



MEMORANDUM

CITY COUNCIL MEETING

June 16, 2025 at 6:00 PM

TO: Lisa Nocerini, City Manager

FROM: Monika Fontaine, Plante Moran

DATE: June 16, 2025

SUBJECT: Fiscal Year 2025- 2026 Budget Adoption
Resolution 19-2025

The attached budget is developed in compliance with the Douglas City Charter Chapter IX and the Uniform Budgeting and Accounting Public Act 2 of 1968 as amended. The public hearing and formal adoption of the annual budget will complete the final step in the months long process of workshops and discussions to prepare the next fiscal year budget.

The City's property tax millage rate remains at 13.0818. The City Council has chosen to not levy the maximum millage rate to keep taxes as low as possible. For the 2024 tax year, the City had the fifth lowest tax millage rate amongst cities in Allegan, Berrien, Ottawa, and Van Buren Counties.

The overall budget of the City is in balance with revenues exceeding expenditures.

I recommend that the Council adopt the proposed Fiscal Year 2025-2026 annual budget for the City of the Village of Douglas by approving Resolution 19-2025 General Appropriations Act.

CITY OF THE VILLAGE OF DOUGLAS
COUNTY OF ALLEGAN
STATE OF MICHIGAN
RESOLUTION NO. 19-2025

**RESOLUTION ADOPTING GENERAL APPROPRIATIONS ACT
FOR THE FISCAL YEAR JULY 1, 2025 – JUNE 30, 2026**

At a regular meeting of the City Council for the City of the Village of Douglas, Michigan, held at the City of the Village of Douglas City Hall, Douglas, Michigan, on the 16th day of June 2025, at 6:00 p.m.

PRESENT:

ABSENT:

The following resolution was offered by Councilperson _____, and supported by Councilperson _____.

RESOLUTION

WHEREAS, pursuant to Chapter IX of the Douglas City Charter (“Charter”) and the Uniform Budgeting and Accounting Act, P.A. 2 of 1968, as amended (the “Act”), the City is required to pass a general appropriations act; and

WHEREAS, in accordance with the Charter and the Act, the City has provided the required notice and hearing; and

WHEREAS, in order to comply with the Charter and the Act, the City wishes to adopt an appropriation act pursuant to this Resolution.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Title. This Resolution shall be known as the City of the Village of Douglas General Appropriations Act (Fiscal Year 2025-2026).
2. Chief Administrative Officer. The City Manager shall be the Chief Administrative Officer and shall perform the duties of the Chief Administrative Officer enumerated in this Act.
3. Fiscal Officer. The City Treasurer shall be the Fiscal Officer and shall perform the duties of the Fiscal Officer enumerated in this Act.
4. Public Hearings on the Budget. Pursuant to the Act, notice of a public hearing on the proposed budget was published in a newspaper of general circulation as required by law, and a public hearing on the proposed budget was held on June 16, 2025. A copy of the proposed budget was available for public inspection as required by the Charter.
5. Estimated Revenues. Estimated City general fund revenues for fiscal year 2025-2026, including a charter operating millage of 13.0818 mills (inclusive of Headlee rollback), and various miscellaneous revenues shall total \$4,037,640.
6. Millage Levy. The Council of the City of the Village of Douglas shall cause to be levied and collect the general property tax millage against all classes of assessable property, at taxable valuations, as approved by the Board of Commissioners for Allegan County, the State Tax Commission, and any anticipated adjustments of the Michigan Tax Tribunal for the Fiscal Year July 1, 2025 through June 30, 2026 as follows:

Property Tax Millage

<u>Designated Purpose</u>	<u>Rate</u>	<u>Amount</u>
General Operating	13.0818	\$3,372,920

7. Estimated Expenditures. Estimated City general fund expenditures for Fiscal Year 2025-2026 for the various City activities are as shown in exhibit A.
8. Estimated revenues and expenditures by fund for all other funds as shown in exhibit B. The schedule of fees as amended is shown in exhibit C.

9. Adoption of Budget by Reference. The general fund budget for the City for 2025-2026 is hereby adopted by reference, with revenues and activity expenditures as indicated in Sections 5 and 7 of this Resolution. All other funds budgets for the City for 2025-2026 is hereby adopted by reference with revenues and activities as indicated in Section 8 of this resolution.
10. Appropriation not a Mandate to Spend. Appropriations will be deemed maximum authorizations to incur expenditures. The Fiscal Officer shall exercise supervision and control to ensure that expenditures are within appropriations, and shall not issue any order for expenditures that exceed appropriations.

Exhibit A: General Fund

FUND AND DEPARTMENT	DESCRIPTION	2023-24 ACTIVITY	2024-25 ACTIVITY THRU 06/30/25	2025-26 REQUESTED BUDGET
ESTIMATED REVENUES				
Dept 000.000				
101	GENERAL FUND	3,790,657	3,827,360	4,037,640
Totals for dept 000.000 -		3,790,657	3,827,360	4,037,640
TOTAL ESTIMATED REVENUES		3,790,657	3,827,360	4,037,640
APPROPRIATIONS				
101.000	LEGISLATIVE	14,712	10,698	21,110
172.000	MANAGER	173,241	178,264	196,690
215.000	CLERK/TREASURER	335,923	380,873	196,965
223.000	AUDITOR	7,500	10,100	10,100
253.000	TREASURER			183,030
257.000	ASSESSING	64,670	62,623	47,650
262.000	ELECTION	12,129	15,609	18,250
265.000	BUILDING & GROUNDS	225,322	271,428	268,355
266.000	ATTORNEY	60,506	16,708	85,000
301.000	POLICE	786,100	844,678	979,866
463.000	GENERAL STREETS & ROW	311,355	333,089	768,360
701.000	PLANNING & ZONING	375,342	290,579	412,035
751.000	PARKS & RECREATION	245,206	250,044	329,530
802.000	COMMUNITY PROMOTIONS	13,120	16,818	29,000
850.000	INSURANCE & BONDS	45,987	48,085	65,000
966.000	TRANSFERS OUT	1,917,298	415,520	365,520
TOTAL APPROPRIATIONS		4,588,411	3,145,116	3,976,461
NET OF REVENUES/APPROPRIATIONS - FUND 101		(797,754)	682,244	61,179
BEGINNING FUND BALANCE		2,227,464	1,429,715	2,111,959
ENDING FUND BALANCE		1,429,710	2,111,959	2,173,138

