incentives for redevelopment of local brownfield properties	24
248	Downtown Development Authority	Supports promoting and improving the Downtown Development Authority (DDA) district in accordance with the Downtown Development Plan	25
265	Police Drug Enforcement	Recognizes revenue in the form of civil forfeitures of cash, personal property and real property confiscated under state drug statutes	26
266	Police Training	Supports police training with state designated grant funds and city matching funds	27
271	Library	Supports costs associated with management, operations, programming, and improvements at the Hastings Public Library	28
592	Water and Sewer	Responsible for operations, maintenance, repair and development of the drinking water system and the sanitary sewer/wastewater treatment system	29
661	Equipment Internal Services	Responsible for equipment maintenance and some equipment purchases through rental charges assessed to city departments and funds	30

## Primary Activities for City Funds

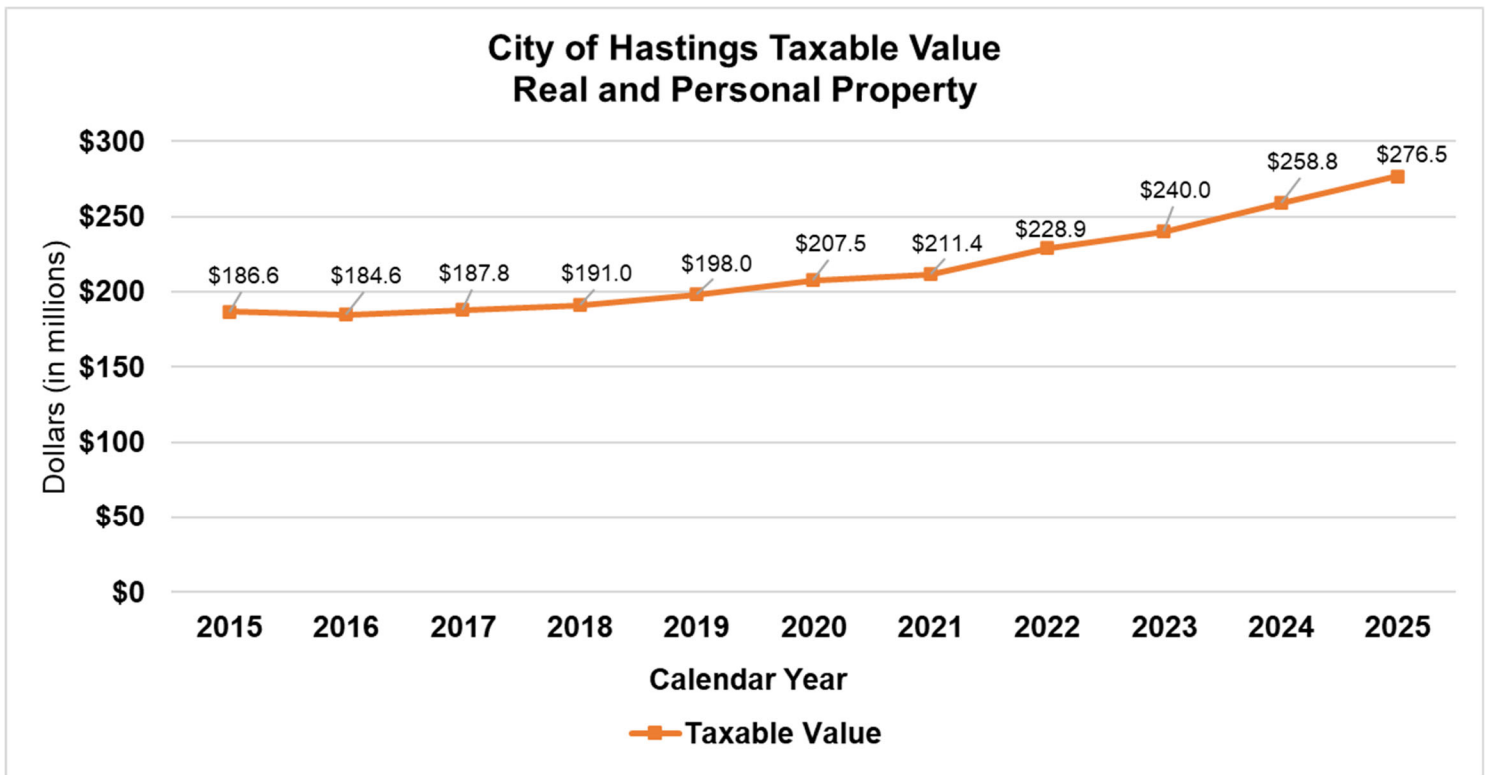
City expenditures are classified into one of four primary activities as noted in the chart below. The city follows the Michigan Uniform Chart of Accounts when classifying expenditures.

