VILLAGE OF MATTAWAN
24221 FRONT AVE.
MATTAWAN, MI 49071
SPECIAL COUNCIL MEETING **JANUARY 23, 2026**

AGENDA

1. CALL TO ORDER @ ***4:30 PM***

2. PLEDGE OF ALLEGIANCE

3. ATTENDANCE
   OTHERS PRESENT

4. WELCOME TO PUBLIC

5. ANNOUNCEMENT OF MEETING BEING RECORDED

6. ADDITIONS TO AGENDA

7. APPROVAL OF THE AGENDA

8. LIMITED PUBLIC COMMENT ON ANY AGENDA ITEM

9. OLD BUSINESS

   A. DISCUSSION ON 2026-2027 FISCAL YEAR MPD SPECIAL ASSESSMENT

10. NEW BUSINESS

11. COMMUNICATIONS

12. COMMENTS FROM VISITORS

13. COMMENTS FROM COUNCIL

14. ADJOURNMENT @

Police Special Assessment – Council Decision Package (Final, Decision-Grade)

1. Baseline Snapshot – Where the Village Is Today

The table below establishes the current and projected funding structure for police services using known data and conservative estimates. This snapshot is the factual baseline for all SA discussions.

Item	Amount	Funding Source	Notes
Projected PD Cost (FY Next)	$1,213,586	—	Includes operating + capital normalization
Police Special Assessment (5.0 mills)	$725,000 – $749,525	SA	Range reflects conservative vs. receipts-to-date
Remaining Police Cost	$464,061 – $488,586	General Fund	Structural exposure

The Village General Fund's recurring annual income is approximately $650,000 and is fully allocated. The remaining police cost exceeds available General Fund capacity.

2. If the SA Remains Unchanged (5.0 mills)

If the SA remains at its current rate, the General Fund must absorb a police funding gap that exceeds its available recurring capacity. This would require service reductions, reallocation from other departments, or the use of one-time funds.

3. SA Increase Scenarios – Fiscal Impact

Each 0.5 mill increase generates approximately $72,500–$75,000 in additional revenue. The table below illustrates the impact of incremental adjustments.

SA Rate (mills)	Est. SA Revenue	Total PD Cost Covered	Remaining GF Liability	Village Impact
5.0	$725K–$750K	≈60%	$464K–$489K	GF exposure exceeds

				capacity
5.5	\$798K–\$825K	≈66%	\$389K–\$415K	GF exposure reduced, still exceeds capacity
6.0	\$870K–\$900K	≈72%	\$314K–\$343K	GF exposure reduced, still exceeds capacity
6.5	\$943K–\$975K	≈78%	\$239K–\$270K	GF exposure reduced, still exceeds capacity
Full Offset	≈\$1.21M	100%	\$0	Police costs isolated from GF

4. Village-Wide Implications

Police costs not funded through the SA must be absorbed by the General Fund. Because the General Fund is fully allocated, any remaining police liability directly displaces other Village services or creates structural imbalance. The SA decision therefore affects all departments, not just the Police Department.

5. Known Uncertainties and Risk Management

Future costs may vary due to wage negotiations, benefit cost changes, hiring timelines, overtime requirements, and operational demands. The figures shown are based on current knowns and conservative assumptions. The SA should be set at a level resilient to these uncertainties rather than optimized to best-case outcomes.

6. Prior-Year Underspending – Context Only

Prior-year underspending occurred during prolonged understaffing and reduced operational activity. It affected both personnel-related costs and staffing-dependent non-personnel costs.

After normalization, remaining discretionary or timing-related variance was limited (approximately \$35,000 in FY23–24 and \$44,000 in FY24–25) and does not represent recurring budget capacity. Even if prior-year underspending were excluded entirely, the Village would still face a structural funding gap.

7. Council Decision

Council's decision is how police services are funded going forward:

- the degree to which police costs are supported by the SA
- the level of General Fund exposure retained
- the financial stability of other Village services

This is a policy decision about funding structure under normal operating conditions, not an evaluation of past budget execution.