Exhibit B: All Other Funds

FUND	DESCRIPTION	2023-24 ACTIVITY	2024-25 ACTIVITY THRU 06/30/25	2025-26 REQUESTED BUDGET
ESTIMATED REVENUES				
Dept 000.000				
202	MAJOR STREET FUND	343,057	325,504	373,520
Totals for dept 000.000 -		343,057	325,504	373,520
TOTAL ESTIMATED REVENUES		343,057	325,504	373,520
APPROPRIATIONS				
Dept 463.000 - GENERAL STREETS & ROW				
202	MAJOR STREET FUND	198,086	265,488	360,845
Totals for dept 463.000 - GENERAL STREETS & ROW		198,086	265,488	360,845
Dept 464.000 - GENERAL STREETS WINTER & ROW				
202	MAJOR STREET FUND	64,073	130,974	159,365
Totals for dept 464.000 - GENERAL STREETS WINTER & ROW		64,073	130,974	159,365
TOTAL APPROPRIATIONS		262,159	396,462	520,210
NET OF REVENUES/APPROPRIATIONS - FUND 202		80,898	(70,958)	(146,690)
BEGINNING FUND BALANCE		211,424	292,325	221,367
ENDING FUND BALANCE		292,322	221,367	74,677
Fund 203 - LOCAL STREETS FUND				
ESTIMATED REVENUES				
Dept 000.000				
203	LOCAL STREETS FUND	298,567	331,578	446,350
Totals for dept 000.000 -		298,567	331,578	446,350
TOTAL ESTIMATED REVENUES		298,567	331,578	446,350
APPROPRIATIONS				
Dept 463.000 - GENERAL STREETS & ROW				
203	LOCAL STREETS FUND	176,551	286,307	368,056
Totals for dept 463.000 - GENERAL STREETS & ROW		176,551	286,307	368,056
Dept 464.000 - GENERAL STREETS WINTER & ROW				
203	LOCAL STREETS FUND	53,512	113,620	137,405
Totals for dept 464.000 - GENERAL STREETS WINTER & ROW		53,512	113,620	137,405
TOTAL APPROPRIATIONS		230,063	399,927	505,461
NET OF REVENUES/APPROPRIATIONS - FUND 203		68,504	(68,349)	(59,111)
BEGINNING FUND BALANCE		172,690	241,194	172,845
ENDING FUND BALANCE		241,194	172,845	113,734

Fund 213 - SCHULTZ PARK LAUNCH RAMP				
ESTIMATED REVENUES				
Dept 000.000				
213	SCHULTZ PARK LAUNCH RAMP	37,577	31,682	33,500
Totals for dept 000.000 -		37,577	31,682	33,500
TOTAL ESTIMATED REVENUES		37,577	31,682	33,500
APPROPRIATIONS				
Dept 753.000 - LAUNCH RAMPS				
213	SCHULTZ PARK LAUNCH RAMP	1,204	3,108	4,800
Totals for dept 753.000 - LAUNCH RAMPS		1,204	3,108	4,800
Dept 966.000 - TRANSFERS OUT				
213	SCHULTZ PARK LAUNCH RAMP	23,250	70,750	70,750
Totals for dept 966.000 - TRANSFERS OUT		23,250	70,750	70,750
TOTAL APPROPRIATIONS		24,454	73,858	75,550
NET OF REVENUES/APPROPRIATIONS - FUND 213		13,123	(42,176)	(42,050)
BEGINNING FUND BALANCE		123,873	136,995	94,819
ENDING FUND BALANCE		136,996	94,819	52,769
Fund 243 - BROWNFIELD REDEVELOPMENT AUTHORITY FUND				
ESTIMATED REVENUES				
Dept 000.000				
243	BROWNFIELD REDEVELOPMENT AUTHORITY	173,025	78,546	527,789
Totals for dept 000.000 -		173,025	78,546	527,789
TOTAL ESTIMATED REVENUES		173,025	78,546	527,789
APPROPRIATIONS				
Dept 000.000				
243	BROWNFIELD REDEVELOPMENT AUTHORITY	94,276	44,534	465,289
Totals for dept 000.000 -		94,276	44,534	465,289
TOTAL APPROPRIATIONS		94,276	44,534	465,289
NET OF REVENUES/APPROPRIATIONS - FUND 243		78,749	34,012	62,500
BEGINNING FUND BALANCE		34,871	113,621	147,633
ENDING FUND BALANCE		113,620	147,633	210,133

Fund 245 - TRI-COMMUNITY HARBOR AUTHORITY

ESTIMATED REVENUES

Dept 000.000

245	TRI-COMMUNITY HARBOR AUTHORITY	217	110	100
Totals for dept 000.000 -		217	110	100

TOTAL ESTIMATED REVENUES

NET OF REVENUES/APPROPRIATIONS - FUND 245

BEGINNING FUND BALANCE

ENDING FUND BALANCE

Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY

ESTIMATED REVENUES

Dept 000.000

248	DOWNTOWN DEVELOPMENT AUTHORITY	70,025	67,577	67,512
Totals for dept 000.000 -		70,025	67,577	67,512

TOTAL ESTIMATED REVENUES

APPROPRIATIONS

Dept 728.000 - DOWNTOWN DEVELOPMENT AUTHORITY

248	DOWNTOWN DEVELOPMENT AUTHORITY	99,537	46,759	70,100
Totals for dept 728.000 - DOWNTOWN DEVELOPMENT AUTHORITY		99,537	46,759	70,100

