



## AGENDA ITEM SUMMARY FORM

**MEETING DATE:** 1/26/26

**PREPARED BY:** Linda A. Kunath, Finance Director/Treasurer

**AGENDA ITEM CONTENT:** Amendments to FY 2025-26 Budget

**AGENDA ITEM SECTION:** Reports

**BUDGETED AMOUNT:**

**FUNDS REQUESTED:**

**FUND:**

**EXECUTIVE SUMMARY:**

The State of Michigan's Budget Law requires that any budget amendments be approved by City Council. The budget amendments are submitted to ensure that the FY 2025-26 Budget is in compliance with state law. If the City Council concurs with the recommended amendments, the Council should approve the implementation of these amendments and appropriate the necessary funds.

**RECOMMENDATION:**

If the City Council concurs with the recommended amendments, the Council should approve the implementation of these amendments and appropriate the necessary funds.

**CITY OF MADISON HEIGHTS  
AMENDED BUDGET  
FY 2025-26**

	FY 2025-26		Prior		FY 2025-26	
	Adopted	FY 2024-25	Approved	1/26/2026	Amended	
	Budget	Carryforward	Amendments	Amendments	Budget	
<b>General Fund (101)</b>						
<u>Revenues</u>						
Property Taxes	\$ 27,737,742	\$ -	\$ -	\$ -	\$ 27,737,742	
Business Licenses/Permits	589,486	-	-	-	589,486	
Non-Business License/Permits	791,734	-	-	-	791,734	
Federal Shared Revenues	555,000	600,000	-	-	1,155,000	
State Shared Revenues	6,188,770	403,200	-	(131,415)	6,460,555	
Other Governmental Revenues	260,610	-	-	-	260,610	
County Shared Revenues	39,105	-	-	-	39,105	
SMART Shared Revenues	70,019	-	-	-	70,019	
Court Revenues	1,552,000	-	-	-	1,552,000	
Charges for Services	272,180	-	-	-	272,180	
Sales - Miscellaneous	5,950	-	-	-	5,950	
Recreation Program Revenues	284,500	-	-	-	284,500	
Miscellaneous Revenues	2,237,356	-	-	118,580	2,355,936	
Sale of Fixed Assets	97,000	-	-	-	97,000	
Departmental Charges	849,441	-	-	-	849,441	
Transfers	291,899	-	20,000	-	311,899	
(Contr. To)/Use of Fund Balance	436,521	3,568,663	(12,116)	393,953	4,387,021	
Total Revenues	\$ 42,259,313	\$ 4,571,863	\$ 7,884	\$ 381,118	\$ 47,220,178	
<u>Expenditures</u>						
Mayor & Council	\$ 64,201	\$ -	\$ -	\$ -	\$ 64,201	
City Manager	295,902	-	-	-	295,902	
Finance	929,617	-	-	-	929,617	
City Clerk	467,141	-	-	-	467,141	
Information Technology	617,637	220,750	-	97,150	935,537	
Insurance	372,490	-	-	-	372,490	
Board of Review	2,373	-	-	-	2,373	
General Administration	1,314,624	-	-	30,000	1,344,624	
Assessing	247,787	-	-	-	247,787	
Election	144,538	-	-	25,573	170,111	
DPS-Municipal Building	67,384	620,000	-	-	687,384	
Legal	481,960	-	-	-	481,960	
DPS-Custodial & Maintenance	200,817	-	-	-	200,817	
Human Resources	475,684	-	-	-	475,684	
District Court	1,595,229	141,505	-	-	1,736,734	
Police	14,457,705	190,084	-	109,815	14,757,604	
Fire	10,119,061	1,347,000	-	29,969	11,496,030	
DPS-Streets	1,155,660	165,896	-	88,611	1,410,167	
DPS-Solid Waste	3,034,292	1,046,800	-	-	4,081,092	
Community Development	1,266,172	110,000	-	-	1,376,172	
DPS-Recreation	376,269	-	-	-	376,269	
DPS-Parks	1,466,171	676,000	7,884	-	2,150,055	
DPS-Active Adult Center	574,835	46,828	-	-	621,663	
Library	1,020,957	7,000	-	-	1,027,957	
Pension Obligation Debt Services	1,027,707	-	-	-	1,027,707	
Transfer Out	483,100	-	-	-	483,100	
Total Expenditures	\$ 42,259,313	\$ 4,571,863	\$ 7,884	\$ 381,118	\$ 47,220,178	