<p style="text-align: center;"><b>Personal Services</b></p> <p>Personal Services are any cost associated with personnel such as wages, payroll tax, health insurance, retirement benefit cost, disability, overtime pay, etc.</p> 	<p style="text-align: center;"><b>Other Charges and Services</b></p> <p>Other charges and services are other items that support city services. This primarily includes items such as contracted services, printing and publication costs, utilities, and insurance.</p> 
<p style="text-align: center;"><b>Supplies</b></p> <p>A supply is any item purchased to use for a city purpose. This includes office supplies, items used to fix equipment in-house, uniforms, subscriptions, gasoline, safety supplies, small tools, etc.</p> 	<p style="text-align: center;"><b>Capital Outlay</b></p> <p>Capital Outlay is any purchase where the benefit extends beyond the fiscal year and adds to the City's assets. This includes vehicles, buildings, new playground equipment, etc.</p> <div style="display: flex; justify-content: space-around;">    </div>

## Taxable Value and Millage Rates

The city levies two millages, one for operating and one for the Riverside Cemetery. A mill is \$1 per \$1,000 in taxable value. The city currently levies 15.6059 mills for General Fund Operating and 0.8846 mills for Riverside Cemetery.

The city's taxable value remained fairly constant until 2019. Since 2019, the city has seen more sizable increases in value. The increase in taxable value from 2024 to 2025 is \$17.7 million.



## General Fund

The General Fund is the primary operating fund of the City of Hastings. General Fund Revenue comes primarily from property taxes, state and federal revenues, intergovernmental sources, and charges for services.

There are various “activity centers” within the General Fund that reflect the primary functions where city resources are allocated. These activity centers include General Government, Public Safety, Public Works, Community and Economic Development, and Recreation and Culture. The departments associated with each General Fund activity center are included in the table below.

Activity Center	Department
<b>General Government</b>	City Council
	Mayor
	City Manager’s Office
	Finance Department
	City Clerk
	Treasurer
	Assessor
	Board of Review
	Elections
	Information Technology
	City Hall and Grounds
	Legal and Audit
	Other General Government
<b>Public Safety</b>	Police
	Code Compliance
	Fire
	Inspections
<b>Public Works</b>	Public Services Administration
	Parking
	Street Lighting
	Community Services
<b>Community &amp; Economic Development</b>	Brownfield & Community Development Grants
	Planning and Zoning
	Joint Planning and Zoning (w/Rutland Township)
	Community Development
	Cable Access
<b>Recreation and Culture</b>	Parks and Recreation
	Arts and Cultural Services
<b>Outgoing Transfers / Other</b>	Outgoing Transfers

