



FY2024 City of Grand Rapids
Residents' Guide to the Adopted Fiscal Plan



Table of Contents

Glossary of Terms	3
Introduction	6
Budget Basics	8
Investments	10
Selected Investments by Strategic Plan Priority	14
Revenues	17
Cost of Services	19
Expenditures	21
Capital Investments	24
Citywide Employment	26
Government Information	28

Glossary of Terms

ACEC – Actuarially Computed Employer Contribution Rates

The amount actuarially calculated each year that is required to be contributed by an employer to a pension plan’s pool of assets in order to ensure there will be enough funds to pay promised pension benefits.

Adopted Budget

Plan of financial operation consisting of an estimate of proposed revenue and expenditures for the upcoming fiscal year. The budget is adopted by the City Commission annually in May.

Amended Budget

The Adopted Budget plus changes authorized by the City Commission throughout the fiscal year. (See also **Budget Amendment**)

ARPA – American Rescue Plan Act

The American Rescue Plan Act of 2021 (the Act) provides relief for individuals and businesses affected by the coronavirus pandemic. The Act also includes funding for state, local, and tribal governments as well as education and COVID-19-related testing, vaccination support, and research.

Appropriation

The legal authorization granted by the City Commission to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and the time it may be expended.

Appropriation Lapse

The amount of authorized spending that will go unused and effectively “fall” to fund balance. Position vacancies comprise a majority of the appropriation lapse estimate, but other expenditure categories also factor into the computation.

Asset

Property owned by the City, regarded as having value and available to meet debts, commitments, legacy costs or provide some other future benefit.

Budget Amendment

Used to change authorized spending or to transfer appropriations between different departments or funds. Also, used to appropriate funds for a new project or grant, or to change appropriation for an existing active project or grant. Budget Amendments must be approved by a voice vote of the Fiscal Committee.

Budget Stabilization Fund

Serves as the City’s “savings” account and to assist in stabilizing revenues during periods of economic recession. The fund provides a safeguard to protect critical programs for residents when the City experiences an economic downturn.

Capital Expenditure (See page 22)

Capital Improvement Funds

Funds established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

Co-Response

The Co-Responder model of criminal justice diversion pairs law enforcement and behavioral health specialists to intervene and respond to behavioral health-related calls for police service. These teams utilize the combined expertise of the officer and the behavioral health specialist to de-escalate situations and help link individuals with behavioral health issues to appropriate services.

Glossary of Terms cont.

Equity Investments

Appropriations designed to give people the tools, resources and connections necessary to be fully engaged and prepared to benefit from the opportunities they seek.

Fiscal Plan

A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Usually, the term indicates a financial plan for a single fiscal year. The City prepares both a Preliminary and a Final Fiscal Plan annually.

FY – Fiscal Year

A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

Fund

A separate fiscal entity that is established to conduct specific activities and attain objectives in accordance with statutes, laws, regulations, and restrictions or for specific purposes.

Fund Balance

The difference between assets and liabilities of a fund.

GOF – General Operating Fund

A fund to account for all resources not otherwise devoted to specific activities and which finances many of the basic municipal functions.

Liability

Legal obligations payable to a third party (i.e., a promise to make a payment on a future date is a liability).

MOE – Maintenance of Effort

Mandates the City to continue to allocate a specified level of its financial resources in support of certain services such as Parks and the Vital Streets program. Generally, this is funding that may equal or exceed original funding levels. The concept is to ensure that new funds (i.e., millage or income tax) augment, not replace, existing City funding and levels of service.

NOF – Neighborhoods of Focus

NOFs are 17 census tracts in the near west and south side of Grand Rapids in relation to downtown. Due to systemic and historic inequities, residents in NOFs experience the most disparate outcomes in income, educational opportunities, home ownership and wealth accumulation compared to other Grand Rapids census tracts and the city as a whole. These tracts represent 36% of the city's total 47 census tracts.

Performance-Based Budgeting

The practice of developing budgets based on the relationship between program funding levels and expected results from that program. This approach allows the City to make and justify budgetary changes that meet community needs and advance citywide priorities.

Property Tax Millage

A millage rate is a rate to determine property taxes. Each item on your tax bill has a set number of mills that are multiplied by every \$1000 of your taxable value. You can look up the current and recent year millage rate for Grand Rapids on Kent County's [website](#).

Racial Equity

Racial equity is achieved when one's race or ethnicity does not determine, in a statistical sense, how one experiences opportunity, power and life outcomes.

SEV – State Equalized Value

SEV is the assessed value that has been adjusted following county and state equalization. The County Board of Commissioners and the Michigan State Tax Commission must review local assessments and adjust (equalize) them if they are above or below the constitutional 50% level of assessment. (See also Taxable Value).

Glossary of Terms cont.

Taxable Value

Every year, the City Assessor's office does an assessment of your property based on market value. They calculate the assessed value and taxable value of your property. The taxable value is sometimes equal to or less than the assessed value. The taxable value is the amount the City uses to calculate your property taxes. (See also SEV).

Unrestricted Cash

The measure of reserves that are available to be appropriated and spent in future years. In most cases, the unrestricted cash is approximately equal to the working capital (current assets minus current liabilities).



Introduction

The City of Grand Rapids is the 2nd largest city in the State of Michigan with a land area of approximately 45 square miles and a population of 198,917 people – and growing! The City saw a 5.8% population increase from the 188,040 residents counted in the 2010 census.

The City has fully complied with Michigan Public Act 2 (“Uniform Budgeting and Accounting Act”) and has been awarded the “Distinguished Budget Presentation Award” by the Government Finance Officers Association (GFOA) for the past 35 years.

The Adopted Fiscal Plan was proposed by the City Manager within the context of a five-year plan. Five years encompasses a sufficient time frame to plan for the City’s long-range requirements and financial investments. The long-range modeling helps to prepare the City for future issues that may be created by decisions made today.

Balancing the Budget – The City must live within its means. The City is supported by various financial resources and must function within the limits of these resources each fiscal year.

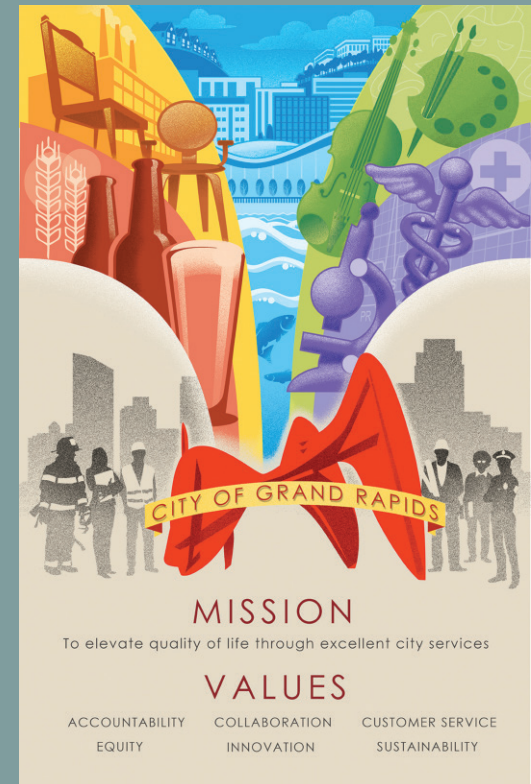
“Helping residents understand their annual budget is a top priority. Is there a subject or concept in this report we could help explain? A subject or concept you would like considered for inclusion in future reports? We’d be happy to follow up with you. Please reach out to contactbudget@grcity.us”