**Major Streets (202)**

**CITY OF MADISON HEIGHTS  
AMENDED BUDGET  
FY 2025-26**

	FY 2025-26 Adopted Budget	FY 2024-25 Carryforward	Prior Approved Amendments	1/26/2026 Amendments	FY 2025-26 Amended Budget
<u>Revenues</u>					
State Shared Revenues	\$ 2,715,325	\$ -	\$ -	\$ -	\$ 2,715,325
County Shared Revenues	86,086	-	-	-	86,086
Miscellaneous Revenues	-	-	-	-	-
Prior Years Fund Balance	(626,269)	1,492,508	-	-	866,239
Total Revenues	<u>\$ 2,175,142</u>	<u>\$ 1,492,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,667,650</u>

<u>Expenditures</u>					
Construction	\$ 1,525,000	\$ 1,492,508	\$ -	\$ -	\$ 3,017,508
Maintenance	166,978	-	-	-	166,978
Traffic Services	191,094	-	-	-	191,094
Winter Maintenance	192,408	-	-	-	192,408
Administration	10,873	-	-	-	10,873
County Roads	88,789	-	-	-	88,789
Transfers	-	-	-	-	0
Total Expenditures	<u>\$ 2,175,142</u>	<u>\$ 1,492,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,667,650</u>

**Local Streets (203)**

<u>Revenues</u>					
Property Taxes	\$ 2,104,690	\$ -	\$ -	\$ -	\$ 2,104,690
State Shared Revenues	1,250,336	-	-	151,295	1,401,631
County Shared Revenues	0	-	-	-	0
Miscellaneous Revenue	50,000	-	-	-	50,000
Transfers In	0	-	-	-	0
Prior Years Fund Balance	(923,731)	-	-	(151,295)	(1,075,026)
Total Revenues	<u>\$ 2,481,295</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,481,295</u>

<u>Expenditures</u>					
Construction	\$ 1,956,000	\$ -	\$ -	\$ -	\$ 1,956,000
Maintenance	309,127	-	-	-	309,127
Traffic Services	136,147	-	-	-	136,147
Winter Maintenance	50,740	-	-	-	50,740
Administration	29,281	-	-	-	29,281
Transfers	-	-	-	-	-
Total Expenditures	<u>\$ 2,481,295</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,481,295</u>

**CITY OF MADISON HEIGHTS  
AMENDED BUDGET  
FY 2025-26**

	FY 2025-26 Adopted Budget	FY 2024-25 Carryforward	Prior Approved Amendments	1/26/2026 Amendments	FY 2025-26 Amended Budget
<b><u>Parks Maintenance &amp; Improvement Fund (208)</u></b>					
<u>Revenues</u>					
Miscellaneous	\$ 48,972	\$ -	\$ -	\$ -	\$ 48,972
Prior Years Fund Balance	50,000	-	-	-	50,000
Total Revenues	<u>\$ 98,972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,972</u>
<u>Expenditures</u>					
Parks Maintenance & Improvement	\$ 98,972	\$ -	\$ -	\$ -	\$ 98,972
Transfers	-	0	-	-	-
Total Expenditures	<u>\$ 98,972</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,972</u>
<b><u>Downtown Development Authority (248)</u></b>					
<u>Revenues</u>					
Property Taxes	\$ 254,909	\$ -	\$ -	\$ -	\$ 254,909
State Shared Revenues	27,545	-	-	-	27,545
County Shared Revenues	-	-	-	-	-
Miscellaneous Revenue	500	-	-	-	500
Prior Years Fund Balance	(110,789)	725,562	-	-	614,773
Transfers In	-	-	-	-	-
Total Revenues	<u>\$ 172,165</u>	<u>\$ 725,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 897,727</u>
<u>Expenditures</u>					
Downtown Development	\$ 87,766	\$ -	\$ -	\$ -	\$ 87,766
Capital Outlay	55,000	725,562	-	-	780,562
Transfers	29,399	-	-	-	29,399
Total Expenditures	<u>\$ 172,165</u>	<u>\$ 725,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 897,727</u>
<b><u>Drug Forfeiture Fund (265)</u></b>					
<u>Revenues</u>					
Other Governmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenue	250	-	-	-	250
Transfers In	-	-	-	-	-
Prior Years Fund Balance	55,250	-	-	-	55,250
Total Revenues	<u>\$ 55,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,500</u>
<u>Expenditures</u>					
Vehicle - State, Patrol Vehicles	\$ 55,500	\$ -	\$ -	\$ -	\$ 55,500
Total Expenditures	<u>\$ 55,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,500</u>