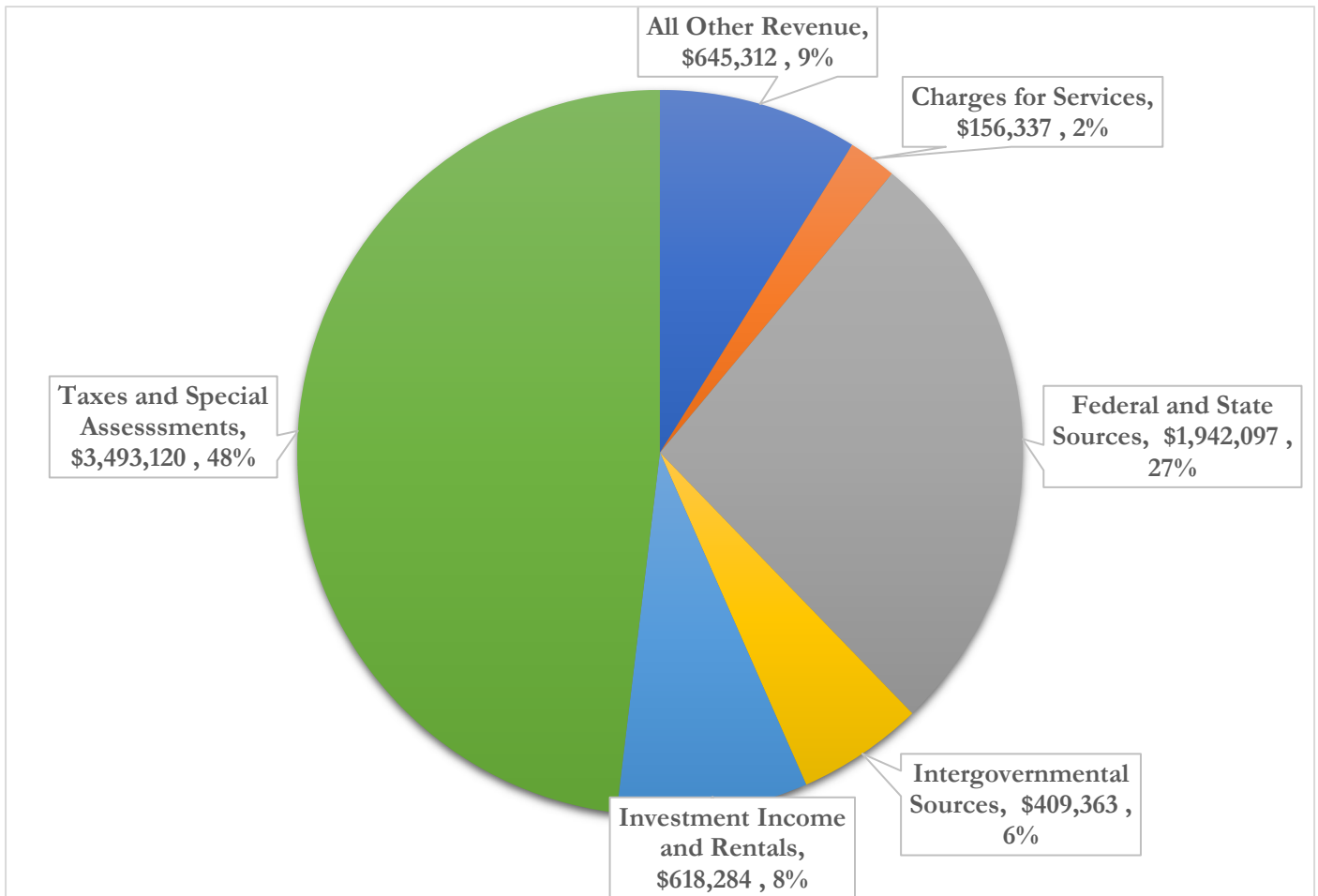
## FY 2026 General Fund Summary

The table below provides a high-level summary of General Fund revenues and department expenditures and includes FY 2025 projections, which will be utilized to analyze potential budget adjustments in the current fiscal year. Budget adjustments to the FY 2025 budget will be presented to City Council for approval in June 2025.

General Fund	FY 2024 Actual	*FY 2025 Budget	*FY 2025 Projected	FY 2026 Request	\$ Inc. / (Dec.)
<b>General Fund Revenue</b>					
Taxes and Special Assessments	\$ 3,493,120	\$ 3,670,800	\$ 3,686,269	\$ 3,789,944	\$ 119,144
Federal & State Sources	1,942,097	1,375,607	1,450,027	1,153,016	\$ (222,591)
Intergovernmental Sources	409,363	1,473,228	1,535,313	1,119,250	\$ (353,978)
Charges for Services	156,337	137,350	130,620	114,675	\$ (22,675)
Investment Income & Rentals	618,284	356,400	346,580	438,340	\$ 81,940
All Other Revenue	645,312	438,800	105,003	76,000	\$ (362,800)
<b>Total, General Fund Revenue</b>	<b>\$ 7,264,514</b>	<b>\$ 7,452,185</b>	<b>\$ 7,253,812</b>	<b>\$ 6,691,225</b>	<b>\$ (760,960)</b>
<b>General Fund Departments</b>					
City Council	\$ 59,016	\$ 82,326	\$ 75,921	\$ 77,525	\$ (4,801)
Mayor	15,583	14,811	15,420	16,445	1,634
City Manager's Office	187,433	192,560	194,414	201,801	9,241
Finance Department	368,220	396,945	398,655	431,096	34,151
City Clerk	108,786	117,396	121,511	121,552	4,156
Information Technology	205,278	244,000	241,000	271,100	27,100
Board of Review	2,196	2,512	2,860	2,612	100
Treasurer	81,997	83,928	83,928	95,730	11,802
Assessor	139,722	171,657	157,860	197,742	26,085
Elections	31,559	56,368	32,015	57,681	1,313
City Hall and Grounds	117,186	147,950	147,950	523,500	375,550
Legal and Audit	55,234	70,000	69,850	73,500	3,500
Other General Government	283,752	588,415	926,617	568,147	(20,268)
Police Department	1,880,350	2,099,689	1,979,325	2,327,377	227,688
Code Compliance	59,198	50,962	50,552	55,660	4,698
Fire Department	1,209,057	524,545	542,868	614,032	89,487
Inspections	103,877	100,000	65,000	65,000	(35,000)
Public Services Administration	159,866	158,640	145,113	191,890	33,250
Parking Downtown Non-SAD	9,357	23,000	21,260	21,000	(2,000)
Parking Downtown SAD	21,081	32,500	32,550	31,460	(1,040)
Street Lighting	97,461	99,500	110,200	118,000	18,500
Community Services	200,157	300,305	311,738	389,399	89,094
Planning and Zoning	8,825	18,685	18,020	17,736	(949)
Joint Planning and Zoning	78	400	150	100	(300)
Community Development	132,190	143,143	150,314	160,957	17,814
Community Development Grant Projects	71,197	65,100	65,100	100	(65,000)
Cable Access	9,684	13,776	13,231	12,422	(1,354)
Parks and Recreation	221,123	1,344,325	742,358	542,581	(801,745)
Arts and Cultural Services	88,483	81,526	82,702	41,840	(39,686)
Transfers Out / Other	316,449	549,696	549,696	281,624	(268,072)
<b>Total, General Fund Departments</b>	<b>\$ 6,244,395</b>	<b>\$ 7,774,660</b>	<b>\$ 7,348,178</b>	<b>\$ 7,509,608</b>	<b>\$ (265,052)</b>
<b>Addition to / (Use of) Fund Balance</b>	<b>\$ 1,020,119</b>	<b>\$ (322,475)</b>		<b>\$ (818,383)</b>	
<b>Unassigned Fund Balance at Year-End</b>	<b>\$ 4,928,177</b>	<b>\$ 4,630,702</b>		<b>\$ 3,857,319</b>	