Mark Washington, City Manager
City of Grand Rapids, MI



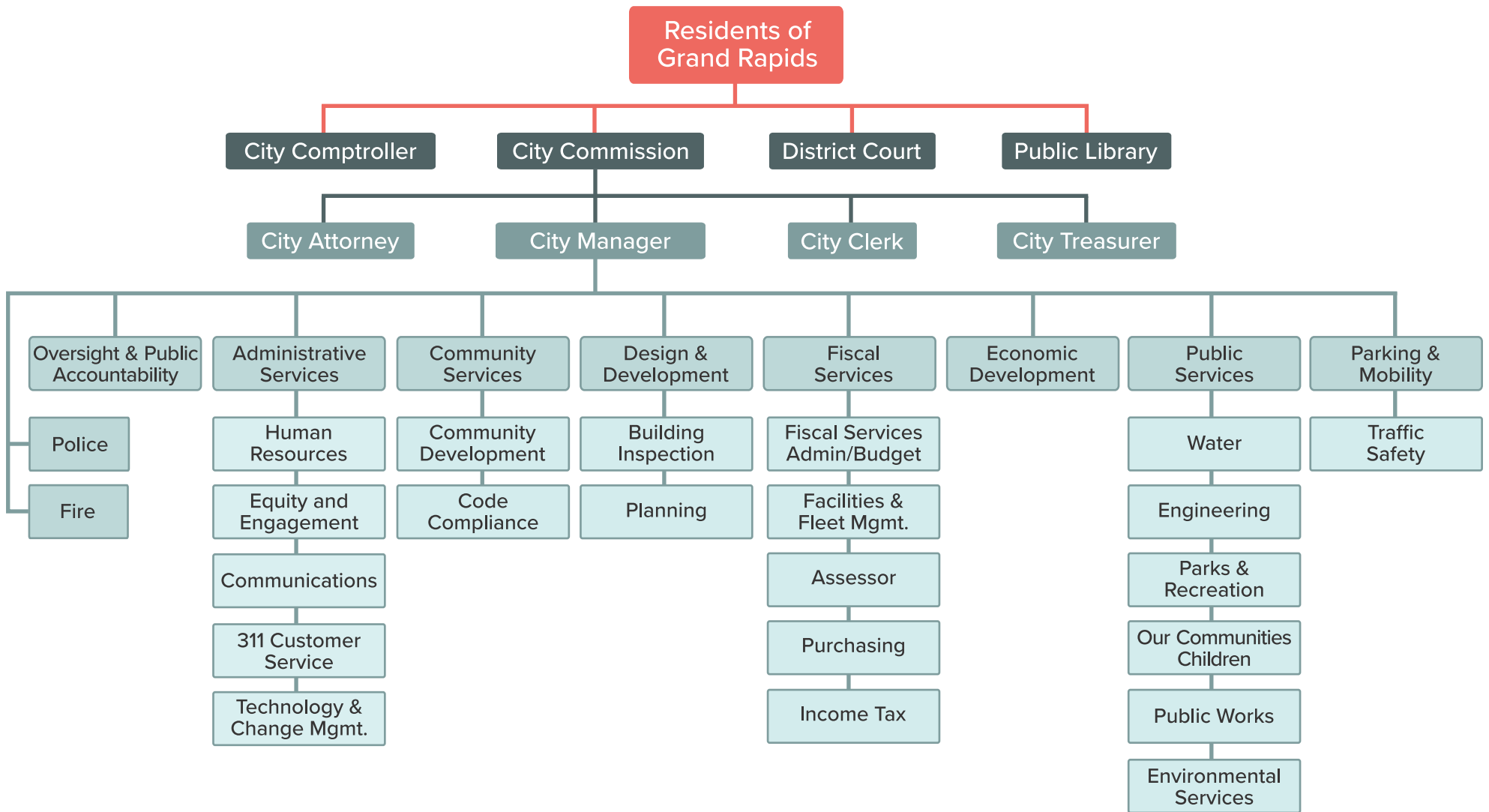
Molly J. Clarin, Chief Financial Officer
City of Grand Rapids, MI



The City’s Vision

Grand Rapids will be nationally recognized as an equitable, welcoming, innovative and collaborative city with a robust economy, safe and healthy community, and the opportunity for a high quality of life for all.

Organizational Structure



Budget Basics



Budget Process

The Budget process is the decision-making process for allocating public resources to the City's strategic priorities and includes the following steps:

- Revenue forecasts
- Personnel labor cost projections
- Departments submit five-year budget requests
- Budget review meetings with the Executive Team
- Capital funding request review
- Preliminary Fiscal Plan delivered in April
- City Commission conducts several study sessions
- Public hearing and City Commission approval both occur in May
- Budget amendments as needed throughout the fiscal year
- Preliminary and Final Fiscal Plans
 - The Preliminary Fiscal Plan and accompanying Resident's Guide is presented annually in late April and is subject to change.
 - The Final Fiscal Plan and accompanying Resident's Guide to the Budget is published within 90 days of Commission budget adoption.

Asset Management

The City has established a system for assessing capital assets and appropriately planning and budgeting for capital maintenance and replacement needs.

Capital Improvement:

- General Capital property tax millage
- 4.5% Income Tax set-aside
- City, Village & Township revenue sharing

Streets Capital:

- Vital Streets income tax extension
- GOF supplemental funding (\$13 million over 15 years)
- Additional State investment

Parks Millage:

- Strategic Parks and Recreation Master Plan
- GOF Maintenance Of Effort (MOE) required
- FY2024 MOE - \$7.7 million
- Permanent millage of 1.25 mills beginning July 1, 2021 (FY2022)

Budget Basics cont.

Budget Guidelines

Budget guidelines provide direction on the processes and constraints within which the City prepares its budget.

- The City must balance the budget, which means authorized spending cannot exceed available resources
- Five-year budgeting allows the City to anticipate and prepare for financial challenges well before they materialize
- The General Fund assumes a \$5.5 million budgetary lapse to account for unspent budget such as positions being unfilled for a portion of the year

Contingencies:

- Provides \$1.5 million set-aside for unanticipated or unforeseen events

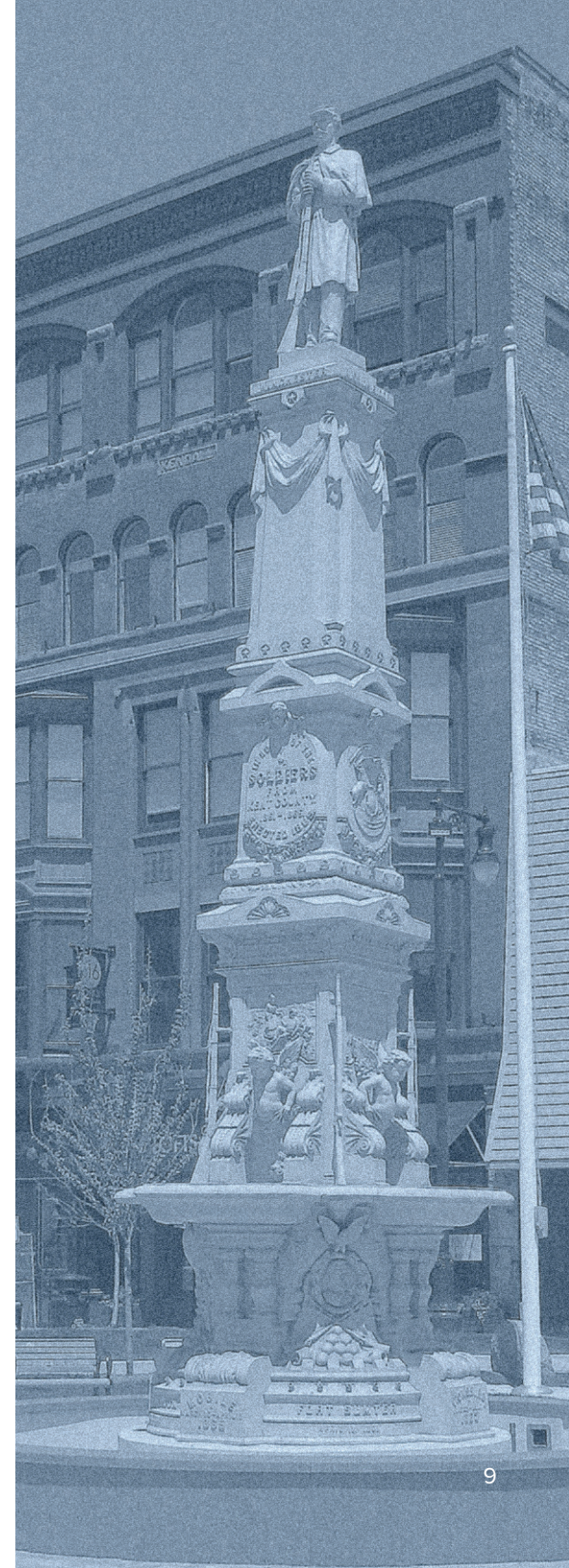
Fund Balance Policy:

- Net worth of a fund at a point in time
- 15% of current spending in GOF (FY2023 Estimate = 42.6%)
- 10% of current spending in GOF reserved in the Budget Stabilization Fund (FY2023 Estimate = 10.6%)
- Other funds: 15% or 25% depending on fund type

- Slow but stable property tax revenue growth. Increases primarily attributable to new investment.

Approach to the FY2024 Fiscal Plan:

- Recognizing the volatility, uncertainty and complexity in the environment
- Continued use of Strategic Plan as roadmap
- Continuation of fiscally sustainable essential services
- Provide some enhancements in key areas
- Supporting the community's equitable recovery and growth
- Improving income tax revenue projections
- Use of Federal relief funding
- Focus on near-term priorities





Improving Essential Services, Infrastructure, Facilities and Safety

The adopted fiscal plan for FY2024 maintains service levels and provides some enhancements in key areas of essential services, infrastructure, facilities and safety. This plan adjusts for contractual increases that are unavoidable including legal obligations, debt service, labor contract terms, and other agreements that have previously been approved for payment by the City Commission. While the departments have spent time examining outstanding contracts and, in some cases, have found room for renegotiation to create savings, overall, most items related to labor, supplies or contractual services are increased. Departments did try to mitigate cost increases where possible, but to offset the impact of inflation completely would have resulted in a reduction in services. The result is a GOF budget that grows by 8.8% in the face of inflationary growth not experienced in decades.