Police Special Assessment – Village Funding Decision

- This presentation explains how the SA fits into the Village's overall fiscal structure
- Focus: funding stability, risk management, and policy tradeoffs

Why This Conversation Matters

- Police costs are the Village’s largest controllable service expense
- How they are funded affects every other department
- SA decisions determine General Fund stability

Baseline Financial Snapshot

- Projected Police Cost (Next FY): $1.213M
- SA Revenue @ 5.0 mills: $725K–$750K
- GF Exposure: ~$465K–$490K
- GF Annual Income ≈ $650K (fully allocated)

General Fund Reality

- No unused recurring GF capacity
- Any police cost not covered by SA displaces other services
- SA isolates police cost volatility

Police Cost Normalization

- Recent budgets reflect staffing shortages
- Normalization increases wages, benefits, OT, training
- Operational costs scale with staffing

SA Revenue Performance

- Collections to date: $749,525
- Conservative planning baseline: $725,000
- Revenue projections shown as ranges, not guarantees

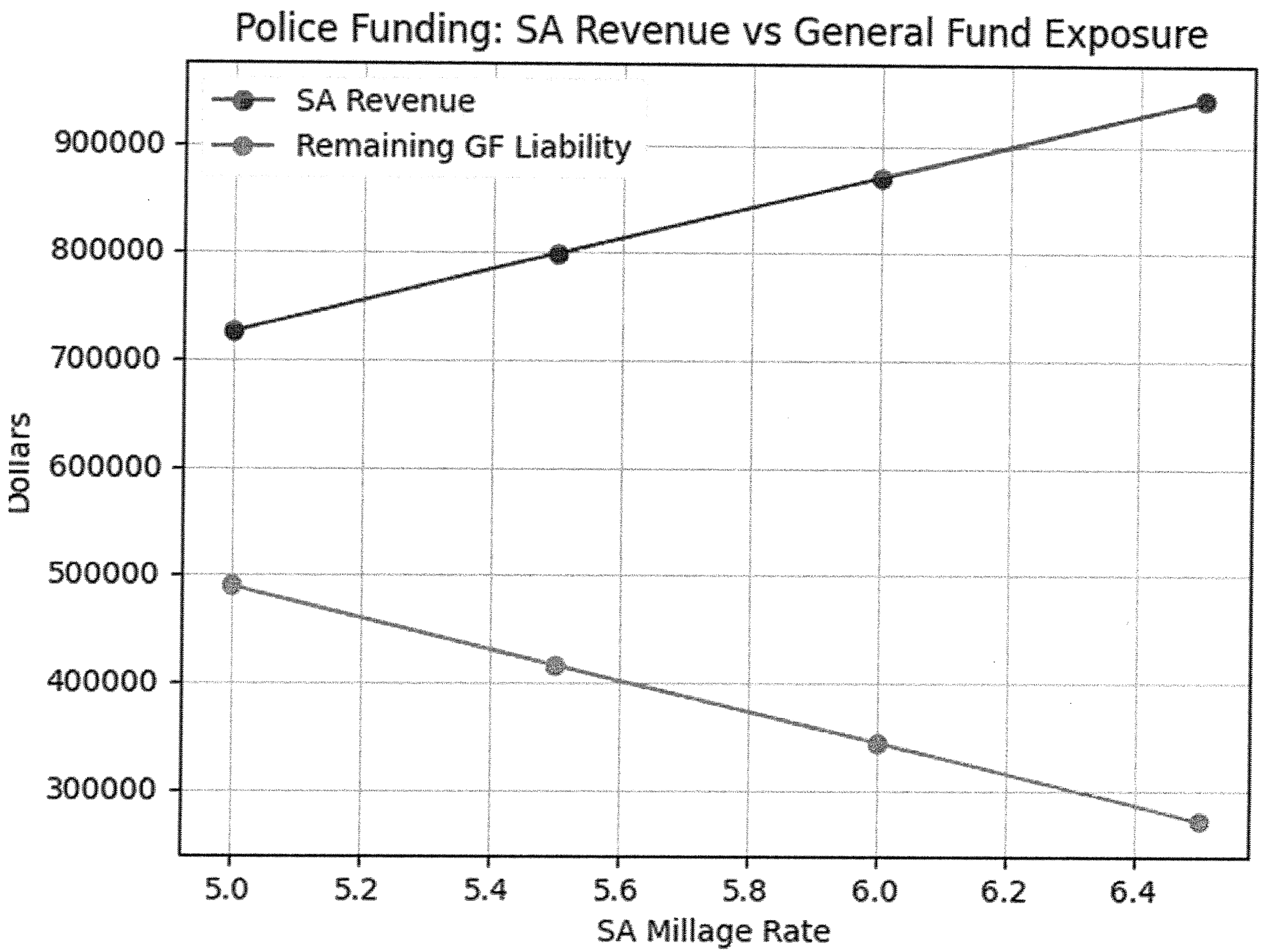
SA Adjustment as a Policy Ladder

- Each 0.5 mill ≈ $72K–$75K
- Higher SA = lower GF exposure
- Council selects risk tolerance

GF vs SA – Visual Impact

- Graphic illustrates tradeoff between SA funding and GF exposure
- Underscores village-wide impact

GF vs SA Impact



Underspending – Context, Not Driver

- Occurred during understaffing
- Affected personnel and operational costs
- Does not create structural capacity

Why Underspend Does Not Solve the Gap

- Normalized discretionary variance: $35K–$44K
- Structural gap: hundreds of thousands
- Decision unchanged even if underspend ignored

Uncertainty and Risk

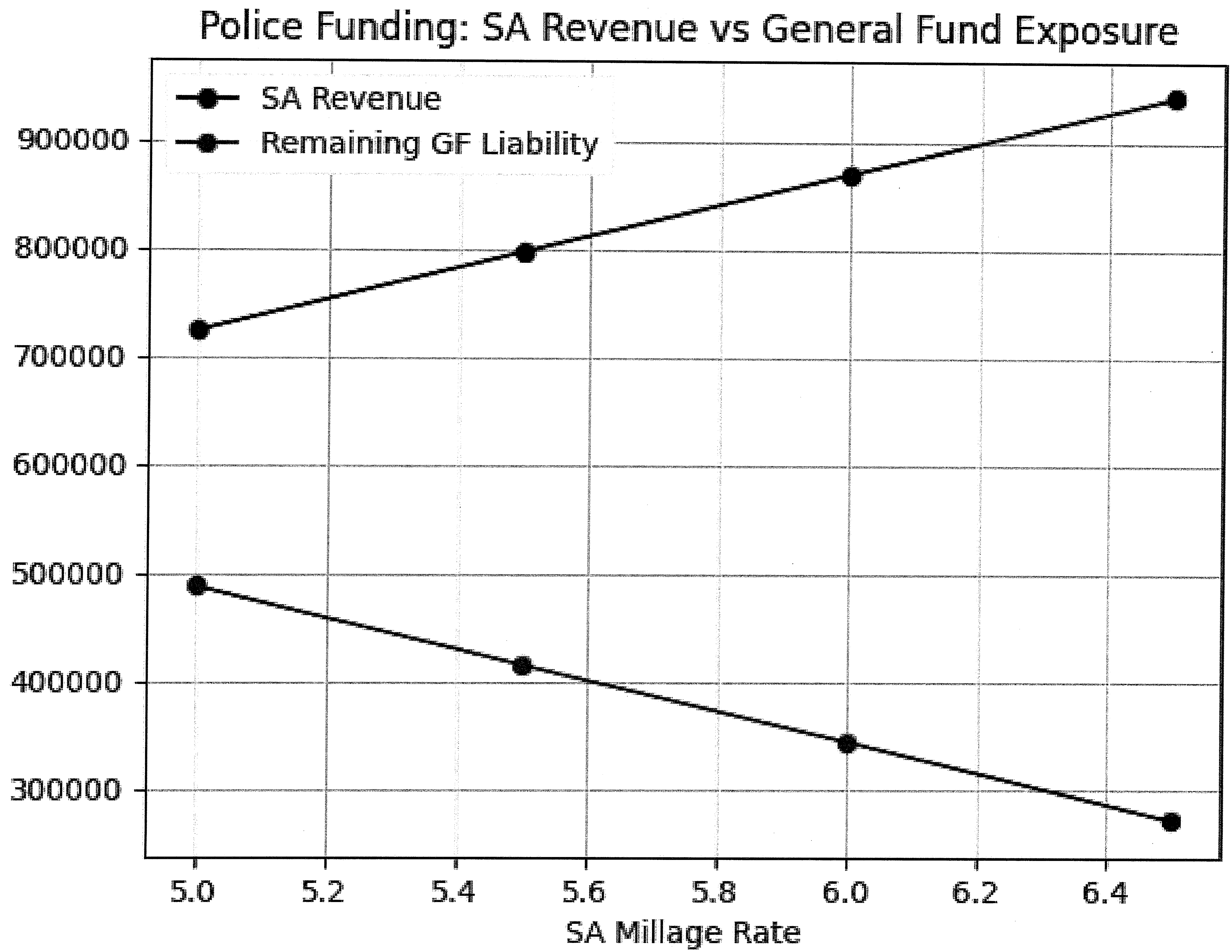
- Wage negotiations
- Benefit cost volatility
- Hiring timing and OT needs
- SA should be resilient to these factors