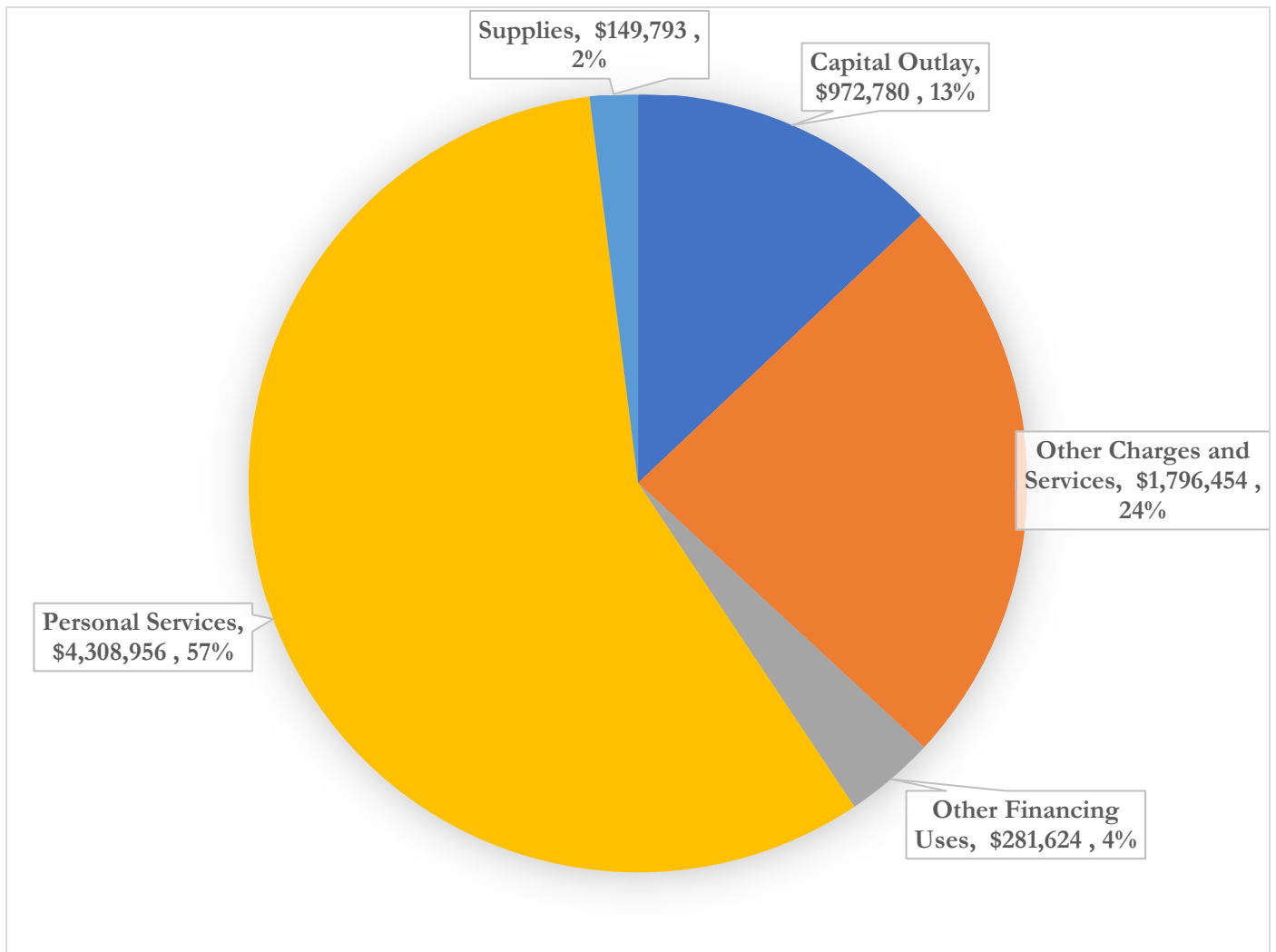
## FY 2026 General Fund Revenues \$6,691,225