**CITY OF MADISON HEIGHTS  
AMENDED BUDGET  
FY 2025-26**

	FY 2025-26 Adopted Budget	FY 2024-25 Carryforward	Prior Approved Amendments	1/26/2026 Amendments	FY 2025-26 Amended Budget
<b><u>Community Improvement Fund (276)</u></b>					
<u>Revenues</u>					
Federal Shared Revenues	\$ 137,359	\$ -	\$ -	\$ -	\$ 137,359
Prior Years Fund Balance	-	-	-	-	-
Total Revenues	<u>\$ 137,359</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,359</u>
<u>Expenditures</u>					
Community Development	\$ 137,359	\$ -	\$ -	\$ -	\$ 137,359
Total Expenditures	<u>\$ 137,359</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,359</u>
<b><u>Special Assessment Revolving (297)</u></b>					
<u>Revenues</u>					
Use of Fund Balance	\$ 32,500	\$ -	\$ -	\$ -	\$ 32,500
Total Revenues	<u>\$ 32,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,500</u>
<u>Expenditures</u>					
Construction	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Transfers Out	2,500	-	-	-	2,500
Total Expenditures	<u>\$ 32,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,500</u>
<b><u>Municipal Building Bond (370)</u></b>					
<u>Revenues</u>					
Transfers In	\$ 483,100	\$ -	\$ -	\$ -	\$ 483,100
Total Revenues	<u>\$ 483,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 483,100</u>
<u>Expenditures</u>					
Debt Service	\$ 483,100	\$ -	\$ -	\$ -	\$ 483,100
Total Expenditures	<u>\$ 483,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 483,100</u>

**CITY OF MADISON HEIGHTS  
AMENDED BUDGET  
FY 2025-26**

	FY 2025-26 Adopted Budget	FY 2024-25 Carryforward	Prior Approved Amendments	1/26/2026 Amendments	FY 2025-26 Amended Budget
<b><u>Water &amp; Sewer Fund (592)</u></b>					
<u>Revenues</u>					
Sales of Water	\$ 5,938,781	\$ -	\$ -	\$ -	\$ 5,938,781
Sales of Sewer	7,935,461	-	-	-	7,935,461
Charges for Services	45,000	-	-	-	45,000
Miscellaneous	163,800	-	-	-	163,800
Sale of Fixed Assets	12,000	-	-	-	12,000
Department Charges	115,000	-	-	-	115,000
Transfers	-	-	-	-	-
Prior Years Fund Balance	148,434	1,115,500	20,000	-	1,283,934
Total Revenues	<u>\$ 14,358,476</u>	<u>\$ 1,115,500</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 15,493,976</u>
<u>Expenditures</u>					
Sewage Disposal	\$ 5,013,019	\$ -	\$ -	\$ -	\$ 5,013,019
Water Purchased	3,085,036	-	-	-	3,085,036
Water System Maintenance	913,120	-	-	-	913,120
Water Tapping & Installation	50,000	-	-	-	50,000
Sewer System Maintenance	658,198	-	-	-	658,198
General Service Building	236,952	-	-	-	236,952
General Administration	1,718,628	-	-	-	1,718,628
Capital Outlay	2,531,610	1,115,500	-	-	3,647,110
Debt Administration	151,913	-	-	-	151,913
Transfers	-	-	20,000	-	20,000
Total Expenditures	<u>\$ 14,358,476</u>	<u>\$ 1,115,500</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ 15,493,976</u>
<b><u>Department of Public Services (650)</u></b>					
<u>Revenues</u>					
Contributions - General Fund	\$ 786,922	\$ -	\$ -	\$ -	\$ 786,922
Contributions - Major Streets	63,676	-	-	-	63,676
Contributions - Local Streets	129,151	-	-	-	129,151
Contributions - Water/Sewer	1,425,637	-	-	-	1,425,637
Prior Years Fund Balance	-	-	-	-	-
Total Revenues	<u>\$ 2,405,386</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,405,386</u>
<u>Expenditures</u>					
Department of Public Services	\$ 2,405,386	\$ -	\$ -	\$ -	\$ 2,405,386
Total Expenditures	<u>\$ 2,405,386</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,405,386</u>