This fiscal plan accommodates seven staffing additions made by budget amendment during FY2023 and includes 17 net staffing additions in FY2024 (see page 24) to achieve strategic plan outcomes for a total of 1,691 authorized positions.

The City will leverage a portion of American Rescue Plan Act (ARPA) relief money to replace revenue shortfalls, improving the sustainability of the General Fund and other impacted funds. Judicious use of the \$92.3 million in ARPA funds will ensure continuity of services in FY2024 and beyond as well as encourage economic recovery and growth and address the needs of vulnerable populations.

\$644,036,119

The total Citywide
FY2024 adopted
appropriations

\$178,677,522

The adopted
appropriation for the
General Operating Fund



FY2024 Adopted Budget in Brief

The assumptions used to develop the FY2024 Adopted Fiscal Plan include:

- An increase of income tax revenues in FY2023 of 6%
- Income tax: flat growth in FY2024, 2% in FY2025 and 3% in FY2026-28
- Ensure the continuity of operations and maintenance of services at FY2023 operating levels while providing enhancements in key areas
- 4.5% annual income tax capital set-aside
- Follow Vital Streets and Parks Maintenance of Effort Investment Guidelines
- Police Department funding at 35.1% of GOF expenditures (38.6% in FY2021)
- Reserve a minimum \$1.5 million for contingent appropriation
- Assume annual lapse in the GOF of 3% of pre-lapse GOF expenditures for FY2024-2028 (\$5.5 million in FY2024)
- Continue to use performance measurement and key metrics to guide decision making and maintain alignment with the City Strategic Plan
- Fully fund Actuarially Computed Employer Contribution Rates (ACEC) for both City Pension Plans and the three Retiree Trust Funds

Recommended ARPA Investments

The American Rescue Plan Act (ARPA) of 2021 is designed to facilitate the United States’ recovery from the devastating economic and health effects of the COVID-19 pandemic. The City continues to leverage its ARPA funds to support current operations as well as provide support in key focus areas. This allocation of funding must be fully obligated by December 31, 2024 and fully expended by December 31, 2026. The City’s allocable share of ARPA relief is just over \$92 million and recommended investment of these funds is summarized in this table.

Project	FY2021 Actuals	FY2022 Actuals	FY2023 Estimate	FY2024 Estimate	FY2025 Estimate	FY2026 Estimate	Total
Broadband Connectivity		\$5,548	\$172,226	\$172,226			\$350,000
HOT/Public Safety Response		\$3,089,801	\$2,391,359	\$888,187	\$914,688	\$588,485	\$7,872,520
Small Business Assistance				\$1,500,000			\$1,500,000
Affordable Housing/Vulnerable Populations			\$5,950,000	\$1,700,000			\$7,650,000
Participatory Budgeting			\$2,150,000				\$2,150,000
Violence Reduction/Co-response			\$2,300,000				\$2,300,000
Special Events/Other Support		\$180,206	\$470,312	\$576,508	\$288,844	\$201,144	\$1,717,014
Parks, Trails & Neighborhood Investments				\$19,550,000			\$19,550,000
Medical Expenses	\$738,080	\$756,301					\$1,494,381
PPE/Workplace Safety	\$16,951	\$101,608	\$21,441				\$140,000
PFAS Remediation at Ash Lagoon				\$3,000,000			\$3,000,000
Enterprise Resource Planning System				\$7,000,000			\$7,000,000
Revenue Replacement		\$13,528,248	\$10,919,434	\$12,007,903			\$36,455,585
ARPA Administration			\$100,000	\$400,000	\$400,000	\$200,000	\$1,100,000
Grand Total	\$755,031	\$17,661,712	\$24,474,772	\$46,794,824	\$1,603,532	\$989,629	\$92,279,500

Equity Investments

- The FY2024 adopted budget includes approximately \$49.2 million of funding towards equity investments, with a variety of funding sources ranging from General Operating funds to over \$36 million in grants.
- We continue to capture equity strategies embedded in budget requests and proposed department workplans for the upcoming fiscal year.
- The quality of submissions continues to improve and focus more on policy, practice change and direct equity strategies.
- Many of the strategies submitted do not require a direct budget allocation beyond staff time to make the policy or practice change, while other strategies require a financial investment.
- The department budget meetings with the City Manager also served as opportunities to discuss departments' equity strategies and staff diversity.

FY2024 Investments for Outcomes

Continuation budget preserves services and provides some enhancements in the face of economic uncertainty by investing:

- \$49.2 million in equity investments
- \$119.2 million in capital investment, with approximately \$559 million anticipated over the course of the five-year capital plan
- Ongoing investments in existing capital assets along with transformational capital investments related to the river restoration and redevelopment of the 201 Market property.
- Sustained funding for core public safety services – along with preventive approaches including Mental Health Co-response, the Homeless Outreach Team, and Fire Prevention initiatives.
- Competitive wages and benefits to sustain a capable City workforce – along with initiatives to “grow our own” next generation of diverse and talented City employees.
- Continuation of residential refuse and recycling services – along with an enhanced “Clean Community” program.
- Purchase of Renewable Energy Credits (RECs) – along with infrastructure improvements to pave the way for a future solar installation at Butterworth Landfill.
- Continuation of all basic services – along with 17 position additions and prioritized service enhancements that include expansion of the sidewalk snowplow pilot, communications and engagement, development plan review and permitting, special events, and grants management.

Continuing our Commitment to Equity

As internal capacity and accountability grows, we are seeing more proactive efforts to embed equity. A few examples include:

- Community Master Plan process
- Grand River Equity Framework
- Participatory Budgeting Grand Rapids (PBGR)
- The Cannabis Social Equity policies
- Creation of the City's new Community Engagement framework
- The proposed continuation of the Third Ward Equity Fund

Selected Investments by Strategic Plan Priority

Economic Prosperity and Affordability – \$14.5 million proposed plus \$46.5 million for Corridor and Special Authorities, including

- More than \$9 million for affordable housing, street outreach, homelessness prevention, rapid rehousing, eviction prevention, winter sheltering, existing housing improvement, access to housing resources, providing fair housing/legal services
- \$1.5 million for other affordable housing initiatives
- \$10 million of 201 Market sale proceeds will be deposited into the Affordable Housing Fund
- \$6 million to support the Grand River Greenway
- \$100,000 to support the New Community Transformation Fund
- Staffing and support for special events

Health and Environment – \$201 million proposed, including

- \$27 million to address greenhouse gas, climate adaptation
- \$18.95 million to improve MLK Park Lodge, Roosevelt Park Lodge, Plaza Roosevelt, Sullivan Field, Richmond Park, Highland Park, Ottawa Hills Park, Roberto Clemente Park, Canal Street Park and others
- \$16 million to remediate PFAS at WRRF



- \$10.4 million for lead service line replacements
- \$1.8 million for Lead Hazard Control Program

Mobility – \$100.3 million proposed, including

- \$27.6 million in Vital Streets projects, supporting 81 projects for 32 miles of streets
- \$1 million to improve biking with traffic calming, signage and pavement marking
- \$3.2 million for expanded DASH hours and service area
- \$740,000 to purchase a new CNG DASH trolley
- \$400,000 for transit stop improvements
- \$500,000 for electric vehicle carshare in MLK Park and Burton Heights neighborhoods
- \$100,000 in e-bike and e-scooter contracts
- Expanded sidewalk snow removal assist pilot

Selected Investments by Strategic Plan Priority cont.

Safe Community – \$139.7 million proposed, including

- \$3 million to purchase land for Fire Training Center
- \$1.6 million for crime prevention including Cure Violence, SAFE, neighborhood programs, community-informed PD training, traffic stop study, know your rights campaign, fire prevention residential safety assessment program
- \$697,000 to support FD and PD participation in HOT Team
- Leveraging grant dollars to enhance emergency response
- \$1.3 million for two GVSU Police Academy classes and third-party recruitment

Engaged and Connected Community – \$20.6 million proposed, including

- Citywide engagement guidance and strategies, development and tracking of performance measurements, training

- Reimagining and streamlining how the City partners with community and neighborhood organizations
- Leverage existing activities like Commission Night Out and Neighborhood Summit
- Embed applicable recommendations from the Welcome Plan for immigrants and refugees
- Develop with Us and Wi-Fi in public parks