TOTAL APPROPRIATIONS

NET OF REVENUES/APPROPRIATIONS - FUND 248

BEGINNING FUND BALANCE

ENDING FUND BALANCE

Fund 403 - BLUE STAR CORRIDOR IMPROVEMENT FUND

ESTIMATED REVENUES

Dept 000.000

403	BLUE STAR CORRIDOR IMPROVEMENT FUND	130,682	122,774	120,000
Totals for dept 000.000 -		130,682	122,774	120,000

TOTAL ESTIMATED REVENUES

APPROPRIATIONS

Dept 463.000 - GENERAL STREETS & ROW

403	BLUE STAR CORRIDOR IMPROVEMENT FUND	26,018		11,500
Totals for dept 463.000 - GENERAL STREETS & ROW		26,018		11,500

TOTAL APPROPRIATIONS

NET OF REVENUES/APPROPRIATIONS - FUND 403

BEGINNING FUND BALANCE

ENDING FUND BALANCE

Fund 245 - TRI-COMMUNITY HARBOR AUTHORITY				
ESTIMATED REVENUES				
Dept 000.000				
245	TRI-COMMUNITY HARBOR AUTHORITY	217	110	100
Totals for dept 000.000 -		217	110	100
TOTAL ESTIMATED REVENUES		217	110	100
NET OF REVENUES/APPROPRIATIONS - FUND 245				
BEGINNING FUND BALANCE		4,145	4,363	4,473
ENDING FUND BALANCE		4,362	4,473	4,573
Fund 248 - DOWNTOWN DEVELOPMENT AUTHORITY				
ESTIMATED REVENUES				
Dept 000.000				
248	DOWNTOWN DEVELOPMENT AUTHORITY	70,025	67,577	67,512
Totals for dept 000.000 -		70,025	67,577	67,512
TOTAL ESTIMATED REVENUES		70,025	67,577	67,512
APPROPRIATIONS				
Dept 728.000 - DOWNTOWN DEVELOPMENT AUTHORITY				
248	DOWNTOWN DEVELOPMENT AUTHORITY	99,537	46,759	70,100
Totals for dept 728.000 - DOWNTOWN DEVELOPMENT AUTHORITY		99,537	46,759	70,100
TOTAL APPROPRIATIONS		99,537	46,759	70,100
NET OF REVENUES/APPROPRIATIONS - FUND 248				
BEGINNING FUND BALANCE		95,255	65,743	86,561
ENDING FUND BALANCE		65,743	86,561	83,973
Fund 403 - BLUE STAR CORRIDOR IMPROVEMENT FUND				
ESTIMATED REVENUES				
Dept 000.000				
403	BLUE STAR CORRIDOR IMPROVEMENT FUND	130,682	122,774	120,000
Totals for dept 000.000 -		130,682	122,774	120,000
TOTAL ESTIMATED REVENUES		130,682	122,774	120,000
APPROPRIATIONS				
Dept 463.000 - GENERAL STREETS & ROW				
403	BLUE STAR CORRIDOR IMPROVEMENT FUND	26,018		11,500
Totals for dept 463.000 - GENERAL STREETS & ROW		26,018		11,500
TOTAL APPROPRIATIONS		26,018		11,500
NET OF REVENUES/APPROPRIATIONS - FUND 403				
BEGINNING FUND BALANCE		104,664	122,774	108,500
ENDING FUND BALANCE		130,322	234,985	357,759
		234,986	357,759	466,259

Fund 450 - WATER SEWER FUND				
ESTIMATED REVENUES				
Dept 000.000				
450	WATER SEWER FUND	285,818	488,226	1,346,000
Totals for dept 000.000 -		285,818	488,226	1,346,000
TOTAL ESTIMATED REVENUES		285,818	488,226	1,346,000
APPROPRIATIONS				
Dept 000.000				
450	WATER SEWER FUND	377	66,478	
Totals for dept 000.000 -		377	66,478	
Dept 536.000 - WATER SYSTEM				
450	WATER SEWER FUND	193,305	425,531	1,280,500
Totals for dept 536.000 - WATER SYSTEM		193,305	425,531	1,280,500
Dept 537.000 - SEWER SYSTEM				
450	WATER SEWER FUND		4,816	106,500
Totals for dept 537.000 - SEWER SYSTEM			4,816	106,500
TOTAL APPROPRIATIONS		193,682	496,825	1,387,000
NET OF REVENUES/APPROPRIATIONS - FUND 450		92,136	(8,599)	(41,000)
BEGINNING FUND BALANCE		116,250	208,386	199,787
ENDING FUND BALANCE		208,386	199,787	158,787
Fund 470 - MUNICIPAL BUILDING FUND				
ESTIMATED REVENUES				
Dept 000.000				
470	MUNICIPAL BUILDING FUND	1,512,298	4,175,600	1,945,000
Totals for dept 000.000 -		1,512,298	4,175,600	1,945,000
TOTAL ESTIMATED REVENUES		1,512,298	4,175,600	1,945,000
APPROPRIATIONS				
Dept 265.000 - BUILDING & GROUNDS				
470	MUNICIPAL BUILDING FUND	1,512,298	1,644,030	2,437,000
Totals for dept 265.000 - BUILDING & GROUNDS		1,512,298	1,644,030	2,437,000
Dept 906.000 - DEBT SERVICE				
470	MUNICIPAL BUILDING FUND			273,159
Totals for dept 906.000 - DEBT SERVICE				273,159
TOTAL APPROPRIATIONS		1,512,298	1,644,030	2,710,159
NET OF REVENUES/APPROPRIATIONS - FUND 470			2,531,570	(765,159)
BEGINNING FUND BALANCE				2,531,570
ENDING FUND BALANCE			2,531,570	1,766,411

Fund 594 - DOUGLAS MARINA				
ESTIMATED REVENUES				
Dept 000.000				
594	DOUGLAS MARINA	143,945	215,515	120,950
Totals for dept 000.000 -		143,945	215,515	120,950
TOTAL ESTIMATED REVENUES		143,945	215,515	120,950
APPROPRIATIONS				
Dept 597.000 - DOUGLAS MARINA				
594	DOUGLAS MARINA	15,044	47,898	43,500
Totals for dept 597.000 - DOUGLAS MARINA		15,044	47,898	43,500
Dept 597.001 - WADES BAYOU				
594	DOUGLAS MARINA	2,432	13,976	6,000
Totals for dept 597.001 - WADES BAYOU		2,432	13,976	6,000
Dept 597.002 - DOUGLAS HARBOR AUTHORITY				
594	DOUGLAS MARINA	76,132	27,064	81,000
Totals for dept 597.002 - DOUGLAS HARBOR AUTHORITY		76,132	27,064	81,000
TOTAL APPROPRIATIONS		93,608	88,938	130,500
NET OF REVENUES/APPROPRIATIONS - FUND 594		50,337	126,577	(9,550)
BEGINNING FUND BALANCE		40,357	90,693	217,270
ENDING FUND BALANCE		90,694	217,270	207,720
Fund 660 - EQUIPMENT RENTAL FUND				
ESTIMATED REVENUES				
Dept 000.000				
660	EQUIPMENT RENTAL FUND	227,606	471,128	408,000
Totals for dept 000.000 -		227,606	471,128	408,000
TOTAL ESTIMATED REVENUES		227,606	471,128	408,000
APPROPRIATIONS				
Dept 902.000 - DPW EQUIPMENT PURCHASES				
660	EQUIPMENT RENTAL FUND	165,381	248,041	170,000
Totals for dept 902.000 - DPW EQUIPMENT PURCHASES		165,381	248,041	170,000
Dept 903.000 - EQUIP. REPAIRS & MAINTENANCE				
660	EQUIPMENT RENTAL FUND	81,851	59,059	105,000
Totals for dept 903.000 - EQUIP. REPAIRS & MAINTENANCE		81,851	59,059	105,000
TOTAL APPROPRIATIONS		247,232	307,100	275,000
NET OF REVENUES/APPROPRIATIONS - FUND 660		(19,626)	164,028	133,000
BEGINNING FUND BALANCE		1,079,613	1,059,987	1,224,015
ENDING FUND BALANCE		1,059,987	1,224,015	1,357,015
ESTIMATED REVENUES - ALL FUNDS		3,222,817	6,308,240	5,388,721
APPROPRIATIONS - ALL FUNDS		2,783,327	3,498,433	6,150,769
NET OF REVENUES/APPROPRIATIONS - ALL FUNDS		439,490	2,809,807	(762,048)
BEGINNING FUND BALANCE - ALL FUNDS		2,008,799	2,448,291	5,258,098
ENDING FUND BALANCE - ALL FUNDS		2,448,289	5,258,098	4,496,050