Village-Wide Implications

- Lower SA shifts risk to GF
- Higher SA protects other services
- Decision affects entire Village budget

Council Decision

- How should police services be funded?
- What level of GF exposure is acceptable?
- What risk profile best serves the Village?


Police Funding: SA Revenue vs General Fund Exposure
SA Revenue
Remaining GF Liability
900000
800000
700000
600000
500000
400000
300000
5.0
5.2
5.4
5.6
5.8
6.0
6.2
6.4
SA Millage Rate

GL NUMBER	DESCRIPTION	2020-21 AMENDED BUDGET	2020-21 ACTIVITY	2022-23 AMENDED BUDGET	2022-23 ACTIVITY	2023-24 AMENDED BUDGET	2023-24 ACTIVITY	2024-25 AMENDED BUDGET	2024-25 ACTIVITY	2025-26 AMENDED BUDGET
ESTIMATED REVENUES										
Dept 000 - OPERATING REVENUE										
101-000-40300	Current Real Tax - Police SA	304,000.00	350,631.87	411,000.00	383,728.02	604,000.00	595,429.00	701,425.00	671,231.00	725,000.00
Totals for dept 000 - OPERATING REVENUE		304,000.00	350,631.87	411,000.00	383,728.02	604,000.00	595,429.00	701,425.00	671,231.00	725,000.00
TOTAL ESTIMATED REVENUES		304,000.00	350,631.87	411,000.00	383,728.02	604,000.00	595,429.00	701,425.00	671,231.00	725,000.00
APPROPRIATIONS										
Dept 301 - POLICE DEPARTMENT										
101-301-70500	Wages	368,660.00	354,763.18	389,400.00	381,410.23	500,000.00	404,320.28	463,983.00	342,091.19	479,493.00
101-301-70600	Part-Time Wages	10,000.00								
101-301-71000	Overtime Wages	15,000.00	5,830.35	15,000.00	12,085.96	55,000.00	38,589.85	67,796.00	52,274.40	80,354.00
101-301-71500	Payroll Taxes	22,260.00	27,067.75	27,000.00	29,606.44	38,000.00	35,076.61	47,995.00	30,949.82	57,317.00
101-301-71900	Health/Dental/Vision Ins	70,000.00	66,606.72	76,875.00	59,510.90	84,565.00	36,761.18	96,000.00	31,880.60	65,000.00
101-301-72000	Disability/Life/AD&D Ins	8,237.00	6,199.74	9,123.00	4,592.18	10,123.00	6,812.33	10,500.00	5,099.16	10,500.00
101-301-72300	Police medical account	1,000.00	475.00	1,000.00	205.00	1,000.00	363.00	5,000.00	3,177.00	11,500.00
101-301-72400	Retirement Contribution	19,304.00	13,789.27	26,003.00	12,770.93	48,000.00	18,271.53	32,000.00	17,592.05	38,211.00
101-301-72600	Operating Supplies & Expense	12,000.00	7,200.67	12,000.00	10,484.69	17,000.00	14,906.90	16,442.00	17,752.17	19,431.00
101-301-75100	Gas & Oil	20,000.00	18,604.29	22,000.00	25,828.54	32,000.00	21,717.71	32,000.00	13,866.08	32,000.00
101-301-76800	Uniform Allowance	5,000.00	5,619.54	5,000.00	3,784.64	5,000.00	3,965.68	5,000.00	5,673.13	5,000.00
101-301-77800	Equipment Repairs & Maint.	15,000.00	14,679.66	20,000.00	16,051.89	20,000.00	19,646.35	15,000.00	13,055.32	10,000.00