**CITY OF MADISON HEIGHTS  
AMENDED BUDGET  
FY 2025-26**

	FY 2025-26 Adopted Budget	FY 2024-25 Carryforward	Prior Approved Amendments	1/26/2026 Amendments	FY 2025-26 Amended Budget
<b><u>Motor Pool and Equipment Fund (661)</u></b>					
<u>Revenues</u>					
Contributions - General Fund	\$ 1,164,580	\$ -	\$ -	\$ -	\$ 1,164,580
Contributions - Water/Sewer	96,470	-	-	-	96,470
Fund Balance	-	-	-	-	-
Total Revenues	<u>\$ 1,261,050</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,261,050</u>
<u>Expenditures</u>					
Motorpool	\$ 1,261,050	\$ -	\$ -	\$ -	\$ 1,261,050
Total Expenditures	<u>\$ 1,261,050</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,261,050</u>
<b><u>Chapter 20 Drain Debt Service Fund (870)</u></b>					
<u>Revenues</u>					
Property Taxes	\$ 223,708	\$ -	\$ -	\$ -	\$ 223,708
Total Revenues	<u>\$ 223,708</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 223,708</u>
<u>Expenditures</u>					
Services and Charges	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Debt Service	73,708	-	-	-	73,708
Total Expenditures	<u>\$ 223,708</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 223,708</u>

**EXHIBIT A**  
**City of Madison Heights**  
**Explanation of Amendments for FY 2025-26**

<b>General Fund Revenues (101)</b>	<b>Explanation</b>	<b>Amount</b>	<b>Account Number</b>
Sales Tax Constitutional	State funding decrease	(107,373)	101-023-574-5752
State Statutory/CVTRS	State funding decrease	(24,042)	101-023-574-5753
Donations/Private Contributions	MH Community Foundation Grant Purchase of Drone	29,969	101-044-674-0000
Donations/Private Contributions	Quality Roots Donation for Gateway Signs	88,611	101-044-674-0000
Prior Years Fund Balance	Use of Fund Balance	393,953	101-053-692-6970
Total General Fund Revenues		<u>\$ 381,118</u>	

<b>General Fund Expenditures (101)</b>	<b>Explanation</b>	<b>Amount</b>	<b>Account Number</b>
Information Technology - Contractual S	IT Contract	78,267	101-228-818-0000
Information Technology - Computer Ser	Licenses and Phone Routers	3,376	101-228-818-0000
Information Technology - Computer Eq	Fiber Repair	9,200	101-228-982-0000
Information Technology - Computer Eq	Networking Equipment Upgrade	6,307	101-228-982-0000
General Government - Forms and Printi	City-Wide Newsletter	25,000	101-248-729-0000
General Government - Forms and Printi	Recreation Brochure	5,000	101-248-729-0000
Elections - Contractual Services	Absentee Ballot Scanner Maintenance	11,373	101-262-818-0000
Elections - Contractual Services	High Speed Tabulator Maintenance	14,200	101-262-818-0000
Police - Improvements	HVAC Replacement Project Completion	109,815	101-301-987-0000
Fire - Machinery and Equipment	MH Community Foundation Grant Purchase of Drone	29,969	101-336-982-0000
Streets - Improvements	Quality Roots Donation for Gateway Signs	88,611	101-446-987-0000
Total General Fund Expenditures		<u>\$ 381,118</u>	

<b>Local Streets (203)</b>	<b>Explanation</b>	<b>Amount</b>	<b>Account Number</b>
Gas and Weight Tax	Act 51 increase from State	151,295	203-023-574-5760
Prior Years Fund Balance	Use of Fund Balance	(151,295)	203-053-692-6970
Total Local Streets Revenues		<u>\$ -</u>	