Fiscal Year 2025/2026 Fee Schedule

CITY CLERK SERVICES	Fee
Community Directory Signs	\$50
Business License	\$25/year
Temporary Vendor (Hawker/Peddler License)	\$150/daily
Boat Launch Ramps	<i>Resident</i> \$10/daily, \$25/season
• Union Street	<i>Non-Resident</i> \$10/daily, \$75/season
• Shultz Park	
Special Meeting of the City Council	\$500
Marihuana Facility Permit Application	\$5,000/year
Wades Bayou / Douglas Marina Kayak Storage Rack	\$175/season
USB Storage Drive	Actual cost
Freedom of Information Act Requests	Fee parameters as established by the Act (Act 442 of 1976).
Returned check fee	\$25
Special Event Permit	\$50
	Free for non-profit organizations
City Park Reservation	\$50
	Free for non-profit organizations
Douglas Marina Transient Slip	\$25/day
Douglas Marina Slip (lottery system)	\$2,500/year for 2026/2027
Wedding Officiant (Mayor)	\$50

UTILITIES	Fee	Escrow
Water Well Review	\$50	\$1,000
Water Capital Charge	\$21/MEU	
Municipal Water Connection		
• Users within City Limits	\$2,000	
• Users outside City Limits	\$4,000	
• Connection Inspection	\$200	
Municipal Sanitary Sewer Connection		
• Users within City Limits	\$2,500	
• Users outside City Limits	\$3,500	
• Indirect Connection	\$1,250	
• Connection Inspection	\$200	
Acceptance of Private Roads into the Public System	\$750	\$2,000
Street Vacation	\$500	\$1,000

PLANNING & ZONING SERVICES	Fee	Escrow
Planned Unit Development (PUD) <ul style="list-style-type: none"> Rezone Request and Preliminary PUD Review Final PUD Review Major Amendment to a PUD Minor Amendment to a PUD (administrative review) 	\$1,000 \$500 \$500 \$300	\$2,000 \$2,000 \$2,000 \$1,000
Rezoning Requests (NON-PUD) <ul style="list-style-type: none"> Rezoning of parcel 	\$1,000	\$2,000
Residential and Mixed-Use Developments and Subdivisions <ul style="list-style-type: none"> Plat Review (Conventional) Site Condominium Review Site Plan Review for Condominium Developments Open Space Preservation Developments Multi-Family Residential Development Mixed-Use Development (Vertical) 	\$1,500 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000	\$2,000 \$2,000 \$2,000 \$2,000 \$2,000 \$2,000
Non-Residential Developments <ul style="list-style-type: none"> Site Plan Review - New Construction Site Plan Review - Expansions exceeding 15% of the existing floor area Site Plan Review - Expansions NOT exceeding 15% of the existing floor area 	\$1,000 \$500 \$300	\$2,000 \$1,000 \$500
Waterfront Construction Permits <ul style="list-style-type: none"> Minor Major 	\$100 \$500	\$2,000 \$2,000
Special Use Permit	\$1,000	\$2,000
Master Plan Amendment	\$1,500	\$2,000
Special Meetings (outside regularly scheduled PC meetings)	\$500	
Land Division/ Boundary Change Review	\$275	PZ Admin Discretion
Parking Fee Waiver (per space)	\$7,000	
Zoning Board of Appeals <ul style="list-style-type: none"> Dimensional Variance Request Use Variance Request Zoning Text Interpretation Appeal of Planning & Zoning Administrator's Determination 	\$500 \$500 \$500 \$500	\$1,000 \$1,000 \$1,000 \$1,000
Short-Term Rental <ul style="list-style-type: none"> Registration/Initial Inspection Re-Inspection 	\$375 \$175	
Revocable Sign License/Agreement	\$250/year	
Zoning Ordinance (Hard Copy)	\$50	
Zoning Map Copy <ul style="list-style-type: none"> 8.5" X 11" & 11"x17" Large format print 	\$0.25 \$5	
Zoning Permits <ul style="list-style-type: none"> General Fences Chickens Sign Permits Home Occupation Temporary Structures and Uses Wind Energy Conversion System Food Truck Permit New Structures Over 1,000 sq ft Other (Additions, Remodels, Sheds, Decks, Pool, etc.) 	\$75 \$50/year \$200 \$75/year \$75 \$75 \$200 \$100	PZ Admin Discretion
Zoning Ordinance Text Amendment	\$1,000	\$2,000
Tree Removal Permit	\$75	
Zoning Verification Letter	\$50	
Right of Way Work/Road Cut/Bore/Driveway Permit	\$150	\$5000
Failure to Obtain a Zoning Permit (Penalty)	\$500	