101-301-81910	CONTRACTUAL IT	5,620.00		6,620.00	3,011.43	7,300.00	3,313.56	10,000.00	1,996.71	10,000.00
101-301-82600	Legal	5,500.00	3,265.00	5,500.00	1,449.00	4,000.00	1,008.00	4,000.00	5,700.00	16,000.00
101-301-85300	Telephone	3,500.00	2,148.73	3,500.00	4,074.68	5,500.00	4,031.51	5,500.00	5,634.08	5,500.00
101-301-90000	Printing	800.00	311.16	800.00	167.85	800.00	672.53	1,000.00	259.94	1,000.00
101-301-91100	Workers Compensation	9,373.00	3,393.40	9,943.00	4,068.79	10,940.00	3,845.07	13,000.00	2,952.21	5,000.00
101-301-91200	Liability/Bonding Ins.	14,089.00		14,658.00	13,200.81	16,125.00		17,415.00		
101-301-93300	Repairs and Maintenance	8,000.00	4,141.99	8,000.00	8,288.32	8,000.00	7,999.74	11,000.00	11,151.39	11,000.00
101-301-94300	Cont Capital Improvement Fund	38,000.00	35,000.04	38,000.00	35,000.04	53,000.00	53,000.00	61,000.00	61,000.00	46,000.00
101-301-95400	Donation Expenses				102.79				1,610.00	1,500.00
101-301-95500	Community Promotions	2,000.00	562.39	2,000.00	1,982.47	3,000.00	2,422.70	3,000.00	1,963.59	2,000.00
101-301-95800	Dues & Memberships	1,000.00	410.00	1,000.00	690.00	1,000.00	715.00	1,000.00	695.00	2,300.00
101-301-96000	Education	7,000.00	5,760.09	7,000.00	6,037.19	10,000.00	7,480.74	10,000.00	23,504.92	10,000.00
101-301-96100	Tuition Reimbursement			7,500.00	875.00	7,500.00	7,484.91	7,500.00		
101-301-96200	Educ.-Training State		97.95							
101-301-97000	Capital Outlay	10,000.00	4,263.08	15,000.00	12,319.09	15,000.00	13,060.18	20,000.00	12,036.12	13,500.00
101-301-99900	Transfers Out			30,000.00	22,593.86		8,724.34			
Totals for dept 301 - POLICE DEPARTMENT		671,343.00	580,190.00	752,922.00	670,192.72	952,853.00	714,189.70	956,131.00	661,914.88	932,606.00
TOTAL APPROPRIATIONS		671,343.00	580,190.00	752,922.00	670,192.72	952,853.00	714,189.70	956,131.00	661,914.88	932,606.00
Budgeted Amount Not Spent in Fiscal Year			91,153.00		82,729.28		238,663.30		294,216.12	
Wages Budgeted and Not Spent			33,773.45		21,529.44		144,741.73		168,866.54	
Budget not spent Excluding wages			57,379.55		61,199.84		93,921.57		125,349.58	
Amount Budgeted to be Covered from Gen Fund		320,711.13		369,193.98		357,424.00		284,900.00		207,606.00
Amount Covered from Gen Fund after expenses			229,558.13		286,464.70		118,760.70		(9,316.12)	
Revenue Per Mil		100180.5343		109636.5771		119085.8		134246.2		145000
Millage Increase Needed to Cover Budgeted Amount		3.201331799		3.367434388		3.001398991		2.122220219		1.431765517
Millage Increase Needed to Cover Amount Spent		2.291444457		2.612857018		0.997270036		-0.069395782		