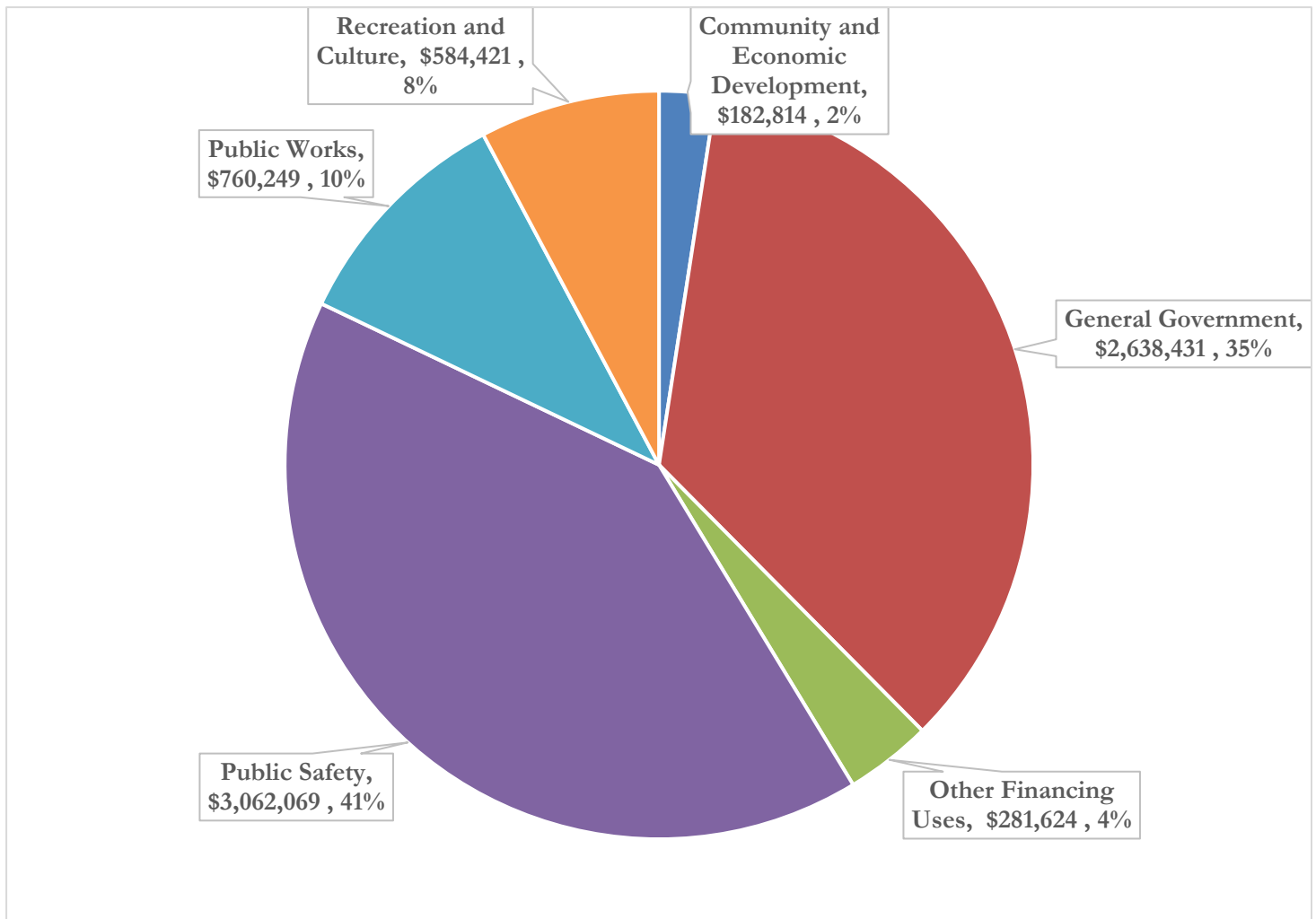
### Revenue Changes/Highlights

- Taxable value continues to increase, leading to greater revenue from taxes
- TangleTown Funds are now being raised through the community foundation so no private donations for that project are represented in this budget; only the city's designated expenses
- We are uncertain about the future of the school resource officer position so no revenue for that has been budgeted
- Revenue for a grant for one employed police recruit is represented
- Increase in event support fees due to Rock the Country
- No Federal grants are anticipated this year
- Includes \$12,500 MDNR grant for the tree inventory and assessment project

## FY 2026 General Fund Expenditures by Expenditure Type \$7,509,607



## FY 2026 General Fund Expenditures by Activity Center \$7,509,607



## General Fund Expense Highlights

Below is a summary of notable changes by activity center:

City Council: Includes Mayor Exchange Day and Citizen Academy expenses

Mayor: no significant changes

City manager: no significant changes

Finance: additional maintenance fees for new financial software and addition of customer service portal which was approved in 2025

Clerk: no significant changes

IT: slight storage increase, purchase of new monitors

Board of Review: no changes

Treasurer: no significant changes

Assessor: increase wage due to additional certifications, contracted services to catch up on field reviews.