SPECIAL EVENT SERVICES	Regular Rate	Overtime Rate	Holiday Rate
Douglas Police Department			
Chief (Salary Position)	\$54.73 max per hour	\$54.73 max per hour	\$54.73 max per hour
Corporal	\$38.52 max per hour	\$57.78 max per hour	\$96.29 max per hour
Police Officer	\$33.92 max per hour	\$50.87 max per hour	\$84.79 max per hour
Police Clerk	\$25.49 max per hour	\$38.24 max per hour	\$50.98 max per hour
Department of Public Works			
Director (Salary Position)	\$42.53 max per hour	\$42.53 max per hour	\$42.53 max per hour
Supervisor	\$31.55 max per hour	\$47.32 max per hour	\$63.09 max per hour
DPW Employee	\$28.29 max per hour	\$42.43 max per hour	\$56.57 max per hour
Equipment (based on MDOT Schedule C 2025 Rental Rates)			
• 7400 Diesel Truck	\$56.15 per hour		
• 3/4 and 1/2 Ton 4x4 Truck	\$29.77 per hour		
• 1/2 Ton 2wd Truck	\$12.27 per hour		
• Gehl ALT750 (Tele Loader)	\$84.74 per hour		
• Gehl AL650 Diesel Loader (Loader)	\$75.37 per hour		
• International HV Plow Truck	\$56.15 per hour		
• Street Vac Trailer	\$55.81 per hour		
• Backpack Leaf Blower	\$3.67 per hour		
• 5' x 15' Trailer, 5' x 10' Trailer, and 8' x 8' Tilt Bed Trailer	\$11.29 per hour		
• 7'x16' Tilt Bed Trailer	\$14.11 per hour		
• 8'x24' Trailer	\$14.11 per hour		
• Traffic Control Trailer (includes generator and light tower)	\$115.61 per hour		
• Bobcat UTV	\$14.43 per hour		
• John Deere Tractor with loader	\$49.16 per hour		
• Bobcat Mini Skid	\$15.84 per hour		
• Barricades – Type A	\$2.25 each		
• Barricades – Concrete	\$9 each		
• Barricades – 3 Bar	\$7.50 each		
Supplies/Misc.			
• Trash Receptacles	\$10.08 each		
• Traffic Cones	\$1.35 each		
• Fencing	\$0.90 per 100 foot		
• Additional Restroom Cleaning	Employee Hourly Rate		
• Trash Can Liners	\$1.14 per liner		
• T-Posts for Fencing	\$0.22 per T-Post		
Missing/Damaged Equipment, Supplies, Grounds, and/or Facilities	Estimated Cost to Replace		

CITY OF THE VILLAGE OF DOUGLAS

Annual Budget



For the Fiscal Year Ending June 30, 2026

CITY COUNCIL & CITY ADMINISTRATION

City Council:

Mayor: Cathy North
Mayor Pro Tem: Randy Walker
Councilperson: Neal Seabert
Councilperson: Jerome Donovan
Councilperson: John O'Malley
Councilperson: Gregory Freeman
Councilperson: Matthew Balmer

City Hall Staff:

City Manager: Lisa Nocerini
City Clerk: Laura Kasper
City Treasurer/Finance Director: Dawn Raza
City Planning & Zoning Administrator: Sean Homyen
City Project Manager: Jennifer Pearson

Police Department :

Police Chief: Steve Kent
Corporal: Lori Warsen
Police Officer: Tony Brown
Police Officer: Olivia Schipper
Police Officer: Trevor Dyer
Police Officer: Mark Giles
Administrative Assistant: Ashley Janik

Public Works Department:

Director: Ricky Zoet
Supervisor: Greg Salinas
Equipment Operator: Cody Carpenter
Equipment Operator: Kyle Hooker
Equipment Operator: Bill Brown
Laborer: Leo Maas
Laborer: Alec Smith
Part-Time: A.J. Brown

Budgeting Policies & Procedures

A Reader's Guide to Budgeting

The budgeting and accounting policies of the City of the Village of Douglas conform to Generally Accepted Accounting Principles (GAAP) as applicable to governmental units. The following are the significant budgetary policies followed by the City.

Uniform Budgeting Act

The City of the Village of Douglas is legally subject to the budgetary control requirements of the State of Michigan P.A. 2 of 1968 (the Uniform Budgeting Act). The following statements represent a brief synopsis of the major provisions of this Act.

- Budgets must be adopted for the General Fund and Special Revenue Funds.
- A fund balance deficit can not be budgeted.
- The budgets must be amended when necessary.
- Debt cannot be entered into unless permitted by law.
- Expenditures cannot exceed budgeted appropriations.
- Expenditures cannot be made unless authorized in the budget.
- Public hearings must be held before the budget is adopted by City Council.

Basis of Budgeting

The adopted budget is prepared on a basis consistent with GAAP and modified accrual basis of accounting is used for all government fund types. Expenditures on long-term debt are recorded at the time liabilities are incurred and revenues are recorded when cash is received except when accruals of revenues are necessary to properly record the revenues in correct fiscal year.

The full accrual of accounting is utilized in the Enterprise Fund and capital outlay expenses are recorded as an expense for budgetary purposes instead of adjusting balance sheet accounts.

Fund Structure of Approved Budget

The Annual Budgets are adopted according to law under the Uniform Budgeting Act for General Fund and Special Revenue Funds. The Capital Improvement Fund and Enterprise Fund have prepared budgets for financial and project management purposes. The City Council reviews revenue/expenditure and budgetary reports on a monthly basis prepared by management.

Fund Accounting

The accounts of the City of the Village of Douglas are organized by funds and departments. Funds are established to segregate specific activities or objections of a government in accordance with special regulations, restrictions, or limitations for the monies in each fund. The various funds are grouped into generic fund types in three broad categories, Governmental Funds, Proprietary Funds and Fiduciary Funds. Governmental entities use Fund Accounting to segregate the allowable expenditures in conjunction with the revenue received. Each of the three broad fund categories have more specific fund types depending on the revenues or expenditures, below are the different types of funds:

Governmental Funds

General Fund: The General Fund contains the accounting of the ordinary actives of the City. The General Fund expenditures are financed mostly by general operating property tax revenues and some state shared revenues. The General Fund is usually the most commonly used fund and is where expenditures for City Hall, Police and Parks are found.

Special Revenue Funds: Special Revenue funds are used to account for the proceeds of earmarked revenue from financing activities requiring separate accounting because of legal or regulatory requirements. The City's Special Revenue Funds are Major Street Fund, Local Street Fund, and Schultz Park Launch Ramp Fund. The Major and Local Street Funds are the Cities largest special revenue funds. The City receives monies from the State from gasoline tax collected. The City receives their amounts based on a state formula that divides the gas tax monies between state road projects, counties and local municipalities.

Debt Service Funds: Debt service funds are used to account for the annual payment of principal and interest concerning long-term debt other than the debt payable from the operations of an enterprise fund. The City does not have any Debt Service Funds.

Capital Projects Fund: Capital Projects Funds are used to account for the development of capital facilities and projects. The City has two capital project funds. The Water and Sewer Fund collects revenue from water and sewer connections to pays for infrastructure improvements to the City's water and sewer system. The Blue Star Corridor Improvement Fund is assigned the adult use marihuana revenues distributed by the State to pay for infrastructure improvements along the blue star corridor.