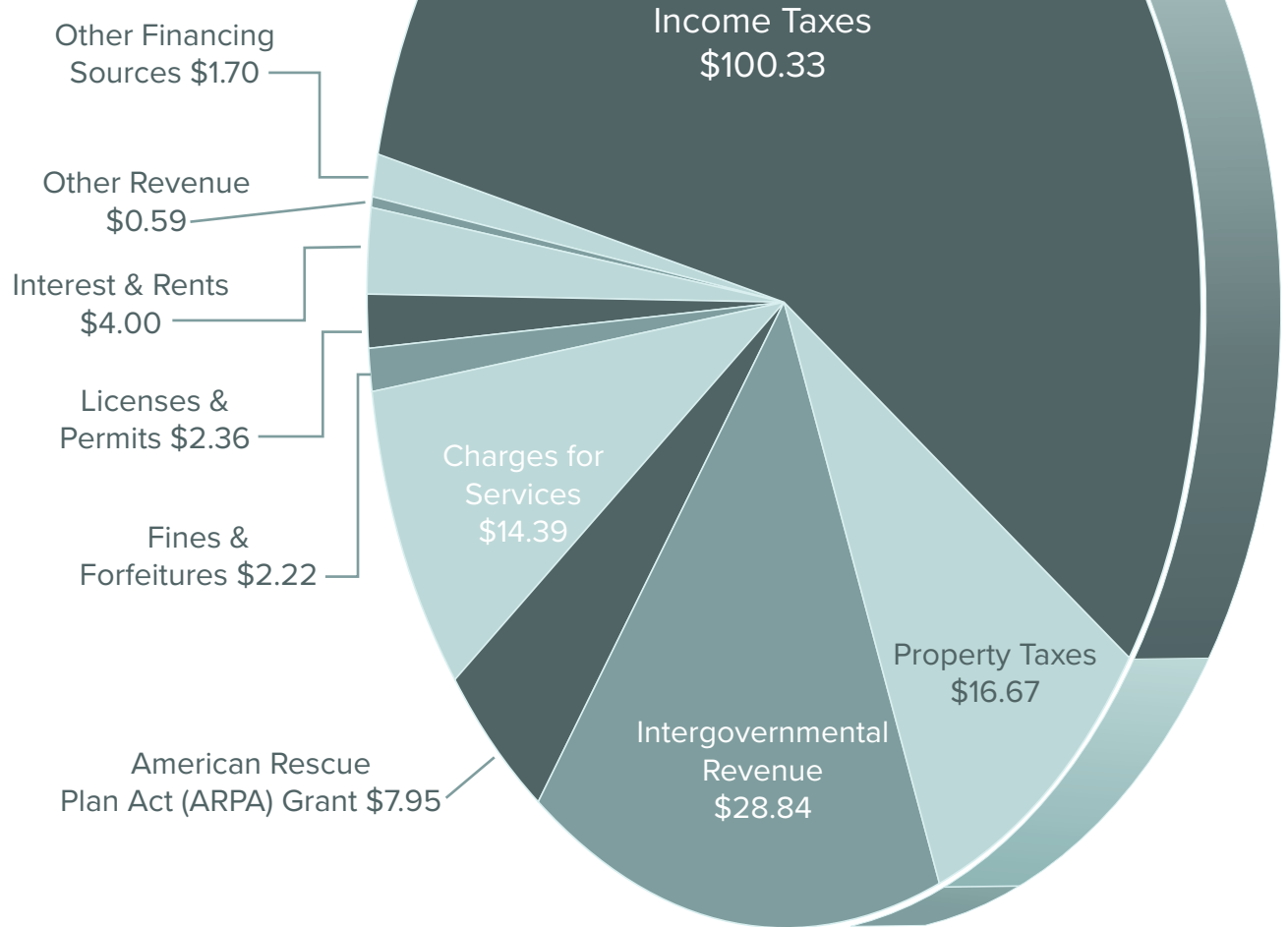
Governmental Excellence – \$167.1 million proposed, including

- Second year of negotiated labor contracts
- Funding for employee wellness, organizational development, HR recruiting, hiring and retention
- Continuing GRow1000 youth employment initiative, Fire Cadet Program and Candidate Physical Agility Test
- Grant management position
- Citywide enterprise software implementation

General Operating Fund Revenues

The **General Operating Fund (GOF)** is where the City accounts for most tax supported activities. Several years ago, City income tax and property tax revenues were 38.6% and 16.9% of total GOF revenues respectively, but for FY2024 the proportionate shares are projected to be 56.0% and 9.3%. The shift to the more economically volatile Income Tax as the primary GOF revenue source has contributed, in part, to the ongoing GOF revenue volatility. A number of factors have contributed to this shift over the years including voter approved increases in the income tax rate as well as limited property tax growth due to “Proposal A” and the “Headlee Amendment.” Also contributing to the City’s economic challenges are reductions in the statutory revenue sharing program which has never fully recovered from earlier highs, as well as the ongoing economic impacts from inflation and the COVID-19 pandemic. FY2024 GOF base income tax revenue is projected to be flat compared to the FY2023 Estimate. American Rescue Plan Act (ARPA) revenue in the GOF is forecast at \$9.6 million over three years including \$7.9 million in FY2024.

General Operating Fund Revenue (Millions)

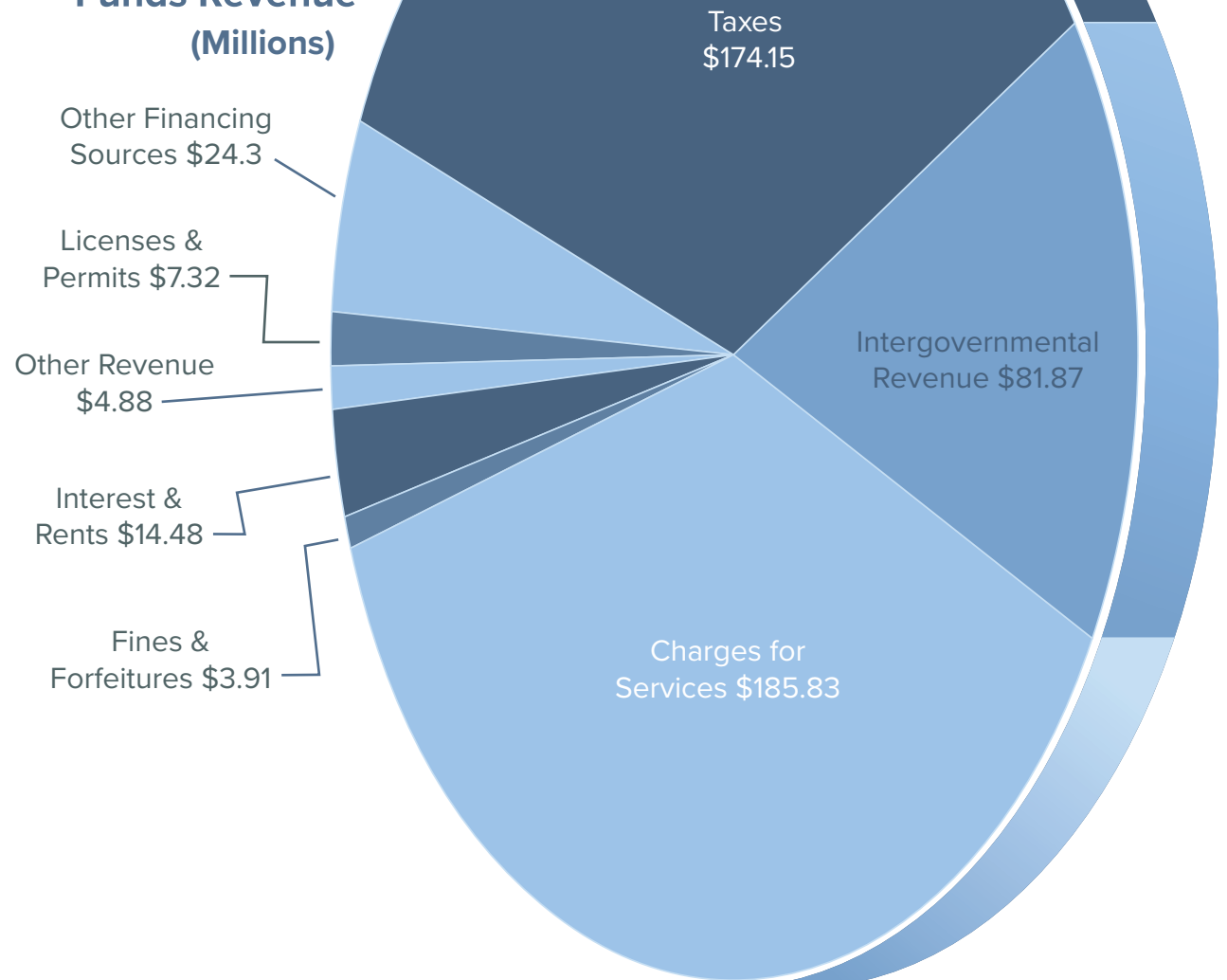


Citywide Total Revenues

Key Takeaways:

- FY2024 Combined Budgeted Funds Revenue: \$496.74 million
- FY2024 General Fund Revenue: \$179.05 million
- Volatility, uncertainty and complexity in the revenue forecast
- Improving income tax revenue projections
- COVID-19 impact on revenues: Income tax forecast returning to pre-pandemic level while parking, and fines and fees are forecast to recover more gradually
- Significant Relief Funds: CARES Act and other funding received in FY21 – just over \$20M and American Rescue Plan Act (ARPA) funding received in FY21 and FY22 – \$92.3M (50% each year)

Combined Budgeted Funds Revenue (Millions)



Income Tax Allocation

This budget anticipates an 6.0% increase in income taxes in FY2023, flat (0%) in FY2024, 2.0% in FY2025 and then a 3.0% increase each year of the remaining forecast period of FY2026-FY2028. The income tax growth projections are relatively conservative anticipating steady but gradual economic improvement in upcoming years.

Income Tax Rate History:

- **March 1995:** the City’s voters authorized an increase in the income tax from 1.0 % to 1.3% for residents and from 0.5% to 0.65% for non-residents effective January 1, 1996.
- **May 2010:** the City’s electorate authorized a temporary increase in the income tax from 1.3% to 1.5% for residents and from 0.65% to 0.75% for non-residents effective July 1, 2010, through June 30, 2015.
- **May 2014:** voters approved extending the temporary income tax increase another 15 years to pay for Vital Streets through June 30, 2030.

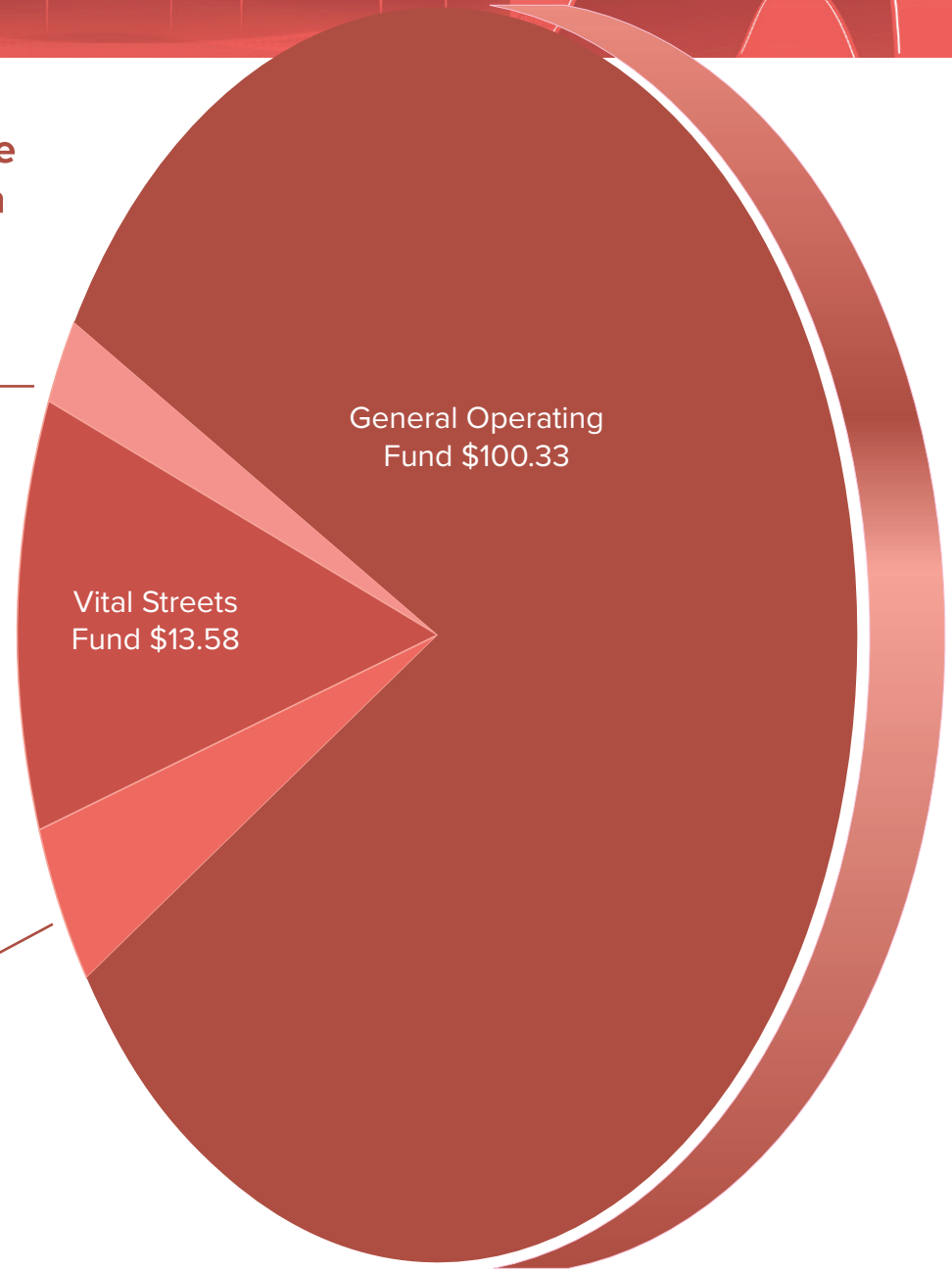
Estimated Income Tax Allocation (Millions)

Sidewalk Repair Fund \$2.58

General Operating Fund \$100.33

Vital Streets Fund \$13.58

Capital Reserve Fund \$4.73

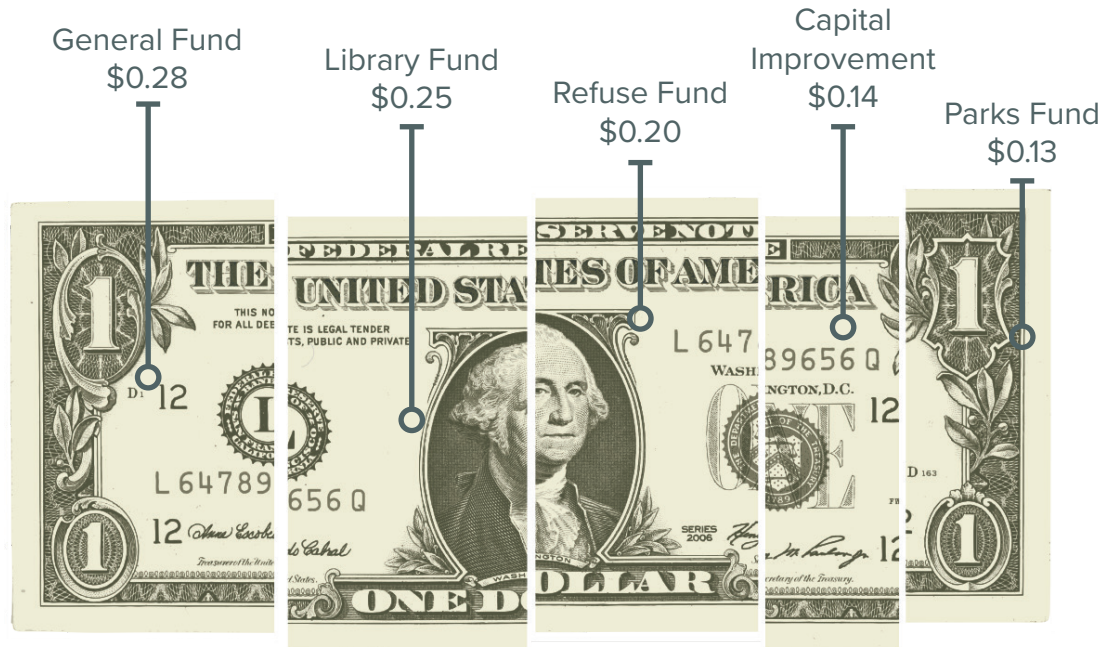


Property Tax Distribution

City Property Taxes are generated by applying the approved millage rates to the taxable value of a property. One mill equals \$1.00 per \$1,000 of taxable property value. The taxable value of property may be less than or equal to but cannot exceed the property's SEV. Property tax revenues are deposited into the General Operating, Library, Capital Reserve, Refuse Collection and Disposal, and Parks Millage funds.

Key Takeaways:

- The City Operating property tax rate remains flat while there is a slight increase in the overall tax rate for 2023 (FY2024). The overall tax levy increased by 0.1994 mills for Clean Community Initiatives.
- Property Taxes continue to grow steadily. This growth however is limited due to voter and State legislative actions. The growth across the five-year forecast is approximately 5.6%.
- Because property values increased by less than the rate of inflation this year, there was no “Headlee roll back.”
 - Inflation ratio for 2023 property taxes is 7.9%, however this is capped at 5.0%



Average Grand Rapids Property Tax Bill	GR Property Tax (City of GR Millage only)	Average Residential Taxable Value	Estimated Average Market Value
As of July 1, 2022	\$570.14	\$64,546	\$192,804
As of July 1, 2023	\$634.07	\$70,199	\$217,910
\$ Increase/(Decrease)	\$63.93	\$5,653	\$25,106
% Increase/(Decrease)	11.21%	8.76%	13.02%

Annual Water and Sewer Costs for Grand Rapids Residents



GR Water



GR Sewer

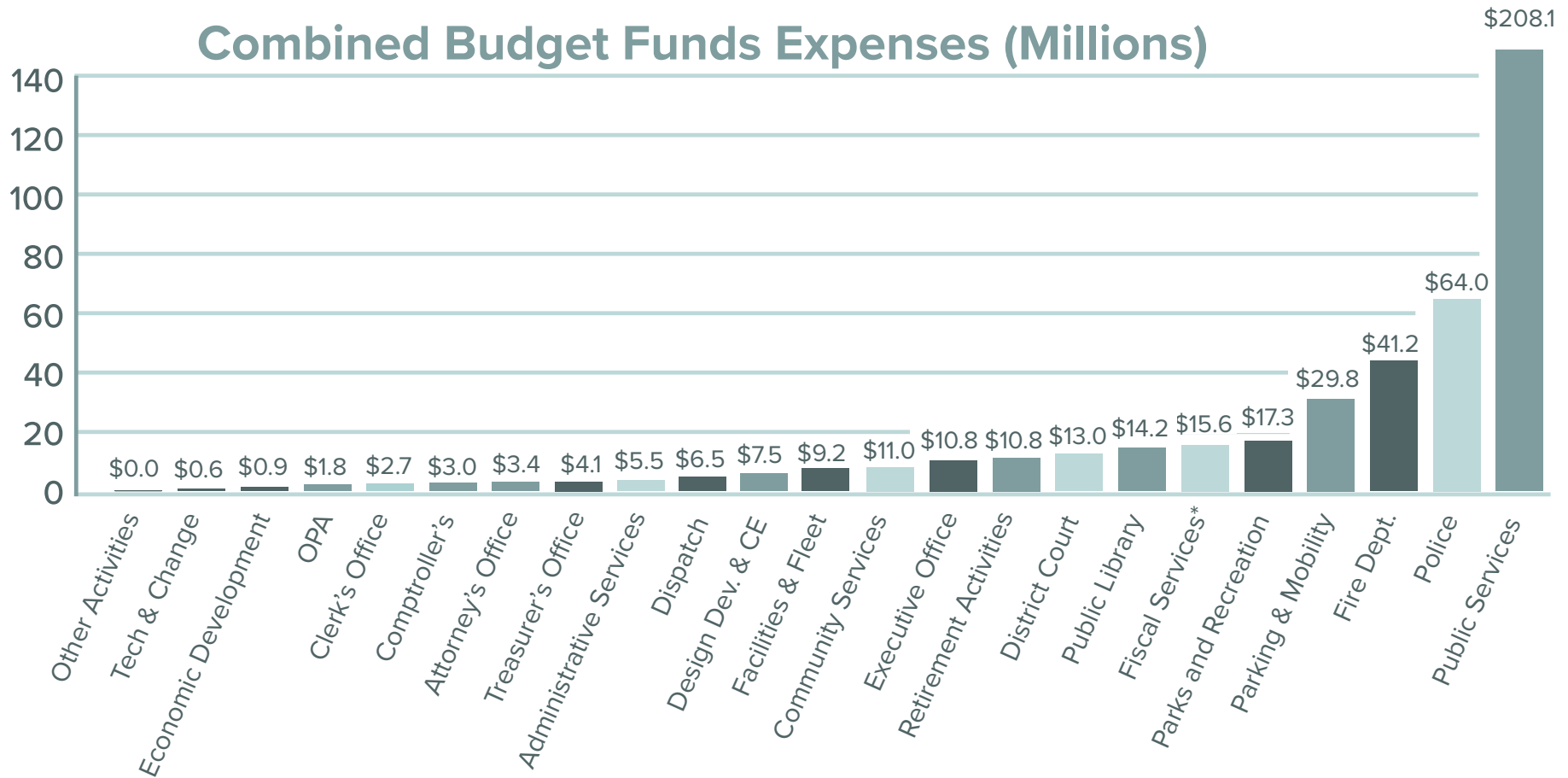
	Residential customer usage of 89,760 gallons annually	Residential customer usage of 62,832 gallons annually	Annual Impact
As of July 1, 2022	\$390.00	\$538.62	\$928.62
As of July 1, 2023	\$412.08	\$566.04	\$978.12
Dollar Increase	\$22.08	\$27.42	\$49.50
Percent Increase	5.66%	5.09%	5.33%

A comprehensive Water and Sewer Rate Study is prepared annually to ensure compliance with state laws and with bond covenants, and to assure the solvency of the Systems. These rates were approved by the City Commission on December 13, 2022. You can view the study [here](#).



Citywide Expenses by Functional Group

Combined Budget Funds Expenses (Millions)



The above chart is presented by functional group. Some groups are comprised of multiple departments. For example, the Fiscal Services group includes the following departments: Fiscal Services, Purchasing, Assessor and Income Tax. A full listing of departments by functional group can be found in the *Fiscal Plan Book*.

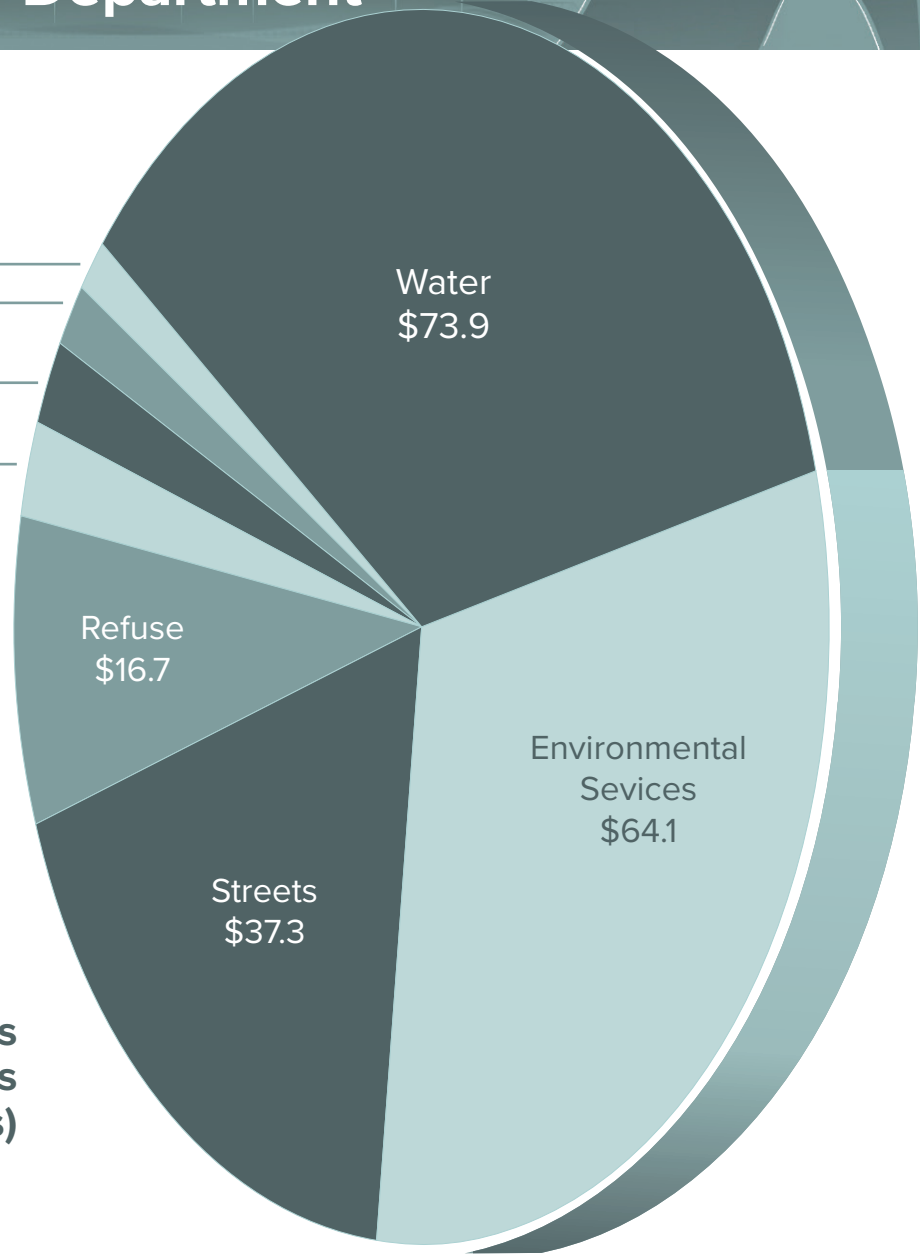
*Fiscal Services (Functional Group)



Public Services Functional Group by Department

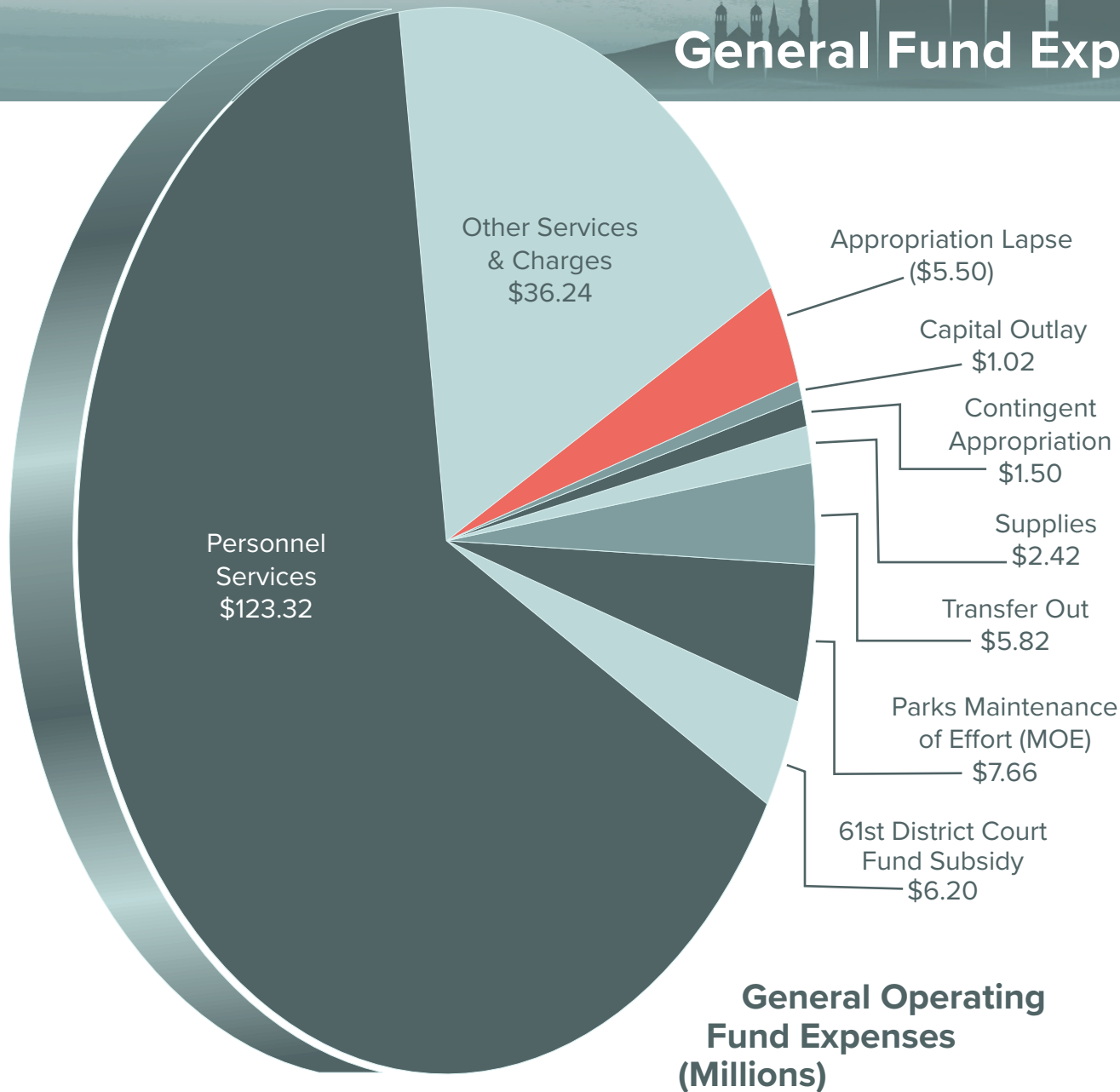
The Public Services Functional Group is the largest in terms of budgeted funds and is primarily comprised of the Water and Environmental Services (Sewer) utilities, Streets and Refuse Collection. These four departments account for approximately 92% of the \$208 million total expenditure budget for Public Services.

- Sidewalk Repair \$2.9
- Engineering \$3.1
- Stormwater \$4.7
- Street Lighting \$5.3



Public Services Expenditures (Millions)

General Fund Expenses by Category



Key Takeaways:

- The FY2024 appropriation for the General Operating Fund is \$178.68 million.
- Focus is on near-term priorities: continuation of fiscally sustainable essential services with some enhancements in key areas
- Assumption that \$5.5 million in FY2024 budgeted expenditures will remain unspent (Appropriation Lapse)
- \$1.5 million has been reserved for unforeseen expenditures that are emergency in nature (Contingent Appropriation)
- General Fund support for Parks (Parks MOE) is anticipated to grow in FY2024 by almost \$830,000 to over \$7.6 million.



Capital Investments

Budget Process

The City Manager and his Executive Team review and prioritize the proposed capital projects according to Strategic Plan priority and with the goal of maximizing equity and citywide balance and distribution. Projects are also evaluated in terms of financial capacity (including operations & maintenance impact) with some receiving multi-year allocations and/or utilizing a variety of funding sources.

Financial Reporting

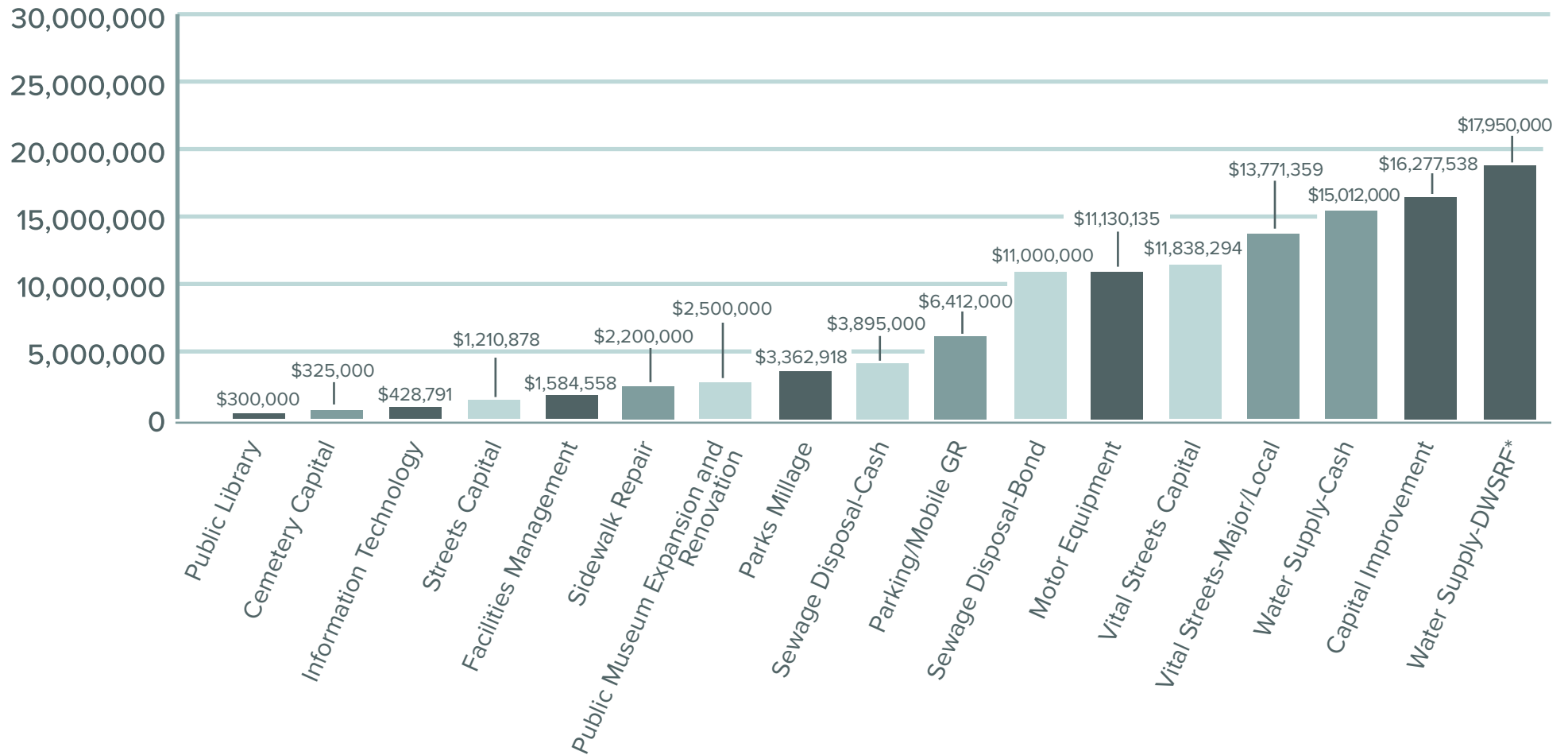
The City generally defines a “capital expenditure” as the cost of an asset that is used in operations with a price in excess of \$10,000 and a lifespan greater than one year. Capital assets include both tangible assets such as land, buildings, vehicles and equipment as well as intangible assets such as easements and software. The cost to acquire, construct or improve a capital asset is not recognized immediately as expense when incurred, but instead is deferred (capitalized) and allocated over the estimated useful life of the capital asset in the form of depreciation expense (tangible capital assets) or amortization expense (intangible capital assets).

Funding Sources

Cash funding is generally preferred for one-time or shorter-lived capital projects when capacity exists, thereby avoiding interest expense and other financing charges. Longer-lived projects requiring more substantial investment may be debt financed when capacity is limited and inter-generational equity is desirable (i.e., large water and sewer infrastructure projects). Intergenerational equity is the concept of fairness between generations. In terms of capital investment, debt financing allows the cost to be spread over 20 or 30 years in the case of revenue bonds, thereby better matching cost to those utilizing and benefiting from the capital investment.

Capital Investments by Fund

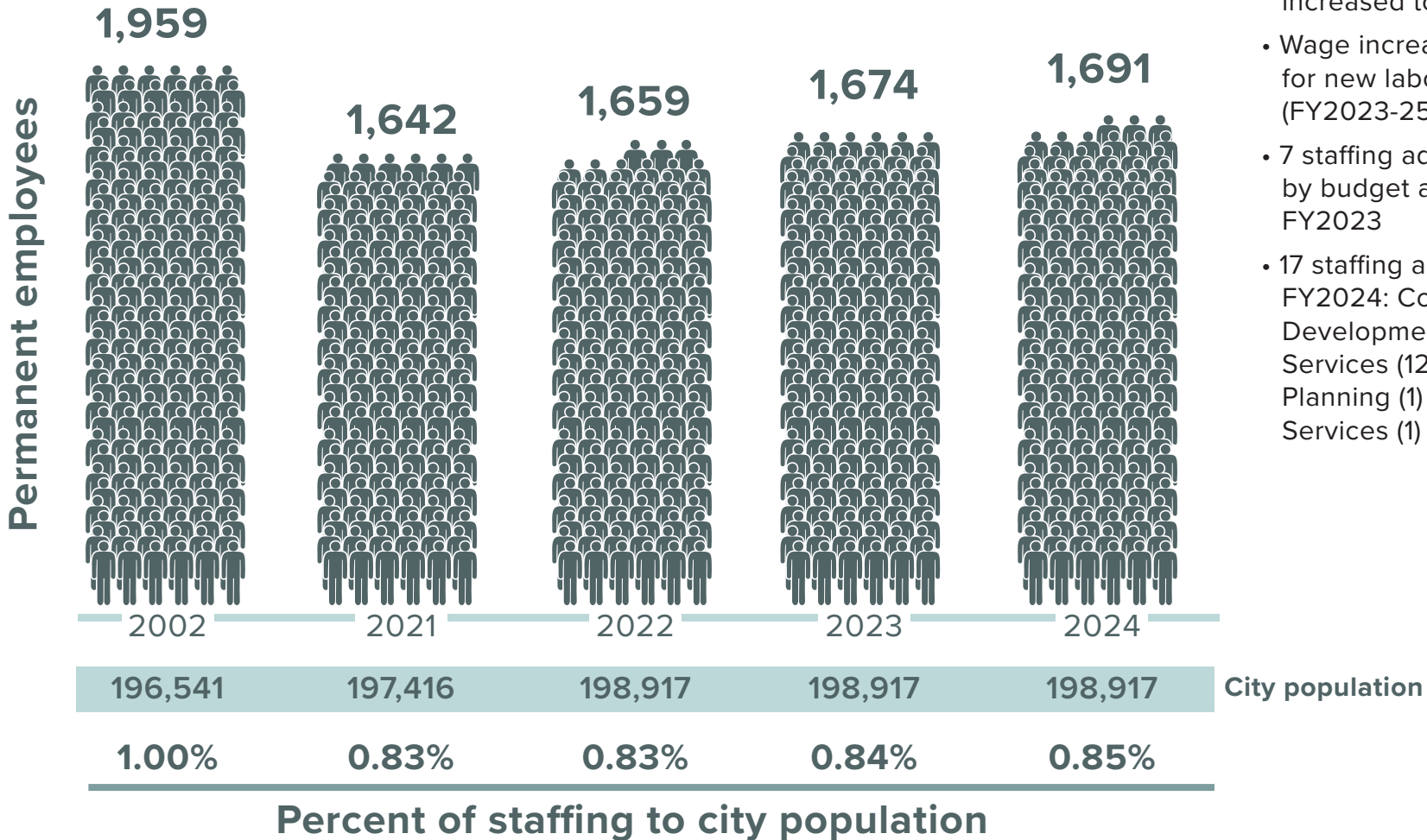
FY2024 Adopted Capital Investments



*DWSRF: Drinking Water State Revolving Fund

Citywide Employment

Grand Rapids Permanent Staffing History



Key Takeaways:

- FY2024 personnel roster increased to 1,691 positions
- Wage increases included for new labor contracts (FY2023-25)
- 7 staffing additions made by budget amendment in FY2023
- 17 staffing additions in FY2024: Community Development (1), Public Services (12), Parking (2), Planning (1) and Fiscal Services (1)

Citywide Employment

Authorized Positions by Department FY2024 - FY2028 Adopted Fiscal Plan

	FY2021 Amended Budget	FY2022 Amended Budget	FY2023 Amended Budget	FY2024 Adopted Budget	CHANGE
Public Library	159	161	160	160	-
Clerk's office	11	11	11	11	-
Executive	26	30	33	33	-
Community Development	53	54	54	55	1
Public Services	368	372	375	387	12
Parks	39	41	48	48	-
Design and Development	43	42	42	43	1
Mobile GR Parking and Mobility	68	68	68	70	2
Economic Development	7	7	7	7	-
Administrative Services	44	44	43	43	-
OPA	2	4	5	5	-
Dispatch	46	49	49	49	-
Police	334	330	331	331	-
Fire	201	201	210	210	-
District Court	89	91	83	83	-
Attorney's office	18	18	18	18	-
Facilities and Fleet Management	48	47	47	47	-
Fiscal Services	46	50	51	52	1
Technology and Change Management	2	2	2	2	-
Treasury	18	17	17	17	-
Comptroller's Office	16	16	16	16	-
Retirement Activities - Retirement Office (Non-Budgeted)	4	4	4	4	-
Grand Total Positions (Full-time and Permanent Part-time)	1,642	1,659	1,674	1,691	17

Government Information

The City of Grand Rapids operates a City Commission – City Manager form of government. The Mayor and City Commissioners are responsible for establishing city policy and providing direction to the City Manager. The City Commission appoints the City officials with the exception of the elected City Comptroller.

City Officials



Mark Washington
City Manager



John Globensky
City Treasurer



Joel Hondorp
City Clerk



Anita Hitchcock
City Attorney



Max Frantz
City Comptroller

For more information about **Appointed Officials** [click here](#)

City Commission



Rosalynn Bliss
City Mayor



Jon O'Connor
First Ward Commissioner



Drew Robbins
First Ward Commissioner



Milinda Ysasi
Second Ward Commissioner



Lisa Knight
Second Ward Commissioner



Nathaniel Moody
Third Ward Commissioner



Kelsey Perdue
Third Ward Commissioner

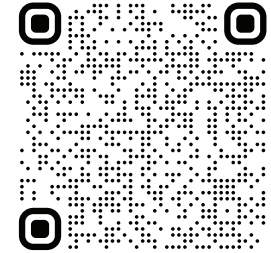
For more information about **Elected Officials** [click here](#)

For More Information

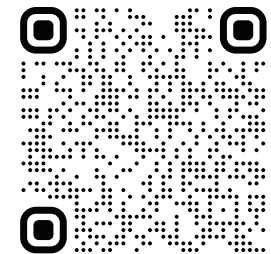
The City’s website is your source for information about City policies, services, commission meetings and events 24 hours a day, seven days a week. Visit the City on the web: www.grandrapidsmi.gov

Residents can take advantage of these online services:

Download the City’s Fiscal Plan and View Budget Presentations	Budget Office
Download City financial reports	Office of the City Comptroller
Find Property Tax Information	Assessor’s Office
View the City’s Key Metric Dashboard	Key Metric Dashboard Open Performance
View GR Open Data	Search & Browse Open Performance
Download agendas and meeting minutes	Meeting Schedules and Agendas
Watch Live Meetings	Watch Live Meetings
Get Involved on Boards and Commissions	Boards and Commissions
Apply for a City Job	Apply for a City Job
View City Policies	Policies
Find parks and download reservation forms	Reserve a Park Facility
Search the municipal code	City Code of Ordinances
Report a problem or request a service	Customer Service
Pay parking tickets and utility bills	Payments



City of Grand Rapids
Strategic Plan



City of Grand Rapids
Budget Library



300 Monroe Ave. NW
Grand Rapids, MI 49503
Phone: 616-456-3000