Elections: personnel expenses only in case of the special election. \$40,000 for replacement of six tabulators.

City Hall & Grounds: Police department renovation (116K), architect fees (18,300), salt barn (250K)

Legal & Audit: no significant changes

Other general government: There was a late payment on the additional MERS contribution for 2024 which was recorded to the 2025 year. Payments will resume as normal in 2026.

Police: furnishings for office (90K), radar trailer (15K), five tasers (10K), seventeen duty weapon replacements (11K).

Code Enforcement: no significant changes

Fire: additional full-time officer, increase in health insurance costs due to actual use, dues and fees show software costs, roof replacement (22K), bathroom upgrade (35K)

DPS Administration: budgeted for mid-range DPS Director or seek alternatives.

Parking Downtown SAD and NonSAD: no significant changes

Streetlighting: no significant changes

Community Services: Ambulance service (\$93,492) and tree inventory and assessment (\$25,000), leaf and brush pickup. No topsoil screening this year.

Planning and Zoning: no significant changes

JPC: no significant changes

Community Development: legal services up this year due to development with incentives and city-owned land.

Parks and Rec: Pickleball at Bob King (\$67,500), TangleTown (\$193,900)

Arts and Culture: much of this activity center has moved back to DDA to pay directly instead of reimbursing the general fund.

Transfers: No transfer to major streets due to constructing the salt barn. Reduced transfer to local streets for the salt barn.

# Other City Funds

## Other Funds Summary

The table below provides a high-level summary of other funds revenues and expenditures and includes FY 2025 projections, which will be utilized to analyze potential budget adjustments in the current fiscal year. Budget adjustments to the FY 2025 budget will be presented to City Council for approval in June 2025.

Category / Fund	FY 2024 Actual	*FY 2025 Budget	*FY 2025 Projected	FY 2026 Request	\$ Inc. / (Dec.)
<b>Other Funds Revenue / Financing Sources</b>					
Major Streets	\$ 807,585	\$ 1,460,556	\$ 1,055,556	\$ 841,849	\$ (618,707)
Local Streets	654,602	673,772	669,772	620,551	(53,221)
Riverside Cemetery	251,475	237,679	233,698	235,401	(2,278)
Brownfields	105,594	63,200	63,200	140,450	77,250
Downtown Development Authority (DDA)	3,563,612	807,950	1,292,671	836,300	28,350
Drug Enforcement	951	2,500	30	0	(2,500)
Police Training	1,725	3,400	3,425	3,600	200
Library	1,532,876	673,516	757,906	709,941	36,425
Water and Sewer	4,679,216	4,900,690	4,967,733	12,222,542	7,321,852
Equipment Internal Services	689,110	908,000	986,456	870,000	(38,000)
<b>Total, Other Funds Revenue / Financing Sources</b>	<b>\$ 12,286,747</b>	<b>\$ 9,731,263</b>		<b>\$ 16,480,634</b>	<b>\$ 6,749,371</b>
<b>Other Funds Expenditures</b>					
Major Streets	\$ 811,806	\$ 1,742,969	\$ 1,018,534	\$ 955,876	\$ (787,093)
Local Streets	545,932	708,547	627,359	688,524	(20,023)
Riverside Cemetery	166,514	186,317	186,817	178,883	(7,434)
Brownfields	8,728	45,000	45,000	41,000	(4,000)
Downtown Development Authority (DDA)	2,864,965	883,391	1,885,234	789,229	(94,162)
Drug Enforcement	4,955	5,600	120	5,000	(600)
Police Training	1,857	4,900	4,900	6,800	1,900
Library	1,662,172	656,799	708,851	713,969	57,170
Water and Sewer	3,238,847	4,984,941	4,470,599	12,524,049	7,539,108
Equipment Internal Services	1,398,676	1,483,963	1,271,403	1,244,080	(239,883)
<b>Total, Other Funds Expenditures</b>	<b>\$ 10,704,451</b>	<b>\$ 10,702,427</b>		<b>\$ 17,147,410</b>	<b>\$ 6,444,983</b>

## Major Streets Fund (Fund 202)

The Major Streets Fund is one of two city funds that support Hastings' road right-of-way maintenance. All streets in the city are designated as either a major or local street under Public Act 51. The city has 14.81 miles of major streets. Revenue for this fund comes from the State of Michigan through a formula that factors in the city's population and miles of roadway. Expenses associated with this fund include snow removal, pothole patching, streets signs, traffic signals, street trees, resurfacing, and any other major road related project maintenance or improvement projects. Parking lot costs are *not* eligible to be paid for by this fund. Additionally, a portion of state revenue can be transferred out for local roads maintenance and improvement projects.

It is noted that the revenues received from the state are inadequate for proper fund maintenance. No meaningful streets improvements or large pavement maintenance programs are feasible without additional revenue. This could include supplements from the General Fund (not a long-term solution), dedicated street millage, or increased use of special assessments. City staff continues to seek grant funds, though those cannot be relied on as a long-term funding source.