Permanent Funds: Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings and not principal may be used to support government programs. The City does not have any Permanent Funds.

Proprietary Funds

Enterprise Funds: Enterprise Funds are funds that are accounted for on a full accrual basis of accounting and are used for business-type activities. The City does not have any Enterprise Funds because typically cities account for their water and sewer operations out of an Enterprise Fund. The Kalamazoo Lake Sewer & Water Authority (KLSWA) operates the sewer and water activity for the Tri-Community area and the City records Douglas only revenue from KLSWA in a capital project fund to be spent on future water and sewer infrastructure repairs and improvement.

Internal Service Funds: The City has one Internal Service Fund and that is the Equipment Rental Fund. The Equipment Rental Fund is financed by rental charges to the General Fund, Major Street Fund and Local Street Fund primarily for the use of equipment by the Public Works Department. The rental charges are used to finance the purchase of equipment for the Public Works Department and the rates used are provided by the Michigan Department of Transportation.

Fiduciary Funds

Custodial Funds: Custodial Funds are used to account for the assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds. The City has two Custodial Funds.

Pensions Trust Funds: Pension Trust Funds are used to report the resources required to be held for the members and beneficiaries of defined benefit pension plans, defined contribution plans and other post-employment benefits. The City does not have a Pension Trust Fund because Michigan Employers Retirement System (MERS) accounts and records necessary information and resources. Pension information accounted for by MERS is displayed in City's Annual Financial Statements.

Investment Funds: Investment Funds are funds whose legal purpose is to hold separate governments' pool of investments. The City does not have an Investment Fund.

Private-purpose Trust Funds: Private-purpose Trust Funds are used report trust arrangements not reported in other trust funds, which has limited provisions to the monies held in the fund. The City does not have a Private-purpose Trust Fund.

Budgeting Procedures

The annual budget covers a twelve-month period beginning July 1st and ending June 30th. The budget is an ongoing process that includes phases of development, adoption, implementation and oversight throughout the year.

Several goals are associated with the preparation and development of the City's annual budget document. First, the budget is a policy document. The budget should help foster comprehensive community problem solving and policy making. Second, the budget is a financial plan and management tool. The document should help staff in monitoring revenue and expenditures and in evaluating the effectiveness of City programs and services. Third, the budget serves as an important reference document. It should provide the City Council, staff and the public with extensive information on the nature and scope of municipal operations and services.

Strategic Planning Process

The City Council holds multiple workshop meetings throughout the year with the City Manager and department heads to discuss and develop both long and short-term goals and objectives. These workshop meetings give the City Manager and department heads guidance and understanding of the goals the City Council would like to have completed and in a general order.

Budget Review and Analysis

All department heads meet with the City Treasurer for review and evaluation of their respective budgets. The objective of this phase is to:

- Ensure that the intent of all budget requests are understood
- Gain greater understanding of departmental objectives and standards of performance and operations for the upcoming fiscal year.
- Determine how proposed departmental projects and programs are related to the goals and objectives set by Council.
- Balance the needs of each department to the total City needs.

Analysis in this phase include analysis of levels of service, evaluation of historical expenditure trends, projection of inflationary increases, and review of departmental operations.

Building the Proposed Budget

The City Treasurer and City Assessor work towards reasonable estimates of property tax income based on projections and reasonable estimates of property tax values. Property tax revenues generally account for about two-thirds of the City's Revenue.

The Treasurer meets with the different department heads to determine the costs of proposed projects and operating expenditures. The Treasurer then meets with the City Manager to review the budget as a whole and bring a proposed budget to City Council.

The proposed budget is then prepared for Council to review. Workshop sessions are held with the City Council to ensure that the proposed budget is in alignment with the Council's goals and objectives, as well as their vision for the City. The Treasurer adjusts the budget as directed by the City Council and makes a recommended budget document for adoption.

City Council Adoption

After completion of the budget workshop sessions, the proposed budget is published on the City's website and public hearings are held for the budget and the City's millage rate. After completion of the public hearings, the City Treasurer would make any adjustments as necessary under the direction of the City Council. The budget is then adopted.

Budget Amendment Process

After the budget is adopted, the primary responsibility for managing the budget falls to individual departments and the Treasurer reviews expenditures on a monthly basis. Management is given flexibility to each department of exceeding a line item within a department if it can be compensated for within the same department. Budget amendments that require transfers from fund balance or other departments require approval by the City Council.

General Fund

The General Fund is the main operational fund for the City. It contains all of the activities of the City that are not required to be accounted for in another fund, such as special revenue or enterprise funds. The main sources of revenue for the General Fund are property taxes, State shared revenue and County road millage. Expenditures that occur from this fund are for administrative activities, community development, parks and recreation, public safety and public works.

Departments

Legislative (101)

The residents of the City of the Village of Douglas elect seven council members to two-year terms. Three terms end odd years and four terms end even years. After the residents elect their council members, the council then elects a Mayor and Mayor Pro Tem to preside over the City Council. The Council has the power to adopt laws, ordinances, and resolutions, adopt a budget, levy taxes, and set policies. The Council appoints the City Manager who is accountable for all administrative functions that are not directed by the charter, ordinances or state law.

Expenditures in this department include City Council member's wages, training, newspaper publishing and supplies.

Manager (172)

The City Manager strives to effectively serve the City Council and the public through responsible administration of all City affairs. The Manager demonstrates and promotes a high standard of ethics, professionalism and integrity throughout the city's organization. The City Manager fosters open and complete communications, actively seeks out and incorporates citizen involvement and participation, and achieves outstanding results through partnerships with other service providers in both the public and private sectors. The City Manager demonstrates through words, actions and policies a commitment to treat all colleagues and citizens with respect and dignity.

Expenditures in this department include City Manager's wages, benefits, training funds, supplies and association dues.

Clerk/Treasurer (215) (253)

The City Clerk holds many responsibilities including maintaining all city records, administering city elections, publishing public notices and manage human resources for City employees.

The City Treasurer is responsible for billing, collecting and disbursing property taxes, maintain accurate financial records, create and administer the City's annual budget and help financially direct the City in accordance with city policies and state laws and as directed by the City Council.

Expenditures in this department include City Clerk, Deputy Clerk and City Treasurer wages and benefits, software and website fees, training, postage, association dues and supplies.

Auditor (223)

The City contracts with an accounting firm to perform an annual audit on the City's financial statements and report to the City Council their findings. The audit consists of determining the accuracy of the City's financial statements, internal controls and financial policies. The City contracted with Siegfried & Crandall.

Assessor (257)

The City Assessor keeps the records of all property located within the City. The Assessor computes and analyzes the property values of all parcels based on sales studies and relevant state laws in correlation with the Allegan County Equalization department.

Expenditures in this department include wages and benefits of the assessor, board of review member wages, software and website fees for the online tax and assessing system, supplies, and postage and printing costs.

Elections (262)

The City elections are overseen by the City Clerk in accordance with federal, state, county and local laws. The Clerk administers elections for federal, state, county, city and school elections ranging from representatives, laws and millage proposals. Also, the City Clerk maintains voter registration records within the City and maintains all City records.

Expenditures in this department include election worker's wages, publishing of notices, voter identification cards, ballots and other election supply costs.

Buildings & Grounds (265)

The Buildings and Grounds department accounts for all expenditures relating to the buildings owned and operated by the City.

Expenditures include repairs and maintenance, utilities and payroll costs of public works employees for time spent working in, on or for the City's buildings.

Attorney (266)

The City contracts attorney services from several law firms to represent and guide the City and its staff to ensure the City operates and moves in a law-biding manner for the good of the public. The attorneys help the City Council and staff with issues including but not limited to union negotiations, employee issues, planning and zoning regulations and guidance on legal issues that arise.

Police (301)

The Police department operates with a Police Chief, a corporal, full-time and part-time police officers. The Douglas Police department serves the City of Douglas.

All expenditures that are related to the Police department building are expensed in this account instead of the Buildings and Grounds department. Expenditures in this department include all officer wages and benefits, training costs, officer's equipment, prosecuting attorney, liability insurance, utilities, police vehicle repairs and gasoline.

General Streets & Right of Way (463)

The General Streets and Right of Way department operates under the management of the Public Works department and is responsible for the brush and leaf pickup, repairing and maintaining roads and sidewalks and the maintenance and beautification of the downtown.

Expenditures in this department include public works wages and benefits, supplies, streetlights, utilities, landscaping services and road and sidewalk maintenance and repairs.

Planning & Zoning (701)

The Planning and Zoning department is also referred to as Community Development. The City Planner works closely with the Planning Commission and the Zoning Board of Appeals and is responsible for directing and managing the physical development of the City in a manner that emphasizes quality, livability and sustainability. The City Planner uses guidance from the City Council, the Master Plan and Tri-Community Master Plan for the decision-making process regarding the development of the City.

Expenditures in this department include City Planner wages and benefits, Planning Commission and Zoning Board of Appeals wages, contracted attorney, engineering and building inspector costs, supplies and software fees. The City has budgeted to update the Zoning ordinances and maps.

Parks & Recreation (751)

The Parks and Recreation department operates under the management of the Public Works department. This department is responsible for the maintenance and upkeep of all of the City's parks including Beery Field, Douglas Beach, Veteran's park, and Schultz Park (not including the boat launch).

Expenditures in this department include public works wages and benefits, landscaping services, utilities, City park maintenance, and supplies.

Community Promotions (802)

Community Promotions account for expenditures pertaining to local organizations to support the community in promoting all the different events around the City and Tri-community area.

Insurance & Bonds (850)

The Insurance and Bonds department accounts for the expenditures related to the City's general liability insurance provided through the Michigan Municipal Risk Management Authority (MMRMA).

Transfers Out (966)

Transfers out are transfers of monies from one fund to another to cover operating expenditures because the fund cannot cover operating expenditures from its revenues. The General Fund transfers monies to the Major and Local Street Funds because the ACT 51 monies received from the State of Michigan only cover about one-third of these funds' operating costs. Also, the City transfers monies to the Brownfield Authority, Douglas Marina, and Water Sewer fund for capital projects.

City of the Village of Douglas Fund Balance Policy

The City of the Village of Douglas's policy is to keep a minimum of 30% of General Fund operating expenditures in the General Fund fund balance as adopted by City Council. The Government Finance Officers Association (GFOA) recommends a minimum reserve of two months of operations (approx. 17% of the budget) in fund balance. Additional fund balance may, at times, be committed or assigned by City council for specific purposes such as capital projects.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures made for specific purposes. The City's special revenue funds are:

- Major Street Fund (202)
- Local Street Fund (203)
- Schultz Park Launch Ramp Fund (213)

Major and Local Street Funds (202 & 203)

The Major Street Fund and the Local Street Fund receive revenue from the state through Public Act 51 which uses a formula to share gas and weight taxes to governmental entities at the state, county and local levels. The revenue received from Act 51 only covers about one-third of the operating costs in each of these two funds. The rest of the expenditures are covered by a transfer from the General Fund. These two funds account for the repairs and maintenance of the city streets and sidewalks including snowplowing.

Schultz Park Launch Ramp Fund (213)

The Schultz Park Launch Ramp Fund receives revenue from the launch fees and requires the revenues to be spent on the repairs and maintenance of the launch ramp, its facilities or other recreation.

Other Funds

Marina Fund (594)

The Marina Fund primarily collects revenue from slip fees at the City's Point Pleasant Marina. The fund accounts for the activities at Point Pleasant, Wades Bayou, and the Douglas Harbor Authority.

Capital Project Funds

Blue Star Corridor Improvement Fund (403)

The Blue Star Corridor Improvement Fund collects revenue from the State related to adult use marihuana and pays for infrastructure improvements along the blue star corridor.

Water and Sewer Revolving Fund (450)

The Water and Sewer Fund collects revenue from connection fees for water and sewer connections and pays for repairs on the city's water and sewer system. The City of the Village of Douglas collaborates with the Kalamazoo Lake Sewer & Water Authority to administer the day-to-day activities of the sewer and water system.

Internal Service Fund

Equipment Rental Fund (660)

The City uses the Equipment Rental Fund to charge rent to the different Public Works Departments for time using equipment in the different locations throughout the city. The City purchases new equipment and vehicles through this fund and plans for equipment purchases. The Equipment Rental Fund expenses repairs, maintenance, depreciation and gas for the vehicles and equipment purchased from this fund.

Internal Service Funds are proprietary funds and utilize the full-accrual basis of accounting. Internal Service Funds are to be accounted for differently than the General Fund and Special Revenue Funds because their economic factors are different meaning their activities should be accounted for like a standard for-profit business and not a governmental entity.

Component Units

Brownfield Redevelopment Authority (243)

The Brownfield Redevelopment Authority is charged with revitalization of environmentally distressed areas within the City. The Brownfield Redevelopment Authority Fund accounts for all of the revenue and expenditures for the Brownfield Redevelopment Authority including grants received and monies spent on engineering studies.