Beginning Fund Balance	\$ 848,202
Revenue	\$ 841,849
Expenses	\$ 955,876
Est. Ending Fund Balance	\$ 734,175

### **Significant Changes/Budget Impacts:**

#### Revenue:

- No transfer in from the General Fund. These funds are being deterred to pay for the salt barn which will be owned by the General Fund.
- State Revenue as estimated by the State of Michigan.

#### Expenses:

- Storm drain repair on S. Boltwood \$44,500
- General pavement improvements (chip sealing, patching, etc) \$150,000
- Sidewalk repair \$25,000
- Major Street improvements include snow removal and salt, pothole patching, crack sealing, storm sewer repairs, tree trimming in right-of-way, pavement marking, and minor improvements above.



## Local Streets Fund (Fund 203)

The Local Streets Fund is one of two city funds that support Hastings' road right-of-way maintenance. All streets in the city are designated as either a major or local street under Public Act 51. The city has 32.46 miles of local street. Revenue for this fund comes from the State of Michigan through a formula that factors in our population and miles of roadway. Transfers from the General Fund and the Major Streets Fund are often necessary to cover the costs of local streets maintenance as the state funds are inadequate for proper maintenance.

Expenses associated with this fund include snow removal, pothole patching, street signs, traffic signals, street trees, resurfacing, and any other road related maintenance or improvement costs. Parking lot costs are not eligible to be paid for by this fund.

Beginning Fund Balance	\$ 351,468
Revenue	\$ 620,551
Expenses	\$ 688,524
Est. Ending Fund Balance	\$ 283,495

### **Significant Changes/Budget Impacts:**

#### Revenue:

- Includes \$100,000 transfer from General Fund and \$150,000 transfer from Major Streets.

#### Expenses:

- Sidewalk repairs \$50,000
- Contracted paving \$50,000
- Local Street maintenance includes snow removal and salt, pothole patching, crack sealing, storm sewer repairs, tree trimming in right-of-way, pavement marking, and minor improvements above.

## Riverside Cemetery Fund (Fund 209)

The Cemetery Fund gets its revenue primarily from the cemetery millage. This fund supports management, maintenance, operation, and improvements at Riverside Cemetery. The maintenance of the cemetery's physical properties including sexton and landscaping is managed by contracted services.

The sale of burial rights, and cemetery records are maintained by the Finance Department. The Finance Director is also the Cemetery Administrator and coordinates the transfer of burial rights, the sale of memorial marker foundations, and internments. The Cemetery Administrator also provides support to the Riverside Cemetery Preservation Advisory Board.

Beginning Fund Balance	\$ 498,625
Revenue	\$ 235,401
Expenses	\$ 178,883
Est. Ending Fund Balance	\$ 555,143

**Significant Changes/Budget Impacts:**

- None

## Brownfields Fund (Fund 243)

The Brownfield Redevelopment Authority Fund supports incentives for redevelopment of local brownfield properties. A “brownfield” is a previously developed site that has environmental concerns or is functionally obsolete. The State allows a Tax Increment Financing tool to pay for the costs a developer needs to mitigate environmental hazards on the site. This helps the city incentivize the redevelopment of the built environment and reduces sprawl.

The City of Hastings Brownfield Redevelopment Authority (BRA) reviews proposals for the redevelopment of eligible property and determines what financial incentives are necessary to assist the redevelopment. The Authority prepares a plan that identifies the Brownfield projects as well as project descriptions, eligible activities, and other issues related to the subject parcel. The authority recommends the plan to the City Council who holds a public hearing prior to the plan’s adoption or denial. The BRA may recommend revisions to the plan as new projects are submitted or revisions are requested on existing plans.

Beginning Fund Balance	\$ (199,954)
Revenue	\$ 140,450
Expenses	\$ 41,000
Est. Ending Fund Balance	\$ (100,504)

### **Significant Changes/Budget Impacts:**

- Additional brownfield added

## Downtown Development Authority Fund (Fund 248)

The Downtown Development Authority (DDA) was created in 1986 and has been amended five times thereafter. The DDA's revenues come from capturing increases in taxes within the DDA district above the base valuation.

The DDA board has nine members inclusive of the Mayor of Hastings. The DDA board, with the budget approved by the City Council, uses the funds to promote and improve the DDA district in accordance with the Downtown Development Plan.

Beginning Fund Balance	\$ 760,141
Revenue	\$ 836,300
Expenses	\$ 789,229
Est. Ending Fund Balance	\$ 807,212

### **Significant Changes/Budget Impacts:**

#### Revenue:

- No significant changes are anticipated

#### Expenses:

- Moved multiple items from Arts and Culture to be paid directly by DDA
- Improvements to former Vinnie's lot (\$20,000)
- Strategic Plan with grant funds (\$5,000 anticipated match)
- Consumers to relocate low-voltage lines at Thornapple Plaza (\$67,000)
- Holiday decorations (\$50,000)
- Adopt-A-Corner expenses are now being paid by DDA. Continuation of flowerpots, hanging baskets, winter pot décor, etc (\$37,550).
- Loan payment for streetscape (\$198,700)

## Drug Enforcement Fund (Fund 265)

The Drug Enforcement Revenue Fund recognizes revenue in the form of civil forfeitures of cash, personal property, and real property confiscated under State drug statutes. Revenue gained under drug forfeiture statutes may only be expended for uses associated with law enforcement on a non-supplanting basis.

Beginning Fund Balance	\$ 8,762
Revenue	\$ -
Expenses	\$ 5,000
Est. Ending Fund Balance	\$ 3,762

**Significant Changes/Budget Impacts:**

- No major changes in the Drug Enforcement Revenue Fund.

## Police Training Fund (Fund 266)

This fund supports police training with state designated grant funds and local matching funds. Five dollars from each issued civil infraction citation is assessed by the court and collected by the state. These funds are then dispersed to local police departments according to the number of certified police officers being employed. Funds dispersed under this act can only be used for training of certified police officers.

Beginning Fund Balance	\$ 3,274
Revenue	\$ 3,600
Expenses	\$ 6,800
Est. Ending Fund Balance	\$ 74

### **Significant Changes/Budget Impacts:**

- No major changes in the Police Training Fund.

## Library Fund (Fund 271)

The Library Fund supports costs associated with the management, operation, programming, and improvements at the Hastings Public Library. Library revenue comes from an annual contribution from the City's General Fund as well as millages from participating local units of government.

The Library Board is made up of five (5) members appointed by the Mayor and confirmed by City Council as well as two (2) members who are appointed by each participating municipality. The Library Board meets monthly and is responsible for managing funds and operations and for determining policy.

Beginning Fund Balance	\$ 562,047
Revenue	\$ 709,941
Expenses	\$ 710,819
Est. Ending Fund Balance	\$ 561,169

### **Significant Changes/Budget Impacts:**

Revenue:

- No significant changes

Expenses:

- Battery backup replacement (\$50,000)
- Final Payment to window contractor (\$60,000)

## Water and Sewer Enterprise Fund (Fund 592)

The Water and Sewer Enterprise Fund is responsible for all costs associated with operation, maintenance, repair, and development of the drinking water system and the sanitary sewer/wastewater treatment system. The wastewater collection and treatment systems and the water treatment and distribution systems are regulated by the Michigan Department of Environment, Great Lakes, and Energy (EGLE). Revenue for this fund is generated by water and wastewater rates charged to customers as well as special fees such as connection fees, tap fees, system improvement fees, and special assessments. These systems are importantly not funded with tax dollars.

Beginning Cash Position	\$ 4,210,065
Revenue	\$ 12,222,542
Expenses	\$ 12,524,049
Est. Ending Cash Position	\$ 3,908,559

### **Significant Changes/Budget Impacts:**

#### Revenue:

- Bond proceeds for Green and Market Street Project of \$7.3 million
- Water Source Protection Grant funds \$6,000

#### Water Plant:

- SCADA upgrades to plant pumps \$14,000
- Filter Tank Painting \$30,000
- Pull and inspect well #1 \$35,000
- Generator enclosure \$40,000

#### Wastewater Plant:

- Final Clarifier Two Improvements \$405,000
- Utility Cart \$15,000
- SCADA upgrades \$30,000
- Air Scrubber Media Replacement \$15,000

#### Other:

- Lead Service Line Replacements \$350,000
- Water Asset Management Plan Update \$15,000



## Equipment Internal Service Fund (Fund 661)

The Equipment Fund generates revenue for equipment purchases and maintenance through rental charges assessed to the various departments for use of equipment “owned” by this fund. The City follows the MDOT established rental rates. The equipment fund maintains capital reserves for the purchase and replacement of city equipment. The Fund provides storage and maintenance facilities and tools for repair and maintenance of equipment within the fund.

Beginning Cash Position	\$ 717,339
Revenue	\$ 870,000
Expenses	\$ 1,244,080
Est. Ending Cash Position	\$ 343,259

### **Significant Changes/Budget Impacts:**

#### Revenue:

- no significant changes

#### Expenses:

- Front-end loader replacement \$285,000
- Dump Truck (#130) replacement \$210,000
- C-7500 2000 GMC (#120) Replacement \$160,000
- Box Replacement for Dump (#550) \$28,000
- 2007 Chevy replacement (#590) \$55,000

# Appendices

## **APPENDIX A**

This page is reserved for the budget resolution to enact the General Appropriations Act for Fiscal Year 2025/2026 and approve the Operating Budgets for said year, and to Approve Disbursements for Capital Improvements, and to establish the Property Tax Millage Rate to support the budget.

## **APPENDIX B**

This page is reserved for the supporting budget sheets by line item.