Harbor Authority (245)

The Harbor Authority is a joint venture between the City of the Village of Douglas and the City of Saugatuck. The Harbor Authority Fund accounts for all of the revenue and expenditures for the Harbor Authority including grants received and monies spent on engineering studies.

Downtown Development Authority (248)

The Downtown Development Authority (DDA) is charged with developing the Douglas Downtown. The DDA captures a portion of property taxes to accomplish the goals and projects set forth in the Tax Increment Financing (TIF) Plan, which was established at the creation of DDA. The DDA board is comprised of the Mayor of Douglas and up to eight members appointed by the City council.

Glossary of Budget and Finance Terms

The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, this budget glossary has been included in the document.

Accrual Basis of Accounting: A method of accounting that recognizes the financial effect of transactions, events, and Interfund activities when they occur, regardless of the timing of related cash flows.

Activity: Cost center within a fund or department to which specific expenses are to be collected.

Ad Valorem: According to value. "A method of taxation using the value of the thing taxed to determine the amount of tax. Taxes can be either "ad valorem" or "specific". Example: A tax of \$5.00 per \$1,000.00 of value per house is "ad valorem". A tax of \$5.00 per house (irrespective of value) is specific.

Appropriation: An authorization made the City Council, which permits officials to incur obligations against, and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

Assessed Valuation: The estimated value placed upon real and personal property by the City's Assessor for the determination of property taxes. Assessed value is required to be at least 50% of the true cash value.

Assets: Property owned by the City, which has monetary value.

Audit: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal controls and is intended to ascertain whether financial statements fairly present financial positions and results of operations. The audit tests whether transactions have been legally performed; Identifies areas of possible improvements in accounting practices and procedures; Ascertain whether transactions have been recorded accurately and consistently; and Ascertain the stewardship of officials responsible for governmental resources.

Bond (Debt Instrument): A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at the specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital improvements.

Budget (Operating): A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). Also, the term is sometimes used to denote the officially approved expenditure ceiling under which the City and its departments operate.

Budget Calendar: The schedule of key dates or milestones that the City follows in preparation and adoption of the budget.

Budgetary Control: The level at which expenditures cannot legally exceed the appropriated amounts.

Budgeted Funds: Funds that are planned for certain uses. The budget document that is submitted for Council approval is composed of budgeted funds.

Budget Message (City Manager's): A general discussion of the proposed budget document presented in writing as a supplement to the budget document. The budget message explains principle budget issues against background of financial experience in recent years.

Capital Outlay: A disbursement of money which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than \$3,000 and have a useful life of more than one year.

CIP: Abbreviation for Capital Improvement Plan.

Contingency: An estimated amount of funds needed for deficiency or emergency purposes. An annual appropriation to cover short falls in revenue and/or underestimation of expenditures. Under Michigan law, to be used, contingencies must be moved to the specific appropriation line by a budget amendment.

Contractual Services: Items of expenditures from services that the City receives from an outside company. Attorney services, engineering services and landscaping services are examples of contractual services.

CPI: Abbreviation for Consumer Price Index.

Current Taxes: Taxes that are levied and due within one year.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Department: An administrative division of the City. Departments are the main groupings with the budget, for example City Manager, Planning & Zoning and Parks & Recreation.

Depreciation: A noncash expense that reduces the value of an asset as a result of wear and tear, age or obsolescence. Most assets lose their value over time and must be replaced at the end of their useful life.

Downtown Development Authority (DDA): Created by Public act 197 of 1975 to promote revitalization and development of existing business districts.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water and sewer.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: The cost of goods delivered and services rendered, whether paid or unpaid.

Fiscal Year: A 12 month period to which the annual operating budget applies and at the end of which the City determines its financial position as a result of its operations. The fiscal year for the City of the Village of Douglas is July 1 – June 30.

Fund: An independent accounting entity established to account for the assets, liabilities, revenues and expenditures for specific activities. Examples include the General Fund for day-to-day activities, Major Street Funds for activities relating to major streets, etc.

Fund Balance: The excess of an entity's assets over liabilities. A negative fund balance is often called a deficit.

GAAP: Abbreviation for Generally Accepted Accounting Principles.

GASB: The Governmental Accounting Standards Board, which provides direction in accounting and reporting requirements for units of government.

General Fund: The largest fund within the City, the General Fund accounts for most of the day to day operations of the government, such as police protections, finance, public works, parks and general administration. The main source of Revenue for the General Fund is the City's operating millage.

General obligation Bonds: When the City pledges its full faith and credit to the repayment of the bonds that it issues, those bonds are called general obligation (GO) bonds. Issuance of these bonds require an election and they are usually repaid by an ad valorem property tax levy.

GFOA: Abbreviation for governmental Finance Officers Association.

GIS: Abbreviation for Geographic Information System.

Internal Service Fund: A fund used to account for the financing of goods and services provided by one department to other departments of the City on a cost reimbursement basis.

Liabilities: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. The term does not include encumbrances.

Long Term Debt: Debt with a maturity of more than one year.

Maturities: The date on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

MERS: The Michigan Municipal Employees Retirement System is a multi-employer statewide public employee retirement plan created to provide retirement, survivor and disability benefits to local government employees.

Millage: A rate of taxation expressed as mills per dollar.

Modified Accrual Basis of Accounting: Basis of accounting to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for non-matured interest on general long-term debt and certain similar obligations which should be recognized when due.

Per Capita Basis: Per unit population.

Personnel Services: The expenditures within the budget that relate to personnel such as salaries and fringe benefits.

Revenue: An addition to the assets of a fund which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without corresponding increase in any other liability or decrease in assets, and does not represent a contribution of fund capital in an enterprise fund.

State Equalized Value (SEV): The assess valuation of property in the City, as determined by the City Assessor and then reviewed and adjusted, if necessary, by the County and the State, to assure that it equals 50% of market value as required by State law.

Special Assessments: Assessments levied on tax bills that are used to fund capital projects that benefit a limited number of properties. The assessments are usually used to repay bonds.

Special Revenue Fund: The fund used to account for the proceeds of specific revenue sources used to finance projects or activities such as the Special Events Fund.

Taxable Value: This is a value used as a base for levying property taxes. It was established by a state constitutional amendment. Taxable values may only be increased by 5% or the rate of inflation, whichever is lower. When property changes ownership, the value returns to 50% of the true cash value equal to the SEV.

Transfers In/Out: A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

Custodial Funds: these funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds.