

City of Marshall, Michigan

FY 2018 Adopted Budget



Jack Reed, Mayor

Council Members:

Ward One, Kari Schurig
Ward Two, Nick Metzger
Ward Three, Brent Williams
Ward Four, Michael McNeil
Ward Five, Robert Costa
At-Large, Joe Caron

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Marshall
Michigan**

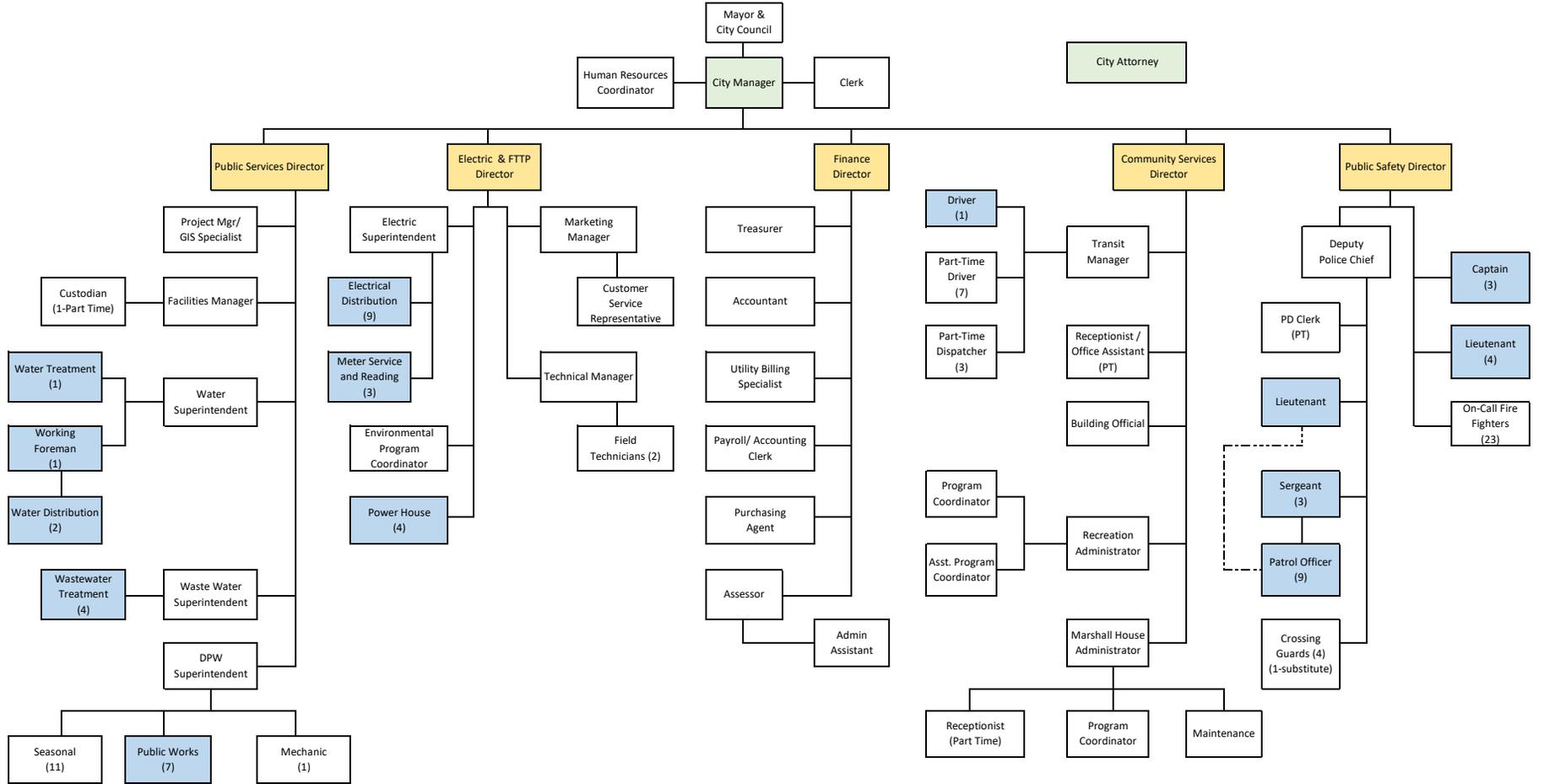
For the Fiscal Year Beginning

July 1, 2016

Executive Director

City of Marshall - Organization Chart

Revised 07/01/17



2015
CITY VISIONING,
GOALS, OBJECTIVES
AND TASKS



Adopted by City Council



CITY GUIDING PRINCIPLES, GOALS & OBJECTIVES

On February 20 and 21, 2015 the Mayor, Members of the City Council, City Manager and senior staff met to discuss and identify a strategic vision and direction for the City of Marshall. More specifically, the participants created a “vision tour” for the City, major goals and objectives and actions to be taken in the first year of this five year plan.

The following document reflects the essential elements of this two day discussion.

VISION 2020: THE CITY OF MARSHALL MICHIGAN

VISION 2020: THE CITY OF MARSHALL MICHIGAN

A visitor to the City of Marshall in 2020 will be shown the following: (no order of priority)

- *Beautification of West Michigan Avenue corridor*
 - *Pedestrian friendly*
 - *Enhancement of property appearance*
 - *Conversion of overhead line to underground*
- *Vibrant downtown*
 - *Increased residential units*
 - *More retail business*
 - *Fully occupied 2nd and 3rd floors*
 - *Unified shopping hours*
- *Fiber to the Premise*
 - *High speed internet*
- *Increased Industrial Park occupancy*
- *More senior living opportunities*
- *Higher education facility*
- *Diverse housing options*
- *Variety of employment opportunities*
- *Balance demographics*
- *City-wide non-motorized amenities*

- *Family oriented parks*
 - *Expanded evening and weekend activities*
 - *Safe and healthy environment*
 - *Well maintained and expanded Riverwalk*
 - *Sustainable dog park*
 - *Creative redevelopment of vacant commercial and industrial property*
 - *Viable community solar field*
 - *Quality community hospital*
 - *Top-rated public school system*
 - *Self-sustaining airport*
-

MAJOR GOAL AREAS

In order to fulfill the Vision for 2020 the City of Marshall will focus on the following major goal areas:

I. ECONOMIC DEVELOPMENT

II. QUALITY OF LIFE

III. HOUSING DEVELOPMENT

IV. INFRASTRUCTURE

GOAL AREA I. ECONOMIC DEVELOPMENT

Goal Statement:

Sustain and intensity the economic vitality of the Marshall area.

Objectives:

- *Vibrant downtown*
 - *Increased residential units*
 - *More retail business*
 - *Fully occupied 2nd and 3rd floors*
 - *Unified shopping hours*
 - *Fiber to the Premise*
 - *High speed internet*
 - *Increased Industrial Park occupancy*
 - *Higher education facility*
 - *Variety of employment opportunities*
 - *Creative redevelopment of vacant commercial and industrial property*
 - *Viable community solar field*
 - *Quality community hospital*
-

GOAL AREA II. QUALITY OF LIFE

Goal Statement:

To achieve and sustain a concentrated effort to promote a vibrant community atmosphere in the Marshall area.

Objectives:

- *Beautification of West Michigan Avenue corridor*
 - *Pedestrian friendly*
 - *Enhancement of property appearance*
 - *Conversion of overhead line to underground*
- *Vibrant downtown*
 - *Increased residential units*
 - *More retail business*
 - *Fully occupied 2nd and 3rd floors*
 - *Unified shopping hours*
- *Fiber to the Premise*
 - *High speed internet*
- *More senior living opportunities*
- *Higher education facility*
- *Diverse housing options*
- *Balance demographics*
- *City-wide non-motorized amenities*
- *Family oriented parks*
- *Expanded evening and weekend activities*
- *Safe and healthy environment*
- *Well maintained and expanded Riverwalk*
- *Sustainable dog park*
- *Quality community hospital*
- *Top-rated public school system*

GOAL AREA III. HOUSING DEVELOPMENT

Goal Statement:

Provide for progressive, diverse and unique housing opportunities.

Objectives:

- *Vibrant downtown*
 - *Increased residential units*
 - *Fully occupied 2nd and 3rd floors*
 - *Fiber to the Premise*
 - *High speed internet*
 - *More senior living opportunities*
 - *Diverse housing options*
 - *Safe and healthy environment*
 - *Creative redevelopment of vacant commercial and industrial property*
-

GOAL AREA IV – INFRASTRUCTURE

Goal Statement:

Preserve, rehabilitate, maintain and expand city infrastructure and assets.

Objectives:

- *Beautification of West Michigan Avenue corridor*
 - *Pedestrian friendly*
 - *Conversion of overhead line to underground*
 - *Fiber to the Premise*
 - *High speed internet*
 - *City-wide non-motorized amenities*
 - *Family oriented parks*
 - *Safe and healthy environment*
 - *Well maintained and expanded Riverwalk*
 - *Sustainable dog park*
 - *Viable community solar field*
 - *Self-sustaining airport*
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**ECONOMIC DEVELOPMENT STRATEGIC
PLAN**

City of Marshall

Final copy-March 15, 2016

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Executive Summary

“He who fails to plan is planning to fail.”-Winston Churchill

On December 10, 2015 and December 14, 2015, the City held two 4-hour meetings to discuss and develop a Strategic Plan for Economic Development within the City of Marshall. The meetings were facilitated by Nancy Ohle, OD Consultant and Corporate Trainer and paid for by the Redevelopment Ready Communities Program. Participation in these meetings included City Council, the City Director team, the Downtown Development Authority (DDA), the Local Development Finance Authority (LDFA) and Marshall Area Economic Development Alliance (MAEDA).

The City of Marshall has established strong cooperation and support on economic strategies from the city administration, City Council and its appointed authorities, boards and commissions. All City staff, appointed authorities, boards and commissions fully support, cooperate and assist in promoting the economic strategies developed as part of this Economic Development Strategic Plan. As a result, new businesses entering Marshall find a strong, supportive and cooperative cross-section of government staff, authorities, boards and commissions promoting all facets of economic development for the benefit of the entire community.

The strategies outlined in this document will continue to steer the Marshall Community into a proactive future and encourage partnership with neighboring communities. Once met, the strategic goals will ensure stability for Marshall as a very desirable place to live, work and grow. The Strategic Plan is a guiding tool which provides direction for goals like infrastructure expansion, diversified housing options, developing a “pad-ready” site in the new industrial park, providing fiber to the premises, incentivizing small business, expansion of the DDA district, enhancing downtown shopping hours, expanding social and recreational opportunities, and supporting an internship program between the schools and industry.

Introduction

The City of Marshall developed the Marshall Area Economic Development Alliance in 2013 to serve the communities needs with economic development, small business management and development, and tourism. Currently MAEDA is staffed under contract by Southwest Michigan First.

Marshall has not developed a strategic plan for economic development to this point. As the City implements various changes to meet the requirements of becoming a Redevelopment Ready Community, one of the sticking points was the lack of an economic development & marketing strategy. Aside from RRC requirements for certification, this is a worthy endeavor for the City of Marshall. With the loss of major businesses over the last years, the amount of developable land within the City, and a downtown that is truly vibrant, it is certainly worth the time and effort to plan and protect our resources.

Many of the goals in Marshall's Master Plan update 2015 pertain to the strategic goals in this plan. For example, Master Plan Goal #3 is to "Ensure the long term stability of Marshall's neighborhoods" (Page 17) coincides with the strategic goal #2 for "Diversifying Marshall's housing options including single-family homes, housing for the elderly, and downtown loft spaces". Another example is Master Plan Goal #4, which deals with ensuring the viability of Marshall as a commercial center. This directly correlates with strategic goals #5 and #6 that address strengthening of the downtown and Marshall's small business center. Furthermore, Master Plan Goal #5, states that "Marshall has an interest in strengthening the employment base and industry", resulting in strategic goal # 10 the development of an internship program, thus creating a partnership between Marshall Public Schools and Marshall's industries.

Marshall City's Capital Improvement's Program (CIP) 2016-2022, addresses the strategic goals as outlined in this document through the planned funding of improvements to water, waste water, and electric utilities. Strategic goal # 1, addresses funding and expanding current infrastructure into expanded locations. Also, in the CIP, is a market study update for allocating funds in all commercial districts and corridors; to provide information to existing business for marketing, promotions and retention which is vital to the strategic goals of strengthening Marshall's businesses.

Overall, the strategic goals outlined in this document will carry Marshall into a proactive future, ensuring that the City stays relevant with the changing times and grows consistently, while caring for the assets currently in place. The strategic plan is also meant to serve as a doctrine to encourage partnership between the City of Marshall and its outlying neighbors for the betterment of the entire county.

Strategic Situation/Challenges

Education & Workforce

Noted by the committee was a lack of an available workforce in the area; especially an educated or “technical” workforce. Manufacturers are finding it harder and harder to retain skilled employees. Several reports over the last years have recorded that America has a “skills shortage” in manufacturing, combined with the threat of retiring baby boomers (Collins, 2015). It is reported that even though this trend was foreseen, the problem was not headed off due to money and the avoidance of training investment (Collins, 2015). Also, another notable factor is that manufacturers are struggling to hire workers who can perform highly skilled labor, “particularly with a STEM education” (Collins, 2015).

Dealing with education, the committee expressed that there was a lack of places to learn particular trades in the area and a lack of higher education facilities in close proximity. The closest vocational school to Marshall is the Calhoun Area Career Center (CACC) but this is only a resource available to 11th and 12th grade students and is not adult education. Kellogg Community College also offers the Regional Manufacturing Technology Center (RMTTC) in Battle Creek which is designed to “meet the employee training needs of area business and industry” (Kellogg.edu).

Business Support

The committee felt that there was a lack of available educational and technical resources available for small businesses in Marshall. Blu Fish has been providing this service for downtown owners and will continue to do so. Small business is very important to the economy; they provide roughly half the workforce in the United States and collectively create a new job every 7 minutes (Kiisel, 2015). Without adequate training, it is unreasonable to expect a small business owner to succeed but typically they have the passion and energy to put forth an effort. Forbes recommends that a Small Business Development Center (SBDC) or other like-resources be made available to owners to help the probability of success and longevity (Kiisel, 2015).

The Younger Crowd

As one of the major challenges to Marshall, the committee pointed out that there is a lack of “things to do” in Marshall for younger people and younger families. It is a well-known fact that Millennials move to the places where they want to live and then look for a job, not the other way around (Fulton, 2012). They want “hip and fashionable” places to eat and live (like loft and downtown apartments), they want public transportation and walkable spaces with many options of what to do and see within the immediate area (Fulton, 2012).

Infrastructure and Transportation

Another challenge for Marshall was infrastructure expansion and transportation. Acquiring funds for quick infrastructure upgrades is a struggle-when a new development comes to town and the City needs to get infrastructure to the site quickly. The legal requirements of acquiring the funds quickly can be a real challenge. Also, the lack of regional transportation in Calhoun County and Michigan as a whole is a very real problem. The City of Marshall introduced the “Connector” service to Albion but funding has proven to be a major hurdle and striking agreements to collaborate with other neighboring jurisdictions has been met with resistance.

Reluctance for Change

Marshall is a historic, older community and the committee noted that there are still old alliances in play that may be outdated and breeding a thought process that change is not “good” or acceptable. This community tends to feel threatened when new ideas come to town.

There is a marked expectation difference between generations. Baby Boomers (born between 1946 and 1965) are the era of relentlessly hard workers, while Generation X-ers are best known for being team players. Compare that with Generation Y (Millennials) who are techy, a tad argumentative and much more lackadaisical about working (The Economist, 2013). The expectations for their communities are therefore different as well; a Millennial tends to want to be where the technology is, while a Baby Boomer tends to stay away from these areas. Making all generations happy with change is a contentious feat at best.

Strategic Opportunities

Upgrade Utilities

The committee felt strongly that one of Marshall's greatest opportunities lies in the ability to upgrade infrastructure and utilities to meet potential growth. This includes implementation of fiber high-speed internet to the premises and further infrastructure engineering with the Federal Highway Administration (FHWA) and the Michigan Department of Transportation (MDOT).

Industrial Park

Also noted, was the fact that Marshall has plenty of buildable undeveloped space in the industrial park. Currently there is a section with infrastructure, sidewalks and lighting in place ready to build and develop. The committee agreed that there should be a focus on agriculture and high-tech manufacturing centers.

Vibrant Downtown

Marshall has a vibrant downtown that craves expansion. The downtown area is historic and very active, unlike many historic downtowns in Michigan, with thriving retailers. The committee suggested that more aesthetic work be implemented in the area and along the West Michigan Avenue corridor including banners, benches, sidewalks, and flower pots.

Riverfront

Marshall is lucky enough to be situated on the Kalamazoo River to the south end. The River District Overlay was implemented to bring more business to the area, along with more outdoor events. The committee pointed out that there are many recreation opportunities along the river.

Residential

The committee discussed the opportunity for a unique and somewhat bold senior housing development in Marshall, containing single-level smaller homes with attached garages. Also discussed was the need for upper-class, floor-level rentals for "snow birds".

For residential opportunities for families, it was stated that Marshall could use more single family homes of new construction, priced mid-range or below \$225,000. Also, as mentioned prior, the younger generation is looking for new, somewhat "hip" apartments and lofts, preferably close to the social center (downtown). Marshall is in a unique position to provide upper-level apartments above most of the businesses in the downtown and as downtown residency increases, the businesses will benefit as well.

The idea of an inter-generational Recreation/Senior Center was discussed as well. This community could support both uses in one building since both are currently non-existent. Using one facility to meet both demands, not only creates the highest and best use for one building, but also encourages interaction between generations.

Mission and Vision

Mission Statement

MARSHALL - THE CITY OF HOSPITALITY

The City of Marshall recognizes that our community enjoys a special quality of life. Our mission as a City government is to continually enhance this uniqueness by providing quality municipal services to our citizens. This mission will be accomplished through efficient use of resources.

“SERVICE TO THE COMMUNITY”

“Service to the Community” is the attitude for all personnel to follow as we seek to carry out the Mission Statement for the City of Marshall.

Vision 2020 Statement

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- *Diverse housing options*
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- *Self-sustaining airport*

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Strategic Goals and Strategies

Goal 1: The City has built and funded infrastructure to strategic, expanded locations.

Champions: Director of Electric Utility, Director of Public Services and Director of Finance

To facilitate economic growth in the Marshall area it is important to have infrastructure in place to support major future development sites, as well as undeveloped areas within and surrounding the City of Marshall. Having this infrastructure in place will enhance the marketability, and be a positive attribute for site selection for economic development purposes. Expansion of this infrastructure could utilize existing PA425 agreements with the Townships, and will increase the tax base and expand employment opportunities in the area.

Strategies:

- 1.1 Three (3) major sites have been clearly identified:
 - 1) I-94 & Old US-27 North (State Farm property)
 - 2) East Michigan Ave at Partello Rd.
 - 3) C Drive North south of Michigan Ave.
- 1.2 Key Partners have determined these three (3) sites as high potential for development.
- 1.3 These Sites are subject to PA425 agreements.

Outcomes:

- 1) Marshall has facilitated regional collaboration.
- 2) Water, sewer and electric has been expanded to strategic locations.
- 3) Marshall continues to preserve, rehabilitate and maintain city infrastructure and assets.

Key Partners:

- 1) Neighboring townships
- 2) MAEDA
- 3) State of Michigan

Performance measures:

How Marshall will assess progress in achieving Goal 1	<i>Baseline 2016</i>	<i>Target Date</i>	<i>Target Amount</i>
1. Provide “shelf ready” project designs for development at 3 sites.	0	Dec-17	3
2. Increase megawatts of available capacity at I-94 & Old US 27	1	Nov-16	20
3. Increase megawatts of available capacity at East Michigan Av.	1	As required	To be determined
4. Increase megawatts of available capacity at C Drive North	1	As required	To be determined
5. A study has been completed that compares Marshall to other cities with regional systems.	0	Dec-16	1

Goal 2: Marshall’s tax base has increased due to diversified housing options.

Champions: Director of Community Services and Director of Public Safety

As a diversifying City, Marshall recognizes that there is a need for more and different types of housing within the City. The goal is that this community has appropriate housing to offer every resident from every walk of life making Marshall an attractive place to settle and stay.

Strategies:

- 2.1 Perform market research to know the needs and desires of current and potential residents.
- 2.2 Identify needs and desires for housing within the City of Marshall.
- 2.3 Assess the availability of land for the development of new housing opportunities.

Outcomes:

- 1) Marshall has newly built single-family, mid-price-range houses.
- 2) Marshall has a single-story housing neighborhood for seniors.
- 3) New loft and upper floor housing is developed downtown.
- 4) Development of new apartment complexes and flats have started.

Key Partners:

- 1) Area Realtors
- 2) Developers
- 3) State of Michigan

Performance measures:

How Marshall will assess progress in achieving Goal 2	<i>Baseline</i>	<i>Target</i>	<i>Target Amount</i>
1. A housing study has been completed.	0	Jun-17	1 study
2. A list of available land has been gathered.	0	Jun-17	1 list
3. Opportunities for new housing developments are actively being marketed.	0	Jan-18	3 sources

Goal 3: A “spec” building has been constructed in the new industrial park.

Champions: MAEDA CEO and LDFA Board

Economic Development research has shown that new builds are too time consuming for many industrial developers. These developers are more likely to locate or relocate where there are existing buildings that meet their needs or a planning process that is significantly shortened. Many communities have been successful with this type of pre-planning in place for potential developers.

Strategies:

- 3.1 Define the type of spec building to be constructed
- 3.2 Determine which lot to build on.
- 3.3 Identify and acquire the proper financing.
- 3.4 Complete infrastructure to the site.
- 3.5 Present to Planning Commission on the concept of “pad ready” and “spec building”.

Outcomes:

- 1) Marshall has found an interested partner.
- 2) The new industrial park has a pad-ready site.
- 3) The feasibility of a “spec building” has been researched.

Key Partners:

- 1) Interested partner
- 2) LDFA
- 3) MAEDA

Performance measures:

How Marshall will assess progress in achieving Goal 3	<i>Baseline</i>	<i>Target</i>	<i>Target Amount</i>
1. Type of spec building and lot have been identified.	0	Jul-16	Both ready
2. The site is “pad-ready” with preliminary approvals.	0	Mar-17	1 site
3. The feasibility of a spec building has been researched.	0	Jan-17	1 study

Goal 4: Ultra high speed data service (Fiber to the Premises) is provided to businesses and residences in Marshall.

Champions: Director of Electric Utility and Finance Director

For the purpose of economic growth and the attraction of Marshall as a place to live, grow, and work, it is important for all businesses and residences to have at least 1 gig of connectivity available. The nature of “work” is changing and the environment of today’s society requires internet speed. By providing this quality of connectivity, Marshall will see an increase in business, learning opportunity, and sale of homes.

Strategies:

- 4.1 Complete customer survey, legal review and proforma.
- 4.2 Develop preliminary design.
- 4.3 Make sure funding is in place.
- 4.4 Build system.

Outcomes:

- 1) Marshall has implemented Fiber to the Premises.
- 2) Growth and opportunities for Marshall have increased.

Key Partners:

- 1) City (Electric Director)
- 2) Key Partners like Oaklawn, schools, LDFA
- 3) Calhoun County

Performance measures:

How Marshall will assess progress in achieving Goal 4	<i>Baseline</i>	<i>Target</i>	<i>Target Amount</i>
1. Develop preliminary design.	0	Mar-16	1
2. CPA has approved proforma.	0	Apr-16	1
3. Beginning to build system.	0	Jul-16	1
4. Fiber system goes commercial	0	Mar-17	1

Goal 5: Marshall supports innovation and entrepreneurship in business.

Champions: MAEDA CEO

Through providing support and education to area businesses, especially new business owners, Marshall hopes to make our community a top choice for starting a new business. Also, providing this type of support, business retention will increase. The amount of vacant buildings will decrease.

Strategies:

- 5.1 Offer concierge service to business owners through MAEDA.
- 5.2 Develop a 12-month program for new business owners.
- 5.3 Offer an annual award for business owners (best participation, etc.)

Outcomes:

- 1) More businesses are started in Marshall.
- 2) More businesses are choosing to stay in Marshall.

Key Partners:

- 1) MAEDA
- 2) DDA
- 3) Veteran business owners
- 4) Local Foundations

Performance measures:

How Marshall will assess progress in achieving Goal 5	<i>Baseline</i>	<i>Target</i>	<i>Target Amount</i>
1. A plan has been fully created to support existing and new businesses.	0	Aug-16	1 plan
2. Business owner program has begun.	0	Jan-17	1 program
3. MAEDA offers concierge service to business owners.	0	Jul-16	1

Goal 6: MAEDA/Chamber has an effective incentive program for businesses.

Champions: MAEDA CEO and Director of Finance

An incentive program builds community support for the Chamber and MAEDA. In Marshall, the goal is to have established businesses helping new and upcoming businesses. Building membership within the Chamber will encourage both.

Strategies:

- 6.1 Create Top 10 list of benefits to utilize in recruiting additional members and maintaining current membership in the chamber.
- 6.2 Revitalize the benefits of being a chamber member.

Outcomes:

- 1) Members are utilizing benefits to strengthen business community.
- 2) Businesses are actively helping other businesses.
- 3) Membership has grown.

Key Partners:

- 1) MAEDA/Chamber
- 2) Chamber ambassadors
- 3) Local Foundations

Performance measures:

How Marshall will assess progress in achieving Goal 6	<i>Baseline</i>	<i>Target</i>	<i>Target Amount</i>
1. Benefits for chamber members have been revitalized.	0	2 nd quarter 2016	1
2. Top 10 Benefits of Membership List has been made.	0	Jul-16	1
3. Additional members have been recruited.	0	annually	5%

Goal 7: The downtown has been expanded to the River District.

Champions: Director of Community Services and City Manager and DDA Board and MAEDA and Director of Public Safety

It is important to expand the DDA district to the River District to create synergy between the traditional downtown and the less traditional River District businesses. Through this expansion, Marshall hopes to increase the DDA benefits to the River District in an effort to grow and improve the area, as well enhance and share the customer base between the two areas.

Strategies:

- 7.1 City Council will consider revising the DDA district after receiving DDA recommendation.
- 7.2 Work to contact and create partnerships with owners.
- 7.3 Implement the revised DDA district.

Outcomes:

- 1) Customers see a greater unity between the River District and the downtown.
- 2) All businesses are benefiting from membership in the DDA.
- 3) The River District has become more aesthetically pleasing.

Key Partners:

- 1) MAEDA
- 2) DDA
- 3) Local businesses in the downtown and River District

Performance measures:

How Marshall will assess progress in achieving Goal 7	<i>Baseline</i>	<i>Target</i>	<i>Target Amount</i>
1. Contact with owners has been made.	0	May-16	All new
2. The revision of the DDA district has been approved.	0	Jun-16	1 revision
3. The DDA district has successfully been expanded.	0	Jul-16	1
4. Improvements to expanded DDA have begun.	0	Aug-17	1 completed

Goal 8: Business hours have been expanded in the DDA.

Champions: MAEDA CEO and DDA Board

Marshall wants to be known as a retail and tourist destination. There is a need for expanded and unified hours as part of the marketing of Marshall. This gives tourists the ability to see all of what Marshall has to offer.

Strategies:

- 8.1 Create partnership between DDA businesses to stay open with longer, more unified hours.
- 8.2 A study has been completed on preferred shopping hours in downtown.
- 8.3 Study results have been shared to create an on-going strategy for shopping hours.

Outcomes:

- 1) Increased customer traffic in the DDA and subsequent increased business.
- 2) Marshall is branded as a community with attractive shopping hours.

Key Partners:

- 1) MAEDA
- 2) DDA
- 3) Retailers group
- 4) DDA businesses

Performance measures:

How Marshall will assess progress in achieving Goal 8	<i>Baseline</i>	<i>Target</i>	<i>Target Amount</i>
1. A study has been completed	0	Dec-16	1
2. Businesses have increased and consistent business hours in the DDA.	0	Jul-17	20%
3. Businesses have increased and consistent business hours in the DDA.	0	Dec-18	40%
4. Businesses have increased and consistent business hours in the DDA.	0	Jul-19	60%

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Goal 9: Marshall has facilities for expanded social and recreational attractions.

Champions: Director of Community Services, Recreation Department and Parks & Recreation Board, and Director of Finance

In order to grow the Marshall community, there is a need to attract and retain younger professionals and families. It is a well-known fact that the younger generation is attracted to areas with new and interesting recreational and social opportunities.

Strategies:

- 9.1 Take an inventory of existing facilities that could work for attractions.
- 9.2 Complete a combined survey to assess needs and desires (phone, survey monkey, door-to-door, mail, schools, etc.)
- 9.3 Hold open house to gather information and share results of survey
- 9.4 Creatively market new opportunities in the City of Marshall for social and recreational uses.

Outcomes:

- 1) Marshall has a community-built Top 10 list of social and recreational needs and desires.
- 2) Expanded social and recreational facilities in Marshall.
- 3) Development of facilities that are more attractive to and used by the younger generation.

Key Partners:

- 1) Existing building owners.
- 2) Multi-generational committee (youth parks and rec board)
- 3) Parks and Rec board to mentor youth board
- 4) Business sponsors/investors
- 5) Fairgrounds

Performance measures:

How Marshall will assess progress in achieving Goal 9	<i>Baseline 2016</i>	<i>Target</i>	<i>Target Amount</i>
1. Inventory of available facilities has been completed.	0	Jul-16	1
2. Survey completed	1	Jan-17	1
3. Two open houses held.	0	Summer 2016 & Winter 2016	2
4. New social and recreational facilities developed.	0	Jan-18	2

Goal 10: Develop robust regional internship program to attract and retain a skilled workforce.

Champions: MAEDA CEO, LDFA and Marshall Public Schools

Talent in the community is declining, as seen by trends in local businesses. The school system has a vested interest in seeing young adults educated and this creates a perfect partnership with local businesses.

Strategies:

- 10.1 Partner with schools and business leaders to identify local internship opportunities.
- 10.2 Utilize counselors and educators, high school students, middle school students and parents to engage them in internship opportunities.
- 10.3 Engage businesses to identify talent needed and understand how internships can be used to enhance their business objectives.
- 10.4 Identify how internship training can lead to college readiness/credits and career-oriented jobs.

Outcomes:

- 1) The number of businesses offering internships has increased.
- 2) Local and regional talent retention has increased.
- 3) MPS has an internship program with local businesses.
- 4) Marshall has a stronger employment base.

Key Partners:

- 1) Marshall Public Schools (MPS)
- 2) Local businesses and manufacturers
- 3) MAEDA (facilitator)
- 4) Calhoun Area Career Center (CACC)
- 5) Kellogg Community College

Performance measures:

How Marshall will assess progress in achieving Goal 10	<i>Baseline 2016</i>	<i>Target</i>	<i>Target Amount</i>
1. MAEDA has facilitated discussions on internship/job shadow programs with MPS and local businesses	0	Nov-16	1
2. MPS has refined their internship/job shadow program.	0	Sep-17	1
3. CACC has identified and expanded certain trade classes to accommodate identified internships.	0	Sep-17	1
4. There is an increase in internship/job shadow participation by local students.	0	Jan-20	50%

Review and Oversight

Review of the plan

The Economic Development Strategic Plan will be reviewed, approved and amended periodically by City Council. With the help of community key partners, the City of Marshall staff will work towards each goal. Periodic updates on these goals will be reported to City Council through the City Manager.

Oversight

City Manager:	Goal 7: Downtown expansion
Director of Community Services:	Goal 2: Diversified housing options Goal 7: Downtown expansion Goal 9: Social and recreational attractions
Director of Electric Utility:	Goal 1: Expanded infrastructure Goal 4: Fiber to the premises.
Director of Finance:	Goal 1: Expanded infrastructure Goal 4: Fiber to the premises Goal 6: Incentive program for small business Goal 9: Social and recreational attractions
Director of Public Services:	Goal 1: Expanded infrastructure
Director of Public Safety:	Goal 2: Diversified housing options Goal 7: Downtown expansion
MAEDA CEO:	Goal 3: Spec building/pad ready Goal 5: Entrepreneurship support Goal 6: Incentive program for small business Goal 8: Expansion of business hours Goal 10: Internship program

References

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- Kiisel, T. 2015. Growing a Small Business, Creating Jobs, and Leveraging Resources Like SBDCs. *Forbes*. Retrieved December 18, 2015 from <http://www.forbes.com/sites/tykiisel/2015/09/17/growing-a-small-business-creating-jobs-and-leveraging-resources-like-sbdcs/>
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BUDGET INTRODUCTION

The City of Marshall has been faced for a number of years with reduced property values and consequently reduced tax revenues. All the while, the City has attempted to continue to provide the highest quality of services within these revenue restrictions.

Real property values are rising but at a very slow pace and are reflected in the anticipated slight increase in tax revenues, even in light of recent personal property tax reform. While this is a positive indication, there is a lag between when those property values recover to earlier levels and the additional tax revenue associated with those values.

Another factor of concern is the continued adjustments in the State supported revenues. While revenue levels have remained relatively constant, numerous additional requirements are being placed on municipalities in order to obtain this revenue. Through legislative efforts the past couple of years, some of these cumbersome requirements have been rescinded. This fact should improve the City's ability to continue to obtain State Revenue Sharing.

The City realized in August of 2016, that it needed to develop a longer range budget model that incorporated six years of projected revenues and expenditures in order to show which funds/programs were sustainable. The administrative staff of the City spent hundreds of hours developing this model and much of that work is incorporated within the FY 2018 and FY 2019 proposed budgets.

The City is planning to continue its cooperative efforts initiated in 2014 to provide Assessing services to the City of Albion, and in providing transportation services to Albion residents through the City's Albion-Marshall Connector program.

The City continues to market available land within the Industrial Park. The newly reformed partnership with Marshall Area Economic Development Association is expected to enhance the City's economic development by improved marketing of vacant City property, and assisting local business owners with training and guidance to enhance their sustainability.

The City of Marshall continues to face economic challenges while utilizing opportunities at our disposal to provide ongoing, quality services to the citizens of Marshall. The budget for FY2018 reflects this philosophy.

CITY OF MARSHALL

FY 2018 BUDGET CALENDAR

AND

INFORMATION GUIDE

**FY 2018 Budget and 6 Year Budget
Projections**

CITY OF MARSHALL
BUDGET CALENDAR for FISCAL YEAR 2018 and 6 Year Projection

December 29, 2016	Data Processing requests and Payroll overtime/justification and part-time requests due back to Finance Director, cc: H.R. Coordinator.
January 14, 2017	Budget Calendar and Instructional Packet to Budget Team. Budget Team training for budget entry in BSA.
February 1, 2017	CIP FY2018 – FY2023 Public Hearing and Council Adoption
February 12 through March 11, 2017	Finance Director reviews budgets.
March 14, 2017	Revenue projections and health insurance updated in Budget.
March 22, 2017	City Manager and Directors meet to review Budget.
March 22 through April 2, 2017	Proposed Budget Book prepared by Finance Director.
April 3, 2017	Proposed Budget distributed to Council. (Council needs to set Budget Work session Dates.)
April 4 through April ??, 2017	Council review of Proposed Budget and Budget Work Session
April 16 through April 27, 2017	Final budget document prepared; distributed to Council no later than April 28, 2017.
May 1, 2017	Council sets Public Hearing for adoption of final budget for May 15, 2017.
May 2 through May 16, 2017	Budget on file and available for Public Inspection in the Clerk's office.
May 15, 2017	Public Hearing and final Adoption of FY 2018 Budget.
July 1, 2017	FY 2018 Budget goes into effect.

CITY OF MARSHALL

FY 18-19 BUDGET

FUND DESCRIPTIONS

The City of Marshall's financial structure is composed of various funds, many of which operate like separate businesses within the organization and have their own set of balanced accounts. Budgets for each of these types of funds are adopted separately except for fiduciary funds. Funds are differentiated by category (governmental, proprietary, or fiduciary) and by type (general fund, special revenue, debt service, capital projects, enterprise, internal service, and agency). These funds are further differentiated between major and non-major funds.

GOVERNMENTAL FUNDS

Governmental fund financial statements focus on near-term inflows and outflows of spendable resources. The budgeting and accounting for governmental funds are recorded on a modified accrual basis. The main operating fund for the City of Marshall is the General Fund, a major fund, used to account for the resources devoted to funding general government operations such as Public Safety, Clerk, Finance, Public Works, and general administration.

Non-major Special Revenue Funds

This type of fund is used to account for the proceeds of specific revenue (and expenditures) that are legally restricted to a specific purpose and accounted for on a modified accrual basis. Examples of Non-major funds for the City of Marshall are Major Streets, Local Streets, Recreation Fund, Airport, Special Projects, Leaf & Brush, Downtown Development Authority (component unit), and the Local Development Finance Authority (component unit).

Non-major Debt Service Funds

This type of fund is used to account for the resources used in the repayment of long term debt, interest, and related costs. These funds are budgeted and accounted for on a modified accrual basis. There is currently only one debt service fund which is the Building Authority Debt Service Fund.

Non-major Capital Projects Funds

This type of fund is used to account for the resources used in acquiring and constructing capital facilities, street projects, and other capital improvements. These funds are budgeted and accounted for on a modified accrual basis. An example of a capital project fund would be the Building Authority Fund that is currently used to build the new fire station and law enforcement center.

PROPRIETARY FUNDS

This type of fund accounts for the acquisition, construction, operation, and maintenance of certain facilities or operations that is intended to be entirely self-supported by user fees and charges. Proprietary funds are both enterprise funds and internal service funds. Proprietary funds are budgeted and accounted for on a full accrual basis.

Enterprise Funds

The City of Marshall uses enterprise funds to account for its electric, wastewater, water, public transportation (DART), FFTP (Fiber to the Premise) and Marshall House. These are all considered major funds.

Internal Service Funds

Internal Service Funds are an accounting tool used to accumulate and allocate costs internally among the City's various departments. The City uses internal service funds to account for motor pool and data processing.

FIDUCIARY FUNDS

Fiduciary funds (agency funds) are used to account for resources held for the benefit of parties outside of City government and cannot be used to support any City program. Fiduciary funds are accounted for on a full accrual basis. The City of Marshall does not adopt a budget for fiduciary funds as one is not legally required. The City utilizes two fiduciary funds, Current Tax and Impress Payroll.

MARSHALL CITY CHARTER

ARTICLE IX - GENERAL CITY FINANCE

Amended November 8, 2016

SECTION 9.01 – FISCAL YEAR

The fiscal year of the City shall begin on the first day of July and end on the thirtieth day of June of the following year. Such year shall constitute the budget year of the City Government.

SECTION 9.02 – BUDGET PROCEDURE

On or before the first Monday in March the administrative officials, department heads, boards and commissions of the City, shall submit to the City Manager an itemized estimate of their expenditures for the next fiscal year. The City Manager or the City Manager's designee, shall prepare a complete itemized budget proposal for the next fiscal year and shall submit it to the council at its first meeting in April. This proposal shall include the following: (1) the previous year's budget figures and actual expenditures; (2) the itemized estimates submitted to the City Manager; (3) an account of all revenues received in the current and preceding year and an estimate of all revenues for the next fiscal year; (4) and the City Manager's recommendations.

SECTION 9.03 – BUDGET DOCUMENT

The budget document shall present a complete financial plan for the ensuing year. It shall include at least the following information:

- (a) detailed estimates of all proposed expenditures for each department and office of the City showing the expenditures for corresponding items for the current and last preceding fiscal year, with reasons for increases and decreases recommended, as compared with appropriations for the current year;
- (b) statements of the bonded and other indebtedness of the City, showing the debt redemption and interest requirements, the debt authorized and unissued, and the condition of sinking funds, if any;
- (c) detailed estimates of all anticipated income of the City from sources other than taxes and borrowing, with a comparative statement of the amounts received by the City from each of the same or similar sources for the last preceding and current fiscal years;
- (d) a statement of the estimated balance or deficit, as the case may be, for the end of the current year;
- (e) an estimated of the amount of money to be raised from current and delinquent taxes and the amount to be raised from bond issues which, together with income from

other sources, will be necessary to meet the proposed expenditures and commitments of the City Government during the ensuing year;
(f) such other supporting schedules as the council may deem necessary.

SECTION 9.04 – PUBLIC INSPECTION

A copy of the budget proposal shall be on file and available to the public in the office of the Clerk during office hours for a period of not less than one (1) week prior to the adoption of the budget by the council.

SECTION 9.05 – ADOPTION OF BUDGET; TAX LIMIT

Not later than the first meeting of the council in June, the council shall, by resolution, adopt all budgets for the next year and shall, in such resolution, make an appropriation of the money needed for municipal purposes during the ensuing fiscal year of the City and provide for a levy of the amount necessary to be raised by taxes upon real and personal property for municipal purposes subject to the limitations in Section 8.01 of the charter.

SECTION 9.06 – TRANSFER OF APPROPRIATIONS

After the budget has been adopted, no money shall be drawn from the treasury of the City nor shall any obligation for the expenditure of money be incurred, except pursuant to the budget appropriation. The council may transfer any unencumbered appropriation balance, or any portion thereof, from one department, fund, or agency to another, except that no moneys raised for the construction, improvement, and maintenance of streets or for the principal and interest on the funded debt of the City shall be used for any purpose except that for which they were raised. The balance in any appropriation, except moneys raised for the construction, improvement, and maintenance of streets or for the principal and interest on the funded debt of the City which has not been encumbered at the end of the fiscal year shall revert to the general fund and be re-appropriated during the next fiscal year.

SECTION 9.07 – BUDGET CONTROL

At the beginning of each quarterly period during the fiscal year, and more often if required by the council, the Treasurer, acting under the direction of the City Manager, shall submit to the council data showing the relation between the estimated and actual income and expenses to date; and , if it shall appear that the income is less than anticipated, the council may reduce appropriations, except amounts required for debt and interest charges, to such a degree as may be necessary to keep expenditures within the cash income.

City Manager's Budget Message

Date: May 15, 2017

To: Honorable Mayor, City Council and Citizens of Marshall

Subject: Transmittal of the **FY 2018 Proposed Budget**, Fiscal Year Ending June 30, 2018

Dear Mayor, Council Members and Citizens:

I am pleased to provide the proposed two-year fiscal plan that includes the fiscal year 2018 Proposed Budget and 2019 Forecast. The two-year fiscal plan projects the anticipated revenue and expenditures over two years and includes strategies to establish an operating fiscal plan that is balanced with the projected revenues and the use of fund reserves. The first year of the plan is the proposed FY 2018 budget, as required by Section 9.02 of the City Charter, and the second year fiscal plan, FY19, is only a projection based on the information known to administration today.

OVERVIEW OF CITY BUDGET

Listed below are some of the highlights of the FY 2018 Proposed Budget.

- The General Fund budget, exclusive of Recreation, Composting, MRLEC Operations, Farmer's Market, and Airport activities, contained in this document is balanced with no use of fund balance in FY2018.
- The FY2018 MRLEC Operations budget projects a \$27,808 surplus in revenues over expenditures. In 2017, the City, State, and County will meet and review the last 18 months of revenue and expense activity and reset each entities monthly rent amount. The projected ending fund balance for FY18 of \$35,639 is 355% greater than the projected fund balance for FY17.
- The Recreation Department budget for FY2018 is projected to use \$1,568 of fund reserves with an ending FY fund balance of \$241,950.
- The FY2018 Compost Fund budget projects a use of fund reserves in an amount of \$28,187. This is considerably less than the \$49,306 that was budgeted in FY2017. It is the Finance Department's thought that this fund should be rolled into the General Fund for FY19, since the compost center is now only funded and operated by the City of Marshall.
- The FY2018 Airport Fund budget projects no use of fund balance. The projected total fund balance of the Airport Fund at the end of FY2018 is \$15,417.
- The FY2018 Major Street Fund budget projects a use of fund balance in the amount of \$178,017 or 19.48%. The projected ending FY2017 fund balance for Major Streets is \$913,643 which exceeds the City's Fund Balance Policy thus the planned use of reserves.

- The FY2018 Local Streets Fund budget projects a use of fund balance in the amount of \$49,031 or 13.26%. The projected FY2017 fund balance for Local Streets is \$369,684 which exceeds the City's Fund Balance Policy thus the planned use of reserves.
- The FY2018 DDA and LDFA budgets project no use of fund balance.
- The recommended staffing level for all funds is 85, which is a decrease of 3.58 FTE's from staffing levels in the FY 2017 Adopted Budget.

GENERAL FUND

- The projected General Fund revenues (excluding Recreation, Composting, MRLEC, Farmer's Market, and Airport activities) for FY 2018 is \$6,413,731. This is approximately 2.9% below the projected revenue for FY 2017. The primary reason for the decrease is lower charges for services and miscellaneous revenue.
- The projected General Fund expenditures (excluding Recreation, Composting, MRLEC, Farmer's Market, and Airport activities) for FY 2018 are estimated at \$6,413,731 a decrease of 4.5% over the FY 2017. This decrease is primarily due to reduced transfers-out to other funds.
- The payroll line item (702.00 or 710.00) in the various funds reflects wage increases for union personnel based on existing contracts and a wage freeze in FY2018 for non-union personnel. In FY2018 Non-Union personnel will no longer receive longevity and a cell phone stipend.
- Data processing charges are spread throughout the various funds based on the needs of the various operations. The costs are shown in line item 941.01.
- Motor pool vehicle rental line item 941.00 in the various funds reflects a cost based on actual usage, vehicle mileage charges and/or application of the State MDOT Schedule C rates - the standard rate schedule used by most municipalities.
- The General Fund-Recreation for FY18 is supported by \$197,139 in revenues derived from 0.9393 millage levy and user fees of \$223,403.
- The General Fund-Airport estimates revenue of \$147,282 which includes a \$50,162 subsidy from the General Fund and is also supported by fuel sales and hangar rents.
- The overall General Fund projected fund balance at the end of FY2018 is \$1,724,376 which is the same as the FY2017 projected ending fund balance.

CAPITAL PROJECTS

The following capital projects are anticipated for FY 2018:

General Fund:

PSB – REPAIR PARKING LOT	6,500
FIRE – PROTECTIVE CLOTHING	12,000
FIRE – SCBA GEAR	35,000
POLICE – VEHICLE CHANGEOVER	13,600
CITY HALL – NEW ROOF OVER GARAGE	16,850
CITY HALL – TUCK POINTING	<u>7,080</u>
	91,030

General Fund - Recreation:

NONE PLANNED AT THIS TIME	0
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General Fund – Airport:

PAVEMENT MARKING AND CRACK SEALING	1,250
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MVH Major Streets:

STREET PROJECT - TBD	96,000
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MVH Local Streets:

STREET PROJECT – GREEN ST.	252,000
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DDA:

NONE PLANNED AT THIS TIME	0
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Marshall House:

APARTMENT REMODELING	88,000
PUBLIC RESTROOM – ADA COMPLIANCE	12,500
NEW SIGN	5,000
INTERCOM REPLACEMENT	27,500
REPLACE STEEL SERVICE DOORS	12,000
NEW FLOORING	14,000
EXTERIOR BRICK – CLEANED AND TUCK POINTED	<u>200,000</u>
	359,000

Electric:

KALAMAZOO RIVER DAM PROJECT	250,000
2.4/7.2 CIRCUIT UPGRADE	150,000
POLE REPLACEMENT	40,000
REPLACEMENT UNDERGROUND LINES – HIGH SCHOOL	<u>100,000</u>
	540,000

DART

NEW BUS	140,000
DISPATCH SOFTWARE	<u>9,500</u>
	149,500

Wastewater:

REPLACE PARTELLO ROAD LIFT STATION	200,000
MUFFIN MONSTER CARTRIDGE REPLACEMENT	25,000
SEWER LINING REPLACEMENT	60,000
SANITARY SEWER ASSESSMENT CONTRACT	<u>94,000</u>
	379,000

Water:

S. MARSHALL AVE. WATER MAIN	11,200
NEW SIDING ON WELL HOUSES	15,000
NEW OFFICE AREA AT TREATMENT PLANT	40,000
REPLACE ROOF AND PAINT EXTERIOR WTP	32,000
INSTALL 16" VALVE AT TREATMENT PLANT	34,000

WATER MAIN KALAMAZOO & BREWER	40,000
UPGRADE SCADA AT TREATMENT PLANT	90,000
NEW 600,000 GALLON WATER TOWER	<u>2,500,000</u>
	2,762,200

Data Processing:

MISC. REPLACEMENT PROJECTS – SYSTEM UPGRADES	19,000
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Motor Pool:

TRUCK, VEHICLES, AND EQUIPMENT	341,000
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MOTOR VEHICLE HIGHWAY (MVH)
MAJOR & TRUNKLINE

MVH Major & Trunkline source of revenue is the State of Michigan Act 51 monies based on a formula taking into account population and the number of street miles (14.38 miles) categorized as major and trunkline streets. It is anticipated that for FY 2018, the total expenditures will be higher than revenues (planned use of reserves), and the fund balance at year end for the Major Street Fund is estimated to be \$735,626 or a decrease of 19.48%.

MOTOR VEHICLE HIGHWAY (MVH) LOCAL

As with the MVH Major, the revenue source for this fund is the State of Michigan Act 51 monies based on the formula using population and the number of local street miles (25.76 miles). Projected revenues for FY 2018 total \$435,435. This includes \$183,235 in Act 51 revenues and a \$250,000 transfer from Major Street Fund. It is anticipated that the year end fund balance for the Local Street Fund will be \$320,653 or a decrease of 13.26%.

LEAF, BRUSH AND TRASH REMOVAL

The Leaf, Brush and Trash Removal Fund derive its revenue from a dedicated millage, approved by the voters in November, 2012 and renewed in 2016. It is recommended that the approved millage of 0.5000 be levied in FY2018 in order to keep fund at a break-even level. The 0.5000 millage levy is anticipated to generate \$96,054 in revenues. The services provided are fall leaf collection, and spring brush and trash pick-ups. The projected expenditures are \$95,995. The goal is for this Fund to have a minimal Fund Balance at the end of each fiscal year.

LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)

The FY 2018 projected revenues of \$389,695 reflect a slight decrease over the FY 2017 budget due to recently enacted legislation. The total FY 2018 expenditures of \$375,345 include \$101,340 for principal and interest payment on outstanding bonds.

DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

The FY 2018 projected revenues of \$179,774 reflects a decrease from the FY 2017 budget based mostly on the small personal property exemption that went into effect in 2013. The total FY 2018 expenditures of \$171,724 is a slight decrease in expenditures from FY2017. FY18 ending fund balance is projected to be \$77,666 which represents a 11.56% increase.

MARSHALL HOUSE FUND

The Marshall House is a multi-family housing project that generates its revenues through Federal Section 8 Subsidy Payments and rents. FY 2018 revenues are projected to be \$970,500 an increase of 10.2% over FY2017 mainly due to a HUD approved rent increase. The expenditures including depreciation are projected to be \$1,389,222 which includes \$359,000 for new capital outlay and \$335,558 to finish the Elevator Replacement Project. The fund is projected to have a net position of approximately \$1,414,346 (assuming all capital projects are capitalized) at the end of FY 2018 an increase of 23.15%.

FIBER TO THE PREMISE

The Fiber to the Premise (FTTP) is a newly created utility approved by City Council in March 2017. The projected revenues for FY2018, based on the Cost Benefit Analysis, are \$348,400 with expenditures projected at \$2,381,569. Capital Outlay for FY2018 is projected to be \$1,486,123.

ELECTRIC FUND

The Electric Fund revenues for FY 2018 are projected to be \$12,480,500. FY 2018 expenditures including depreciation and amortization are estimated at \$14,282,985 which includes system capital improvements of \$540,000. The fund is projected to have a net position of approximately \$3,888,409 at the end of FY 2018 a decrease of 24.51%; this includes the City's investment in MSCPA.

DIAL-A-RIDE TRANSPORTATION FUND (DART)

The DART Fund FY2018 budget is supported with \$188,641 of revenues from 0.9393 millage levy (increased from .4840 in FY2017), Federal and State funding of \$205,958, and passenger fares of \$47,716. Total FY 2018 projected revenues are estimated at \$590,960. The FY2018 projected expenditures are estimated at \$612,174 which includes \$140,000 in capital outlay for a new bus which will be paid for by a capital grant from MDOT. The projected ending FY18 net position of \$194,465 represents an increase in net position of 213.31% which is primarily due to the capital grant from MDOT.

WASTEWATER FUND

The FY 2018 projected revenues of \$1,961,120 constitutes a 27.3% increase over the FY 2017 budget due to a 2016 rate study increase of rates. The FY 2018 projected expenditures of \$2,314,071 is an increase of 4% over budgeted expenditures in FY 2017. The Wastewater Fund's projected net position at the end of FY2018 is \$2,342,540.

WATER FUND

The FY 2018 projected revenues of \$1,844,580 is an increase of approximately 9% over the FY 2017 projected budget. The FY 2018 projected expenditures of \$4,466,493 results in an estimated FY2018 ending net position of \$4,228,911.

DATA PROCESSING FUND

The Data Processing Fund is an Internal Service Fund which collects revenue from the various City departments based on user rate charges for IT equipment, software, telephones, and a 5-year equipment replacement plan. FY 2018 projected revenues are \$172,621 and expenditures are \$181,807. Proposed capital outlay items total \$19,000. An increase in net position is anticipated for the current proposed budget. The estimated net position at the end of FY 2018 is anticipated to be \$351,394.

MOTOR POOL

The Motor Pool Fund is an Internal Service Fund. The FY 2018 projected revenues of \$711,296 represents an increase of approximately 2% over FY 2017. Revenues are primarily generated by the application of Michigan Department of Transportation Schedule C rates for monthly equipment rental charged to other funds. FY 2018 expenditures are projected at \$1,044,682. Ending FY2018 net position is estimated at \$2,706,028.

BUDGET STRATEGIES

The City of Marshall has experienced continual declining revenue streams since the economic downturn of 2008-2009. The property values declined in FY 2010 through FY 2013. However, we are anticipating an increase in the property values utilized for the FY 2018 budget to be slightly higher, up approximately .9% from the prior year.

In the past few years, the City's budget has been balanced using combinations of strategies for personnel/expenditure reductions, re-organization centered on managing more efficiently with fewer resources, and higher than normal indirect costs charged to other departments. My main goal is to create a budget that is attainable and sustainable for the future. As you can see below, there is much work to be done to make our General Fund sustainable in the FY's 2019-2023.

2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
ACTIVITY	ACTIVITY	ACTIVITY	ACTIVITY	ACTIVITY	ACTIVITY
6,328,472	6,420,173	6,461,052	6,494,301	6,541,727	6,577,591
(6,411,688)	(6,695,417)	(6,809,703)	(6,866,083)	(7,057,246)	(7,226,006)
(83,216)	(275,243)	(348,651)	(371,782)	(515,519)	(648,415)
1,724,376	1,641,160	1,365,916	1,017,266	645,484	129,964
1,641,160	1,365,916	1,017,266	645,484	129,964	(518,450)

CLOSING STATEMENT

The development of the City's proposed annual budget is a significant task for City Administration. I appreciate the effort put forth by the Administrative Team Members that contributed towards the development of the proposed budget as it began much earlier than normal. This budget is fiscally responsible and provides the blueprint we need as a municipal operation in promoting services to our community, while at the same time being prudent about how those services are funded. Staff will continue to pursue new and creative ways to improve how we provided services for the community and create sustainability.

I look forward to working with you and our citizens through the adoption of the FY 2018 budget. I thank all the members of the staff and City Council for their hard work in preparation and consideration of this budget.

Respectfully submitted,

A handwritten signature in blue ink that reads "Tom Tarkiewicz". The signature is written in a cursive style with a large, stylized initial "T".

Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
May 15, 2017 – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: Jon B. Bartlett, Finance Director
Tom Tarkiewicz, City Manager

SUBJECT: Budget Public Hearing & Resolution to Adopt City of Marshall Budget and Related Property Tax Millage Rates for Fiscal Year 2018.

BACKGROUND: The budget public hearing was scheduled by Council on May 1, 2017. Attached for your review and action is the resolution for the FY 2018 Budget that totals \$35,983,320 in expenditures and is in compliance with the City Charter. This budget resolution reflects the proposed budget delivered to you at the April 10, 2017, budget work session as discussed and has been updated per Council's recommendations.

RECOMMENDATION: After hearing public comments, it is recommended that the Council adopt the attached resolution to approve the City of Marshall budget and related property tax millage rates for Fiscal Year 2018.

FISCAL EFFECTS: Establish the budget for the General Fund, Special Revenue funds, Enterprise funds, and Internal Service funds in the amounts set forth in the attached resolution:

CITY GOAL CLASSIFICATION:

GOAL AREA 1 – ECONOMIC DEVELOPMENT

Goal Statement: Sustain and intensify the economic vitality of the Marshall area.

GOAL AREA 4 – INFRASTRUCTURE

Goal Statement: Preserve, rehabilitate, maintain and expand city infrastructure and assets.

Respectfully Submitted,

Jon B. Bartlett
Finance Director

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

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cityofmarshall.com

CITY OF MARSHALL, MICHIGAN
RESOLUTION #2017-10

THE CITY OF MARSHALL
GENERAL APPROPRIATION ACT AND TAX LEVY RESOLUTION
July 1, 2017 – June 30, 2018

THE CITY OF MARSHALL RESOLVES that the expenditures for the fiscal year, commencing July 1, 2017, and ending June 30, 2018, are hereby appropriated on a departmental and fund total basis as follows:

GENERAL FUND REVENUES

Taxes	\$3,576,491
Licenses and Permits	92,000
Intergovernmental Revenues	816,136
Charges for Services	97,852
Fines and Forfeits	50,300
Interest	10,000
Miscellaneous	214,872
Transfers In	1,556,080
Marshall Reg. Law Enforce.	333,920
Recreation	421,541
Farmer's Market	27,625
Compost	3,750
Airport	<u>147,282</u>
Total Revenues	\$7,347,849

GENERAL FUND EXPENDITURES

City Council	\$3,507
City Manager	166,944
Assessor	159,439
Attorney	50,000
Human Resources	82,654
Clerk	94,966
Finance/Treasurer	496,382
City Hall	71,024
Chapel	900
Other City Property	29,300
Cemetery	179,292
Non-Departmental	583,500
Police	1,773,209
Crossing Guards	11,791
Dispatch	112,500
Fire	1,130,039
Inspection	142,181
Planning/Zoning	82,827

Streets	789,040
Engineering	36,310
PSB Operations	129,431
Parks	84,829
Capital Improvements	91,030
Transfers Out	112,636
Marshall Reg. Law Enforce.	306,112
Recreation	423,109
Farmer's Market	20,599
Compost	31,937
Airport	<u>147,282</u>
Total Expenditures	\$7,342,770

Overall General Fund (including MRLEC, Recreation, Farmer's Market, Compost, and Airport) reserves shall be increased by \$5,079 based on the FY 2018 revenues and expenditures for the General Fund budget.

The City Council does hereby levy a tax of 17.1629 mills for the period of July 1, 2017, through June 30, 2018 on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same. This tax is levied for the purpose of defraying the general expense and liability of the City of Marshall and is levied pursuant to Section 8.01, Article 8 of the Charter of the City of Marshall.

The City Council does hereby levy a tax of .5000 mills for the period of July 1, 2017, through June 30, 2018, on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same. This tax is levied for the purpose of defraying the expense of operating the Leaf, Brush and Trash Removal Services of the City of Marshall as authorized by a vote of the citizens on November 6, 2012 (renewal vote on this millage was on November 2016 and was passed).

The City Council does hereby levy a tax of .9393 mills for the period of July 1, 2017, through June 30, 2018, on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same. This tax is levied to operate the Dial-A-Ride Transportation System in the City of Marshall as authorized by a vote of the citizens on August 5, 1975.

The City Council does hereby levy a tax of .9393 mills for the period of July 1, 2017, through June 30, 2018, on all real and non-exempt personal taxable property in the City of Marshall, according to the valuation of the same. This tax is levied for the purpose of defraying the expense of operating the Recreation Department of the City of Marshall as authorized by a vote of the citizens on April 4, 1959.

The City Council does hereby levy a tax of 1.6129 mills for the period of July 1, 2017, through June 30, 2018, on all real and non-exempt personal

taxable property in the City of Marshall, according to the valuation of the same in a district known as the Downtown Development District. This tax is levied for the purpose of defraying the costs of the Downtown Development Authority.

	PROPOSED	ACTUAL	
	<u>FY 2018</u>	<u>FY 2017</u>	<u>DIFFERENCE</u>
General Operating	17.1629	17.1629	0.0000
Leaf, Brush and Trash Removal Services	.5000	.5000	0.0000
Recreation	.9393	.9393	0.0000
Dial-A-Ride	.9393	.4840	0.4553
Downtown Development Authority	1.6129	1.6129	0.0000
TOTAL	<u>21.1544</u>	<u>20.6991</u>	<u>0.4553</u>

The City Manager is authorized to make budgetary transfers within the appropriation centers established through this budget, and that all transfers between departments or funds may be made by the City Manager in an amount not to exceed \$20,000 per year without prior Council approval pursuant to Section 19.2 of the provisions of the Michigan Uniform Accounting and Budgeting Act.

The City Council establishes the budget for the period of July 1, 2017, through June 30, 2018 for the following funds in the amounts set forth below:

ALL FUNDS REVENUES

General Fund	\$7,347,849
MVH-Major & Trunkline	570,536
MVH-Local	435,435
Leaf, Brush and Trash Removal	96,084
Local Development Finance	389,695
Downtown Development	179,774
Marshall House	970,500
Fiber to the Premise	348,400
Electric	12,480,500
Dial-a-Ride	668,285
Wastewater	1,961,120
Water	1,844,580
Data Processing	172,621
Motor Pool	<u>711,296</u>
Total Revenues	\$28,176,675

ALL FUNDS EXPENDITURES

General Fund	\$7,342,770
MVH-Major & Trunkline	748,553
MVH-Local	484,466
Leaf, Brush and Trash Removal	95,995
Local Development Finance	375,345
Downtown Development	171,724
Marshall House	1,399,222
Fiber to the Premise	2,389,819
Electric	14,282,985
Dial-a-Ride	685,388
Wastewater	2,314,071
Water	4,466,493
Data Processing	181,807
Motor Pool	<u>1,044,682</u>
Total Expenditures	\$35,983,320

Total fund reserves (not including the capitalization of assets) shall be decreased by \$7,806,645 based on the FY 2018 revenues and expenditures for All Funds. Fund reserves will decrease by \$1,459,343 if all capital outlay is capitalized in the enterprise and internal services funds.

The City Council of the City of Marshall did give notice of the time and place when a public hearing on adoption of the budget would be held in accordance with Public Act 43 of 1963, proof of publication of the Notice of Public Hearing is now on file, and which Public Hearing was duly held pursuant to said notice and in conformity therewith. A copy of the budget proposal was on file with the City Clerk and available for public inspection for at least one week prior to adoption of the budget; and

Further, the City Council of the City of Marshall did give notice of the time and place when a public hearing would be held in conformity with the provisions of Public Act 5 of 1982 authorizing a tax rate in excess of the present authorized tax rate for General Operating, Recreation, Leaf & Brush, Dial-A-Ride and Downtown Development Authority tax levies, proof of publication of Notice of Public Hearing is now on file, and which Public Hearing was duly held pursuant to said notice and in conformity therewith; and

This Resolution shall take effect July 1, 2017.

Dated: May 15, 2017

Trisha Nelson, City Clerk

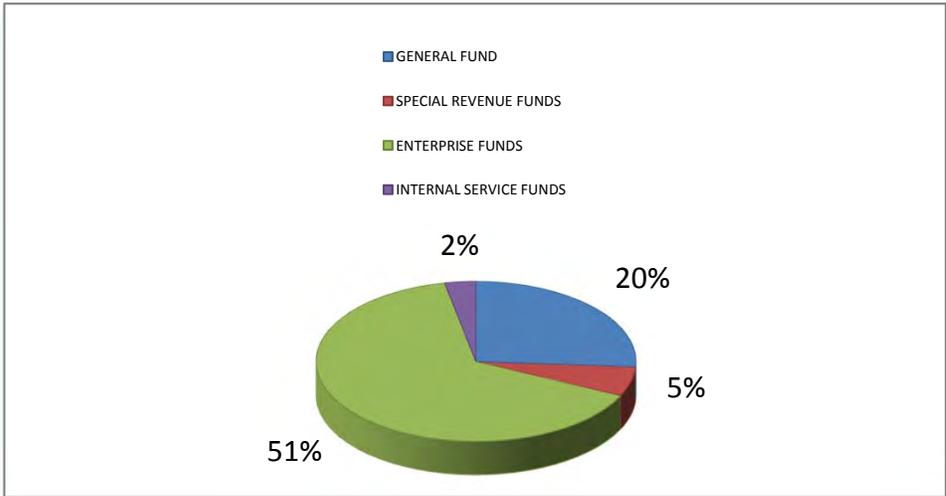
I, Trisha Nelson, being duly sworn as the City Clerk for the City of Marshall, hereby certify that the foregoing is a true and complete copy of a

Resolution adopted by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on May 15, 2017, and that said meeting was conducted and that the minutes of said meeting were kept and will be or have been made available.

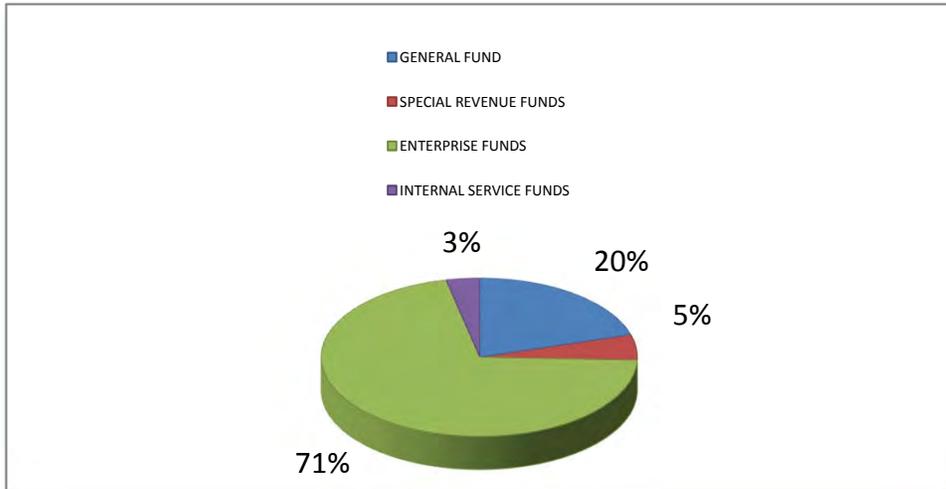


Trisha Nelson, City Clerk

FY 2018 ALL FUNDS REVENUES BY FUND		
GENERAL FUND	\$ 7,347,849	20%
SPECIAL REVENUE FUNDS	1,671,524	5%
ENTERPRISE FUNDS	18,273,385	51%
INTERNAL SERVICE FUNDS	883,917	2%
TOTAL REVENUES	\$ 28,176,675	100%



FY 2018 ALL FUNDS EXPENDITURES BY FUND		
GENERAL FUND	\$ 7,342,770	20%
SPECIAL REVENUE FUNDS	1,876,083	5%
ENTERPRISE FUNDS	25,537,978	71%
INTERNAL SERVICE FUNDS	1,226,489	3%
TOTAL EXPENDITURES	\$ 35,983,320	100%



All Funds Revenues

	FY 2016 Actual	FY 2017 Budget	FY 2017 Forecast	FY 2018 Requested	FY 2019 Projected	% Change
General Fund						
Taxes	3,454,453	3,502,884	3,573,926	3,576,491	3,607,035	2.1%
Licenses & Permits	67,486	67,000	67,000	92,000	92,000	37.3%
Intergovernmental	806,547	811,136	801,511	816,136	816,136	0.6%
Charges for Services	98,833	110,600	97,650	97,852	98,769	-11.5%
Fines & Forfeitures	52,880	50,300	50,300	50,300	50,300	0.0%
Interest	10,246	6,500	10,000	10,000	10,000	53.8%
Miscellaneous	695,185	270,150	326,478	214,872	214,872	-20.5%
Transfers In	1,104,600	1,789,424	1,774,424	1,556,080	1,531,061	-13.0%
S-Total General Fund	6,290,230	6,607,994	6,701,289	6,413,731	6,420,173	-2.9%
Marshall Regional Law Enforcement Center	229,323	333,811	299,350	333,920	333,920	0.0%
Recreation	391,219	395,605	417,538	421,541	423,161	6.6%
Farmer's Market	26,973	22,959	23,625	27,625	27,625	20.3%
Composting	14,418	15,750	36,050	3,750	3,750	-76.2%
Airport	149,692	158,500	160,620	147,282	159,120	-7.1%
Total General Fund	7,101,855	7,534,619	7,638,472	7,347,849	7,367,749	-2.5%
Special Revenue Funds						
MVH--Major & Trunkline	558,560	534,786	535,472	570,536	580,697	6.7%
MVH--Local	302,643	315,160	317,540	435,435	314,100	38.2%
Leaf, Brush and Trash Removal	77,648	96,720	95,398	96,084	96,946	-0.7%
Local Development Finance Authority	420,410	419,000	446,900	389,695	391,910	-7.0%
Downtown Development Authority	244,069	172,740	195,740	179,774	180,818	4.1%
Total Special Revenue Funds	1,603,330	1,538,406	1,591,050	1,671,524	1,564,471	8.7%
Enterprise Funds						
Marshall House	897,211	754,510	880,500	970,500	881,000	28.6%
Fiber to the Premise	-	-	-	348,400	1,182,800	
Electric	6,548,349	15,831,000	12,494,653	12,480,500	12,480,500	-21.2%
Dial-A-Ride	353,564	585,158	471,066	668,285	529,904	14.2%
Wastewater	1,536,359	1,540,100	1,653,700	1,961,120	1,990,001	27.3%
Water	1,582,511	1,587,600	1,695,000	1,844,580	1,862,696	16.2%
Total Enterprise Funds	10,917,994	20,298,368	17,194,919	18,273,385	18,926,901	-10.0%
Internal Service Funds						
Data Processing	167,398	151,905	151,905	172,621	172,621	13.6%
Motor Pool	1,098,914	698,950	699,058	711,296	723,756	1.8%
Total Internal Service Funds	1,266,312	850,855	850,963	883,917	896,377	3.9%
Total Revenues	20,889,491	30,222,248	27,275,404	28,176,675	28,755,498	-6.8%

All Funds Expenditures

	FY 2016 Actual	FY 2017 Budget	FY 2017 Forecast	FY 2018 Requested	FY 2019 Projected	% Change
General Fund						
General Government	1,536,538	1,880,137	2,016,865	1,917,908	1,988,361	2.0%
Public Safety	2,838,863	2,840,270	2,942,319	3,169,720	3,263,447	11.6%
Public Works	902,568	1,033,542	1,013,213	954,781	976,446	-7.6%
Community Development	119,356	109,818	89,610	82,827	85,156	-24.6%
Parks	102,575	152,712	116,403	84,829	85,250	-44.5%
Capital Outlay	232,912	27,900	32,560	91,030	178,100	226.3%
Transfers Out	1,253,602	668,446	611,480	112,636	125,478	-83.1%
S-Total General Fund	6,986,414	6,712,825	6,822,450	6,413,731	6,702,238	-4.5%
Marshall Regional Law Enforcement Center	201,207	212,836	319,635	306,112	308,308	43.8%
Recreation	423,512	418,854	414,636	423,109	433,151	1.0%
Farmer's Market	15,113	17,614	18,840	20,599	28,475	16.9%
Composting	44,704	65,056	88,695	31,937	32,077	-50.9%
Airport	143,485	160,467	182,080	147,282	146,306	-8.2%
Total General Fund	7,814,435	7,587,652	7,846,336	7,342,770	7,650,555	-3.2%
Special Revenue Funds						
MVH--Major & Trunkline	586,555	675,103	668,750	748,553	699,313	10.9%
MVH--Local	343,220	324,024	501,360	484,466	454,845	49.5%
Leaf, Brush and Trash Removal	85,853	96,677	95,318	95,995	95,995	-0.7%
Local Development Finance Authority	876,436	384,990	382,316	375,345	371,565	-2.5%
Downtown Development Authority	280,456	228,823	175,235	171,724	167,103	-25.0%
Total Special Revenue Funds	2,172,520	1,709,617	1,822,979	1,876,083	1,788,821	9.7%
Enterprise Funds						
Marshall House	626,969	1,186,235	1,217,754	1,399,222	1,063,276	18.0%
Fiber to the Premise	-	-	356,210	2,389,819	1,751,434	
Electric	13,287,457	16,881,882	16,667,661	14,282,985	14,883,424	-15.4%
Dial-A-Ride	436,521	625,600	471,066	685,388	545,181	9.6%
Wastewater	1,807,454	2,224,370	2,046,531	2,314,071	2,191,766	4.0%
Water	1,631,951	1,679,161	1,723,851	4,466,493	1,831,755	166.0%
Total Enterprise Funds	17,790,352	22,597,248	22,483,073	25,537,978	22,266,836	13.0%
Internal Service Funds						
Data Processing	135,318	178,605	177,279	181,807	182,267	1.8%
Motor Pool	665,605	849,078	965,633	1,044,682	920,597	23.0%
Total Internal Service Funds	800,923	1,027,683	1,142,912	1,226,489	1,102,864	19.3%
Total Expenditures	28,578,230	32,922,200	33,295,300	35,983,320	32,809,076	9.3%
Excess of Revenues Over (Under)						
Expenditures	(7,688,739)	(2,699,952)	(6,019,896)	(7,806,645)	(4,053,578)	

Note: Totals include depreciation and capital outlay expense

FULL-TIME EQUIVALENT (FTE) ALLOCATED POSITIONS

	FY 2014 FTEs	FY 2015 FTEs	FY 2016 FTEs	FY 2017 FTEs	FY 2018 FTEs
General Fund					
General Government	7.36	7.11	6.73	9.42	11.35
Public Safety	22.00	22.00	22.40	26.30	22.00
Public Works	6.72	6.72	6.41	9.05	8.50
Community Development	1.55	1.55	1.08	0.70	0.75
Parks	0.25	0.25	0.25	1.00	0.05
Marshall Regional Law Enforcement Center			0.50	0.50	0.50
Recreation	3.03	3.03	3.28	3.25	3.00
Composting	0.17	0.17	0.17	0.17	0.00
Airport	0.11	0.06	0.16	0.10	0.10
Total General Fund	41.19	40.89	40.97	50.49	46.25
Special Revenue Funds					
MVH--Major & Trunkline	0.00	0.00	0.00	0.00	0.00
MVH--Local	0.00	0.00	0.00	0.00	0.00
Leaf, Brush and Trash Removal				0.00	0.00
Local Development Finance Authority	0.00	0.00	0.00	0.00	0.00
Downtown Development Authority	1.09	1.09	0.09	0.09	0.00
Marshall Area Economic Development Alliance				0.00	0.00
Special Projects Fund	0.00	0.00	0.00	0.00	0.00
Total Special Revenue Funds	1.09	1.09	0.09	0.09	0.00
Enterprise Funds					
Marshall House	3.03	3.03	3.03	3.10	3.10
Fiber to the Premise					2.20
Electric	18.91	21.16	20.11	17.65	17.95
Dial-A-Ride	3.13	3.03	3.03	3.00	2.00
Wastewater	6.22	7.27	7.62	6.50	6.15
Water	6.56	6.61	6.61	6.25	6.15
Total Enterprise Funds	37.85	41.08	41.59	36.50	37.55
Internal Service Funds					
Data Processing	0.20	0.20	0.20	0.20	0.00
Motor Pool	2.38	1.40	1.30	1.30	1.20
Safety	0.05	0.05	0.00	0.00	0.00
Total Internal Service Funds	2.63	1.65	1.60	1.50	1.20
TOTAL FTEs	82.74	84.71	82.00	88.58	85.00

Fund Balance/Net Position Summary by Fund

	Projected Fund Balance July 1, 2017	Revenues	Expenditures*	Revenues Over/(Under) Expenditures	Projected Fund Balance June 30, 2018	Percentage Change
General Fund	\$ 1,724,376	\$ 6,413,731	\$ 6,413,731	\$ -	\$ 1,724,376	0.00%
Marshall Regional Law Enforcement Center	\$ 7,831	\$ 333,920	\$ 306,112	\$ 27,808	\$ 35,639	355.10%
Recreation	\$ 243,518	\$ 421,541	\$ 423,109	\$ (1,568)	\$ 241,950	-0.64%
Farmer's Market	\$ 19,288	\$ 27,625	\$ 20,599	\$ 7,026	\$ 26,314	36.43%
Composting	\$ (57,096)	\$ 3,750	\$ 31,937	\$ (28,187)	\$ (85,283)	49.37%
Airport	\$ 15,417	\$ 147,282	\$ 147,282	\$ -	\$ 15,417	0.00%
Total General Fund (Audit Presentation)	\$ 1,953,334	# \$ 7,347,849	\$ 7,342,770	\$ 5,079	\$ 1,958,413	0.26%
Special Revenue Funds						
Motor Vehicle Highway--Major & Trunkline	\$ 913,643	\$ 570,536	\$ 748,553	\$ (178,017)	\$ 735,626	-19.48%
Motor Vehicle Highway--Local	369,684	435,435	484,466	(49,031)	320,653	-13.26%
Leaf, Brush and Trash Removal	133	96,084	95,995	89	222	66.92%
Total Special Revenue Funds	\$ 1,283,460	\$ 1,102,055	\$ 1,329,014	\$ (226,959)	\$ 1,056,501	-17.68%
Component Units						
Local Development Finance Authority	\$ 1,701,426	\$ 389,695	\$ 375,345	\$ 14,350	\$ 1,715,776	0.84%
Downtown Development Authority	69,616	179,774	171,724	8,050	77,666	11.56%
Total Component Units	\$ 1,771,042	\$ 569,469	\$ 547,069	\$ 22,400	\$ 1,793,442	1.26%
	Projected Net Position				Projected Net Position	
Enterprise Funds						
Marshall House	\$ 1,148,510	\$ 970,500	\$ 704,664	\$ 265,836	\$ 1,414,346	23.15%
Fiber to the Premise	\$ (138,778)	\$ 348,400	\$ 903,696	\$ (555,296)	\$ (694,074)	400.13%
Electric	5,150,894	12,480,500	13,742,985	(1,262,485)	3,888,409	-24.51%
Dial-A-Ride Transportation	62,068	668,285	535,888	132,397	194,465	213.31%
Wastewater	2,316,491	1,961,120	1,935,071	26,049	2,342,540	1.12%
Water	4,088,624	1,844,580	1,704,293	140,287	4,228,911	3.43%
Total Enterprise Funds	\$12,627,809	\$18,273,385	\$19,526,597	(\$1,253,212)	\$11,374,597	-9.92%
Internal Service Funds						
Data Processing	\$ 360,580	\$ 172,621	\$ 181,807	\$ (9,186)	\$ 351,394	-2.55%
Motor Pool	2,698,414	711,296	703,682	7,614	2,706,028	0.28%
Total Internal Service Funds	\$3,058,994	\$ 883,917	\$ 885,489	(\$1,572)	\$3,057,422	-0.05%
TOTALS	\$ 20,465,681	\$ 27,242,557	\$ 28,701,900	\$ (1,459,343)	\$ 19,006,338	-7.13%

DEBT SUMMARY

Statutory and Constitutional Debt Provisions:

Section 21 of Article VII of the Michigan Constitution establishes the authority, subject to statutory and constitutional limitations, for municipalities to incur debt for public purposes.

The legislature shall provide by general laws for the incorporation of cities and villages. Such laws shall limit their rate of ad valorem property taxation for municipal purposes, and restrict the powers of cities and villages to borrow money and contract debts. Each city and village is granted power to levy other taxes for public purposes, subject to limitations and prohibitions provided by this constitution or by law.

In accordance with the foregoing authority granted to the State Legislature, the Home Rule Cities Act limits the amount of debt a city may have outstanding at any time. Section 4(a) of this Act provides: "...the net indebtedness incurred for all public purpose may be as much as but shall not exceed the greater of the following:

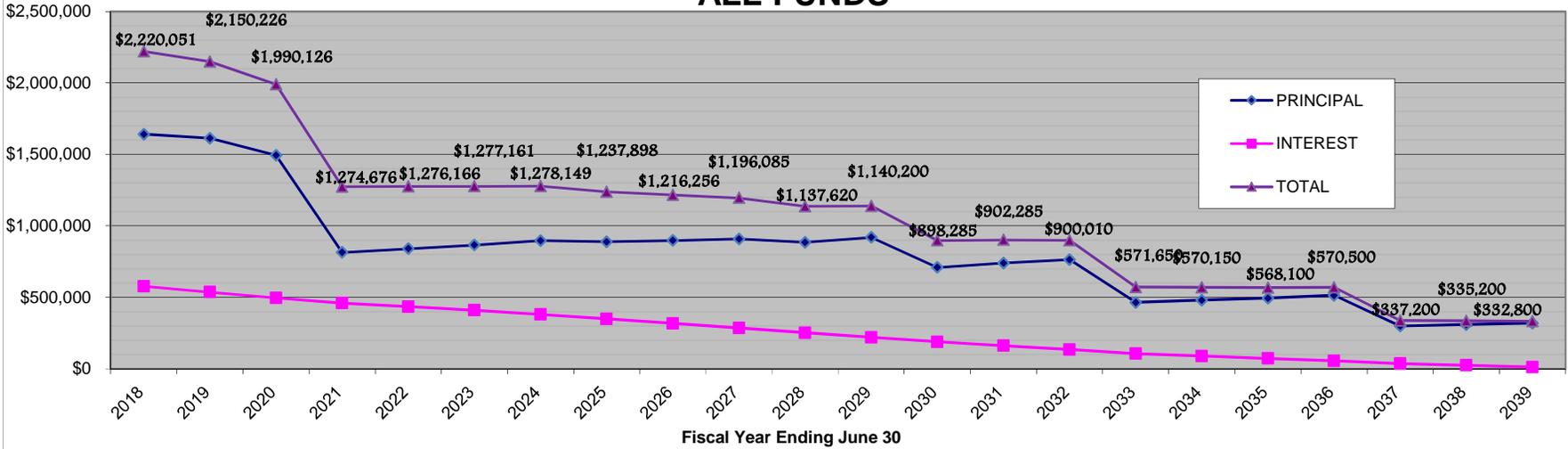
- (a) Ten percent of the assessed value of all real and personal property in the city.
- (b) Fifteen percent of the assessed value of all the real and personal property in the city if that portion of the total amount of indebtedness incurred which exceeds 10% is or has been used solely for the construction or renovation of hospital facilities."

There are also exceptions to the debt limitation permitted by the Home Rules Cities Act for other certain types of indebtedness (e.g., transportation and revenue bonds).

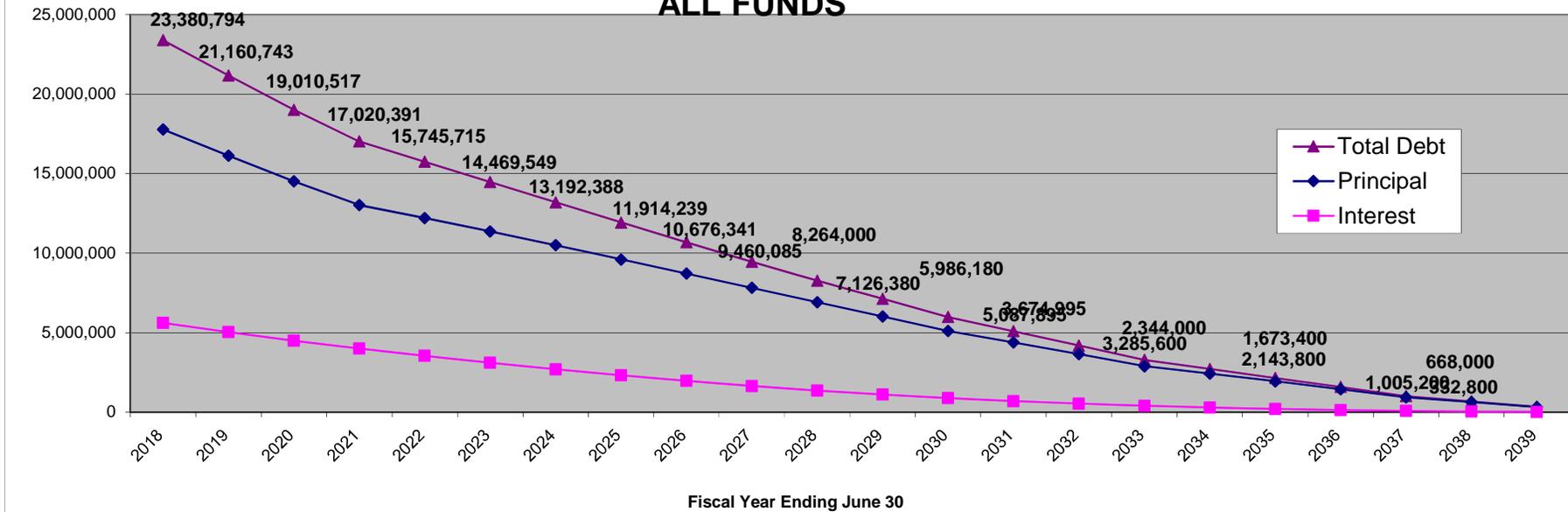
The City of Marshall City Council adopted a Debt Management Policy (February 16, 2016), intended to assure compliance with State Law and provide additional guidance as to the uses, decision making, debt planning and disclosure that the City should pursue relative to the City issuance of debt.

A summary of the City's current debt limit is depicted on the first page of the Debt Service section of the proposed budget document.

CITY OF MARSHALL ANNUAL DEBT PAYMENTS - ALL FUNDS



CITY OF MARSHALL OUTSTANDING DEBT - ALL FUNDS



City of Marshall, Michigan
Total Debt (Principal and Interest)
Percent of Total Debt Amortized Within Ten Years

Fiscal Year Ending June 30	Building Authority	General Fund	MVH-Major	DDA*	LDFA	Electric	Wastewater	Water	Motor Pool Installation Purchase	Total
2018	685,700	61,315	131,213	73,050	101,340	385,150	239,788	542,495		2,220,051
2019	696,100	61,166	134,163	16,575	97,560	385,050	233,184	526,428		2,150,226
2020	786,100	45,073	132,063	16,125	93,780	379,850	223,146	313,989		1,990,126
2021	332,550	45,073	129,963	15,675		294,650	214,540	242,225		1,274,676
2022	332,750	45,073	132,813	15,225		289,250	215,040	246,015		1,276,166
2023	332,800	45,073	130,613			288,850	210,390	269,435		1,277,161
2024	336,000	45,073	133,276			286,450	210,740	266,610		1,278,149
2025	333,800	45,073	135,750			293,850	210,940	218,485		1,237,898
2026	336,400	23,431	133,080			290,650	210,990	221,705		1,216,256
2027	333,600		134,825			292,250	210,890	224,520		1,196,085
2028	335,600		136,000			233,450	210,640	221,930		1,137,620
2029	332,200		137,025			236,650	210,240	224,085		1,140,200
2030	333,600					234,450	214,505	115,730		898,285
2031	334,600					237,050	213,265	117,370		902,285
2032	335,200					234,250	211,765	118,795		900,010
2033	335,400					236,250				571,650
2034	335,200					234,950				570,150
2035	334,600					233,500				568,100
2036	333,600					236,900				570,500
2037	337,200									337,200
2038	335,200									335,200
2039	332,800									332,800
	<u>\$ 8,521,000</u>	<u>\$ 416,350</u>	<u>\$ 1,600,784</u>	<u>\$ 136,650</u>	<u>\$ 292,680</u>	<u>\$ 5,303,450</u>	<u>\$ 3,240,063</u>	<u>\$ 3,869,817</u>	<u>\$ -</u>	<u>\$ 23,380,794</u>

Percent Amortized Within Ten Years	Building Authority	General Fund	MVH-Major	DDA*	LDFA	Electric	Wastewater	Water	Motor Pool Installation Purchase	Total
	52.88%	100.00%	82.94%	100.00%	100.00%	60.07%	67.27%	79.38%	N/A	64.65%

*Does not include parking structure lease payments

Legal Debt Margin:

Pursuant to the statutory and constitutional debt provisions, the following table reflects the amount of additional debt the City may legally incur as of June 30, 2016.

Debt Limit (1)		\$ 25,831,809
Debt Outstanding	\$ 23,380,794	
Less: Exempt Debt	<u>\$ 2,170,000</u>	<u>\$ 21,210,794</u>
Legal Debt Margin		<u>\$ 4,621,015</u>

(1) 10% of \$258,318,090 which is the City's Total SEV as of June 30, 2016 including the SEV of property granted tax abatement under Act 198.

**City of Marshall
Summary of Existing Debt - All Funds
(by Issue Date)**

Fiscal Year Ending June 30	ISSUE: 7 AUTH: Act 185 CUSIP: 129644 TYPE: Limited Tax PURPOSE: Water-34%, Sewer-66% DATED: June 25, 1996/Refunded 2006 CALLABLE: 5/1/08 @ 100 Refunded 7/20/2016 Fund 591/590				ISSUE: 9 AUTH: Act 185 CUSIP: 129644 TYPE: Limited Tax PURPOSE: Water DATED: November 3, 1997/Refunded 2008 CALLABLE: 5/1/08 @ 100 Fund 591				ISSUE: 34 AUTH: Act 94 CUSIP: 572444 TYPE: Revenue PURPOSE: Electric DATED: June 1, 1999 CALLABLE: 9/1/09 @ 100 Fund 582			
	PRINCIPAL (5/1)	RATE	INTEREST (5/1 & 11/1)	TOTAL	PRINCIPAL (5/1)	RATE	INTEREST (5/1 & 11/1)	TOTAL	PRINCIPAL (9/1)	RATE	INTEREST (3/1 & 9/1)	TOTAL
2018	\$220,000	2.00%	\$12,800	\$232,800	\$200,000	4.00%	\$16,000	\$216,000	\$90,000	2.00%	\$5,300	\$95,300
2019	\$215,000	2.00%	\$8,400	\$223,400	\$200,000	4.00%	\$8,000	\$208,000	\$90,000	2.00%	\$3,500	\$93,500
2020	\$205,000	2.00%	\$4,100	\$209,100					\$85,000	2.00%	\$1,700	\$86,700
2021												
2022												
2023												
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2036												
2037												
2038												
2039												
	<u>\$640,000</u>		<u>\$25,300</u>	<u>\$665,300</u>	<u>\$400,000</u>		<u>\$24,000</u>	<u>\$424,000</u>	<u>\$265,000</u>		<u>\$10,500</u>	<u>\$275,500</u>

**City of Marshall
Summary of Existing Debt - All Funds
(by Issue Date)**

Fiscal Year Ending June 30	ISSUE: 18 AUTH: Act 197 CUSIP: 572427 TYPE: DDA (LT) PURPOSE: Downtown Development DATED: June 1, 2002 CALLABLE: 6/1/12 @ 100 Fund 298				ISSUE: 20 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Hanover Water Main DATED: August 24, 2004 CALLABLE: 4/1/14 @ 100 Fund 591				ISSUE: 21 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Mulberry Water Main DATED: August 24, 2004 CALLABLE: 4/1/14 @ 100 Fund 591				ISSUE: 22 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Aquifer Study & Well DATED: August 24, 2004 CALLABLE: 4/1/14 @ 100 Fund 591			
	PRINCIPAL (6/1)	RATE	INTEREST (6/1 & 12/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL
2018	\$55,000	2.00%	\$1,100	\$56,100	\$15,000	2.00%	\$3,154	\$18,154	\$10,000	2.00%	\$2,103	\$12,103	\$5,000	2.00%	\$1,051	\$6,051
2019					\$15,000	2.00%	\$2,779	\$17,779	\$10,000	2.00%	\$1,852	\$11,852	\$5,000	2.00%	\$926	\$5,926
2020					\$15,000	2.00%	\$2,875	\$17,875	\$10,000	2.00%	\$1,917	\$11,917	\$5,000	2.00%	\$958	\$5,958
2021					\$15,000	3.00%	\$2,575	\$17,575	\$10,000	3.00%	\$1,717	\$11,717	\$5,000	3.00%	\$858	\$5,858
2022					\$15,000	3.00%	\$2,125	\$17,125	\$15,000	3.00%	\$1,417	\$16,417	\$5,000	3.00%	\$708	\$5,708
2023					\$20,000	4.00%	\$1,600	\$21,600	\$15,000	4.00%	\$1,067	\$16,067	\$10,000	4.00%	\$533	\$10,533
2024					\$20,000	4.00%	\$800	\$20,800	\$15,000	4.00%	\$533	\$15,533	\$10,000	4.00%	\$267	\$10,267
2025																
2026																
2027																
2028																
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2031																
2032																
2033																
2034																
2035																
2036																
2037																
2038																
2039																
	<u>\$55,000</u>		<u>\$1,100</u>	<u>\$56,100</u>	<u>\$115,000</u>		<u>\$15,908</u>	<u>\$130,908</u>	<u>\$85,000</u>		<u>\$10,606</u>	<u>\$95,606</u>	<u>\$45,000</u>		<u>\$5,301</u>	<u>\$50,301</u>

**City of Marshall
Summary of Existing Debt - All Funds
(by Issue Date)**

Fiscal Year Ending June 30	ISSUE: 25 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Downtown Alley Reconstruction DATED: August 24, 2004 CALLABLE: 4/1/14 @ 100% Fund 101				ISSUE: 26 AUTH: Act 31 CUSIP: 572435 TYPE: AUTH PURPOSE: Refunding Bonds, 2005 DATED: June 16, 2005 CALLABLE: 4/1/15 @ 100% Fund 369				ISSUE: 27 AUTH: Act 281 CUSIP: 572457 TYPE: LDFA (LT) PURPOSE: Local Development Bonds, 2005 DATED: August 16, 2005 CALLABLE: 4/1/15 @ 100% Fund 296				ISSUE: 28 AUTH: CUSIP: TYPE: Limited Tax - GO PURPOSE: Alley Project DATED: May 30, 2007 CALLABLE: Fund 582			
	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL
2018	\$15,000	2.00%	\$1,242	\$16,242	\$330,000	2.00%	\$22,400	\$352,400	\$90,000	4.20%	\$11,340	\$101,340	\$40,000	2.00%	\$15,000	\$55,000
2019	\$15,000	2.00%	\$1,093	\$16,093	\$345,000	2.00%	\$15,800	\$360,800	\$90,000	4.20%	\$7,560	\$97,560	\$40,000	2.00%	\$14,200	\$54,200
2020					\$445,000	2.00%	\$8,900	\$453,900	\$90,000	4.20%	\$3,780	\$93,780	\$45,000	2.00%	\$13,400	\$58,400
2021													\$45,000	3.00%	\$12,500	\$57,500
2022													\$45,000	3.00%	\$11,150	\$56,150
2023													\$45,000	4.00%	\$9,800	\$54,800
2024													\$45,000	4.00%	\$8,000	\$53,000
2025													\$50,000	4.00%	\$6,200	\$56,200
2026													\$50,000	4.00%	\$4,200	\$54,200
2027													\$55,000	4.00%	\$2,200	\$57,200
2028																
2029																
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2031																
2032																
2033																
2034																
2035																
2036																
2037																
2038																
2039																
	<u>\$30,000</u>		<u>\$2,335</u>	<u>\$32,335</u>	<u>\$1,120,000</u>		<u>\$47,100</u>	<u>\$1,167,100</u>	<u>\$270,000</u>		<u>\$22,680</u>	<u>\$292,680</u>	<u>\$460,000</u>		<u>\$96,650</u>	<u>\$556,650</u>

**City of Marshall
Summary of Existing Debt - All Funds
(by Issue Date)**

Fiscal Year Ending June 30	ISSUE: 29 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Water Main Improvements DATED: July, 2009 CALLABLE: 4/1/14 @ 100 Fund 591				ISSUE: 30 AUTH: CUSIP: 344 TYPE: Installment Purchase Agreement PURPOSE: Motor Pool Equipment DATED: November 10, 2011 CALLABLE: Matures 11-1-2016 Fund 661				ISSUE: 31 AUTH: CUSIP: 349 TYPE: Installment Purchase Agreement PURPOSE: Motor Pool Equipment DATED: November 28, 2011 CALLABLE: Matures 11-1-2016 Fund 661				ISSUE: 32 AUTH: Act 34 CUSIP: 572427 TYPE: DDA (LT) PURPOSE: DDA - Parking Lots DATED: September 5, 2012 CALLABLE: Fund 298			
	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL (11/1)	RATE	INTEREST (11/1)	TOTAL	PRINCIPAL (11/1)	RATE	INTEREST (11/1)	TOTAL	PRINCIPAL (6/1)	RATE	INTEREST (6/1 & 12/1)	TOTAL
2018	\$60,000	4.00%	46,000	\$106,000												
2019	\$60,000	4.00%	43,180	\$103,180								\$15,000	2.00%	\$1,950	\$16,950	
2020	\$65,000	4.00%	40,360	\$105,360								\$15,000	3.00%	\$1,575	\$16,575	
2021	\$70,000	4.00%	37,240	\$107,240								\$15,000	3.00%	\$1,125	\$16,125	
2022	\$70,000	4.00%	33,880	\$103,880								\$15,000	3.00%	\$675	\$15,675	
2023	\$75,000	4.00%	30,450	\$105,450								\$15,000	3.00%	\$225	\$15,225	
2024	\$75,000	4.00%	26,775	\$101,775												
2025	\$80,000	4.00%	22,950	\$102,950												
2026	\$85,000	4.00%	18,870	\$103,870												
2027	\$90,000	4.00%	14,535	\$104,535												
2028	\$95,000	4.00%	9,945	\$104,945												
2029	\$100,000	4.00%	5,100	\$105,100												
2030																
2031																
2032																
2033																
2034																
2035																
2036																
2037																
2038																
2039																
	<u>\$925,000</u>		<u>\$329,285</u>	<u>\$1,254,285</u>	<u>\$0</u>		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>			<u>\$75,000</u>		<u>\$5,550</u>	<u>\$80,550</u>	

**City of Marshall
Summary of Existing Debt - All Funds
(by Issue Date)**

**City of Marshall
Summary of Existing Debt - All Funds
(by Issue Date)**

Fiscal
Year
Ending
June 30

ISSUE: 32			
AUTH: Act 34			
CUSIP: 572427			
TYPE: Limited Tax			
PURPOSE: Sewer System Improvements			
DATED: September 5, 2012			
CALLABLE:			
Fund 590			
PRINCIPAL	RATE	INTEREST	TOTAL
(6/1)		(6/1 & 12/1)	
2018	\$20,000	2.00% \$66,140	\$86,140
2019	\$20,000	3.00% \$65,740	\$85,740
2020	\$20,000	3.00% \$65,140	\$85,140
2021	\$150,000	3.00% \$64,540	\$214,540
2022	\$155,000	3.00% \$60,040	\$215,040
2023	\$155,000	3.00% \$55,390	\$210,390
2024	\$160,000	3.00% \$50,740	\$210,740
2025	\$165,000	3.00% \$45,940	\$210,940
2026	\$170,000	3.00% \$40,990	\$210,990
2027	\$175,000	3.00% \$35,890	\$210,890
2028	\$180,000	3.00% \$30,640	\$210,640
2029	\$185,000	3.10% \$25,240	\$210,240
2030	\$195,000	3.20% \$19,505	\$214,505
2031	\$200,000	3.25% \$13,265	\$213,265
2032	\$205,000	3.30% \$6,765	\$211,765
2033			
2034			
2035			
2036			
2037			
2038			
2039			
\$2,155,000		\$645,965	\$2,800,965

ISSUE: 32			
AUTH: Act 34			
CUSIP: 572427			
TYPE: Limited Tax			
PURPOSE: Water System Improvements			
DATED: September 5, 2012			
CALLABLE:			
Fund 591			
PRINCIPAL	RATE	INTEREST	TOTAL
(6/1)		(6/1 & 12/1)	
2018	\$65,000	2.00% \$40,035	\$105,035
2019	\$65,000	3.00% \$38,735	\$103,735
2020	\$65,000	3.00% \$36,785	\$101,785
2021	\$65,000	3.00% \$34,835	\$99,835
2022	\$70,000	3.00% \$32,885	\$102,885
2023	\$85,000	3.00% \$30,785	\$115,785
2024	\$90,000	3.00% \$28,235	\$118,235
2025	\$90,000	3.00% \$25,535	\$115,535
2026	\$95,000	3.00% \$22,835	\$117,835
2027	\$100,000	3.00% \$19,985	\$119,985
2028	\$100,000	3.00% \$16,985	\$116,985
2029	\$105,000	3.10% \$13,985	\$118,985
2030	\$105,000	3.20% \$10,730	\$115,730
2031	\$110,000	3.25% \$7,370	\$117,370
2032	\$115,000	3.30% \$3,795	\$118,795
2033			
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2036			
2037			
2038			
2039			
\$330,000		\$363,515	\$1,688,515

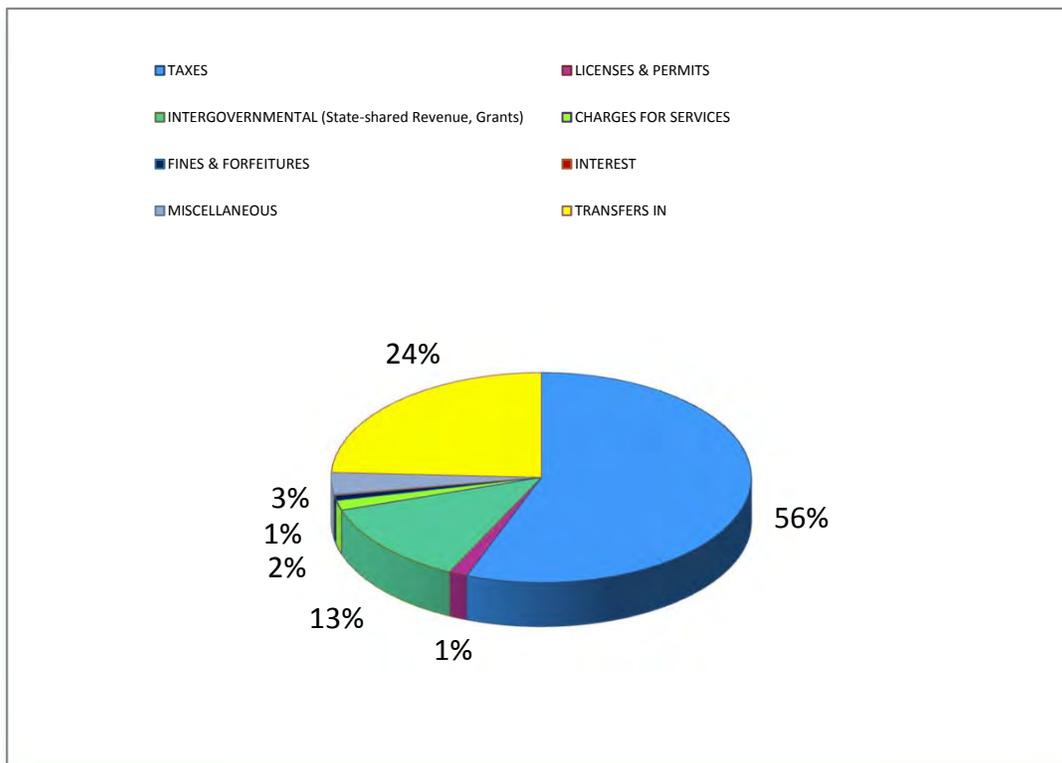
ISSUE: 33			
AUTH: Act 24			
CUSIP: 572427			
TYPE: MTF (LT)			
PURPOSE: Street Improvements			
DATED: May 1, 2013			
CALLABLE: 10/1/2022 @Par			
Fund 202			
PRINCIPAL	RATE	INTEREST	TOTAL
(4/1)		(4/1 & 10/1)	
2018	\$100,000	2.00% \$31,213	\$131,213
2019	\$105,000	2.00% \$29,163	\$134,163
2020	\$105,000	2.00% \$27,063	\$132,063
2021	\$105,000	2.00% \$24,963	\$129,963
2022	\$110,000	2.00% \$22,813	\$132,813
2023	\$110,000	2.00% \$20,613	\$130,613
2024	\$115,000	2.15% \$18,276	\$133,276
2025	\$120,000	2.15% \$15,750	\$135,750
2026	\$120,000	2.30% \$13,080	\$133,080
2027	\$125,000	3.00% \$9,825	\$134,825
2028	\$130,000	3.00% \$6,000	\$136,000
2029	\$135,000	3.00% \$2,025	\$137,025
2030			
2031			
2032			
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2036			
2037			
2038			
2039			
\$1,380,000		\$220,784	\$1,600,784

ISSUE: 34			
AUTH: Act 31			
CUSIP: 572435			
TYPE: General Obligation Limited Tax			
PURPOSE: Marshall Building Authority Bonds			
DATED: 12-Aug-14			
CALLABLE: 10/1/2024 @Par			
Fund 202			
PRINCIPAL	RATE	INTEREST	TOTAL
(4/1)		(4/1 & 10/1)	
2018	\$150,000	2.00% \$183,300	\$333,300
2019	\$155,000	2.00% \$180,300	\$335,300
2020	\$155,000	2.00% \$177,200	\$332,200
2021	\$160,000	3.00% \$172,550	\$332,550
2022	\$165,000	3.00% \$167,750	\$332,750
2023	\$170,000	3.00% \$162,800	\$332,800
2024	\$180,000	4.00% \$156,000	\$336,000
2025	\$185,000	4.00% \$148,800	\$333,800
2026	\$195,000	4.00% \$141,400	\$336,400
2027	\$200,000	4.00% \$133,600	\$333,600
2028	\$210,000	4.00% \$125,600	\$335,600
2029	\$215,000	4.00% \$117,200	\$332,200
2030	\$225,000	4.00% \$108,600	\$333,600
2031	\$235,000	4.00% \$99,600	\$334,600
2032	\$245,000	4.00% \$90,200	\$335,200
2033	\$255,000	4.00% \$80,400	\$335,400
2034	\$265,000	4.00% \$70,200	\$335,200
2035	\$275,000	4.00% \$59,600	\$334,600
2036	\$285,000	4.00% \$48,600	\$333,600
2037	\$300,000	4.00% \$37,200	\$337,200
2038	\$310,000	4.00% \$25,200	\$335,200
2039	\$320,000	4.00% \$12,800	\$332,800
\$4,855,000		\$2,498,900	\$7,353,900

Fiscal Year Ending June 30	ISSUE: 35				ISSUE: 36				Total Existing Debt		
	PRINCIPAL (11/1)	RATE	INTEREST (11/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL	INTEREST	TOTAL
	AUTH: N/A CUSIP: N/A TYPE: Installment Purchase Agreement PURPOSE: Fire Department Pumper DATED: July 9, 2015 CALLABLE: Matures 07-09-2025 Fund 661				AUTH: 36 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Brewer St. Substation DATED: July 20, 2016 CALLABLE: Fund 582						
2018	\$37,120	2.36%	\$7,953	\$45,073	\$125,000	2.00%	\$109,850	\$234,850	\$1,642,120	\$577,931	\$2,220,051
2019	\$38,001	2.36%	\$7,072	\$45,073	\$130,000	2.00%	\$107,350	\$237,350	\$1,613,001	\$537,225	\$2,150,226
2020	\$38,904	2.36%	\$6,169	\$45,073	\$130,000	2.00%	\$104,750	\$234,750	\$1,493,904	\$496,222	\$1,990,126
2021	\$39,813	2.36%	\$5,260	\$45,073	\$135,000	3.00%	\$102,150	\$237,150	\$814,813	\$459,863	\$1,274,676
2022	\$40,775	2.36%	\$4,298	\$45,073	\$135,000	3.00%	\$98,100	\$233,100	\$840,775	\$435,391	\$1,276,166
2023	\$41,744	2.36%	\$3,329	\$45,073	\$140,000	4.00%	\$94,050	\$234,050	\$866,744	\$410,417	\$1,277,161
2024	\$42,736	2.36%	\$2,337	\$45,073	\$145,000	4.00%	\$88,450	\$233,450	\$897,736	\$380,413	\$1,278,149
2025	\$43,747	2.36%	\$1,326	\$45,073	\$155,000	4.00%	\$82,650	\$237,650	\$888,747	\$349,151	\$1,237,898
2026	\$23,159	2.36%	\$272	\$23,431	\$160,000	4.00%	\$76,450	\$236,450	\$898,159	\$318,097	\$1,216,256
2027					\$165,000	4.00%	\$70,050	\$235,050	\$910,000	\$286,085	\$1,196,085
2028					\$170,000	4.00%	\$63,450	\$233,450	\$885,000	\$252,620	\$1,137,620
2029					\$180,000	4.00%	\$56,650	\$236,650	\$920,000	\$220,200	\$1,140,200
2030					\$185,000	4.00%	\$49,450	\$234,450	\$710,000	\$188,285	\$898,285
2031					\$195,000	4.00%	\$42,050	\$237,050	\$740,000	\$162,285	\$902,285
2032					\$200,000	4.00%	\$34,250	\$234,250	\$765,000	\$135,010	\$900,010
2033					\$210,000	3.00%	\$26,250	\$236,250	\$465,000	\$106,650	\$571,650
2034					\$215,000	3.00%	\$19,950	\$234,950	\$480,000	\$90,150	\$570,150
2035					\$220,000	3.00%	\$13,500	\$233,500	\$495,000	\$73,100	\$568,100
2036					\$230,000	3.00%	\$6,900	\$236,900	\$515,000	\$55,500	\$570,500
2037									\$300,000	\$37,200	\$337,200
2038									\$310,000	\$25,200	\$335,200
2039									\$320,000	\$12,800	\$332,800
	<u>\$345,999</u>		<u>\$38,016</u>	<u>\$384,015</u>	<u>\$3,225,000</u>		<u>\$1,246,300</u>	<u>\$4,471,300</u>	<u>\$17,770,999</u>	<u>\$5,609,795</u>	<u>\$23,380,794</u>

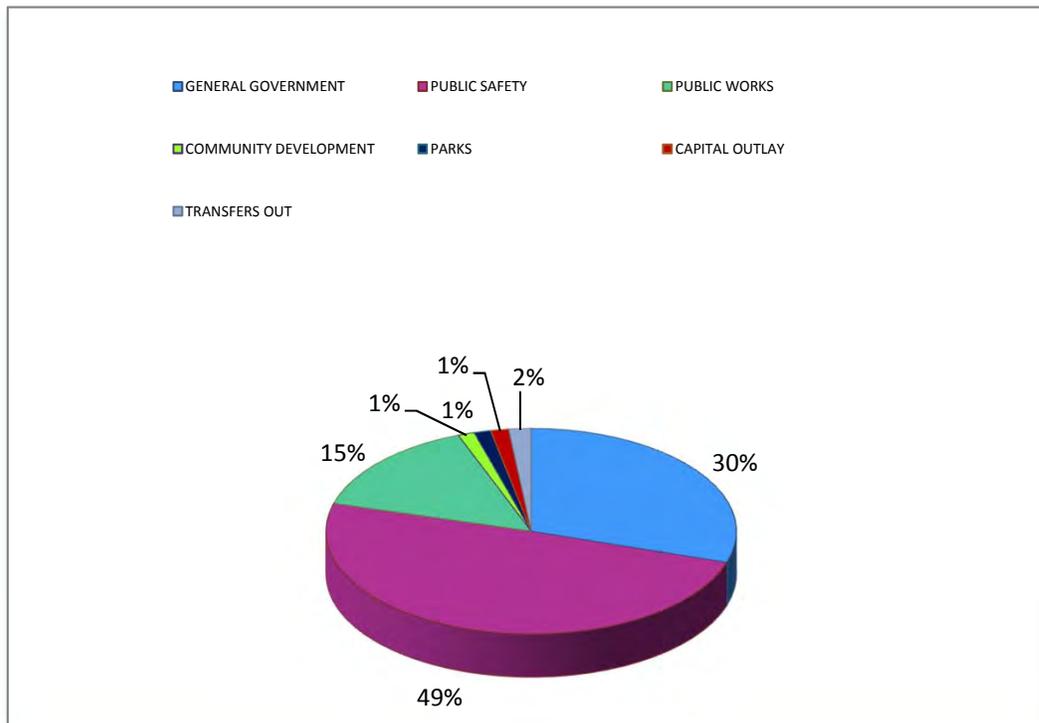
FY 2018 GENERAL FUND REVENUES

TAXES	\$ 3,576,491	56%
LICENSES & PERMITS	92,000	1%
INTERGOVERNMENTAL (State-shared Revenue, Grants)	816,136	13%
CHARGES FOR SERVICES	97,852	2%
FINES & FORFEITURES	50,300	1%
INTEREST	10,000	0%
MISCELLANEOUS	214,872	3%
TRANSFERS IN	1,556,080	24%
TOTAL REVENUES	\$ 6,413,731	100%



FY 2018 GENERAL FUND EXPENDITURES

GENERAL GOVERNMENT	\$ 1,917,908	30%
PUBLIC SAFETY	3,169,720	49%
PUBLIC WORKS	954,781	15%
COMMUNITY DEVELOPMENT	82,827	1%
PARKS	84,829	1%
CAPITAL OUTLAY	91,030	1%
TRANSFERS OUT	112,636	2%
TOTAL EXPENDITURES	\$ 6,413,731	100%



**City of Marshall
Summary of General Fund Debt**

Fiscal Year	ISSUE: 25 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Downtown Alley Reconstruction DATED: August 24, 2004 CALLABLE: 4/1/14 @ 100 Refunded July 20, 2016 Fund 101-441 Streets Dept.				ISSUE: 35 AUTH: CUSIP: N/A TYPE: Installment Purchase Agreement PURPOSE: Fire Department Pumper DATED: July 9, 2015 CALLABLE: Matures 07-09-2025 Fund 101				Total General Fund Debt		
	Ending June 30	PRINCIPAL (4/1)	RATE	INTEREST (4/1) & (10/1)	TOTAL	PRINCIPAL (11/1)	RATE	INTEREST (11/1)	TOTAL	PRINCIPAL	INTEREST
2018	\$15,000	2.00%	\$1,242	\$16,242	\$37,120	2.36%	\$7,953	\$45,073	\$52,120	\$9,195	\$61,315
2019	\$15,000	2.00%	\$1,093	\$16,093	\$38,001	2.36%	\$7,072	\$45,073	\$53,001	\$8,165	\$61,166
2020					\$39,813	2.36%	\$5,260	\$45,073	\$39,813	\$5,260	\$45,073
2021					\$40,775	2.36%	\$4,298	\$45,073	\$40,775	\$4,298	\$45,073
2022					\$41,744	2.36%	\$3,329	\$45,073	\$41,744	\$3,329	\$45,073
2023					\$42,736	2.36%	\$2,337	\$45,073	\$42,736	\$2,337	\$45,073
2024					\$43,747	2.36%	\$1,326	\$45,073	\$43,747	\$1,326	\$45,073
2025					\$23,159	2.36%	\$272	\$23,431	\$23,159	\$272	\$23,431
	<u>\$30,000</u>		<u>\$2,335</u>	<u>\$32,335</u>	<u>\$345,999</u>		<u>\$38,016</u>	<u>\$384,015</u>	<u>\$375,999</u>	<u>\$40,351</u>	<u>\$416,350</u>

General Fund Revenues

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	FY 2019 Proposed	% Change
Taxes						
Current Property Taxes	3,300,045	3,347,384	3,247,614	3,276,843	3,306,334	-2.1%
Property Taxes - Prior Years	(4,392)		375	375	375	
Tax Collection Fee	125,088	122,500	115,956	117,000	118,053	-4.5%
Delinquent Personal Property Taxes	6,267	6,000	7,366	6,000	6,000	0.0%
Local Comm Stabilization Share Tax	-	-	175,615	149,273	149,273	
Penalties & Interest on Taxes	27,445	27,000	27,000	27,000	27,000	0.0%
Total Taxes	3,454,453	3,502,884	3,573,926	3,576,491	3,607,035	2.1%
Licenses & Permits						
General (Bicycle, Amusement Device, Other)	65,186	65,000	65,000	90,000	90,000	38.5%
Building, Mechanical, Plumbing, Electrical, etc.	2,300	2,000	2,000	2,000	2,000	0.0%
Total Licenses & Permits	67,486	67,000	67,000	92,000	92,000	37.3%
Intergovernmental						
State Grant	3,936	-	-	-	-	
Federal Grants	3,009	-	2,540	-	-	
Local Units	143,469	140,000	127,835	145,000	145,000	3.6%
Liquor License Refund	8,433	8,500	8,500	8,500	8,500	0.0%
Sales Tax (Revenue Sharing)	647,700	662,636	662,636	662,636	662,636	0.0%
Total Intergovernmental	806,547	811,136	801,511	816,136	816,136	0.6%
Charges for Services						
Charges for Services - Fees	6,681	10,000	10,000	10,000	10,000	0.0%
Charges for Services-FOIA	99	100	-	-	-	-100.0%
Charges for Services-Planning and Zoning	3,437	2,500	500	500	500	-80.0%
Contract Revenue - Albion Assessing	47,466	49,000	45,650	45,852	46,769	-6.4%
Charges for Services-Police	1,964	3,000	1,500	1,500	1,500	-50.0%
Charges for Services - Sales	38,586	45,000	39,000	39,000	39,000	-13.3%
Charges for Services-Cemetery	600	1,000	1,000	1,000	1,000	0.0%
Total Charges for Services	98,833	110,600	97,650	97,852	98,769	-11.5%
Fines & Forfeits						
Civil Infractions	440	300	300	300	300	0.0%
District Court Ordinance Fines	52,440	50,000	50,000	50,000	50,000	0.0%
Total Fines & Forfeits	52,880	50,300	50,300	50,300	50,300	0.0%
Interest	10,246	6,500	10,000	10,000	10,000	53.8%
Miscellaneous						
Rents	48,270	45,000	45,000	45,000	45,000	0.0%
Miscellaneous	505,292	125,150	104,873	104,872	104,872	-16.2%
Cable Commissions	67,812	65,000	65,000	65,000	65,000	0.0%
Reimbursement	73,811	35,000	35,000	-	-	-100.0%
Sale of Fixed Assets	-	-	76,605	-	-	
Total Miscellaneous	695,185	270,150	326,478	214,872	214,872	-20.5%
Transfers In						
Contributions-DDA & LDFA	-	54,205	39,205	39,205	54,204	-27.7%
Contributions-Other Funds	1,104,600	1,735,219	1,735,219	1,516,875	1,476,857	
Total Transfers In	1,104,600	1,789,424	1,774,424	1,556,080	1,531,061	-13.0%
Total General Fund Only	6,290,230	6,607,994	6,701,289	6,413,731	6,420,173	-2.9%
Marshall Regional Law Enforcement	229,323	333,811	299,350	333,920	333,920	0.0%
Recreation	391,219	395,605	417,538	421,541	423,161	6.6%
Farmer's Market	26,973	22,959	23,625	27,625	27,625	20.3%
Composting	14,418	15,750	36,050	3,750	3,750	-76.2%
Airport	149,692	158,500	160,620	147,282	159,120	-7.1%
Total General Fund Revenues	7,101,855	7,534,619	7,638,472	7,347,849	7,367,749	-2.5%

General Fund Expenditures

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	FY 2019 Proposed	% Change
General Government						
City Council	3,275	4,108	3,705	3,507	3,510	-14.6%
City Manager	150,978	192,672	195,209	166,944	172,748	-10.3%
Assessor	154,053	164,111	159,336	159,439	164,264	0.1%
City Attorney	49,142	50,000	50,000	50,000	50,000	0.0%
Human Resources	64,612	86,254	89,993	82,654	86,011	-0.3%
Clerk	48,940	96,835	105,212	94,966	97,689	0.9%
Finance/Treasurer	246,208	532,053	517,880	496,382	513,261	-3.5%
City Hall	77,527	74,153	70,516	71,024	71,894	-3.0%
Chapel	-	1,400	1,400	900	900	-35.7%
Other City Property	26,938	30,000	29,300	29,300	29,300	-2.3%
Cemetery	204,896	133,728	180,804	179,292	182,733	36.6%
Non-Departmental	509,969	514,823	613,510	583,500	616,051	19.7%
Total General Government	1,536,538	1,880,137	2,016,865	1,917,908	1,988,361	5.8%
Public Safety						
Police	1,685,958	1,663,037	1,647,294	1,773,209	1,823,823	9.7%
Crossing Guards	10,668	14,224	11,691	11,791	11,792	-17.1%
Dispatch	109,967	112,000	112,000	112,500	112,500	0.4%
Fire	908,245	909,032	1,030,565	1,130,039	1,167,876	28.5%
Inspection/Code Enforcement	124,025	141,977	140,769	142,181	147,456	3.9%
Total Public Safety	2,838,863	2,840,270	2,942,319	3,169,720	3,263,447	14.9%
Public Works						
Streets	738,781	855,258	825,807	789,040	806,873	-5.7%
Engineering	44,378	54,581	46,166	36,310	36,997	-32.2%
PSB Operations	119,409	123,703	141,240	129,431	132,576	7.2%
Total Public Works	902,568	1,033,542	1,013,213	954,781	976,446	-5.5%
Community Development						
Community Development	0	0	0	0	0	
Planning & Zoning	119,356	109,818	89,610	82,827	85,156	-22.5%
Total Community Development	119,356	109,818	89,610	82,827	85,156	-22.5%
Parks						
Parks	102,575	152,712	116,403	84,829	85,250	-44.2%
Total Parks	102,575	152,712	116,403	84,829	85,250	-44.2%
Capital Outlay						
Capital Improvements	232,912	27,900	32,560	91,030	178,100	538.4%
Total Capital Outlay	232,912	27,900	32,560	91,030	178,100	538.4%
Transfers Out	1,253,602	668,446	611,480	112,636	125,478	-81.2%
Total General Fund Only	6,986,414	6,712,825	6,822,450	6,413,731	6,702,238	-0.2%
Marshall Regional Law Enforcement	201,207	212,836	319,635	306,112	308,308	44.9%
Recreation	423,512	418,854	414,636	423,109	433,151	3.4%
Farmer's Market	15,113	17,614	18,840	20,599	28,475	61.7%
Composting	44,704	65,056	88,695	31,937	32,077	-50.7%
Airport	143,485	160,467	182,080	147,282	146,306	-8.8%
Total General Fund Operating Expenditures	7,814,435	7,587,652	7,846,336	7,342,770	7,650,555	0.8%
Excess of Revenues Over (Under)						
Expenditures	(712,580)	(53,033)	(207,864)	5,079	(282,806)	

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	2017-18	2018-19
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	PROJECTED ACTIVITY	PROJECTED ACTIVITY
Fund 101 - General Fund						
Dept 000						
101-000-402.00	Current Property Taxes	3,300,045	3,347,384	3,247,614	3,276,843	3,306,334
101-000-404.00	Property Taxes - Prior Years	(4,392)		375	375	375
101-000-405.00	Tax Collection Fees	125,088	122,500	115,956	117,000	118,053
101-000-420.00	Delinquent Personal Prop Taxes	6,267	6,000	7,366	6,000	6,000
101-000-441.00	Local Comm Stabilization Share Tax			175,615	149,273	149,273
101-000-445.00	Penalties & Int. on Taxes	27,445	27,000	27,000	27,000	27,000
101-000-451.00	Licenses and Permits	2,300	2,000	2,000	2,000	2,000
101-000-451.01	Permits	65,186	65,000	65,000	90,000	90,000
101-000-452.00	Cable Commissions	67,812	65,000	65,000	65,000	65,000
101-000-505.00	Federal Grant	3,009		2,540	0	0
101-000-506.00	Federal Grant-Reimbursement				0	0
101-000-529.00	Federal Grants				0	0
101-000-540.00	State Grants	3,936			0	0
101-000-543.00	Liquor License Refund	8,433	8,500	8,500	8,500	8,500
101-000-574.00	State Shared Rev-Constitutiona	535,064	550,000	550,000	550,000	550,000
101-000-574.01	State Shared Rev-StatutoryEVIP	112,636	112,636	112,636	112,636	112,636
101-000-588.00	Contributions from Local Units - PSB	131,469	140,000	127,835	145,000	145,000
101-000-588.00	Contributions from Local Units - Compost	12,000			0	0
101-000-601.00	NSF Revenue	80	150	150	150	150
101-000-607.00	Charges for Services - Fees	6,681	10,000	10,000	10,000	10,000
101-000-607.01	Charges for Services - FOIA	99	100	0	0	0
101-000-607.02	Charges for Ser.-Plan & Zone	3,437	2,500	500	500	500
225-442-626.00	Charges for Services - Compost	0	0	0	0	0
101-000-627.06	CONTRACT REVENUE - ALBION	47,466	49,000	45,650	45,852	46,769
101-000-642.00	Charges for Services - Sales	38,586	45,000	39,000	39,000	39,000
101-000-642.01	Charges for Serv-Columbarium	600	1,000	1,000	1,000	1,000
101-000-658.00	Parking Violations	1,964	3,000	1,500	1,500	1,500
101-000-659.00	District Court - Ord. Fines	52,440	50,000	50,000	50,000	50,000
101-000-659.01	Civil Infractions	440	300	300	300	300
101-000-665.00	Interest	10,246	6,500	10,000	10,000	10,000
101-000-667.00	Rents	48,270	45,000	45,000	45,000	45,000
101-000-671.00	Miscellaneous Revenue - Firekeepers			91,030	91,030	91,030
101-000-671.00	Miscellaneous Revenue	104,723	125,000	13,693	13,693	13,693
101-000-675.00	Contrib. from Other Sources - School	73,811	35,000	35,000	0	0
101-000-675.00	Contrib. from Other Sources - DDA/LDFA		54,205	39,205	39,205	54,204
101-000-675.00	Contrib. from Other Sources - Compost County				0	0
101-000-693.00	Gain/Loss - Sale of Fixed Assets			76,605	0	0
101-000-694.00	Cash - over & short	489			0	0
101-000-698.00	Proceeds from Bonds/Notes	400,000			0	0
101-000-699.00	Transfers From Other Funds	1,104,600	1,735,219	1,735,219	1,516,875	1,476,857
101-000-699.16	Contributions - Marshall House				0	0
101-000-699.17	Contributions - Dart				0	0
101-000-699.30	Contributions - Admin Fees					
TOTAL REVENUE - GENERAL FUND		6,290,230	6,607,994	6,701,289	6,413,731	6,420,173

GENERAL FUND		FY 2016	FY 2017	FY 2017	FY 2018	FY 2019
		Actual	Budget	Forecast	Proposed	Proposed
Summary of Dept Totals						
Expenditures						
101-101	City Council - Expenditures:	3,275	4,108	3,705	3,507	3,510
101-172	City Manager - Expenditures:	150,978	192,672	195,209	166,944	172,748
101-209	Assessor - Expenditures:	154,053	164,111	159,336	159,439	164,264
101-210	City Attorney - Expenditures:	49,142	50,000	50,000	50,000	50,000
101-226	Human Resources - Expenditures:	64,612	86,254	89,993	82,654	86,011
101-250	Clerk - Expenditures:	48,940	96,835	105,212	94,966	97,689
101-260	Finance/Treasurer - Expenditures:	246,208	532,053	517,880	496,382	513,261
101-265	City Hall - Expenditures:	77,527	74,153	70,516	71,024	71,894
101-266	Chapel - Expenditures:	0	1,400	1,400	900	900
101-269	Other City Property - Expenditures:	26,938	30,000	29,300	29,300	29,300
101-276	Cemetery - Expenditures:	204,896	133,728	180,804	179,292	182,733
101-294	Non-Departmental - Expenditures:	509,969	514,823	613,510	583,500	616,051
101-301	Police - Expenditures:	1,685,958	1,663,037	1,647,294	1,773,209	1,823,823
101-316	Crossing Guards - Expenditures:	10,668	14,224	11,691	11,791	11,792
101-325	Dispatch - Expenditures:	109,967	112,000	112,000	112,500	112,500
101-336	Fire - Expenditures:	908,245	909,032	1,030,565	1,130,039	1,167,876
101-371	Inspections - Expenditures:	124,025	141,977	140,769	142,181	147,456
101-410	Planning & Zoning - Expenditures:	119,356	109,818	89,610	82,827	85,156
101-441	Streets - Expenditures:	738,781	855,258	825,807	789,040	806,873
101-447	Engineering - Expenditures:	44,378	54,581	46,166	36,310	36,997
101-540	PSB Operations - Expenditures:	119,409	123,703	141,240	129,431	132,576
101-729	Community Develop - Expenditures:	0	0	0	0	0
101-774	Parks - Expenditures:	102,575	152,712	116,403	84,829	85,250
101-900	Capital Improvement - Expenditures:	232,912	27,900	32,560	91,030	178,100
101-999	Transfers to Other Funds - Expenditures:	1,253,602	668,446	611,480	112,636	125,478
	General Fund Expenditures Total:	6,986,414	6,712,825	6,822,450	6,413,731	6,702,238
Excess of Revenues Over (Under) Expenditures						
		(1,107,813)	(695,622)	(1,004,751)	0	(282,065)

ALLOCATED POSITIONS: GENERAL FUND					
CITY MANAGER					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
City Manager	0.70	0.70	0.70	1.00	1.00
Asst. City Manager			0.50	0.10	0.00
Clerk	0.25	0.25	0.25	0.00	0.00
Total	0.95	0.95	1.45	1.10	1.00
ASSESSOR					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Assessor		1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Total	1.00	2.00	2.00	2.00	2.00
HUMAN RESOURCES					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Human Resources Coordinator	0.80	0.80	0.80	1.00	1.00
Total	0.80	0.80	0.80	1.00	1.00
CLERK					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Clerk	0.00	0.50	0.50	1.00	1.00
Total	0.00	0.50	0.50	1.00	1.00
FINANCE/TREASURER					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Finance Director	1.00	1.00	1.00	1.00	1.00
Treasurer	0.75	0.75	0.75	1.00	1.00
Purchasing Agent			1.00	1.00	1.00
Accountant-Utility Billing-Payroll-Accounts Payable	0.12	0.12	0.12	3.00	3.00
Receptionist/Cashier	0.25	0.25	0.25	1.00	0.00
Total	2.12	2.12	3.12	7.00	6.00
CITY HALL					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Facilities Manager	0.00	0.00	0.20	0.10	0.10
Total	0.00	0.00	0.20	0.10	0.10

CEMETERY					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
DPW Superintendent	0.10	0.25	0.25	0.25	0.25
Administrative Assistant	0.05	0.05	0.05	0.05	0.00
Receptionist	0.00	0.00	0.00	0.00	0.00
Equipment Operator	1.21	0.91	0.91	0.80	0.00
Total	1.36	1.21	1.21	1.10	0.25
POLICE					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Public Safety	0.50	0.50	0.50	0.50	0.50
Deputy Police Chief	0.00	1.00	1.00	1.00	1.00
Lieutenant	1.00	1.00	1.00	1.00	1.00
Sergeant	4.00	4.00	3.00	3.00	3.00
Patrolman	8.00	8.00	9.00	11.00	8.00
Total	13.50	14.50	14.50	16.50	13.50
FIRE					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Public Safety	0.50	0.50	0.50	0.50	0.50
Deputy Fire Chief	0.00	1.00	1.00	1.00	0.00
Assistant Chief	3.00	2.00	3.00	3.00	3.00
Lieutenant	4.00	4.00	3.00	4.00	4.00
Total	7.50	7.50	7.50	8.50	7.50
INSPECTION					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Community Services	0.35	0.35	0.35	0.25	0.00
Building Inspector	0.00	0.00	0.00	1.00	1.00
Receptionist	0.05	0.05	0.05	0.05	0.00
Total	0.40	0.40	0.40	1.30	1.00
PLANNING & ZONING					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Community Services	0.58	0.58	0.58	0.65	0.75
Building			1.00	0.00	0.00
Receptionist	0.10	0.10	0.05	0.05	0.00
Total	0.68	0.68	1.63	0.70	0.75

STREETS					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Public Services	0.20	0.20	0.25	0.35	0.35
DPW Superintendent	0.60	0.50	0.50	0.55	0.55
Facilities Manager			0.05	0.05	0.05
GIS Specialist			0.25	0.00	0.00
Receptionist	0.30	0.30	0.25	0.25	0.00
DPW Supervisor	1.00	0.76	0.76	0.80	0.00
Equipment Operator	4.10	5.64	5.64	6.20	7.00
Total	6.20	7.40	7.70	8.20	7.95
ENGINEERING					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Public Services	0.05	0.05	0.05	0.10	0.10
GIS Specialist				0.50	0.25
Receptionist	0.05	0.05	0.05	0.05	0.00
Total	0.10	0.10	0.10	0.65	0.35
PSB OPERATIONS					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
DPW Superintendent	0.10	0.05	0.05	0.00	0.00
Facilities Manager			0.20	0.20	0.20
Equipment Operator	0.01	0.01	0.01	0.00	0.00
Total	0.11	0.06	0.26	0.20	0.20
PARKS					
Job Description	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2017 FTE's
DPW Superintendent	0.05	0.05	0.05	0.05	0.05
Environmental Specialist				0.45	0.00
Equipment Operator	0.20	0.20	0.20	0.50	0.00
Total	0.25	0.25	0.25	1.00	0.05
TOTAL GENERAL FUND FTE's	34.96	37.97	41.11	50.35	42.65

CITY COUNCIL

The City Council is comprised of the Mayor and six Councilmembers. Five of the Councilmembers are nominated from their Ward and the sixth member is from At-Large. Councilmembers are elected for four year terms. The Mayor is elected every two years. The current members of the City Council are:

- Mayor Jack Reed
- Councilmember At Large Joe Caron
- Councilmember First Ward Kari Schurig
- Councilmember Second Ward Nick Metzger
- Councilmember Third Ward Brent Williams
- Councilmember Fourth Ward Michael McNeil
- Councilmember Fifth Ward Robert Costa

The Mayor receives an annual salary of \$500 and the Councilmembers receive a \$300 annual salary. The Council's responsibilities and powers are described in the City Charter.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	1	2
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 101-City Council						
101-101-703.00	Part-time Salaries	2,300	2,300	2,300	2,300	2,300
101-101-715.00	Social Security	176	176	176	176	176
101-101-721.00	Workers Compensation		32	124	124	124
101-101-740.00	Operating Supplies	120	200	120	122	125
101-101-810.00	Dues & Memberships	285	400	285	285	285
101-101-860.00	Transportation & Travel	94	500	400	375	375
101-101-958.00	Education & Training	300	500	300	125	125
APPROPRIATIONS - 101-City Council		(3,275)	(4,108)	(3,705)	(3,507)	(3,510)

CITY MANAGER

The City Manager is the Chief Administrative Officer of the City. The Manager is appointed by and responsible to the City Council for the administration of all affairs delegated to the Manager by the City Charter and Council. The Manager serves for indefinite term by a two-thirds vote of the entire Council. Tom Tarkiewicz assumed the duties of City Manager on March 13, 2009.

The major responsibilities of the City Manager include:

- Providing recommendations to the City Council concerning policy making.
- Directs the five City Directors to assure the policies of the City Council and the provisions of the City Charter are executed.
- Recommend and implement the goals established by the City Council.
- Implementation of the City budget and capital improvement program.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	1	2
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 172-City Manager						
101-172-702.00	Payroll	99,584	124,335	124,320	115,845	118,162
101-172-702.01	Other Fringe Benefits-taxable	1,435	1,500	1,620	0	0
101-172-715.00	Social Security	7,562	9,627	9,640	8,862	9,039
101-172-716.00	Hospitalization	17,011	16,271	16,900	17,745	19,165
101-172-717.00	Life Insurance	835	1,175	461	411	411
101-172-718.00	Retirement	15,611	31,090	34,100	16,165	18,042
101-172-720.00	Unemployment				0	0
101-172-721.00	Workers Compensation	306	373	392	392	392
101-172-727.00	Office Supplies	51	150	75	77	78
101-172-810.00	Dues & Memberships	2,149	1,200	1,200	1,270	1,270
101-172-850.00	Communications	707	744	744	0	0
101-172-860.00	Transportation & Travel	899	600	600	600	612
101-172-941.00	Motor Pool Equip Rental	2,015	2,300	2,000	2,000	2,000
101-172-941.01	Data Processing	2,254	2,557	2,557	3,457	3,457
101-172-958.00	Education & Training	559	750	600	120	120
APPROPRIATIONS - 172-City Manager		(150,978)	(192,672)	(195,209)	(166,944)	(172,748)

ASSESSOR

The Assessing Department, composed of an Assessor and an Assistant Assessor, is responsible for the assessment of all real and personal property within the City for the equitable distribution of the property tax burden. The department must adhere to, and fulfill, the requirements given by the State Tax Commission and State Assessor's Board.

The Assessing Department provides information to and educates people such as homeowners, taxpayers, developers, title insurance companies, lenders, lawyers, and realtors. Office functions include assessment roll preparation, maintenance of legal descriptions and documents, coordinating and conducting Boards of Review, maintaining tax parcel maps through GIS, and sales and market studies.

On top of their many daily duties, the department has an annual goal of physically visiting 20% of all classes of properties located within the City. These on-site inspections will help provide: more up-to-date information on each parcel's record card, distinct ECF Neighborhood boundaries, and land value analysis. Compiled, fieldwork of this nature will strengthen the department's efforts to maintain accurate assessments representative of the condition of properties and the market.

Council Goals: Enhance quality of housing by assuring accurate and timely valuations and assessments. Assure that valuations are accurate to assist in further economic development activities.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	1	2
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 209-City Assessor						
101-209-702.00	Payroll	81,363	95,000	90,000	90,000	91,800
101-209-703.00	Part-time Salaries	2,685	5,300	0	0	0
101-209-704.00	Overtime Salaries	108	500	0	0	0
101-209-715.00	Social Security	5,960	7,712	6,885	6,885	7,023
101-209-716.00	Hospitalization	31,180	24,286	30,880	31,945	34,501
101-209-717.00	Life Insurance	281	296	155	172	172
101-209-718.00	Retirement	13,924	8,035	9,000	9,000	9,180
101-209-720.00	Unemployment				0	0
101-209-721.00	Workers Compensation	272	32	362	362	362
101-209-727.00	Office Supplies	1,483	750	1,450	1,479	1,509
101-209-740.00	Operating Supplies	378	1,000	500	500	500
101-209-801.00	Professional Services				0	0
101-209-810.00	Dues & Memberships	475	500	500	400	400
101-209-820.00	Contracted Services	5,365	7,500	6,000	6,120	6,242
101-209-850.00	Communications	1,635	1,000	1,604	975	975
101-209-860.00	Transportation & Travel	2,805	1,000	2,200	2,200	2,200
101-209-901.00	Advertising	426				0
101-209-941.00	Motor Pool Equip Rental	325	3,000	1,500	1,500	1,500
101-209-941.01	Data Processing	5,135	5,200	5,200	6,111	6,111
101-209-958.00	Education & Training	253	3,000	3,100	1,790	1,790
APPROPRIATIONS - 209-City Assessor		(154,053)	(164,111)	(159,336)	(159,439)	(164,264)

CITY ATTORNEY

The City Attorney is appointed in May following each regular City election by the City Council for a two year term. James Dyer has served as the City Attorney since 2016. The City Attorney is assisted by other counsel, John Brundage and John Sullivan. Labor Attorney Doug Callander of Miller-Canfield is consulted on labor issues.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	1	2
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY

Dept 210-City Attorney						
101-210-801.00	Professional Services	49,142	50,000	50,000	50,000	50,000
APPROPRIATIONS - 210-City Attorney		(49,142)	(50,000)	(50,000)	(50,000)	(50,000)

HUMAN RESOURCES

It is the mission of the Human Resources Department to service the overall personnel needs of the City by hiring and retaining qualified personnel to assist with the implementation of City Council's Strategic Goals. This includes administering personnel policies, ensuring the City is in compliance with State and Federal laws, marketing of vacant positions, approval for Family/Medical Leave, administering CDL compliance, and monitoring the employee benefits package.

The Human Resources Coordinator is responsible for most of the HR related duties. Labor negotiations, a large component of the human resources, is handled directly by the City Manager, with the Human Resources Coordinator assisting as staff support for record keeping, conducting surveys, and statistical analysis.

Directors and Department Heads, with support from the Human Resources Coordinator, take a very active role in managing the day-to-day HR functions of their respective Departments. This team approach to personnel management works well.

The City offers its employees a market competitive wage and a solid benefit package including health, dental and optical insurance, paid vacation, paid sick leave, twelve paid holidays, and a retirement plan through the Municipal Employees' Retirement System. Optional items include short and long term disability insurance and a 457 investment plan. Depending on the employee's work responsibilities, full uniforms may be furnished.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	1	2
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
101-226-702.00	Payroll	37,628	47,441	47,615	47,615	48,567
101-226-702.01	Other Fringe Benefits-taxable	1,200	1,500	1,500	0	0
101-226-715.00	Social Security	2,625	3,744	3,760	3,643	3,715
101-226-716.00	Hospitalization	12,708	15,153	18,870	19,455	21,011
101-226-717.00	Life Insurance	162	219	115	127	127
101-226-718.00	Retirement	6,009	11,863	13,015	6,620	7,389
101-226-721.00	Workers Compensation	129	16	185	185	185
101-226-727.00	Office Supplies	564	300	300	306	312
101-226-740.00	Operating Supplies	72	250	50	51	52
101-226-801.00	Professional Services	194	1,200	500	500	500
101-226-810.00	Dues & Memberships	100	100	100	100	100
101-226-820.00	Contracted Services	70	0	15	15	16
101-226-850.00	Communications	707	744	744	0	0
101-226-860.00	Transportation & Travel		250	100	100	100
101-226-901.00	Advertising	474	1,000	1,000	1,000	1,000
101-226-941.00	Motor Pool Equip Rental		100	0	0	0
101-226-941.01	Data Processing	1,757	1,874	1,874	2,687	2,687
101-226-958.00	Education & Training	213	500	250	250	250
APPROPRIATIONS - 226-Human Resources		(64,612)	(86,254)	(89,993)	(82,654)	(86,011)

CITY CLERK

The City Clerk, in accordance with Section 2.10 of the Marshall City Charter, is appointed by the Mayor and subject to confirmation of two-thirds of the council. The appointment is made at the first regular Council meeting of May, following the regular City election, for a two-year term beginning June 1. Trisha Nelson was appointed as City Clerk on December 3, 2012.

The Clerk's office participates in almost every aspect of communication for and by the City. This includes Council minutes, notice for Council public hearings and other various boards, administering oaths, ordinance review/codification, and signing of official bonds, contracts or agreements. The Clerk also acts as custodian of all official papers, documents and records pertaining to the City of Marshall. The department also maintains the voter registrations files and conducts all city, county, state, and federal elections.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 250-Clerk						
101-250-702.00	Payroll	22,814	45,498	45,670	45,670	46,583
101-250-702.01	Other Fringe Benefits-taxable	550	1,300	1,200	0	0
101-250-703.00	Part-time Salaries				3,000	3,000
101-250-715.00	Social Security	1,689	3,580	3,586	3,494	3,564
101-250-716.00	Hospitalization	8,510	15,153	18,610	19,455	21,011
101-250-717.00	Life Insurance	100	210	110	125	125
101-250-718.00	Retirement	4,059	11,376	12,904	6,350	7,087
101-250-721.00	Workers Compensation	134	16	180	180	180
101-250-727.00	Office Supplies	125	300	300	306	312
101-250-801.00	Professional Services	291	300	300	3,000	300
101-250-810.00	Dues & Memberships	240	240	240	245	245
101-250-820.00	Contracted Services	994	994	994	1,394	1,422
101-250-830.00	Elections	3,222	8,000	13,100	3,000	5,000
101-250-850.00	Communications	707	744	744	0	0
101-250-860.00	Transportation & Travel		250	150	150	150
101-250-901.00	Advertising	4,407	7,000	5,500	5,610	5,722
101-250-941.01	Data Processing	1,098	1,374	1,374	2,687	2,687
101-250-958.00	Education & Training		500	250	300	300
APPROPRIATIONS - 250-Clerk		(48,940)	(96,835)	(105,212)	(94,966)	(97,689)

FINANCE - TREASURER

The Finance Department is responsible for all tax collection, cash receipting, utility billing, budgeting, payments, payroll, assessing, purchasing and all other financial transactions involving City funds.

TREASURER

The City Treasurer is appointed by the City Manager pursuant to Section 2.10 of the Marshall City Charter. The current City Treasurer, William Dopp, was appointed by council and began employment on April 4, 2016. The Treasurer serves as general accountant for the City and is responsible for all of the accounting, audit preparation, and the accounting of all fixed assets. Treasurer is also responsible for the cash receipting of all revenue of the City, depositing such funds, and reconciling all bank accounts.

The City Treasurer is responsible for creating the summer and winter tax rolls, printing and mailing tax bills, collection of all tax revenue, distribution of tax revenue to other taxing jurisdictions, and turning over to the County Treasurer all delinquent real property taxes for collection. In 2016, over 7000 tax bills were printed and mailed to taxpayers totaling \$12,233,291.

Council Goals: To assure accurate, fair and timely tax collections to support City operations and assure support for economic development activities.

PURCHASING

The purchasing function involves the procurement of materials, supplies, equipment, and services at the lowest possible cost consistent with the quality needed to meet the required standards. In an effort to create uniformity and cost savings, the City is continuing to reorganize from de-centralized purchasing to centralized purchasing. A purchasing policy has been developed based off of the City Ordinance and Charter to outline methods for executing purchases, define authority, and establish guidelines for the City. A purchasing website has been created to feature current proposals out for bid as well as a place for prospective vendors to register with the City.

Council Goals: To support City operations in providing quality goods and services in a timely manner at the most competitive prices. This effort will assure that the City will have the necessary material to support the Council's goals and activities.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 260-Treasurer						
101-260-702.00	Payroll	137,594	300,345	285,675	275,985	281,505
101-260-702.01	Other Fringe Benefits-taxable	2,060	2,900	2,900	0	0
101-260-703.00	Part-time Salaries				0	0
101-260-704.00	Overtime Salaries				0	0
101-260-715.00	Social Security	10,369	23,199	22,076	21,113	21,535
101-260-716.00	Hospitalization	22,236	98,293	105,500	105,595	114,043
101-260-717.00	Life Insurance	334	860	447	476	476
101-260-718.00	Retirement - DB	16,354	45,436	36,500	15,940	17,791
101-260-718.00	Retirement - DC			16,176	16,176	16,500
101-260-720.00	Unemployment				0	0
101-260-721.00	Workers Compensation	865	134	595	595	595
101-260-727.00	Office Supplies	10,334	10,000	7,000	7,140	7,283
101-260-727.02	Postage and Shipping	14,221	8,000	8,000	8,000	8,000
101-260-740.00	Operating Supplies	280	500	300	306	312
101-260-755.00	Miscellaneous Supplies	34			0	0
101-260-801.00	Professional Services	7,772	18,000	7,400	7,548	7,699
101-260-803.00	Service Fee	20			0	0
101-260-810.00	Dues & Memberships	1,171	1,000	500	500	500
101-260-820.00	Contracted Services	12	1,500	750	765	780
101-260-850.00	Communications	10,601	7,000	11,000	10,256	10,256
101-260-860.00	Transportation & Travel	1,196	1,500	500	500	500
101-260-901.00	Advertising	271	500	275	275	275
101-260-930.00	Equipment Maintenance	125	250	150	150	150
101-260-941.00	Motor Pool Equip Rental	432	250	250	250	250
101-260-941.01	Data Processing	7,556	9,386	9,386	22,312	22,312
101-260-958.00	Education & Training	2,371	3,000	2,500	2,500	2,500
APPROPRIATIONS - 260-Treasurer		(246,208)	(532,053)	(517,880)	(496,382)	(513,261)

CITY HALL

City Hall maintenance operations are under the general direction of the Facility Manager with oversight of the Director of Public Services. The grounds are maintained by the Facility Manager and DPW Seasonal staff.

In 2016, the previous fire command offices were renovated and the City's Assessing Department moved to the first floor. Several areas of immediate concern with the buildings stone façade were addressed and repaired during the year. In the fall of 2016 we were informed that City Hall was the recipient of a Consumer's Energy Historical Grant to replace and upgrade all the water heaters, furnaces and boiler in the building with new 95% efficient units at no cost to the city. This work was completed in December 2016.

In 2017, we anticipate finishing the required tuck pointing of the building's façade and, as monies allow, repairing the foundation of the bell in front of City Hall.

Maintaining this historic structure is in line with the City's Vision by focusing on an improved Infrastructure. This will preserve, rehabilitate and expand the city infrastructure and assets. It is the administration's continued intent to maintain this historic building at a level of preservation that will allow it to be functional for many years to come.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 265-City Hall						
101-265-702.00	Payroll	2,783	3,713	3,732	3,732	3,807
101-265-703.00	Part-time Salaries	14,768	13,228	14,985	14,985	14,985
101-265-704.00	Overtime Salaries	410			0	0
101-265-715.00	Social Security	1,368	1,525	1,435	1,432	1,438
101-265-716.00	Hospitalization	393	1,361	603	626	676
101-265-717.00	Life Insurance	4	7	4	4	4
101-265-718.00	Retirement -DC	275	336	374	374	381
101-265-720.00	Unemployment				0	0
101-265-721.00	Workers Compensation		198	142	142	142
101-265-776.00	Building Maintenance Supplies	4,832	4,000	4,000	4,080	4,162
101-265-820.00	Contracted Services	7,462	4,600	4,600	11,510	11,740
101-265-825.00	Insurance			5,006	5,006	5,006
101-265-850.00	Communications	29			0	0
101-265-921.00	Utilities - Gas	3,447	8,500	4,000	3,000	3,060
101-265-922.00	Utilities-Elec, Water, Sewer	16,616	20,000	16,000	16,000	16,320
101-265-930.00	Equipment Maintenance	1,485	4,000	2,000	2,000	2,040
101-265-931.00	Maintenance of Building	18,744	9,000	9,000	5,000	5,000
101-265-941.00	Motor Pool Equip Rental	824	200	1,150	1,150	1,150
101-265-941.01	Data Processing	4,087	3,485	3,485	1,983	1,983
APPROPRIATIONS - 265-City Hall		(77,527)	(74,153)	(70,516)	(71,024)	(71,894)

CHAPEL BUILDING

The Chapel Building is a beautiful and historic structure located on Homer Road in front of Oakridge Cemetery. In 1993, the building was remodeled to house the Utilities Director and Public Works Superintendent. In 2000, the Assessing Department relocated to the building when the Utilities Director moved to the new Public Services Building. In 2005, the building became vacant until 2013 when the Marshall Community Foundation and the Marshall United Way established their offices in the building. The budget has minimal expenses related to maintenance costs and the City's Facilities Manager oversees minor maintenance activities at the building.

Maintaining this historic structure is in line with the City's Vision by focusing on an improved Infrastructure. This will preserve, rehabilitate and expand the city infrastructure and assets.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY

Dept 266-Chapel						
101-266-820.00	Contracted Services		500	400	190	190
101-266-825.00	Insurance			310	310	310
101-266-931.00	Maintenance of Building		900	690	400	400

APPROPRIATIONS - 266-Chapel		0	(1,400)	(1,400)	(900)	(900)

OTHER CITY PROPERTY

Over the years, the City has acquired various parcels of property outside of the City of Marshall city limits. The property taxes for these parcels, as well as other City property, are paid out of this department.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY

Dept 269-Other City Property						
101-269-811.00	Taxes	26,750	30,000	29,300	29,300	29,300
101-266-931.00	Maintenance of Building	188				

APPROPRIATIONS - 269-Other City Property		(26,938)	(30,000)	(29,300)	(29,300)	(29,300)

CEMETERY

Originally developed in 1839 the Oakridge Cemetery property is 65 acres in size and composed of four developed sections. Oakridge Cemetery has approximately 11,000 burials and is one of the oldest operating cemeteries in Michigan. Oakridge Cemetery is linked to the Underground Railroad through the Crosswhite Family interred in the New Ground Section of the Cemetery. The Marshall Library has information regarding the Crosswhites.

The FY 2018 annual expense budget of \$180,000 allows the City to operate and maintain Oakridge Cemetery at a level that reflects the communities pride and expected level of care for its historic cemetery.

The Department of Public Works (DPW) is responsible for cemetery maintenance. During times of increased work load the full time staff is augmented by four seasonal workers.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 276-Cemetery						
101-276-702.00	Payroll - Non Union	25,953	26,053	24,670	16,421	16,749
101-276-702.00	Payroll - Union					0
101-276-702.01	Other Fringe Benefits-taxable	1,639	1,265	750	1,140	1,140
101-276-702.41	Payroll - Mowing/Trimming	9,899		1,265	9,000	9,180
101-276-702.51	Payroll - Open/Close Grave	11,946		11,000	11,000	11,220
101-276-702.52	Payroll - Decorations	992		1,300	1,300	1,326
101-276-702.53	Payroll - Foundations	9,341		9,200	9,200	9,384
101-276-703.00	Part-time Salaries	38,438	40,000	40,000	47,650	48,603
101-276-704.00	Overtime Salaries	746	1,791	800	800	800
101-276-704.41	Overtime - Mowing/Trimming	64		150	150	150
101-276-704.51	Overtime - Open/Close Grave	3,663		3,500	3,500	3,500
101-276-704.52	Overtime - Decorations	16			0	0
101-276-704.53	Overtime - Foundations				0	0
101-276-715.00	Social Security	7,491	5,697	7,090	7,662	7,807
101-276-716.00	Hospitalization	20,487	3,518	17,575	360	389
101-276-717.00	Life Insurance	263	89	95	33	33
101-276-718.00	Retirement - DB	10,540	6,286	6,930	9,060	10,112
101-276-718.00	Retirement - DC				1,737	1,772
101-276-720.00	Unemployment	601			0	0
101-276-721.00	Workers Compensation	1,890	826	486	491	496
101-276-740.00	Operating Supplies	8,189	6,500	6,500	7,500	7,650
101-276-741.00	Uniforms	375	250	300	300	300
101-276-760.00	Medical Services	92	200	100	100	100
101-276-761.00	Safety Supplies		150	0	150	150
101-276-775.00	Repair & Maintenance Supplies	675	2,000	700	2,000	2,040
101-276-777.00	MINOR TOOLS AND EQUIPMENT	722	800	800	800	800
101-276-820.00	Contracted Services	3,729	3,500	3,500	4,500	4,590
101-276-825.00	Insurance			340	340	340
101-276-901.00	Advertising	241	400	100	300	300
101-276-922.00	Utilities-Elec, Water, Sewer	160	200	200	200	204
101-276-930.00	Equipment Maintenance		250	0	250	250
101-276-941.00	Motor Pool Equip Rental	45,953	33,000	42,500	42,500	42,500
101-276-941.01	Data Processing	791	953	953	848	848
APPROPRIATIONS - 276-Cemetery		(204,896)	(133,728)	(180,804)	(179,292)	(182,733)

NON-DEPARTMENTAL

Non-departmental expenses do not fit into any specific department.

Many projects supported by the City are included in this area: our general membership fees for the Michigan Municipal League, (MML) and MML Defense Fund, property and liability insurance, retiree healthcare, and bond payments transferred to the Building Authority Debt Fund. In addition, there is a modest amount included for unanticipated costs.

Transfers to other funds is the General Fund's contribution to the Airport Fund.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	2017-18	2018-19
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	PROJECTED ACTIVITY	PROJECTED ACTIVITY
Dept 294-Non-Departmental						
101-294-718.00	Retirement				153,571	171,401
101-294-718.01	Retiree Health Insurance	319,355	364,208	364,208	382,418	413,012
101-294-719.00	Hospitalization - Prescription	54	100	0	0	0
101-294-740.00	Operating Supplies	486			0	0
101-294-755.00	Miscellaneous Supplies	10,175	12,000	11,000	11,220	11,444
101-294-801.00	Professional Services	8,470	10,000	8,000	8,000	8,000
101-294-803.00	Service Fee	104	100	100	100	100
101-294-804.00	BANK FEES	1,203	1,000	1,300	1,300	1,300
101-294-805.00	Administrative Costs	2,750	1,000	3,000	3,000	3,000
101-294-810.00	Dues & Memberships	6,145	5,300	6,200	6,200	6,200
101-294-820.00	Contracted Services	44,137	40,000	44,000	14,000	14,000
101-294-825.00	Insurance	80,459	71,780	46,000	46,920	47,858
101-294-850.00	Communications	31,411		46,167	47,090	48,032
101-294-964.00	Refund or Rebates	5,220	5,000	66,600	5,000	5,000
101-294-969.00	Contingency			0	42,010	42,010
101-294-990.00	Debt Service - 2004 GOLT			15,000	15,000	15,000
101-294-995.00	Bond Interest Paid - 2004 GOLT		4,335	1,935	1,241	1,094
101-294-999.00	Debt Service - 2005 Build Auth	15,000	15,000	30,500	33,000	34,500
101-294-999.00	Bond Interest Paid - 2005 Build Auth	2,700		1,987	2,240	1,580
101-294-999.00	Transfers to Other Funds - Bld Auth. 2014		150,000	150,000	12,257	12,666
101-294-999.00	Transfers to Other Funds - Bld Auth. 2014	1,235,902	186,300	186,300	14,978	14,733
101-294-999.00	Transfers to Other Funds - Airport		63,000	63,000	50,162	62,000
101-294-999.00	Transfers to Other Funds - MRLEC		125,667	110,500		
101-294-999.00	Transfers to Other Funds - Fountain Repair			5,700	0	0
101-294-999.00	Transfers to Other Funds - US Bond Payment		35,294			
101-294-999.00	Transfers to Other Funds - Brooks Nature		5,000	0		
101-294-999.00	Transfers to Other Funds - DART		88,185	63,493	0	
APPROPRIATIONS - 294-Non-departmental		(1,763,571)	(1,183,269)	(1,224,990)	(696,137)	(741,530)

POLICE DEPARTMENT

The Police Department is made up of 13 full time sworn police officers, one motor carrier officer, one part time officer and one part time clerical staff. The department is responsible for maintaining police coverage 24 hours a day, seven days a week. We are currently working 80 hours scheduled over a two week pay period.

The Marshall Police Department is actively engaged in meeting Goal II of the adopted goals for the City. We are working to maintain a safe environment while working towards a diverse community. Our officers are responsible for patrol activities, traffic enforcement, responding to calls for service and to protect life and property. One of the most proactive ways to achieve these goals is to provide adequate training in high liability areas.

This budget considers all personnel wages, benefits, training, uniforms, equipment purchases and maintenance, operating supplies and data processing costs. As you look at the budget, approximately 90% of the total budget expenditures are for personnel wages and benefits. The other 10% is for operations, training and equipment purchases. This budget was developed to ensure that the Police Department is being fiscally responsible to meet the needs of the community and to maintain the equipment for optimal use.

As the agency moves forward we will be able to adapt to changes in crime trends, needs of the community and community interactions to provide the very best service. It is the responsibility and requirement for every officer to treat each individual with respect and provide the very best service to determine the most appropriate outcome.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	2017-18	2018-19
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	PROJECTED ACTIVITY	PROJECTED ACTIVITY
Dept 301-Police						
101-301-702.00	Payroll - Non Union	870,080	929,155	872,000	113,196	115,460
101-301-702.01	Payroll - Union				696,275	710,201
101-301-702.01	Other Fringe Benefits-taxable	19,281	22,329	19,626	2,511	2,752
101-301-703.00	Part-time Salaries	74,644	72,755	60,500	18,200	18,200
101-301-704.00	Overtime Salaries	19,325	65,466	65,466	68,000	68,000
101-301-704.70	Overtime - Worked Over/Late Complaint	6,573			0	0
101-301-704.71	Overtime - Cover for Sick Time	15,494			0	0
101-301-704.72	Overtime - Posted Patrol	27,911			0	0
101-301-704.73	Overtime - Traffic Grant	2,791			0	0
101-301-704.74	Overtime - Court/Informal Hearing	3,810			0	0
101-301-704.75	Overtime - Training	10,036			0	0
101-301-704.76	Overtime - Special Event Coverage	6,892			0	0
101-301-704.77	Overtime - Called in for Major Crime	2,295			0	0
101-301-715.00	Social Security	19,832	15,801	18,000	14,155	12,398
101-301-716.00	Hospitalization	258,668	233,511	268,000	261,880	282,830
101-301-717.00	Life Insurance	3,217	3,602	1,750	1,830	1,830
101-301-718.00	Retirement	124,367	100,518	126,350	108,710	121,755
101-301-718.01	Retirement - Dispatch			1,740	1,780	1,987
101-301-720.00	Unemployment				0	0
101-301-721.00	Workers Compensation	14,472	19,310	16,757	16,925	17,094
101-301-727.00	Office Supplies	6,291	3,000	3,000	3,060	3,121
101-301-727.02	Postage and Shipping	15	150	150	150	150
101-301-740.00	Operating Supplies	8,824	13,770	13,770	9,500	9,690
101-301-741.00	Uniforms	8,195	8,500	8,500	8,000	8,000
101-301-742.00	Laundry	2,796	3,000	3,000	2,700	2,700
101-301-755.00	Miscellaneous Supplies	6	500	500	250	255
101-301-760.00	Medical Services	102	600	400	400	400
101-301-801.00	Professional Services	2,673	12,250	9,000	3,000	3,000
101-301-810.00	Dues & Memberships	704	1,000	1,000	1,000	1,000
101-301-820.00	Contracted Services	8,414	400	5,000	5,000	5,050
101-301-825.00	Insurance	21,149	19,220	14,475	14,765	15,060
101-301-850.00	Communications	21,287	16,000	16,000	16,000	16,000
101-301-860.00	Transportation & Travel	2,097	1,000	1,610	2,500	2,500
101-301-901.00	Advertising	84	400	400	400	400
101-301-921.00	Utilities - Gas	20			0	0
101-301-922.00	Utilities-Elec, Water, Sewer	1,345			0	0
101-301-930.00	Equipment Maintenance	11,014	10,000	9,500	13,000	13,000
101-301-941.00	Motor Pool Equip Rental	80,432	80,000	80,000	80,000	80,000
101-301-941.01	Data Processing	25,165	22,300	22,300	19,122	19,122
101-301-958.00	Education & Training	5,657	8,500	8,500	4,000	4,000
101-301-999.00	Transfers to Other Funds - Build Auth 2014				72,561	74,980
101-301-999.00	Transfers to Other Funds - Build Auth 2014				88,670	87,219
101-301-999.00	Transfers to Other Funds - MRLEC				125,670	125,670
APPROPRIATIONS - 301-Police		(1,685,958)	(1,663,037)	(1,647,294)	(1,773,209)	(1,823,823)

CROSSING GUARDS

The Marshall Crossing Guards are responsible for crossing our elementary students at identified intersections. There are currently 4 dedicated crossing guards that respond to their locations to cross the students at the beginning and end of their school days. These duties are taken very seriously by the adult crossing guards.

Each member of the crossing guards have to attend training at the beginning of the school year prior to them taking their position. We are asking them to perform their duties in extreme weather conditions. They issued special equipment to aid them to cross the students in a manner that conforms to laws and safety standards established by the State of Michigan and the ordinances of the City of Marshall.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 316-Crossing Guards						
101-316-703.00	Part-time Salaries	9,910	13,000	10,700	10,700	10,700
101-316-715.00	Social Security	758	1,224	820	918	918
101-316-720.00	Unemployment				0	0
101-316-721.00	Workers Compensation		0	171	173	174
APPROPRIATIONS - 316-Crossing Guards		(10,668)	(14,224)	(11,691)	(11,791)	(11,792)

DISPATCH COMMUNICATIONS

The Marshall Police and Fire Departments are dispatched by the Calhoun County Consolidated Dispatch Authority. When the Marshall Police Department transferred this duty and responsibility over to the authority, a significant savings was realized. The City of Marshall is charged a prorated fee each year based on calls for service

When the original budget for services was developed the City of Marshall was paying \$228,654. The costs have steadily reduced over the past 3 years. This year's cost has been reduced to approximately \$112,500. This has been done through continued collaboration with the Dispatch Authority.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY

Dept 325-Dispatch Operations						
101-325-820.00	Contracted Services	109,967	112,000	112,000	112,500	112,500
APPROPRIATIONS - 325-Dispatch Operations		(109,967)	(112,000)	(112,000)	(112,500)	(112,500)

FIRE DEPARTMENT

The Fire Department is made up of 7 full time certified firefighters. The department is responsible for maintaining fire coverage 24 hours a day, seven days a week.

The Marshall Fire Department is actively engaged in meeting Goal II of the adopted goals for the City. We are working to maintain a safe environment while working towards a diverse community. Our firefighters are responsible for responding to fire calls, emergency medical calls, fire prevention presentations, commercial and industrial fire inspections and presentations to local groups and organizations. One of the most proactive ways to achieve these goals is to provide adequate training in high liability areas.

This budget considers all personnel wages, benefits, training, uniforms, equipment purchases and maintenance, operating supplies and data processing costs. This budget was developed to ensure that the Fire Department is being fiscally responsible to meet the needs of the community and to maintain the equipment for optimal use.

The Marshall Fire Department has added a K-9 arson detection dog this year. The dog has been utilized by the department on several calls in the City of Marshall and has been activated to other agencies throughout Calhoun and Kalamazoo Counties.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 336-Fire						
101-336-702.00	Payroll - Non Union	424,534	420,000	478,000	42,450	42,450
101-336-702.01	Payroll - Union				370,630	382,843
101-336-702.01	Other Fringe Benefits-taxable	10,478	18,830	16,200	22,157	23,356
101-336-703.00	Part-time Salaries	36,556	47,480	42,000	42,000	42,000
101-336-704.00	Overtime Salaries	71,354	65,000	44,000	44,000	44,000
101-336-715.00	Social Security	9,982	8,271	11,475	11,705	11,939
101-336-716.00	Hospitalization	107,524	122,017	115,000	117,468	126,865
101-336-717.00	Life Insurance	779	830	420	400	400
101-336-718.00	Retirement	108,162	98,798	130,550	148,357	165,581
101-336-720.00	Unemployment				0	0
101-336-721.00	Workers Compensation	9,287	13,286	13,836	14,113	14,395
101-336-725.00	Other Fringe Benefits-non tax	4,413	4,900	5,255	5,255	5,255
101-336-727.00	Office Supplies	263	350	350	357	364
101-336-727.02	Postage and Shipping	36	50	50	50	50
101-336-740.00	Operating Supplies	5,294	7,000	7,000	7,140	7,283
101-336-741.00	Uniforms	4,894	5,500	8,134	6,000	6,000
101-336-742.00	Laundry	93	50	50	50	50
101-336-755.00	Miscellaneous Supplies	(23)	1,000	1,077	1,099	1,121
101-336-757.00	Fuels & Lubricants	5,882	7,000	7,645	7,645	7,645
101-336-760.00	Medical Services	292	2,000	1,000	1,000	1,000
101-336-775.00	Repair & Maintenance Supplies	302		77	77	77
101-336-777.00	MINOR TOOLS AND EQUIPMENT		200	200	200	200
101-336-810.00	Dues & Memberships	2,686	2,000	2,000	2,000	2,000
101-336-820.00	Contracted Services	4,228	1,500	6,500	7,115	7,257
101-336-825.00	Insurance	7,030	8,340	5,043	5,144	5,247
101-336-850.00	Communications	4,274	7,000	7,000	4,500	4,500
101-336-860.00	Transportation & Travel	1,552	1,000	1,000	1,500	1,500
101-336-901.00	Advertising	48	50	50	50	50
101-336-921.00	Utilities - Gas	3,549	5,000	5,000	5,000	5,000
101-336-922.00	Utilities-Elec, Water, Sewer	20,133	15,000	22,000	22,000	22,000
101-336-930.00	Equipment Maintenance	46,225	31,000	33,000	28,000	28,000
101-336-931.00	Maintenance of Building				4,000	
101-336-941.00	Motor Pool Equip Rental	6,581	500	6,500	4,000	4,000
101-336-941.01	Data Processing	9,961	10,580	10,580	12,169	12,169
101-336-958.00	Education & Training	1,876	4,500	4,500	2,500	2,500
101-336-999.00	Transfers to Other Funds - Build Auth 2014				65,183	67,356
101-336-999.00	Transfers to Other Funds - Build Auth 2014				79,653	78,350
101-336-990.00	Debt Service - Fire Truck			36,233	37,120	38,001
101-336-995.00	Bond Interest Paid - Fire Truck			8,840	7,953	7,072
APPROPRIATIONS - 336-Fire		(908,245)	(909,032)	(1,030,565)	(1,130,039)	(1,167,876)

INSPECTION

The Inspection budget is the operating allowance for the department of Building Safety. The money received for plan reviews and permits support the operations in this department. The department of Building Safety works within the confines of the Michigan Building Code and its updates, as adopted by the State of Michigan. These codes pertain to all construction and alteration projects within the City. The essential mission of the department is to ensure the health, safety and welfare of Marshall's residents.

The Inspection Department contracts with various Electrical, Plumbing and Mechanical Inspectors. While the Inspectors retain their own licensing and continuing educational requirements, city staff does maintain a library of all current Building Code publications and its updates. The department is staffed by the Director of Community Services and the City's Building Inspector, who take in permits, organize plan reviews, keep the City's building database current, and log inspector payroll on a monthly basis.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	2017-18	2018-19
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	PROJECTED ACTIVITY	PROJECTED ACTIVITY
Dept 371-Inspection						
101-371-702.00	Payroll	53,876	73,818	68,930	66,165	67,488
101-371-702.01	Other Fringe Benefits-taxable	340	375	350	0	0
101-371-703.00	Part-time Salaries		5,000	8,500	7,488	7,488
101-371-704.00	Overtime Salaries	4	1,716	0	0	0
101-371-715.00	Social Security	3,955	5,613	5,950	5,634	5,736
101-371-716.00	Hospitalization	14,756	14,484	15,500	19,166	20,699
101-371-717.00	Life Insurance	123	168	85	96	96
101-371-718.00	Retirement - DB	7,448	10,067	5,865	0	0
101-371-718.01	Retirement - DC			4,945	6,617	6,749
101-371-721.00	Workers Compensation	(17)	1,481	204	204	204
101-371-727.00	Office Supplies	211	300	300	306	312
101-371-740.00	Operating Supplies	766	700	700	650	663
101-371-810.00	Dues & Memberships	195	200	150	135	300
101-371-812.00	License		100	0	0	0
101-371-820.00	Contracted Services	30,537	20,000	20,000	20,000	22,000
101-371-850.00	Communications	812	750	744	0	0
101-371-860.00	Transportation & Travel		400	415	550	550
101-371-901.00	Advertising	57	125	50	50	50
101-371-940.00	Rentals	6,000	1,856	1,857	6,480	6,480
101-371-941.00	Motor Pool Equip Rental	1,235	500	2,000	2,000	2,000
101-371-941.01	Data Processing	3,434	3,824	3,824	6,240	6,240
101-371-958.00	Education & Training	293	500	400	400	400
APPROPRIATIONS - 371-Inspection		(124,025)	(141,977)	(140,769)	(142,181)	(147,456)

PLANNING & ZONING

The Planning & Zoning department receives site plans, special land use requests, zoning amendment requests, and variance requests. Staff works with the Planning Commission, Joint Planning Commission and Zoning Board of Appeals to bring these matters to resolution under the guidelines set forth in the Michigan Planning Enabling Act of 2008 and the Michigan Zoning Enabling Act of 2006. The Planning Commission and City staff also work together to update the City's Master Plan, Zoning Ordinance and Sign Ordinance.

The department consists of the Director of Community Services. The office is located in the Public Services Building at 900 South Marshall Avenue. Membership dues to the American Planning Association (APA) and the Michigan Planning Association (MPA) keep the staff current in all planning trends and planning law. Annually, the staff attend the National Conference for a week which serves as a concentrated educational opportunity for the department to stay current on planning trends.

Public communication is essential for planning purposes. On a daily basis, phone calls are taken from residents, representatives of businesses, and design professionals. Public hearings are held on ordinance changes and updates, zoning amendments, variances and for many other reasons. The Planning & Zoning department also maintains an "open door" policy for residents who desire to look at plans, ask questions, or participate in future planning events. These hearings, policies and initiatives are often time intensive for staff and require the use of written materials, mailings, marketing efforts and a multitude of various office supplies to properly communicate and engage the public.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	2017-18	2018-19
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	PROJECTED ACTIVITY	PROJECTED ACTIVITY
Dept 410-Planning & Zoning						
101-410-702.00	Payroll	53,478	56,615	45,160	45,000	45,900
101-410-702.01	Other Fringe Benefits-taxable	697	855	830	0	0
101-410-703.00	Part-time Salaries				500	500
101-410-704.00	Overtime Salaries	172	3,000	0	0	0
101-410-715.00	Social Security	3,980	4,626	3,520	3,481	3,550
101-410-716.00	Hospitalization	10,187	9,869	10,770	14,591	15,758
101-410-717.00	Life Insurance	209	255	130	161	161
101-410-718.00	Retirement - DB	8,770	13,928	15,440	0	0
101-410-718.01	Retirement - DC				4,500	4,590
101-410-721.00	Workers Compensation	558	446	(450)	160	160
101-410-727.00	Office Supplies	267	750	250	255	260
101-410-740.00	Operating Supplies	264	500	350	357	312
101-410-801.00	Professional Services	21,480	2,000	2,200	2,000	2,000
101-410-810.00	Dues & Memberships	360	800	360	360	360
101-410-850.00	Communications	821	744	350	0	0
101-410-860.00	Transportation & Travel	1,925	2,500	20	2,000	2,040
101-410-901.00	Advertising	2,191	1,500	1,500	1,500	1,500
101-410-940.00	Rentals	6,604	6,664	6,664	3,805	3,881
101-410-941.00	Motor Pool Equip Rental	315	750	0	0	0
101-410-941.01	Data Processing	4,514	2,016	2,016	2,832	2,832
101-410-958.00	Education & Training	2,564	2,000	500	1,325	1,352
APPROPRIATIONS - 410-Planning & Zoning		(119,356)	(109,818)	(89,610)	(82,827)	(85,156)

STREETS

The majority of the services that the Public Works Department provides to the Citizens of Marshall are funded through the Streets budget. Department responsibilities include:

- general street maintenance
- repair and replacement of sidewalk
- maintenance of City right-of-ways
- forestry operations
- sanitary and storm sewer maintenance and repair
- snow removal operations
- brush removal and curbside leaf pickup

In addition to these responsibilities the Public Works Department is often utilized for activities requiring general labor and for special event activities.

The FY 2018 annual expense budget allows the City to operate and maintain the City public works at a level that reflects the communities expected level of service and ongoing care for its historic City.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16	2016-17	2016-17	2017-18	2018-19
		ACTIVITY THRU 06/30/16	ORIGINAL BUDGET	PROJECTED BUDGET	PROJECTED ACTIVITY	PROJECTED ACTIVITY
Dept 441-Street						
101-441-702.00	Payroll - Non Union	204,314	336,501	42,040	32,945	33,604
101-441-702.01	Payroll - Union			178,000	181,560	185,191
101-441-702.01	Other Fringe Benefits-taxable	8,845	12,399	12,399	12,155	12,813
101-441-702.60	Payroll - Forestry Tree Removal&Trimming	29,806		25,000	25,000	25,000
101-441-702.61	Payroll - Events Barricades/Banners	6,046		5,000	5,000	5,000
101-441-702.62	Payroll - Parking Lot Maint	3,055		4,000	4,000	4,000
101-441-702.63	Payroll - Christmas Decorations	4,647		4,500	4,500	4,500
101-441-702.64	Payroll - Leaf Disposal	2,722		2,500	2,500	2,500
101-441-702.65	Payroll - Brush Disposal	3,091		2,500	2,500	2,500
101-441-702.66	Payroll - Sign Replacement	9,361			0	0
101-441-702.67	Payroll - Sidewalk	2,330			0	0
101-441-702.68	KETCHUM PARK RESTROOM	2,243			0	0
101-441-703.00	Part-time Salaries	7,506	12,099	12,750	20,780	20,780
101-441-703.64	Part-time Leaf Disposal	294			0	0
101-441-704.00	Overtime Salaries	4,089	4,157	4,000	4,000	4,080
101-441-704.60	Overtime - Forestry Removal&Trimming	1,098		1,000	1,000	1,020
101-441-704.61	Overtime - Events Barricades/Banners	1,165		800	800	816
101-441-704.62	Overtime - Parking Lot Maint	1,074		1,000	1,000	1,020
101-441-704.63	Overtime - Christmas Decorations				0	0
101-441-704.64	Overtime - Leaf Disposal				0	0
101-441-704.65	Overtime - Brush Disposal	1,759			0	0
101-441-704.66	Overtime - Sign Replacement	90			0	0
101-441-704.67	Overtime - Sidewalks	30			0	0
101-441-704.68	O/T KETCHUM PARK RESTROOM				0	0
101-441-715.00	Social Security	21,877	27,935	22,610	22,777	23,166
101-441-716.00	Hospitalization	67,942	86,583	74,000	103,135	111,386
101-441-717.00	Life Insurance	927	1,173	550	660	660
101-441-718.00	Retirement - DB	54,576	74,205	79,000	30,890	34,476
101-441-718.01	Retirement - DC			15,825	14,150	15,031
101-441-720.00	Unemployment				0	0
101-441-721.00	Workers Compensation	14,589	17,548	23,475	23,475	23,475
101-441-727.00	Office Supplies	934	200	500	600	612
101-441-740.00	Operating Supplies	11,503	9,000	10,900	10,000	10,200
101-441-741.00	Uniforms	2,865	3,200	4,000	4,000	4,000
101-441-760.00	Medical Services	994	1,000	1,550	510	510
101-441-761.00	Safety Supplies	214	1,000	350	1,500	1,530
101-441-775.00	Repair & Maintenance Supplies	(6,751)	3,000	3,000	3,000	3,060
101-441-777.00	MINOR TOOLS AND EQUIPMENT	3,157	3,800	2,500	3,000	3,000
101-441-778.00	Paint & Signs	3,316			0	0
101-441-801.00	Professional Services	1,611	2,000	2,000	2,850	2,850
101-441-810.00	Dues & Memberships	550	800	800	528	528
101-441-820.00	Contracted Services	12,998	20,000	17,000	2,600	2,600
101-441-850.00	Communications	2,783	2,000	1,800	350	350
101-441-860.00	Transportation & Travel	401	1,500	1,500	750	750
101-441-901.00	Advertising	536	400	400	550	550
101-441-921.00	Utilities - Gas	83			0	0
101-441-922.00	Utilities-Elec, Water, Sewer	81,843	82,000	82,000	82,000	82,000
101-441-939.00	Contracted Maintenance	21,547	15,000	20,000	25,500	25,500
101-441-940.00	Rentals	8,062	11,399	11,399	5,250	5,250
101-441-941.00	Motor Pool Equip Rental	112,068	100,000	128,800	128,800	128,800
101-441-941.01	Data Processing	7,881	8,174	8,174	7,320	7,320
101-441-958.00	Education & Training	1,160	1,250	1,250	785	785
101-441-990.00	Debt Service - Alley Reconstruction	15,000	15,000	15,000	15,000	15,000
101-441-995.00	Bond Interest Paid	2,550	1,935	1,935	1,320	660
101-441-999.00	Transfers to Other Funds				0	0
APPROPRIATIONS - 441-Street		(738,781)	(855,258)	(825,807)	(789,040)	(806,873)

ENGINEERING

In 1996, the City of Marshall established the Engineering Department to support the design, construction and engineering for municipal operations and facilities. The primary responsibilities associated with this department include, parks, sewer, street, and water main design, preparation of plans and specifications, and field inspection of construction projects. Other department responsibilities include review of utility construction permits, site plan and stormwater reviews and project management.

In 2016, the Director of Public Services and GIS Specialist/Project Manager contracted and oversaw the reconstruction of North Dr. and Monroe Street. As these projects received Federal/State grant funding we are required to utilize the Michigan Department of Transportations (MDOT) Field Manager program. This oversight was completed in house thus saving the city money not having to privately contract this work.

In 2017-18 the Director of Public Services and GIS Specialist/Project Manager will contract for the reconstruction of the S. Marshall Ave. Bridge which again is a State funded project and require the use Field Manager. It is planned that much of this work will be completed by our in house staff.

Maintaining this department fulfills the City's Vision by focusing on an improved Quality of Life and Infrastructure. This will achieve and sustain a concentrated effort to promote a vibrant community atmosphere and by preserving, rehabilitating and expanding the city infrastructure and assets. This department is also integral is assisting with Economic Development which will sustain and intensify the economic vitality of the Marshall area.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 447-Engineering						
101-447-702.00	Payroll	22,842	30,852	25,000	13,550	13,821
101-447-702.01	Other Fringe Benefits-taxable	1,636	276	276	202	202
101-447-704.00	Overtime Salaries	4	1,648	100	311	311
101-447-715.00	Social Security	1,852	2,507	1,950	1,076	1,097
101-447-716.00	Hospitalization	2,933	2,814	2,950	2,285	2,468
101-447-717.00	Life Insurance	53	74	35	31	31
101-447-718.00	Retirement	3,635	2,792	2,792	5,113	5,215
101-447-721.00	Workers Compensation	(3)	411	106	106	106
101-447-727.00	Office Supplies	143	200	200	200	204
101-447-740.00	Operating Supplies	146	300	300	300	306
101-447-801.00	Professional Services	600	600	600	900	900
101-447-810.00	Dues & Memberships	462	500	500	250	250
101-447-820.00	Contracted Services	199			200	300
101-447-850.00	Communications	459	750	500	0	0
101-447-860.00	Transportation & Travel	2,680	1,000	1,000	700	700
101-447-940.00	Rentals	3,962	5,370	5,370	5,370	5,370
101-447-941.00	Motor Pool Equip Rental				1,000	1,000
101-447-941.01	Data Processing	694	2,487	2,487	3,696	3,696
101-447-958.00	Education & Training	2,081	2,000	2,000	1,020	1,020
APPROPRIATIONS - 447-Engineering		(44,378)	(54,581)	(46,166)	(36,310)	(36,997)

PSB OPERATIONS

The Public Services Building opened in May of 2001. It houses the Recreation Department, Electric Utility Department, Dial-A-Ride, Engineering, Purchasing, as well as the Community Services Department. The building has 9,000 square feet of office space, 20,000 square feet of vehicle storage area, and 27,000 square feet of inventory and storage space.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 540-PSB Operations						
101-540-702.00	Payroll	8,829	7,426	7,919	7,462	7,611
101-540-702.01	Other Fringe Benefits-taxable	15			0	0
101-540-703.00	Part-time Salaries	7,212			0	0
101-540-704.00	Overtime Salaries	150		50	540	540
101-540-715.00	Social Security	1,228	568	610	612	624
101-540-716.00	Hospitalization	772	3,034	1,210	1,251	1,351
101-540-717.00	Life Insurance	18	14	8	8	8
101-540-718.00	Retirement	1,163	742	1,500	747	762
101-540-721.00	Workers Compensation	(4)	446	465	285	285
101-540-727.00	Office Supplies	4,260	2,000	1,000	2,000	2,040
101-540-740.00	Operating Supplies	3,122	3,800	1,800	3,000	3,060
101-540-760.00	Medical Services	8	0	0	0	0
101-540-761.00	Safety Supplies		100	0	100	102
101-540-776.00	Building Maintenance Supplies	2,589		1,400	4,500	4,590
101-540-820.00	Contracted Services	9,869	30,000	38,000	17,050	17,050
101-540-825.00	Insurance	7,062	13,520	8,695	8,869	9,046
101-540-850.00	Communications	5,262	4,600	1,660	3,000	3,000
101-540-921.00	Utilities - Gas	5,611	10,000	6,000	6,500	6,500
101-540-922.00	Utilities-Elec, Water, Sewer	38,004	37,000	42,000	45,000	45,000
101-540-930.00	Equipment Maintenance	393	1,500	100	400	400
101-540-931.00	Maintenance of Building	13,921	5,000	23,500	16,500	7,000
101-540-941.00	Motor Pool Equip Rental	3,787	1,500	2,870	2,870	2,870
101-540-941.01	Data Processing	6,138	2,453	2,453	2,237	2,237
101-540-970.00	Capital Outlay				6,500	18,500
APPROPRIATIONS - 540-PSB Operations		(119,409)	(123,703)	(141,240)	(129,431)	(132,576)

PARKS

The City of Marshall is fortunate to have eight designated park properties and a number of open spaces encompassing approximately 233 acres available to the public to enjoy. The Department of Public Works is the department assigned the task of maintaining these properties and their amenities which include restrooms, playground equipment, ball fields, picnic tables, picnic pavilions and a community band amphitheater.

In addition to green space, the City also maintains one and one-half miles of boardwalk, paved paths, and look-out areas along the Kalamazoo River.

In 2016 the city established Shearman Park as a neighborhood "Pocket" park on the site of the old Shearman Elementary School. This was funded through 100% private donations and currently has two play structures, open areas for games, sidewalks and lighting. In the winter this park is home to the city's ice rink.

During the summer of 2017, again through, private donations the city will purchase and erect a 24'x26' pavilion structure.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 774-Parks						
101-774-702.00	Payroll - Non Union	16,376	50,123	23,500	2,995	3,055
101-774-702.01	Payroll - Union					0
101-774-702.01	Other Fringe Benefits-taxable	4,669	6,252	4,785	180	185
101-774-702.40	Payroll - Rubbish/Garbage	587		125	750	750
101-774-702.41	Payroll - Mowing/Trimming	3,354		2,560	3,000	3,000
101-774-702.55	Payroll - Trees/Forestry	488		0	500	500
101-774-702.58	Payroll - Fountain			0	0	0
101-774-703.00	Part-time Salaries	9,649	9,000	10,400	11,000	11,000
101-774-704.00	Overtime Salaries	171		50	150	150
101-774-704.40	Overtime - Rubbish/Garbage			0	0	0
101-774-704.41	Overtime - Mowing/Trimming			0	0	0
101-774-704.55	Overtime - Trees/Forestry			0	150	150
101-774-704.58	Overtime - Fountain	196		0	150	150
101-774-715.00	Social Security	2,691	5,807	3,170	1,444	1,449
101-774-716.00	Hospitalization	191	7,486	3,290	810	875
101-774-717.00	Life Insurance	12	110	16	47	47
101-774-718.00	Retirement - DB	2,177	12,533	9,825	420	469
101-774-720.00	Unemployment				0	0
101-774-721.00	Workers Compensation	(43)	1,339	820	828	836
101-774-740.00	Operating Supplies	3,107	5,000	3,200	3,500	3,570
101-774-760.00	Medical Services	18	75	75	77	78
101-774-775.00	Repair & Maintenance Supplies	4,818	4,000	2,000	3,500	3,570
101-774-777.00	MINOR TOOLS AND EQUIPMENT	256	400	400	400	400
101-774-801.00	Professional Services	166	600	200	200	200
101-774-820.00	Contracted Services	4,223	5,000	5,000	5,000	5,000
101-774-825.00	Insurance			4,300	4,386	4,474
101-774-922.00	Utilities-Elec, Water, Sewer	11,228	11,500	11,500	11,500	11,500
101-774-930.00	Equipment Maintenance				0	0
101-774-939.00	Contracted Maintenance	8,689	10,000	7,000	10,000	10,000
101-774-940.00	Rentals			700	700	700
101-774-941.00	Motor Pool Equip Rental	29,430	23,000	23,000	23,000	23,000
101-774-941.01	Data Processing	122	487	487	142	142
APPROPRIATIONS - 774-Parks		(102,575)	(152,712)	(116,403)	(84,829)	(85,250)

CAPITAL IMPROVEMENTS

The General Fund has a separate departmental budget for capital improvements. This budget was created so that the costs for capital improvements, generally costing \$5,000 or more and non-recurring, are not included with the operating budgets of the various general fund activities (except for PSB operations). There is a need to be able to compare operational expenses for the general fund activities from year to year. When capital improvements are included in the various department operating budgets, the actual operating costs become distorted. Having capital included in one area alleviates this distortion.

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 ORIGINAL BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY

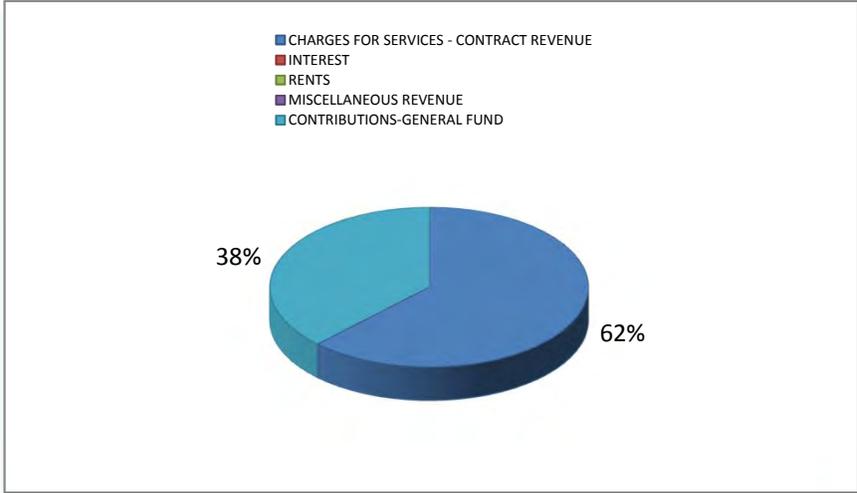
Dept 900-Capital Outlay Control						
101-900-970.00	Capital Outlay	232,912	27,900	32,560	91,030	178,100
APPROPRIATIONS - 900-Capital Outlay Control		(232,912)	(27,900)	(32,560)	(91,030)	(178,100)

MARSHALL REGIONAL LAW ENFORCEMENT CENTER

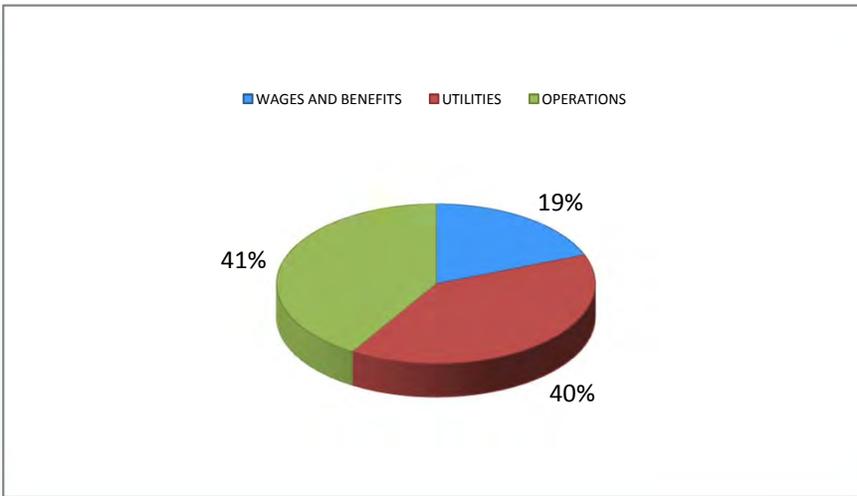
The Marshall Regional Law Enforcement Center (MRLEC) is a unique building designed to house the Marshall Police Department, Calhoun County Sheriff's Office and the Michigan State Police. All three agencies utilize this building to perform all police operations. Another unique concept is the ability to use this building for Emergency Management Operations in the event the current operation center in Battle Creek becomes unusable.

The building is owned and maintained by the City of Marshall. All three agencies are responsible for paying into the budget to support building maintenance, ongoing operations and a reserve fund for future replacement and repairs. This building is designed to allow expansion in the future if needed.

FY 2018 MRLEC REVENUES		
CHARGES FOR SERVICES - CONTRACT REVENUE	\$ 208,150	62%
INTEREST	100	0%
RENTS	-	0%
MISCELLANEOUS REVENUE		0%
CONTRIBUTIONS-GENERAL FUND	125,670	38%
TOTAL REVENUES	\$ 333,920	100%



FY 2018 MRLEC EXPENDITURES		
WAGES AND BENEFITS	\$ 58,535	19%
UTILITIES	121,428	40%
OPERATIONS	126,149	41%
TOTAL EXPENDITURES	\$ 306,112	100%



BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 207 - MARSHALL REGIONAL LAW ENFORCEMENT CENTER						
Dept 000						
207-000-627.00	Charges for Services - Contract Revenue	135,740	208,144	188,750	208,150	208,150
207-000-665.00	Interest	25		100	100	100
207-000-667.00	Rents				0	0
207-000-671.00	Miscellaneous Revenue				0	0
207-000-699.01	Contributions - General Fund	93,558	125,667	110,500	125,670	125,670
TOTAL REVENUES		229,323	333,811	299,350	333,920	333,920
Dept 305-MRLEC OPERATIONS						
207-305-702.00	Payroll	14,083	18,564	21,385	18,656	19,029
207-305-703.00	Part-time Salaries	2,832		0	0	0
207-305-703.01	PT Salaries - exempt	13,200		30,000	30,000	30,000
207-305-704.00	Overtime Salaries	1,898	2,625	400	400	400
207-305-715.00	Social Security	1,410	1,621	1,670	3,753	3,781
207-305-716.00	Hospitalization	1,735	7,585	3,010	3,130	3,380
207-305-717.00	Life Insurance	18	34	20	20	20
207-305-718.00	Retirement	1,374	1,857	2,140	1,866	1,903
207-305-720.00	Unemployment				0	0
207-305-721.00	Workers Compensation		1,250	710	710	710
207-305-740.00	Operating Supplies	8,409	6,500	3,000	4,000	4,080
207-305-776.00	Building Maintenance Supplies	8,254	3,000	3,000	4,500	4,590
207-305-820.00	Contracted Services	5,420	2,700	11,400	57,000	57,000
207-305-820.01	Contracted Maint. - Plowing	11,421	15,000	10,000	15,000	15,000
207-305-820.02	Contracted Maint - Lawn	3,385	6,000	6,000	6,500	6,500
207-305-825.00	Insurance	4,945	6,800	19,200	19,392	19,586
207-305-850.00	Communications	1,198	1,800	6,800	6,000	6,000
207-305-901.00	Advertising	390			0	0
207-305-921.00	Utilities - Gas	15,896	5,500	28,500	28,785	29,073
207-305-922.00	Utilities-Elec, Water, Sewer	54,889	72,000	84,000	85,500	86,355
207-305-930.00	Equipment Maintenance	2,015	6,000	6,000	9,500	9,500
207-305-931.00	Maintenance of Building			22,000	5,000	5,000
207-305-939.00	Contracted Maintenance	48,435	54,000	54,000	0	0
207-305-941.00	Motor Pool Equip Rental			6,400	6,400	6,400
207-305-941.01	Data Processing				0	0
207-305-970.00	Capital Outlay				0	0
APPROPRIATIONS - 305-MRLEC OPERATIONS		(201,207)	(212,836)	(319,635)	(306,112)	(308,308)
ESTIMATED REVENUES - FUND 207		229,323	333,811	299,350	333,920	333,920
APPROPRIATIONS - FUND 207		(201,207)	(212,836)	(319,635)	(306,112)	(308,308)
NET OF REVENUES/APPROPRIATIONS - FUND 207		28,116	120,975	(20,285)	27,808	25,612
BEGINNING FUND BALANCE		0		28,116	7,831	35,639
ENDING FUND BALANCE		28,116		7,831	35,639	61,251

ALLOCATED POSITIONS: MRLEC							
Job Description		FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Facility Manager		0.00	0.00	0.00	0.50	0.50	0.50
Total		0.00	0.00	0.00	0.50	0.50	0.50



RECREATION

“To enhance the quality of life for our community by providing safe, healthy and fun recreation opportunities”, this living mission statement encompasses the philosophy of the Marshall Recreation Department. The Department encourages members of the community to participate in recreational activities by offering a wide variety of programming opportunities making us, “A Community at Play”.

The two main sources of revenue are from the dedicated recreation millage (.9393) which equals 43% of the budget and user fees representing the remaining 57% of the budget.

The Recreation Department consists of 3 FTE's, seasonal employees and exempt employees such as umpires, referees, and scorekeepers making payroll & benefits (FT employees) our largest expense. Other expenses include operational supplies for programs, and other Department functions. Typically, staff attends annual training and networking through our membership with the Michigan Recreation and Park Association (mParks) and our Regional group Southern Michigan Recreation & Park Association (SMRPA).

The Department has increased their on-line presence via the updated website and domain name, www.marshallrec.com, by letting the public create their own accounts online and social media including Facebook & Instagram. All are well received by the community and continue to be an increasingly important communication tools.

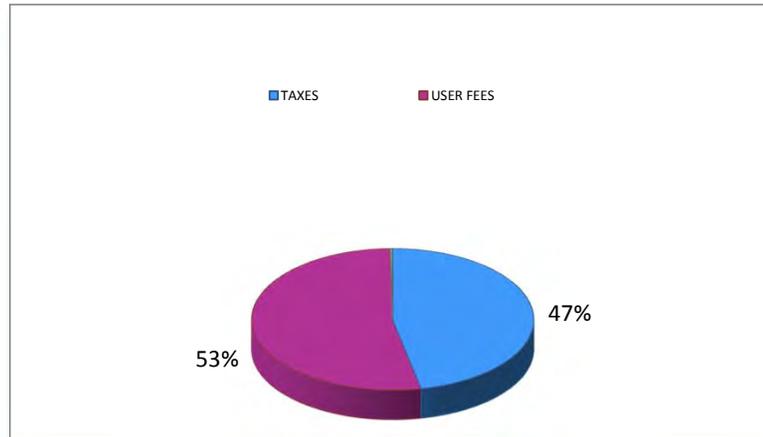
The Recreation Department's aim is to continue to strengthen and support our canoe and kayak rental program directly coincides with Strategic Goal #9 of our City's Economic Development Strategic Plan, “Marshall has facilities for expanded social and recreational attractions”, by offering family, group, and individual recreational opportunities down the Kalamazoo River and possible partnerships with local businesses. With increased rentals, our canoe/kayak livery is an excellent example of Strategic Goal #7, “The downtown has been expanded to the River District.” By offering new recreational opportunities for incoming businesses, it will create a positive influence on the future expansion of the River District.

Along with our watercraft rentals, the development and use of the Recreation Department's Marshall Athletic Fields also impacts Strategic Goal #9 as one of Marshall's most utilized parks. The athletic fields offer four baseball/softball diamonds and three sand volleyball courts. Marshall Athletic fields host, on average, ten tournaments per summer as well as multiple Adult Softball, Adult Sand Volleyball, Youth Baseball, and Softball leagues throughout the spring, summer and fall seasons.

Our youth and adult athletics, as well as special events, supply local businesses with sponsorship and partnering opportunities with new and existing businesses in Marshall, which helps to enact Strategic Goal #5, “Marshall Supports innovation and entrepreneurship in business.” By helping to sponsor one or more of Marshall Recreation Department's programs, local businesses create an effective and mutually-beneficial way to advertise business throughout the community and also support the youth and adults of the community.

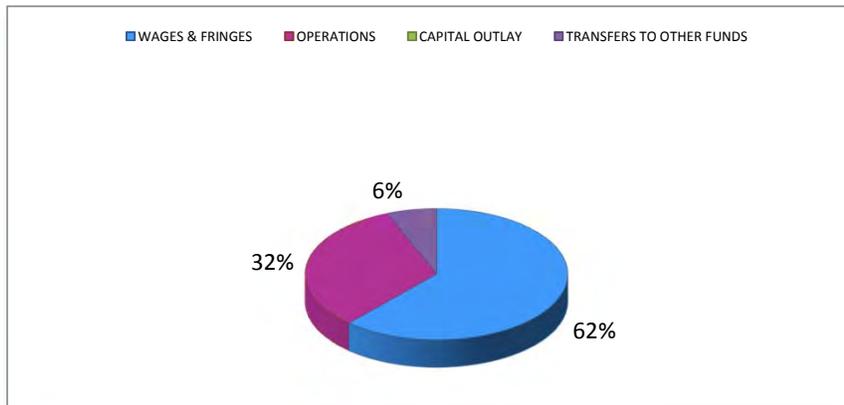
FY 2018 GENERAL FUND-RECREATION REVENUES

TAXES	\$ 197,138	47%
USER FEES	223,403	53%
INTEREST	1,000	0%
MISCELLANEOUS REVENUE	-	0%
TOTAL REVENUES	\$ 421,541	100%



FY 2018 GENERAL FUND-RECREATION EXPENDITURES

WAGES & FRINGES	260,646	62%
OPERATIONS	136,510	32%
CAPITAL OUTLAY	-	0%
TRANSFERS TO OTHER FUNDS	25,953	6%
TOTAL EXPENDITURES	\$ 423,109	100%



BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 000						
208-000-402.00	Current Property Taxes	180,608	180,282	178,400	180,006	181,626
208-000-404.00	Property Taxes - Prior Years	1			0	0
208-000-420.00	Delinquent Personal Prop Taxes	349	100	100	100	100
208-000-441.00	Local Comm Stabilization Share Tax			23,475	16,433	16,433
208-000-445.00	Penalties & Int. on Taxes	878	600	600	600	600
208-000-540.00	State Grants				0	0
208-000-587.00	Local Recreation grants				0	0
208-000-641.00	Concession Sales				0	0
208-000-651.00	Use Fees	207,582	213,923	213,923	223,403	223,403
208-000-651.02	Use Fees-Jr. Olympic Program				0	0
208-000-665.00	Interest	1,121	700	1,000	1,000	1,000
208-000-671.00	Miscellaneous Revenue	80		40	0	0
208-000-675.00	Contrib. from Other Sources				0	0
208-000-675.23	Contributions-Scholarships	600			0	0
208-000-694.00	Cash - over & short	(12)			0	0
TOTAL REVENUES		391,207	395,605	417,538	421,541	423,161
Dept 751-Recreation						
208-751-702.00	Payroll	155,693	120,454	118,400	113,295	115,561
208-751-702.01	Other Fringe Benefits-taxable	5,766	4,575	2,890	3,000	3,000
208-751-703.00	Part-time Salaries	24,912	29,117	29,117	33,475	33,475
208-751-703.01	PT Salaries - exempt	12,482	15,061	15,061	12,907	12,907
208-751-704.00	Overtime Salaries	1,240	1,334	2,000	1,334	1,334
208-751-715.00	Social Security	14,248	12,902	12,765	12,547	12,720
208-751-716.00	Hospitalization	11,757	17,001	27,310	34,076	36,802
208-751-717.00	Life Insurance	323	365	212	212	212
208-751-718.00	Retirement - DB	29,157	21,397	14,655	21,590	24,097
208-751-718.01	Retirement - DC			6,030	6,030	6,151
208-751-718.01	Retiree Health Insurance	1,990		19,408	20,180	21,794
208-751-720.00	Unemployment				0	0
208-751-721.00	Workers Compensation	2,359	3,200	1,971	2,000	2,020
208-751-727.00	Office Supplies	146	1,660	1,660	1,660	1,660
208-751-740.00	Operating Supplies	75,641	71,948	71,948	70,692	70,692
208-751-755.00	Miscellaneous Supplies	1,453	2,934	2,493	2,352	2,952
208-751-776.00	Building Maintenance Supplies	28	400	400	400	408
208-751-801.00	Professional Services	348	830	830	830	830
208-751-810.00	Dues & Memberships	548	528	500	556	556
208-751-820.00	Contracted Services	16,557	13,390	13,390	13,390	13,390
208-751-825.00	Insurance	2,310	3,000	780	788	796
208-751-850.00	Communications	1,754	1,944	1,944	1,200	1,200
208-751-860.00	Transportation & Travel	365		500	500	500
208-751-901.00	Advertising	90			1,400	1,400
208-751-902.00	Marketing				0	0
208-751-922.00	Utilities-Elec, Water, Sewer	3,240	4,708	3,610	4,000	4,000
208-751-930.00	Equipment Maintenance	1,892	1,025	1,025	500	500
208-751-931.00	Maintenance of Building	140	275	275	140	140
208-751-940.00	Rentals	15,849	15,134	10,540	12,245	12,245
208-751-941.00	Motor Pool Equip Rental	14,072	12,000	14,700	14,700	14,700
208-751-941.01	Data Processing	7,262	10,009	10,009	9,562	9,562
208-751-958.00	Education & Training	843	1,060	1,060	1,095	1,095
208-751-964.00	Refund or Rebates	268		3,200	500	500
208-751-970.00	Capital Outlay	20,765	26,650	0	0	0
208-751-999.00	Transfers to Other Funds		25,953	25,953	25,953	25,953
APPROPRIATIONS - 751-Recreation		(423,498)	(418,854)	(414,636)	(423,109)	(433,151)
ESTIMATED REVENUES - FUND 208		391,219	395,605	417,538	421,541	423,161
APPROPRIATIONS - FUND 208		(423,512)	(418,854)	(414,636)	(423,109)	(433,151)
NET OF REVENUES/APPROPRIATIONS - FUND 208		(32,293)	(23,249)	2,902	(1,568)	(9,990)
BEGINNING FUND BALANCE		272,909		240,616	243,518	241,951
ENDING FUND BALANCE		240,616		243,518	241,951	231,961

ALLOCATED POSITIONS: RECREATION						
Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Community Services	0.03	0.03	0.03	0.25	0.00	0.00
Supervisor	1.00	1.00	1.00	1.00	0.00	0.00
Administrator				1.00	1.00	1.00
Secretary	1.00	1.00	1.00	0.03	0.25	0.00
Recreation Coordinator I	0.00	0.00	0.00	0.00	1.00	1.00
Recreation Coordinator II	1.00	1.00	1.00	1.00	1.00	1.00
Total	3.03	3.03	3.03	3.28	3.25	3.00

FARMER'S MARKET

Since 2002, the Marshall Area Farmer's Market has operated in Marshall's downtown area bringing fresh fruits and vegetables, meat and poultry, baked goods, plants and flowers, and more to Marshall's citizens and visitors.

The market is committed to support of Michigan based local farmers, growers, artisans and producers who also support sustainable economies and environmental practices while providing employment and income to our citizens. Management of the Farmer's Market is overseen by an advisory board and the addition of a contract Market Manager. A city staff liaison is the designated to assist the Farmer's Market when needed.

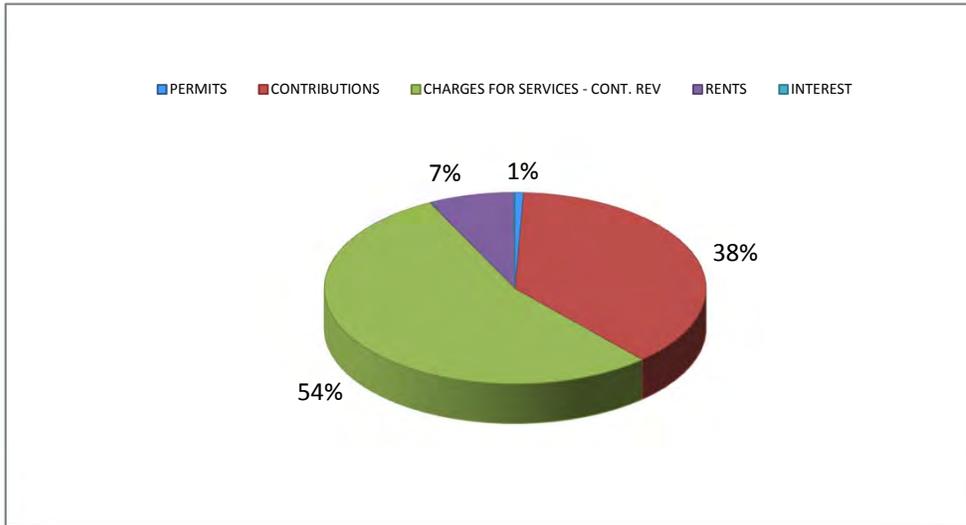
During 2016 the Farmer's Market began a winter market within the lobby of Oaklawn hospital, this market was a success serving many of the hospital's staff and general public on Wednesday afternoons. The outdoor market continued in 2016 and was a success as well. The market averaged 40+ vendors and continues to serve the public on Saturday Mornings. Dial-A-Ride, during 2016, began providing Saturday service to and from the market and a new SNAP program is allowing patrons with Bridge Cards access to the Market's wares.

In 2016 the Farmers' Market Board hosted a special fundraising event with cooperation of chefs from Firekeeper's Casino and utilizing wares from the Farmers' Market vendors. The Market Board intends to continue with similar fundraising events as this event was enjoyable and well received.

The Farmer's Market fulfills the City's Vision by focusing on an improved Quality Of Life by achieving and sustaining a concentrated effort to promote a vibrant community atmosphere.

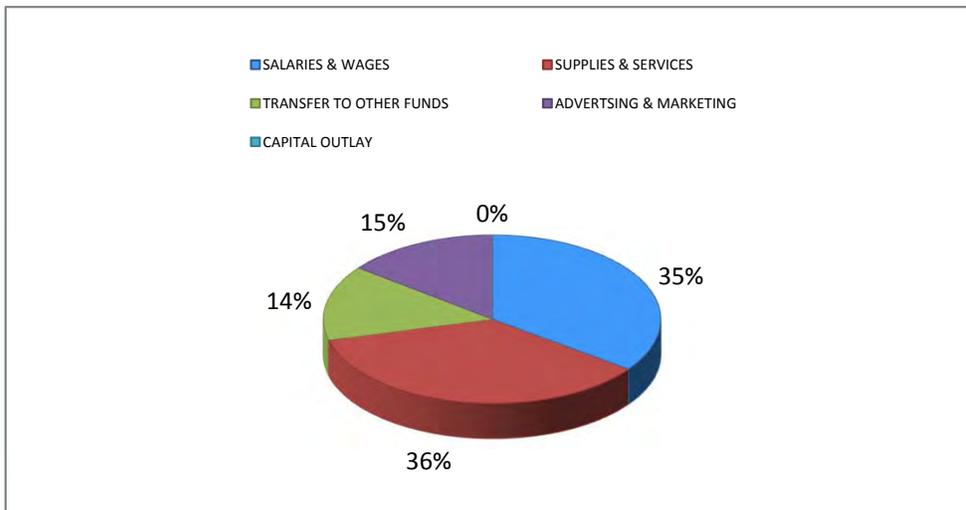
FY 2018 FARMER'S MARKET REVENUES

PERMITS	200	1%
CONTRIBUTIONS	10,400	38%
CHARGES FOR SERVICES - CONT. REV	\$ 15,000	54%
RENTS	2,000	7%
INTEREST	25	0%
TOTAL REVENUES	\$ 27,625	100%



FY 2018 FARMER'S MARKET EXPENDITURES

SALARIES & WAGES	\$ 7,224	35%
SUPPLIES & SERVICES	7,400	36%
TRANSFER TO OTHER FUNDS	2,975	14%
ADVERTISING & MARKETING	3,000	15%
CAPITAL OUTLAY	-	0%
TOTAL EXPENDITURES	\$ 20,599	100%



GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 210 - FARMERS MARKET						
Dept 000						
210-000-451.01	Permits	420	250	250	200	200
210-000-588.10	CONTRIBUTIONS	10,400			0	0
210-000-588.11	CONTRIBUTIONS - FRIENDS OF THE MARKET	2,400	4,400	9,250	10,000	10,000
210-000-588.13	CONTRIBUTIONS - FARMERS MK - MERCHAI	875	900	100	400	400
210-000-627.00	Charges for Services - Contract Revenue	9,846	7,700	10,500	15,000	15,000
210-000-665.00	Interest	12	9	25	25	25
210-000-667.00	Rents	2,929	7,200	3,500	2,000	2,000
210-000-671.00	Miscellaneous Revenue	91	2,500	0	0	0
210-000-694.00	Cash - over & short				0	0
Revenues		26,973	22,959	23,625	27,625	27,625
210-000-703.00	Part-time Salaries	3,075	7,224	0	0	0
210-000-703.01	PT Salaries - exempt	3,010		7,224	7,224	15,000
210-000-715.00	Social Security	235			0	0
210-000-727.00	Office Supplies	432	600	600	100	102
210-000-755.00	Miscellaneous Supplies	1,758	1,575	1,575	1,575	1,607
210-000-804.00	BANK FEES			175	570	570
210-000-810.00	Dues & Memberships	250	250	250	250	250
210-000-850.00	Communications	203	480	480	480	480
210-000-860.00	Transportation & Travel				0	0
210-000-901.00	Advertising	86		51	0	0
210-000-902.00	Marketing	1,995	3,850	3,850	3,000	3,060
210-000-922.00	Utilities-Elec, Water, Sewer	187	240	240	300	306
210-000-940.00	Rentals	355	495	495	625	625
210-000-944.00	Projects/Fundraisers			3,000	3,500	3,500
210-000-945.03	RETAIL PURCHASES	998	600	600	0	0
210-000-958.00	Education & Training		300	300		0
210-000-970.00	Capital Outlay	2,529	2,000	0	0	0
210-000-999.00	Transfer to Other Funds				2,975	2,975
APPROPRIATIONS - FARMER'S MARKET		(15,113)	(17,614)	(18,840)	(20,599)	(28,475)
ESTIMATED REVENUES - FUND 210		26,973	22,959	23,625	27,625	27,625
APPROPRIATIONS - FUND 210		(15,113)	(17,614)	(18,840)	(20,599)	(28,475)
NET OF REVENUES/APPROPRIATIONS - FUND 210		11,860	5,345	4,785	7,026	(850)
BEGINNING FUND BALANCE		2,643		14,503	19,288	26,314
ENDING FUND BALANCE		14,503		19,288	26,314	25,465

COMPOST

In 2016 the City of Marshall and Calhoun County decided to close the joint compost center on Division Drive.

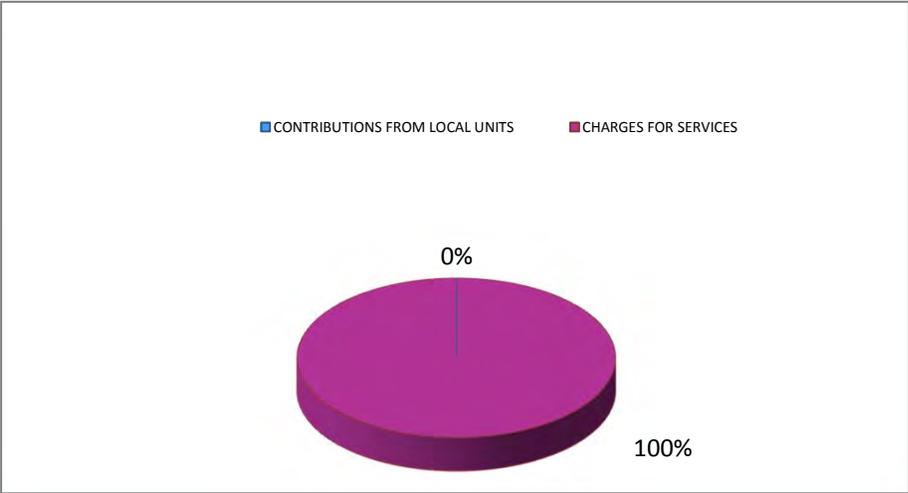
In 2017 the City will open a new Compost Site east of the DPW Building on Homer Rd. This site will open in April for City Residents. This site will operate from April to November on Friday's and Saturday's and receive leaf and brush materials from City Residents only with proof of residency.

The City maintains its membership in the Southwest Michigan Compost Group (SWMCG). The SWMCG members own, operate and share a brush grinder and compost row turner. Processing of compost piles and chipping of brush are done by Public Works employees on an as needed basis.

This Composting Facility fulfills the City's Vision by focusing on an improved Quality Of Life by achieving and sustaining a concentrated effort to promote a vibrant community atmosphere.

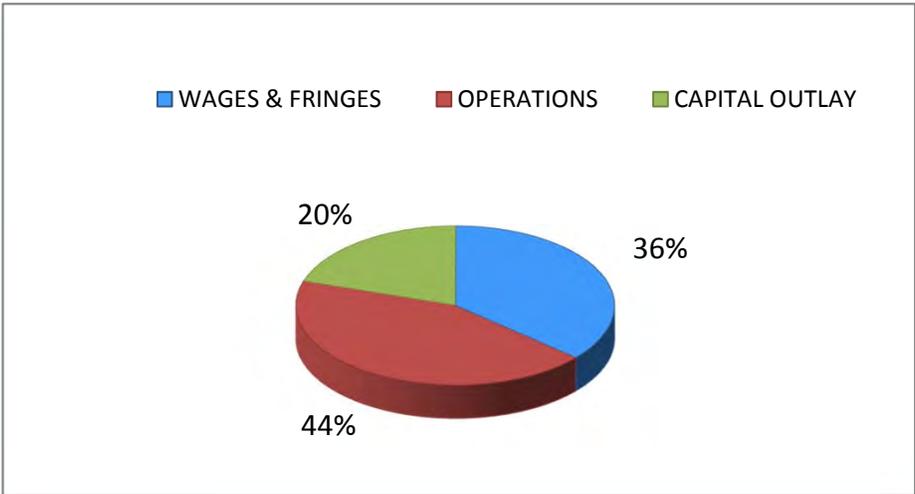
FY 2018 GENERAL FUND-COMPOST REVENUES

CONTRIBUTIONS FROM LOCAL UNITS	\$	-	0%
CHARGES FOR SERVICES		3,750	100%
INTEREST		-	0%
TOTAL REVENUES	\$	3,750	100%



FY 2018 GENERAL FUND-COMPOST EXPENDITURES

WAGES & FRINGES	\$	11,622	36%
OPERATIONS		13,915	44%
CAPITAL OUTLAY		6,400	20%
TOTAL EXPENDITURES	\$	31,937	100%



BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 225 - Composting						
Dept 000						
225-000-588.00	Contributions from Local Units	12,000	12,000	32,300	0	0
225-000-626.00	Charges for Services	2,397	3,750	3,750	3,750	3,750
225-000-665.00	Interest	21			0	0
225-000-699.01	Contributions - General Fund				0	0
NET OF REVENUES/APPROPRIATIONS - 000-		14,418	15,750	36,050	3,750	3,750
Compost						
225-000-702.00	Payroll	11,209	15,000	16,000	6,500	6,630
225-000-702.01	Other Fringe Benefits-taxable	258			0	0
225-000-703.00	Part-time Salaries	7,294	9,880	5,800	4,250	4,250
225-000-704.00	Overtime Salaries			560	0	0
225-000-715.00	Social Security	1,412	756	1,715	822	832
225-000-716.00	Hospitalization	1,274			0	0
225-000-717.00	Life Insurance	5			0	0
225-000-718.00	Retirement	1,498			0	0
225-000-721.00	Workers Compensation	(37)	220	0	50	50
225-000-760.00	Medical Services				15	15
225-000-775.00	Repair & Maintenance Supplies	1,379	3,000	0	1,500	1,500
225-000-810.00	Dues & Memberships				600	600
225-000-820.00	Contracted Services	2,883	7,500	34,200	3,500	3,500
225-000-901.00	Advertising		300	300	300	300
225-000-930.00	Equipment Maintenance	596	5,000	3,000	2,000	2,000
225-000-941.00	Motor Pool Equip Rental	16,933	17,000	20,720	6,000	6,000
225-000-970.00	Capital Outlay		6,400	6,400	6,400	6,400
NET OF REVENUES/APPROPRIATIONS - 000-		(44,704)	(65,056)	(88,695)	(31,937)	(32,077)
ESTIMATED REVENUES - FUND 225						
		14,418	15,750	36,050	3,750	3,750
APPROPRIATIONS - FUND 225						
		(44,704)	(65,056)	(88,695)	(31,937)	(32,077)
NET OF REVENUES/APPROPRIATIONS - FUND 225						
		(30,286)	(49,306)	(52,645)	(28,187)	(28,327)
BEGINNING FUND BALANCE						
		25,835		(4,451)	(57,096)	(85,283)
ENDING FUND BALANCE						
		(4,451)		(57,096)	(85,283)	(113,611)

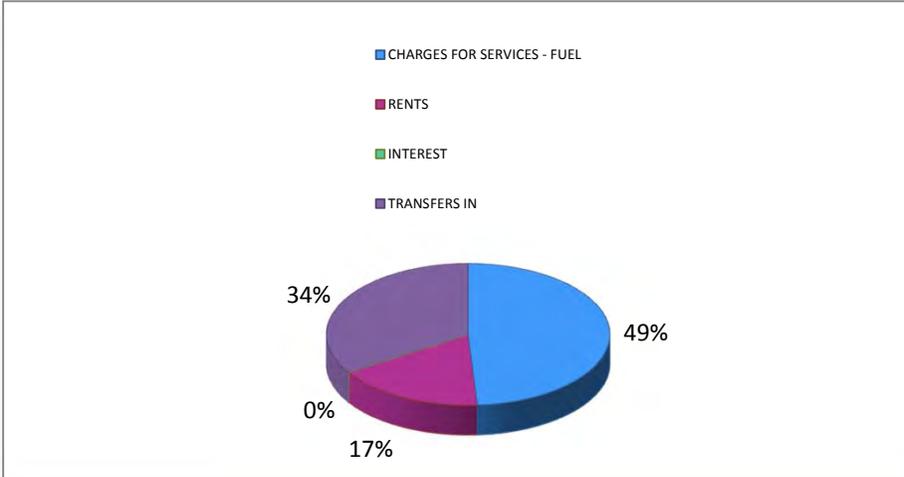
AIRPORT

Brooks Field is an uncontrolled airfield owned and operated by the City of Marshall. It is managed by a five member Airport Advisory Board, a part-time Airport Manager, and the City Council.

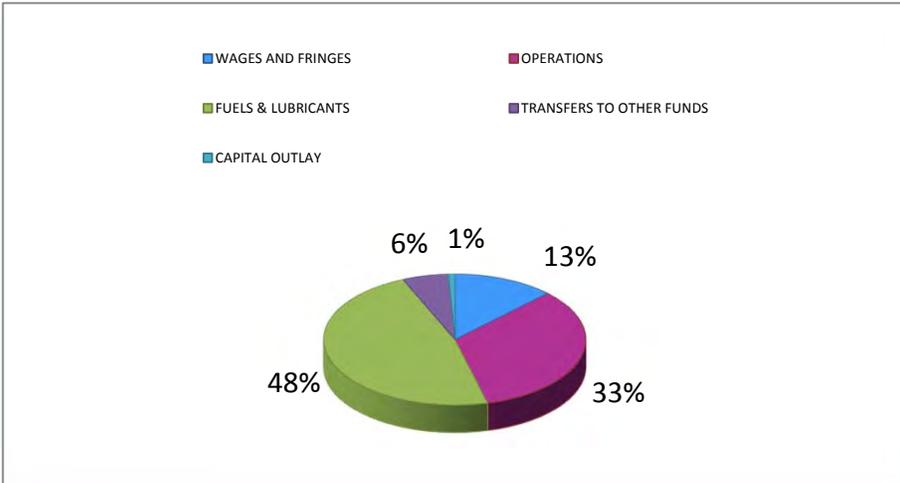
The airport features a single runway 3500 x 75 feet, helipad, public and private hangars, lighted wind indicator, segmented circle, Compass Rose, and a tie down apron. The airport also offers two types of self-service fuels, 100LL and 94 Octane Swift ethanol free, at very competitive prices which are available 24 hours a day 7 days a week.

Maintaining a City Airport fulfills the City's Vision by focusing on an improved Quality Of Life and Infrastructure. This will achieve and sustain a concentrated effort to promote a vibrant community atmosphere and by preserving, rehabilitating and expanding the city infrastructure and assets.

FY 2018 GENERAL FUND-AIRPORT REVENUES		
CHARGES FOR SERVICES - FUEL	\$ 72,100	49%
RENTS	25,000	17%
INTEREST	20	0%
TRANSFERS IN	50,162	34%
TOTAL REVENUES	\$ 147,282	100%



FY 2018 GENERAL FUND-AIRPORT EXPENDITURES		
WAGES AND FRINGES	\$ 18,421	13%
OPERATIONS	49,309	33%
FUELS & LUBRICANTS	70,000	48%
TRANSFERS TO OTHER FUNDS	8,302	6%
CAPITAL OUTLAY	1,250	1%
TOTAL EXPENDITURES	\$ 147,282	100%



BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 295 - Airport						
Dept 000						
295-000-540.00	State Grants					
295-000-640.00	Charges for Service - Fuel	62,314	70,000	72,100	72,100	72,100
295-000-665.00	Interest	32		20	20	20
295-000-667.00	Rents	24,346	25,000	25,000	25,000	25,000
295-000-671.00	Miscellaneous Revenue		500	500	0	0
295-000-699.00	Transfers From Other Funds				0	0
295-000-699.01	Contributions - General Fund	63,000	63,000	63,000	50,162	62,000
NET OF REVENUES/APPROPRIATIONS - 000-		149,692	158,500	160,620	147,282	159,120
Dept 895-Airport						
295-895-702.00	Payroll	5,759	5,857	7,000	5,760	5,875
295-895-702.01	Other Fringe Benefits-taxable		101	100	0	0
295-895-703.00	Part-time Salaries	27,089	28,200	28,200	10,000	10,000
295-895-704.00	Overtime Salaries	248		180	0	0
295-895-715.00	Social Security	2,527	2,613	2,725	1,206	1,214
295-895-716.00	Hospitalization	544	1,058	650	675	729
295-895-717.00	Life Insurance	18	22	10	13	13
295-895-718.00	Retirement - DC	620	586	605	187	191
295-895-721.00	Workers Compensation	(12)	170	580	580	580
295-895-740.00	Operating Supplies	1,894	2,500	2,500	2,000	2,040
295-895-757.00	Fuels & Lubricants	53,799	60,000	70,000	70,000	70,000
295-895-801.00	Professional Services	251	1,000	0	100	100
295-895-805.00	Administrative Costs		200	0	200	200
295-895-812.00	License	150	200	200	100	100
295-895-820.00	Contracted Services	18,144	16,000	30,200	19,000	19,000
295-895-825.00	Insurance	3,928	4,810	5,210	5,262	5,315
295-895-850.00	Communications	4,325	4,000	4,600	4,700	4,700
295-895-860.00	Transportation & Travel	134	500	250	150	150
295-895-921.00	Utilities - Gas	684	900	720	700	700
295-895-922.00	Utilities-Elec, Water, Sewer	4,451	6,000	5,000	4,500	4,500
295-895-930.00	Equipment Maintenance	4,525	5,000	4,000	4,000	4,000
295-895-931.00	Maintenance of Building	3,565	5,000	2,500	4,000	4,000
295-895-941.00	Motor Pool Equip Rental	1,031	1,000	2,100	2,100	2,100
295-895-956.00	Bad Debt Expense	5,926			0	0
295-895-941.01	Data Processing	2,760	2,698	2,698	2,497	2,497
295-895-999.00	Transfers to Other Funds		8,302	8,302	8,302	8,302
NET OF REVENUES/APPROPRIATIONS - 895-Airport		(142,360)	(156,717)	(178,330)	(146,032)	(146,306)
Dept 900-Capital Outlay Control						
295-900-970.00	Capital Outlay	1,125	3,750	3,750	1,250	0
NET OF REVENUES/APPROPRIATIONS - 900-Capital Outlay Control		(1,125)	(3,750)	(3,750)	(1,250)	0
ESTIMATED REVENUES - FUND 295		149,692	158,500	160,620	147,282	159,120
APPROPRIATIONS - FUND 295		(143,485)	(160,467)	(182,080)	(147,282)	(146,306)
NET OF REVENUES/APPROPRIATIONS - FUND 295		6,207	(1,967)	(21,460)	0	12,814
BEGINNING FUND BALANCE						
ENDING FUND BALANCE		30,670		36,877	15,417	15,417
		36,877		15,417	15,417	28,231

ALLOCATED POSITIONS: AIRPORT						
Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Public Services	0.05	0.05	0.00	0.05	0.05	0.05
Facilities Manager				0.05	0.05	0.05
Equipment Operator	0.06	0.06	0.06	0.06	0.00	0.00
Total	0.11	0.11	0.06	0.16	0.10	0.10

MOTOR VEHICLE HIGHWAY (MVH) MAJOR AND TRUNKLINE

The City of Marshall has 14.38 miles of Major Streets. Each year the City receives Act 51 monies from the State based upon the number of miles and population. These monies are derived from the gasoline tax.

It is anticipated that we will receive approximately \$583,000 in major street revenues this includes the increase of \$98,000 for the new State Funding. Additionally, the City maintains approximately 8 miles of State Trunkline roads, for which we receive reimbursement from the State of Michigan.

The funds within this budget are used for the maintenance and improvements of major streets and the State Trunkline within Marshall. Major streets are defined by parameters set by the Michigan Department of Transportation and deal with criteria such as traffic volume, speed, and purpose for the road.

There are two State Trunklines within Marshall. One is Business Loop I-94, known as Michigan Avenue. The second is M-227, which is the truck by-pass extending from Michigan Avenue and consists of the southern section of West Drive, Industrial Dr. and S. Kalamazoo Avenue, south of Industrial to the southern city limits.

The City of Marshall Department of Public Works is responsible for Major Street and State Trunkline maintenance and repair.

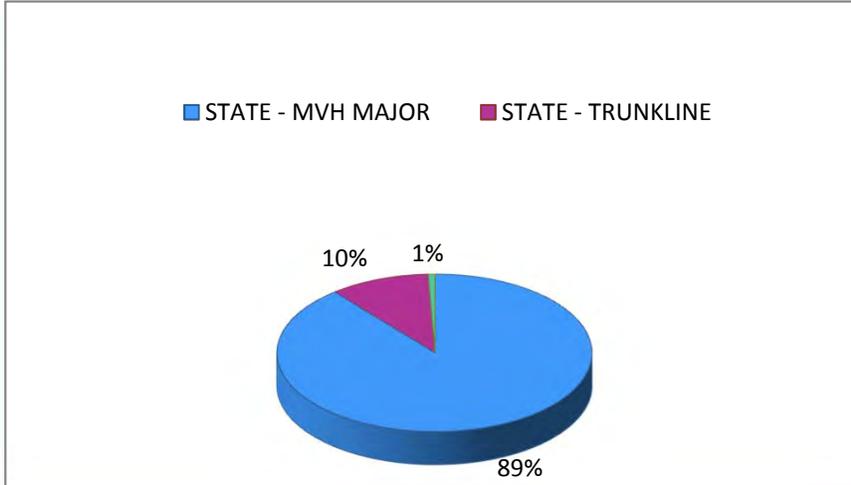
In 2016 the Major Street Fund contributed a 20% to the Small Urban Grant project to reconstruct North Dr. West and Monroe Street, with a new sidewalk on the north side of North Dr. West.

In 2018 the Major Street Fund will contribute a 5% share towards a complete reconstruction of the S. Marshall Ave. Bridge over the Kalamazoo River, estimated at \$2.4 Million and funded through the State of Michigan Bridge Program.

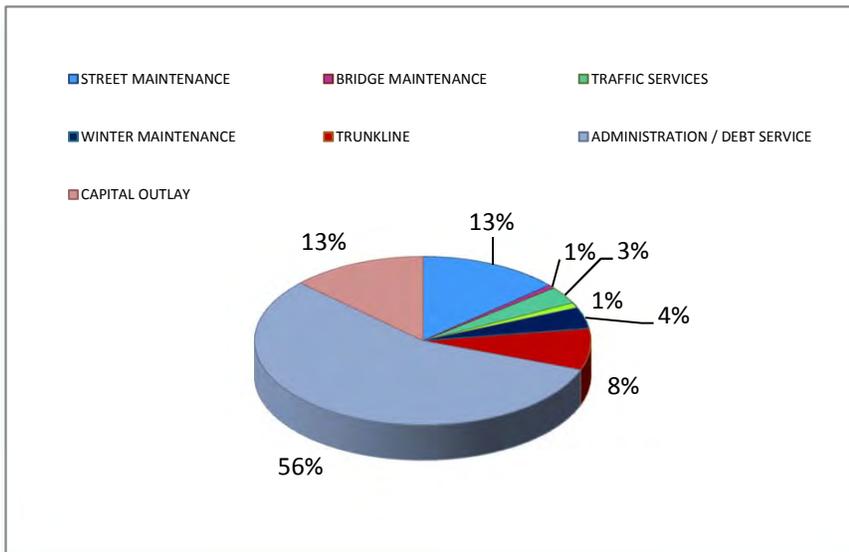
In 2018 the city will receive grant funds in the amount of \$357,000 for the milling and resurfacing of N. Kalamazoo/Brewer Street from Mansion St. to North Dr. Funds for this project will be received from Transportation Economic Development Fund (TEDF) Category F Grants. The city is required to provide 20% in matching funds for this project.

In 2019 the Major Street Fund will again contribute a 5% share towards a complete reconstruction of the Monroe Street Bridge over Rice Creek, estimated at \$2.1 Million and funded through the State of Michigan Bridge Program.

FY 2018 MVH MAJOR STREETS REVENUES		
STATE - MVH MAJOR	508,059	89%
STATE - TRUNKLINE	58,477	10%
INTEREST	4,000	1%
TOTAL REVENUES	\$ 570,536	100%



FY 2018 MVH MAJOR STREETS EXPENDITURES		
STREET MAINTENANCE	100,190	13%
BRIDGE MAINTENANCE	5,000	1%
TRAFFIC SERVICES	24,921	3%
TRAFFIC SIGNALS	7,500	1%
WINTER MAINTENANCE	30,296	4%
TRUNKLINE	59,168	8%
ADMINISTRATION / DEBT SERVICE	425,478	56%
CAPITAL OUTLAY	96,000	13%
TOTAL EXPENDITURES	\$ 748,553	100%



City of Marshall
Summary of Michigan Transportation Fund Debt

	ISSUE: 33						
	AUTH: Act 34						
	CUSIP: 572427						
	TYPE: MTF (LT)						
	PURPOSE: Street Improvements						
	DATED: May 1, 2013						
	CALLABLE: 10/1/22 @ Par						
	Fund 202 & 203						
Fiscal	Total Michigan Transportation Fund Debt						
Year	PRINCIPAL	RATE	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
Ending	(4/1)		(4/1 & 10/1)				
June 30							
2018	\$100,000	2.00%	\$31,213	\$131,213	\$100,000	\$31,213	\$131,213
2019	\$105,000	2.00%	\$29,163	\$134,163	\$105,000	\$29,163	\$134,163
2020	\$105,000	2.00%	\$27,063	\$132,063	\$105,000	\$27,063	\$132,063
2021	\$105,000	2.00%	\$24,963	\$129,963	\$105,000	\$24,963	\$129,963
2022	\$110,000	2.00%	\$22,813	\$132,813	\$110,000	\$22,813	\$132,813
2023	\$110,000	2.00%	\$20,613	\$130,613	\$110,000	\$20,613	\$130,613
2024	\$115,000	2.15%	\$18,276	\$133,276	\$115,000	\$18,276	\$133,276
2025	\$120,000	2.15%	\$15,750	\$135,750	\$120,000	\$15,750	\$135,750
2026	\$120,000	2.30%	\$13,080	\$133,080	\$120,000	\$13,080	\$133,080
2027	\$125,000	3.00%	\$9,825	\$134,825	\$125,000	\$9,825	\$134,825
2028	\$130,000	3.00%	\$6,000	\$136,000	\$130,000	\$6,000	\$136,000
2029	\$135,000	3.00%	\$2,025	\$137,025	\$135,000	\$2,025	\$137,025
	<u>\$1,380,000</u>		<u>\$220,784</u>	<u>\$1,600,784</u>	<u>\$1,380,000</u>	<u>\$220,784</u>	<u>\$1,600,784</u>

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 202 - MVH Major & Trunkline Fund						
Dept 000						
202-000-547.00	State - MVH Major	389,850	385,000	472,995	508,059	518,220
202-000-548.00	State - Trunkline	85,809	58,477	58,477	58,477	58,477
202-000-549.00	State - MVH Local				0	0
202-000-570.00	State Operating Assistance	80,117	91,109	0	0	0
202-000-665.00	Interest	2,784	200	4,000	4,000	4,000
NET OF REVENUES/APPROPRIATIONS - 000-		558,560	534,786	535,472	570,536	580,697
Dept 463-Street Maintenance						
202-463-702.00	Payroll	2,722	7,500	16,000	22,000	22,440
202-463-703.00	Part-time Salaries				3,000	3,000
202-463-704.00	Overtime Salaries	16	4,500	4,000	8,000	8,000
202-463-715.00	Social Security	198	1,150	1,530	2,525	2,558
202-463-716.00	Hospitalization	3,000	2,800	1,500	1,575	1,701
202-463-718.00	Retirement	2,677	1,500	0	0	0
202-463-721.00	Workers Compensation				0	0
202-463-728.00	Equipment & Supplies				0	0
202-463-775.00	Repair & Maintenance Supplies	3,521	5,000	9,250	7,000	7,000
202-463-801.00	Professional Services		2,000	500	250	250
202-463-939.00	Contracted Maintenance	6,558	15,000	15,000	20,000	20,000
202-463-940.00	Rentals				0	0
202-463-941.00	Motor Pool Equip Rental	4,293	2,000	12,630	35,840	35,840
NET OF REVENUES/APPROPRIATIONS - 463-Street Maintenance		(22,985)	(41,450)	(60,410)	(100,190)	(100,789)
Dept 470-Bridge Maintenance						
202-470-702.00	Payroll				0	0
202-470-704.00	Overtime Salaries				0	0
202-470-715.00	Social Security				0	0
202-470-801.00	Professional Services	6,742	3,000	3,000	5,000	5,000
202-470-939.00	Contracted Maintenance				0	0
202-470-940.00	Rentals				0	0
202-470-941.00	Motor Pool Equip Rental				0	0
NET OF REVENUES/APPROPRIATIONS - 470-Bridge Maintenance		(6,742)	(3,000)	(3,000)	(5,000)	(5,000)
Dept 474-Traffic Services						
202-474-702.00	Payroll	107	2,000	4,000	4,080	4,162
202-474-704.00	Overtime Salaries		1,000	1,000	1,000	1,000
202-474-715.00	Social Security	8	80	385	389	395
202-474-716.00	Hospitalization	650	650	650	702	758
202-474-718.00	Retirement	574	350	0	0	0
202-474-721.00	Workers Compensation				0	0
202-474-728.00	Equipment & Supplies				0	0
202-474-775.00	Repair & Maintenance Supplies		1,000	1,000	1,000	1,000
202-474-778.00	Paint & Signs	2,500	8,000	8,000	10,000	10,000
202-474-939.00	Contracted Maintenance	509	47,500	500	7,000	7,000
202-474-940.00	Rentals				0	0
202-474-941.00	Motor Pool Equip Rental	23		750	750	750
NET OF REVENUES/APPROPRIATIONS - 474-Traffic Services		(4,371)	(60,580)	(16,285)	(24,921)	(25,065)
Dept 476-Traffic Signals						
202-476-702.00	Payroll				0	0
202-476-715.00	Social Security				0	0
202-476-728.00	Equipment & Supplies				0	0
202-476-922.00	Utilities-Elec, Water, Sewer	887	2,000	1,000	1,500	1,530
202-476-939.00	Contracted Maintenance	1,961	1,200	2,000	6,000	6,000
202-476-940.00	Rentals				0	0
NET OF REVENUES/APPROPRIATIONS - 476-Traffic Signals		(2,848)	(3,200)	(3,000)	(7,500)	(7,530)
Dept 480-Winter Maintenance						
202-480-702.00	Payroll	1,473	3,000	3,000	3,060	3,121
202-480-703.00	Part-time Salaries				0	0

202-480-704.00	Overtime Salaries	3,195	5,000	5,000	5,000	5,000
202-480-715.00	Social Security	346	383	615	617	621
202-480-716.00	Hospitalization	500	300	300	324	350
202-480-718.00	Retirement	765	700	700	795	888
202-480-721.00	Workers Compensation				0	0
202-480-728.00	Equipment & Supplies				0	0
202-480-775.00	Repair & Maintenance Supplies	8,334	10,000	10,000	9,000	9,000
202-480-940.00	Rentals				0	0
202-480-941.00	Motor Pool Equip Rental	8,079	15,500	8,500	11,500	11,500
NET OF REVENUES/APPROPRIATIONS - 480-Winter Maintenance		(22,692)	(34,883)	(28,115)	(30,296)	(30,480)
Dept 486-Trunkline						
202-486-702.00	Payroll	7,386	13,000	13,000	13,260	13,525
202-486-703.00	Part-time Salaries				0	0
202-486-704.00	Overtime Salaries	8,290	5,000	5,000	5,000	5,000
202-486-715.00	Social Security	1,159	1,377	1,377	1,397	1,417
202-486-716.00	Hospitalization	2,600	2,500	2,500	2,625	2,835
202-486-718.00	Retirement	2,295	2,100	2,100	2,386	2,664
202-486-721.00	Workers Compensation				0	0
202-486-728.00	Equipment & Supplies				0	0
202-486-740.00	Operating Supplies				0	0
202-486-775.00	Repair & Maintenance Supplies	25,712	15,000	15,000	15,000	15,000
202-486-922.00	Utilities-Elec, Water, Sewer				0	0
202-486-940.00	Rentals				0	0
202-486-941.00	Motor Pool Equip Rental	26,168	19,500	19,500	19,500	19,500
NET OF REVENUES/APPROPRIATIONS - 486-Trunkline		(73,610)	(58,477)	(58,477)	(59,168)	(59,941)
Dept 539-Administration						
202-539-721.00	Workers Compensation					
202-000-803.00	Service Fee	250	300	250	250	250
202-539-805.00	Administrative Costs	2,015	38,500	500	500	500
202-539-826.00	Bond Issuance Costs				0	0
202-539-990.00	Debt Service	100,000	100,000	100,000	100,000	105,000
202-539-995.00	Bond Interest Paid	35,213	33,213	33,213	31,213	29,163
202-539-998.00	Refunding Bond Escrow Agent				0	0
202-539-999.00	Transfers to Other Funds			125,000	250,000	125,000
202-539-999.00	Transfers to Other Funds - General Fund	75,481	125,000	38,500	43,515	45,595
NET OF REVENUES/APPROPRIATIONS - 539-Administration		(212,959)	(297,013)	(297,463)	(425,478)	(305,508)
Dept 900-Capital Outlay Control						
202-900-970.00	Capital Outlay	240,348	176,500	202,000	96,000	165,000
NET OF REVENUES/APPROPRIATIONS - 900-Capital Outlay Control		(240,348)	(176,500)	(202,000)	(96,000)	(165,000)
ESTIMATED REVENUES - FUND 202		558,560	534,786	535,472	570,536	580,697
APPROPRIATIONS - FUND 202		(586,555)	(675,103)	(668,750)	(748,553)	(699,313)
NET OF REVENUES/APPROPRIATIONS - FUND 202		(27,995)	(140,317)	(133,278)	(178,017)	(118,616)
BEGINNING FUND BALANCE		1,074,916		1,046,921	913,643	735,626
ENDING FUND BALANCE		1,046,921		913,643	735,626	617,011

MOTOR VEHICLE HIGHWAY (MVH) - LOCAL

The City of Marshall has 25.76 miles of local streets. Yearly the city receives Act 51 monies from the State based upon the local street mileage and population. These monies are derived from the State's gasoline tax.

In FY17-18 the city anticipates receiving approximately \$195,000 in local street revenues, which includes the increase of \$15,000 from the new State Funding.

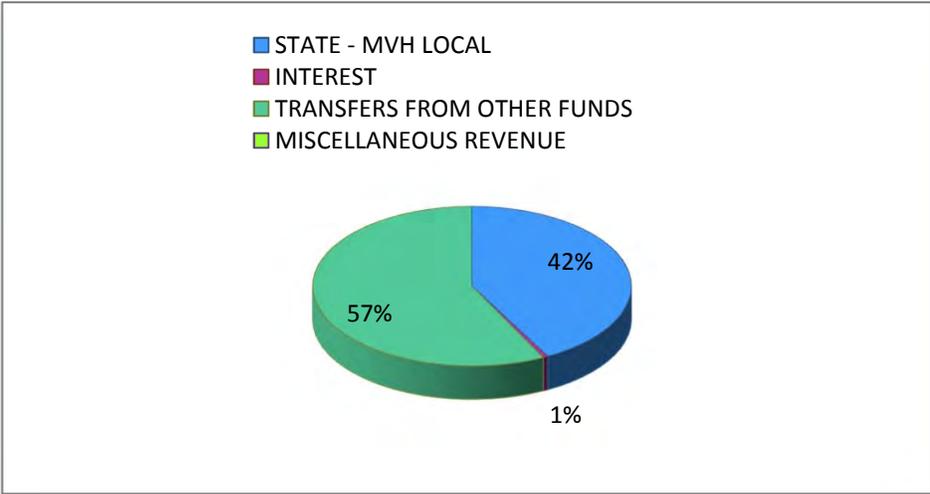
In 2016 the city milled and resurfaced Turquoise Trail and a portion of N. Park St. During 2017, as part of the FY16-17 budget, approximately 1300 feet of Arms Street from Fountain Street westerly will be reconstructed with the addition of a new sidewalk along parts of the street.

In 2017, as part of the FY17-18 budget, the city will mill and resurface Green Street from S. Kalamazoo to Dobbins and pulverize, re-shape and pave Montgomery Street from Maple to Cedar. A new sidewalk will also be constructed along Montgomery Street from S. Marshall Ave. to the Kids Kingdom parking lot. This sidewalk work is part of the City's requirement to spend 10% over 10 years of our Act 51 funds on Non-motorized projects within the public ROW.

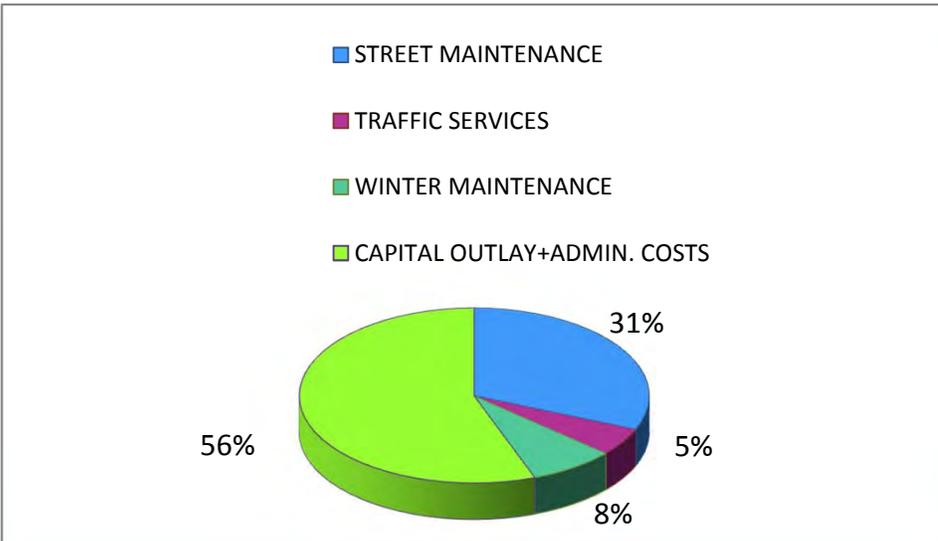
The city is also actively updating regulatory traffic signs with new signs, per the requirements of the Federal Highway Administration (FHWA). Currently the majority of the City's Stop and Yield signs have been updated, once completed, we will begin a program to upgrade all the No Parking signage throughout the city.

The City of Marshall Department of Public Works is responsible for Local Street maintenance and repair under direction of the DPW Superintendent and Director of Public Services.

FY 2018 MVH LOCAL STREETS REVENUES		
STATE - MVH LOCAL	\$ 183,235	42%
INTEREST	2,200	1%
TRANSFERS FROM OTHER FUNDS	250,000	57%
MISCELLANEOUS REVENUE	-	0%
CONTRIBUTIONS FROM GENERAL FUND	-	0%
TOTAL REVENUES	\$ 435,435	100%



FY 2018 MVH LOCAL STREETS EXPENDITURES		
STREET MAINTENANCE	151,622	31%
TRAFFIC SERVICES	25,019	5%
WINTER MAINTENANCE	38,232	8%
CAPITAL OUTLAY+ADMIN. COSTS	269,593	56%
TOTAL EXPENDITURES	\$ 484,466	100%



GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 203 - MVH Local Fund						
Dept 000						
203-000-505.00	Federal Grant					
203-000-549.00	State - MVH Local	150,511	160,000	160,000	183,235	186,900
203-000-665.00	Interest	1,651	160	2,200	2,200	2,200
203-000-671.00	Miscellaneous Revenue		30,000	30,000	0	0
203-000-675.00	Contrib. from Other Sources			340	0	0
203-000-696.00	Bond Proceeds				0	0
203-000-699.00	Transfers From Other Funds	75,481	125,000	125,000	250,000	125,000
203-000-699.01	Contributions - General Fund	75,000			0	0
203-000-699.02	Contributions - MVH Major				0	0
203-000-699.03	Contributions - MVH Local				0	0
NET OF REVENUES/APPROPRIATIONS - 000-		302,643	315,160	317,540	435,435	314,100
Dept 463-Street Maintenance						
203-463-702.00	Payroll	13,656	20,000	25,000	34,000	34,680
203-463-703.00	Part-time Salaries			1,400	5,900	5,900
203-463-704.00	Overtime Salaries	719	6,000	6,500	13,000	13,000
203-463-715.00	Social Security	1,055	1,224	2,520	4,047	4,099
203-463-716.00	Hospitalization	4,000	3,500	3,500	3,675	3,969
203-463-718.00	Retirement	3,442	3,200	0	0	0
203-463-721.00	Workers Compensation				0	0
203-463-728.00	Equipment & Supplies				0	0
203-463-775.00	Repair & Maintenance Supplies	7,231	6,000	15,000	12,000	12,000
203-463-801.00	Professional Services		1,000	100	500	500
203-463-939.00	Contracted Maintenance	1,600	15,000	25,000	25,000	25,000
203-463-940.00	Rentals				0	0
203-463-941.00	Motor Pool Equip Rental	13,376	12,500	28,605	53,500	53,500
NET OF REVENUES/APPROPRIATIONS - 463-Street Maintenance		(45,079)	(68,424)	(107,625)	(151,622)	(152,648)
Dept 474-Traffic Services						
203-474-702.00	Payroll	466	3,000	2,000	2,040	2,081
203-474-703.00	Part-time Salaries				0	0
203-474-704.00	Overtime Salaries		500	500	500	500
203-474-715.00	Social Security	34	50	195	194	197
203-474-716.00	Hospitalization	1,700	1,700	1,700	1,785	1,928
203-474-718.00	Retirement	1,434	1,390	0	0	0
203-474-721.00	Workers Compensation				0	0
203-474-728.00	Equipment & Supplies				0	0
203-474-775.00	Repair & Maintenance Supplies	85	600	0	0	0
203-474-778.00	Paint & Signs	1,880	10,000	10,000	20,000	20,000
203-474-940.00	Rentals				0	0
203-474-941.00	Motor Pool Equip Rental	21	100	500	500	500
NET OF REVENUES/APPROPRIATIONS - 474-Traffic Services		(5,620)	(17,340)	(14,895)	(25,019)	(25,206)
Dept 480-Winter Maintenance						
203-480-702.00	Payroll	4,131	5,000	3,500	5,000	5,100
203-480-703.00	Part-time Salaries				0	0
203-480-704.00	Overtime Salaries	4,166	6,000	4,500	6,000	6,000
203-480-715.00	Social Security	615	460	540	842	849
203-480-716.00	Hospitalization	1,800	1,800	1,800	1,890	2,041
203-480-718.00	Retirement	1,530	1,500	0	0	0
203-480-721.00	Workers Compensation				0	0
203-480-728.00	Equipment & Supplies				0	0
203-480-775.00	Repair & Maintenance Supplies	11,561	12,000	12,000	9,000	9,000
203-480-940.00	Rentals				0	0
203-480-941.00	Motor Pool Equip Rental	14,350	15,500	15,500	15,500	15,500
NET OF REVENUES/APPROPRIATIONS - 480-Winter Maintenance		(38,153)	(42,260)	(37,840)	(38,232)	(38,490)
Dept 539-Administration						
203-539-721.00	Workers Compensation				0	0
203-539-999.00	Transfer to Other Funds		16,000	16,000	17,593	18,001
NET OF REVENUES/APPROPRIATIONS - 539-Administration		0	(16,000)	(16,000)	(17,593)	(18,001)

Dept 900-Capital Outlay Control					
203-900-970.00 Capital Outlay	254,368	180,000	325,000	252,000	220,500
NET OF REVENUES/APPROPRIATIONS - 900-Capital Outlay Control	(254,368)	(180,000)	(325,000)	(252,000)	(220,500)
ESTIMATED REVENUES - FUND 203	302,643	315,160	317,540	435,435	314,100
APPROPRIATIONS - FUND 203	(343,220)	(324,024)	(501,360)	(484,466)	(454,845)
NET OF REVENUES/APPROPRIATIONS - FUND 203	(40,577)	(8,864)	(183,820)	(49,031)	(140,745)
BEGINNING FUND BALANCE	594,081		553,504	369,684	320,653
ENDING FUND BALANCE	553,504		369,684	320,653	179,908

BRUSH, LEAF, AND TRASH PICKUP

This budget receives revenue from a voted Leaf & Brush millage. This millage was renewed in 2016 allowing the City to maintain this curbside service for our residents.

In April the Department of Public Works (DPW) conducts a city wide brush pickup allowing citizens to dispose of brush that has accumulated over the long winter season. Citizens place brush next to the curb and the DPW makes one pass thru the city chipping the brush and hauling it away.

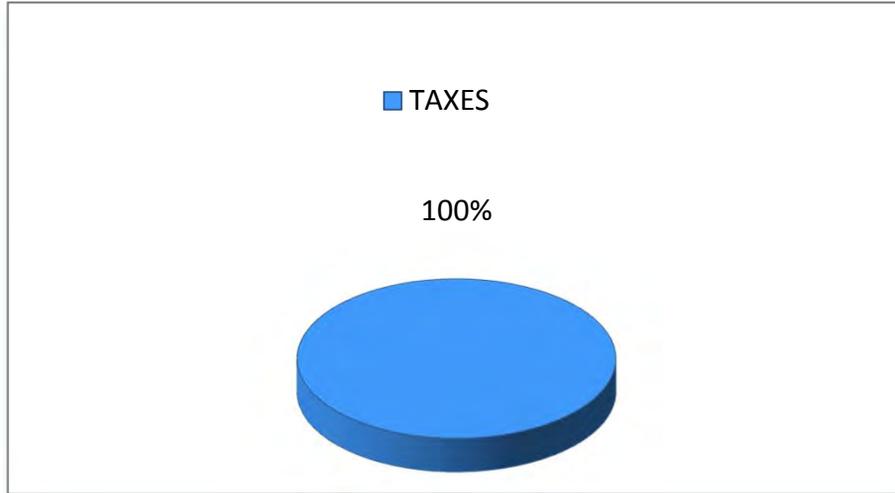
In the late spring the city contracts a private hauler to complete city wide trash pickup. This allows residents the ability to dispose of household items that they wish to discard. No items containing refrigerants, etc. are picked up unless the refrigerants have been removed. This contracted pickup is only one pass through the city and each residence is limited to a 3YD amount of trash, equivalent to a level pick up bed full of garbage.

Marshall has been designated a "Tree City", as such in October, November and December leaf pickup becomes the DPW's major project. Leaf pickup is labor and equipment intensive requiring a lot of preparation and planning. The staff makes two passes around the city to pick-up the leaves. This is followed by a final cleaning utilizing our street sweeper.

This Leaf, Brush and Trash program fulfills the City's Vision by focusing on an improved Quality Of Life by achieving and sustaining a concentrated effort to promote a vibrant community atmosphere.

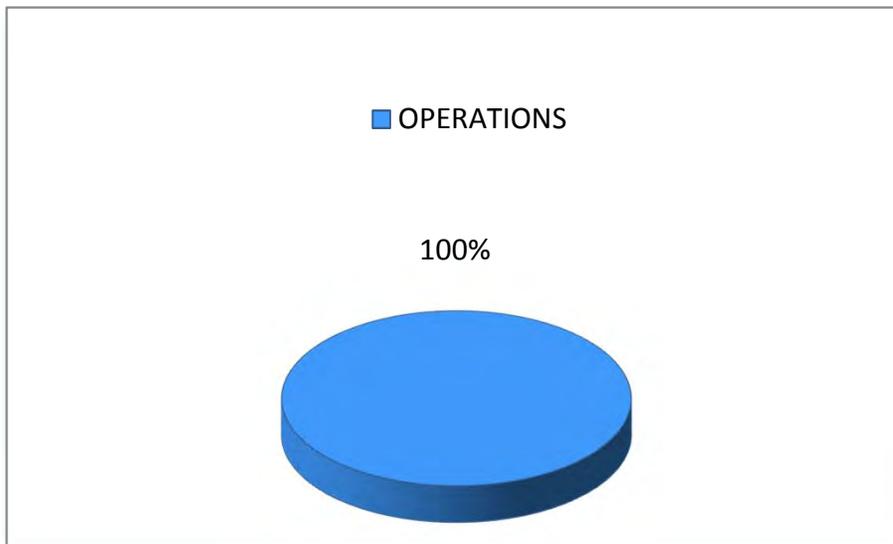
FY 2018 LEAF, BRUSH AND TRASH REMOVAL

TAXES	\$ 96,054	100%
INTEREST	30	0%
TOTAL REVENUES	\$ 96,084	100%



FY 2018 LEAF, BRUSH AND TRASH REMOVAL EXPENDITURES

OPERATIONS	95,995	100%
TOTAL EXPENDITURES	\$ 95,995	100%



GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 226 - Leaf, Brush and Trash Removal						
Dept 000						
226-000-402.00	Current Property Taxes	77,105	96,720	94,900	95,754	96,616
226-000-404.00	Property Taxes - Prior Years	1			0	0
226-000-420.00	Delinquent Personal Prop Taxes	151		168	0	0
226-000-445.00	Penalties & Int. on Taxes	366		300	300	300
226-000-665.00	Interest	25		30	30	30
226-000-671.00	Miscellaneous Revenue				0	0
NET OF REVENUES/APPROPRIATIONS - 000-		77,648	96,720	95,398	96,084	96,946
226-000-702.01	Other Fringe Benefits-taxable					
226-000-702.64	Payroll - Leaf Disposal	17,184	22,616	22,100	22,100	22,100
226-000-702.65	Payroll - Brush Disposal	4,158	6,570	5,000	5,000	5,000
226-000-703.64	Part-time Leaf Disposal	8,555	10,752	4,970	5,000	5,000
226-000-703.65	PART TIME BRUSH DISPOSAL	(1,417)			0	0
226-000-704.64	Overtime - Leaf Disposal	10,885	10,000	20,363	15,000	15,000
226-000-704.65	Overtime - Brush Disposal	1,759	2,000	0	0	0
226-000-715.00	Social Security	3,049	4,530	4,015	3,605	3,605
226-000-716.00	Hospitalization				0	0
226-000-717.00	Life Insurance		109	0	0	0
226-000-718.00	Retirement				0	0
226-000-720.00	Unemployment				0	0
226-000-721.00	Workers Compensation				0	0
226-000-740.00	Operating Supplies				0	0
226-000-741.00	Uniforms				0	0
226-000-755.00	Miscellaneous Supplies				0	0
226-000-760.00	Medical Services				0	0
226-000-761.00	Safety Supplies				0	0
226-000-775.00	Repair & Maintenance Supplies				0	0
226-000-777.00	MINOR TOOLS AND EQUIPMENT				0	0
226-000-801.00	Professional Services				0	0
226-000-805.00	Administrative Costs				0	0
226-000-820.00	Contracted Services	15,978	17,000	15,000	15,000	15,000
226-000-901.00	Advertising		400	400	300	300
226-000-930.00	Equipment Maintenance				0	0
226-000-940.00	Rentals				0	0
226-000-941.00	Motor Pool Equip Rental	25,561	22,700	21,890	29,890	29,890
226-000-964.00	Refund or Rebates	141		1,580	100	100
226-000-999.00	Transfers to Other Funds				0	0
APPROPRIATIONS - 000-		(85,853)	(96,677)	(95,318)	(95,995)	(95,995)
ESTIMATED REVENUES - FUND 226		77,648	96,720	95,398	96,084	96,946
APPROPRIATIONS - FUND 226		(85,853)	(96,677)	(95,318)	(95,995)	(95,995)
NET OF REVENUES/APPROPRIATIONS - FUND 226		(8,205)	43	80	89	951
BEGINNING FUND BALANCE		8,258		53	133	222
ENDING FUND BALANCE		53		133	222	1,173

LOCAL DEVELOPMENT FINANCING AUTHORITY

The Local Development Financing Authority (LDFA) was created on November 19, 1991. The LDFA is established as a Tax Increment Financing Authority by State statute to support economic development.

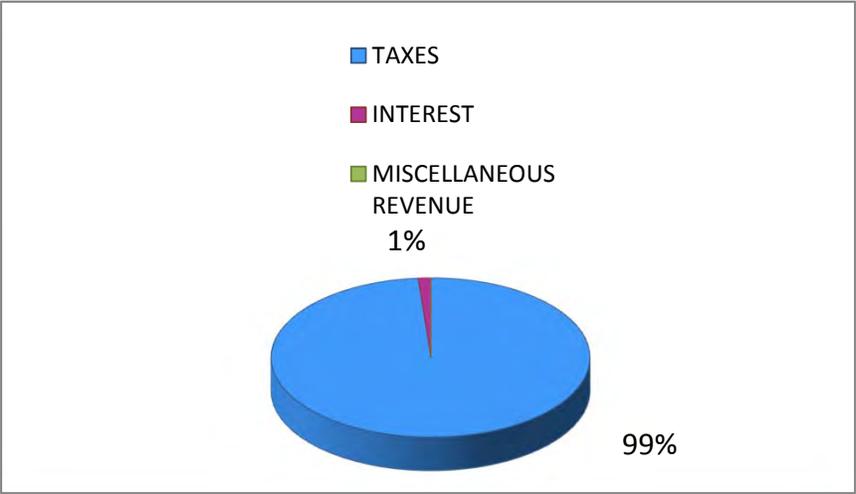
The current Board consists of the following members:

- Jason LaForge, Chairperson
- Catherine Yates, Vice-Chairperson
- Sue Damron
- Matt Davis
- Desmond Kirkland
- Richard Lindsey
- Jim Pardoe
- Dan Stulberg
- Tom Tarkiewicz
- J.P. Walters
- Vacant

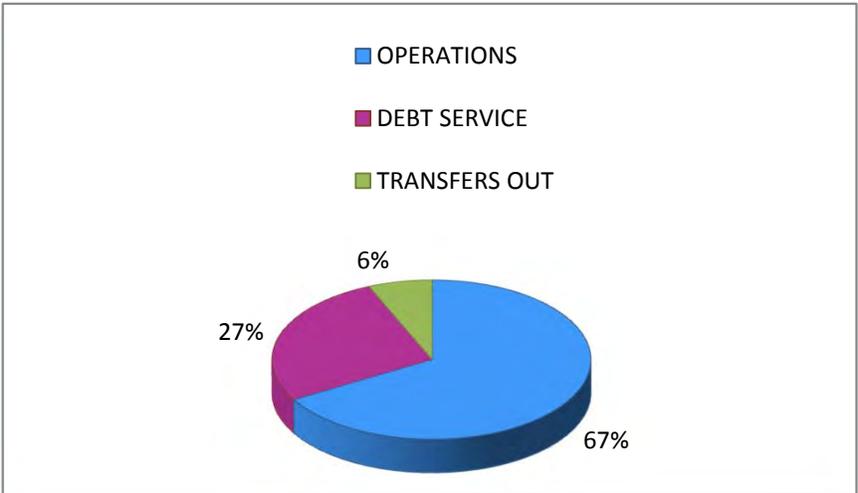
The LDFA receives its revenue through the increase in equalized values within the LDFA District over the base value determined in December 31, 1990.

The proposed FY 2017 LDFA budget includes \$242,000 allocated as a payment to the Marshall Area Economic Development Alliance (MAEDA) to provide economic development support. MAEDA's principle focus is bringing new business into the City's Industrial Park and retaining existing businesses within the LDFA District. Funding of MAEDA is directly correlates with Council's goal of "Strengthening the employment base and industry". \$101,340 is allocated for debt payments for the 2005 Capital Improvement bond.

FY 2018 LDFA REVENUES		
TAXES	\$ 384,695	99%
INTEREST	5,000	1%
MISCELLANEOUS REVENUE	-	0%
TOTAL REVENUES	\$ 389,695	100%



FY 2018 LDFA EXPENDITURES		
OPERATIONS	\$ 249,800	67%
DEBT SERVICE	101,340	27%
TRANSFERS OUT	24,205	6%
TOTAL EXPENDITURES	\$ 375,345	100%



**City of Marshall
 Summary of Local Development Finance Authority Debt**

	ISSUE: 27 AUTH: Act 281 CUSIP: 572457 TYPE: LDFA (LT) PURPOSE: Local Development Bonds, 2005 DATED: August 16, 2005 CALLABLE: 4/1/15 @ 100% Fund 296				Total LDFA Debt		
Fiscal Year	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL	INTEREST	TOTAL
Ending June 30							
2018	\$90,000	4.20%	\$11,340	\$101,340	\$90,000	\$11,340	\$101,340
2019	\$90,000	4.20%	\$7,560	\$97,560	\$90,000	\$7,560	\$97,560
2020	\$90,000	4.20%	\$3,780	\$93,780	\$90,000	\$3,780	\$93,780
	<u>\$270,000</u>		<u>\$22,680</u>	<u>\$292,680</u>	<u>\$270,000</u>	<u>\$22,680</u>	<u>\$292,680</u>

GL NUMBER	DESCRIPTION	FY17-18	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 296 - Local Development Finance Auth							
Dept 000							
296-000-402.00	Current Property Taxes	1.0090	412,898	414,000	243,900	246,095	248,310
296-000-404.00	Property Taxes - Prior Years					0	0
296-000-445.00	Penalties & Int. on Taxes					0	0
296-000-441.00	State Grants - EMPP REIMBURSEMENT	0.7000			198,000	138,600	138,600
296-000-665.00	Interest	1.0000	7,512	5,000	5,000	5,000	5,000
296-000-671.00	Miscellaneous Revenue					0	0
296-000-675.00	Contrib. from Other Sources					0	0
296-000-681.00	Sales of Fixed Assets					0	0
296-000-696.00	Bond Proceeds					0	0
296-000-699.00	Transfers From Other Funds					0	0
Net Revenues			420,410	419,000	446,900	389,695	391,910
296-000-727.00	Office Supplies					0	0
296-000-740.00	Operating Supplies					0	0
296-000-755.00	Miscellaneous Supplies					0	0
296-000-801.00	Professional Services	1.0000	25,658	5,000	5,000	5,000	5,000
296-000-803.00	Service Fee	1.0000	300	300	300	300	300
296-000-805.00	Administrative Costs					0	0
296-000-810.00	Dues & Memberships					0	0
296-000-811.00	Taxes	1.0000	6,004	6,000	3,326	0	0
296-000-820.00	Contracted Services	1.0000	243,066	242,000	242,000	242,000	242,000
296-000-826.00	Bond Issuance Costs					0	0
296-000-840.00	Rebate reimbursement					0	0
296-000-860.00	Transportation & Travel					0	0
296-000-902.00	Marketing	1.0000	1,225	1,500	1,500	1,500	1,500
296-000-922.00	Utilities-Elec, Water, Sewer	1.0000		1,000	1,000	1,000	1,000
296-000-941.00	Motor Pool Equip Rental					0	0
296-000-941.01	Data Processing					0	0
296-000-958.00	Education & Training					0	0
296-000-964.00	Refund or Rebates					0	0
296-000-970.00	Capital Outlay					0	0
296-000-990.00	Debt Service	N/A	560,000	90,000	90,000	90,000	90,000
296-000-994.00	Bond Interest					0	0
296-000-995.00	Bond Interest Paid	N/A	28,283	14,985	14,985	11,340	7,560
296-000-999.00	Transfers to Other Funds	1.0000	11,900	24,205	24,205	24,205	24,205
NET OF REVENUES/APPROPRIATIONS - 000-			(876,436)	(384,990)	(382,316)	(375,345)	(371,565)
ESTIMATED REVENUES - FUND 296			420,410	419,000	446,900	389,695	391,910
APPROPRIATIONS - FUND 296			(876,436)	(384,990)	(382,316)	(375,345)	(371,565)
NET OF REVENUES/APPROPRIATIONS - FUND 296			(456,026)	34,010	64,584	14,350	20,345
BEGINNING FUND BALANCE			2,092,868		1,636,842	1,701,426	1,715,776
ENDING FUND BALANCE			1,636,842		1,701,426	1,715,776	1,736,121

DOWNTOWN DEVELOPMENT AUTHORITY

The Downtown Development Authority (DDA) was established in 1982 as a Tax Increment Financing Authority for the purpose of maintaining a viable Central Business District.

The current Board consists of the following members:

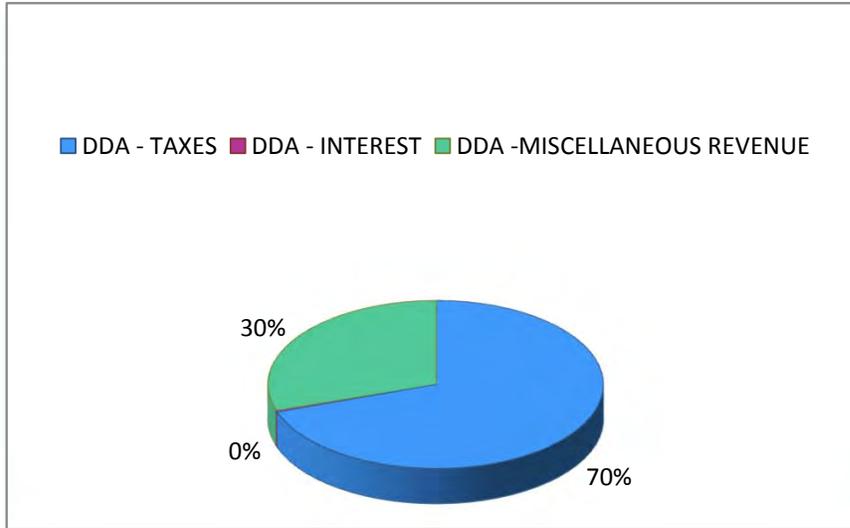
- Jason LaForge, Chairperson
- Catherine Yates, Vice-Chairperson
- Sue Damron
- Matt Davis
- Desmond Kirkland
- Richard Lindsey
- Jim Pardoe
- Dan Stulberg
- Tom Tarkiewicz
- J.P. Walters
- vacant

The DDA receives its revenue through the increase in equalized value within the DDA district that are above the base-value determined on December 31, 1982. In addition, the DDA will levy 1.6129 mills on all property within the District to support its operations.

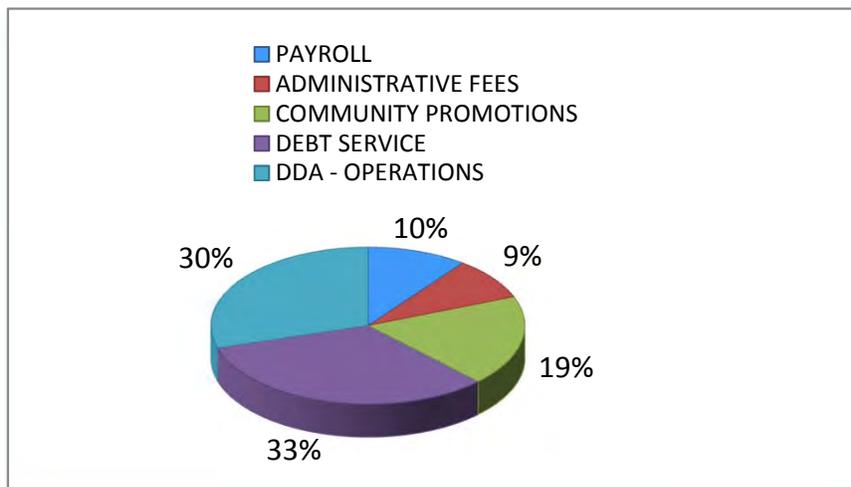
The DDA performs snow removal from the sidewalks within the District. The DDA also uses City crews to remove rubbish from the downtown trash containers and maintains the parking structure with pavement wash downs and snow removal.

The proposed FY 2017 DDA budget highlights includes \$1,126 is allocated as a payment to the Marshall Area Economic Development Alliance (MAEDA) to provide downtown business support. \$52,750 is allocated for debt payments for a 2002 Capital Improvement bond. These and other allocations of the DDA are directly related to City Council's goal of creating and maintaining a "Vibrant Downtown" and becoming a "Redevelopment Ready Community".

FY 2018 DDA REVENUES		
DDA - TAXES	\$ 125,234	70%
DDA - INTEREST	540	0%
DDA -MISCELLANEOUS REVENUE	54,000	30%
TOTAL REVENUES	\$ 179,774	100%



FY 2018 DDA EXPENDITURES		
PAYROLL	\$ 17,640	10%
ADMINISTRATIVE FEES	15,000	9%
COMMUNITY PROMOTIONS	32,000	19%
DEBT SERVICE	56,100	33%
DDA - OPERATIONS	50,984	30%
TOTAL EXPENDITURES	\$ 171,724	100%



City of Marshall
Summary of Downtown Development Authority Debt

Fiscal Year	ISSUE: 18 AUTH: Act 197 CUSIP: 572427 TYPE: DDA (LT) PURPOSE: Downtown Development DATED: June 1, 2002 CALLABLE: 6/1/12 @ 100 Fund 298				ISSUE: 32 AUTH: Act 34 CUSIP: 572427 TYPE: DDA (LT) PURPOSE: DDA - Parking Lots DATED: September 5, 2012 CALLABLE: Fund 298 - Paid by G/F				Total DDA Debt		
	PRINCIPAL (6/1)	RATE	INTEREST (6/1 & 12/1)	TOTAL	PRINCIPAL (6/1)	RATE	INTEREST (6/1 & 12/1)	TOTAL			
Ending June 30									PRINCIPAL	INTEREST	TOTAL
2018	\$55,000	2.00%	\$1,100	\$56,100	\$15,000	2.00%	\$1,950	\$16,950	\$70,000	\$3,050	\$73,050
2019					\$15,000	3.00%	\$1,575	\$16,575	\$15,000	\$1,575	\$16,575
2020					\$15,000	3.00%	\$1,125	\$16,125	\$15,000	\$1,125	\$16,125
2021					\$15,000	3.00%	\$675	\$15,675	\$15,000	\$675	\$15,675
2022					\$15,000	3.00%	\$225	\$15,225	\$15,000	\$225	\$15,225
	<u>\$55,000</u>		<u>\$1,100</u>	<u>\$56,100</u>	<u>\$75,000</u>		<u>\$5,550</u>	<u>\$80,550</u>	<u>\$130,000</u>	<u>\$6,650</u>	<u>\$136,650</u>

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 298 - Downtown Development Authority						
Dept 000						
298-000-402.00	Current Property Taxes	126,832	127,000	114,900	115,934	116,978
298-000-404.00	Property Taxes - Prior Years				0	0
298-000-420.00	Delinquent Personal Prop Taxes	161	160	160	160	160
298-000-441.00	Local Comm Stabilization Share Tax			13,000	9,100	9,100
298-000-445.00	Penalties & Int. on Taxes	83	40	40	40	40
296-000-540.00	State Grants				0	0
298-000-575.00	Sales Tax Inventory Refund				0	0
298-000-588.00	Contributions from Local Units				0	0
298-000-665.00	Interest	461	540	540	540	540
298-000-671.00	Miscellaneous Revenue	100,391	45,000	54,000	54,000	54,000
298-000-675.00	Contrib. from Other Sources	16,141		13,100	0	0
298-000-676.00	Reimbursement				0	0
298-000-696.00	Bond Proceeds				0	0
298-000-698.00	Proceeds from Bonds/Notes				0	0
298-000-699.00	Transfers From Other Funds				0	0
Net Revenues		244,069	172,740	195,740	179,774	180,818
298-000-702.00	Payroll	1,314	4,071	0	0	0
298-000-702.01	Other Fringe Benefits-taxable	135	135	0	0	0
298-000-702.40	Payroll - Rubbish/Garbage			120	120	100
298-000-702.41	Payroll - Mowing/Trimming	1,255		1,300	1,300	1,300
298-000-702.42	Payroll - Parking Structure	3,817		4,000	4,000	4,000
298-000-702.43	Payroll - Sidewalk Snow Removal	171		200	200	200
298-000-702.44	Payroll - Flowers	2,113		2,200	2,200	2,200
298-000-703.00	Part-time Salaries	9,953	8,755	8,755	9,120	9,120
298-000-704.00	Overtime Salaries	427			0	0
298-000-704.40	Overtime - Rubbish/Garbage	245			0	0
298-000-704.41	Overtime - Mowing/Trimming				0	0
298-000-704.42	Overtime - Parking Structure	1,329	500	500	0	0
298-000-704.43	Overtime - Sidewalk Snow Removal	320			0	0
298-000-704.44	Overtime - Flowers				0	0
298-000-715.00	Social Security	1,591	1,030	709	700	700
298-000-716.00	Hospitalization	175	1,520	0	0	0
298-000-717.00	Life Insurance		12	0	0	0
298-000-718.00	Retirement	741	1,125	0	0	0
298-000-721.00	Workers Compensation	(18)	275	0	0	0
298-000-755.00	Miscellaneous Supplies	3,514	3,000	3,000	3,000	3,000
298-000-777.00	MINOR TOOLS AND EQUIPMENT		200	200	100	100
298-000-801.00	Professional Services	291	1,000	1,000	500	500
298-000-801.01	Prof. Services - Streetscape				0	0
298-000-803.00	Service Fee	308	225	225	308	308
298-000-805.00	Administrative Costs - Indirect to City			15,000	15,000	30,000
298-000-805.00	Administrative Costs - Ramp Lease/Rent	23,221		20,500	20,500	20,500
298-000-805.00	Administrative Costs - Portion of Debt			17,250	16,950	16,575
298-000-810.00	Dues & Memberships				0	0
298-000-820.00	Contracted Services - MAEDA	24,370	23,000	1,126	1,126	23,000
298-000-820.01	Contracted Maint. - Plowing				0	0
298-000-820.02	Contracted Maint - Lawn				0	0
298-000-825.00	Insurance				0	0
298-000-850.00	Communications	1,027			0	0
298-000-860.00	Transportation & Travel				0	0
298-000-901.00	Advertising				0	0
298-000-921.00	Utilities - Gas				0	0
298-000-922.00	Utilities-Elec, Water, Sewer				0	0
298-000-942.00	Rent				0	0
298-000-945.00	COMMUNITY PROMOTIONS	69,877	55,000	32,000	32,000	47,000
298-000-958.00	Education & Training				0	0
298-000-964.00	Refund or Rebates		1,000	1,000	1,000	1,000
298-000-970.00	Capital Outlay	27,035	18,025	3,450	0	0

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 298 - Downtown Development Authority						
298-000-971.00	Capital Outlay - Land				0	0
298-000-990.00	Debt Service	62,700	50,000	50,000	55,000	0
298-000-994.00	Bond Interest				0	0
298-000-995.00	Bond Interest Paid	7,360	5,200	5,200	1,100	0
298-000-999.00	Transfers to Other Funds	30,000	47,250			
NET OF REVENUES/APPROPRIATIONS - 000-		(273,271)	(221,323)	(167,735)	(164,224)	(159,603)
Dept 295-DDA Parking Lots						
298-295-941.00	Motor Pool Equip Rental				0	0
NET OF REVENUES/APPROPRIATIONS - 295-DDA Parking Lots		0	0	0	0	0
Dept 296-DDA Parking Ramp						
298-296-941.00	Motor Pool Equip Rental	3,681	6,000	4,000	4,000	4,000
NET OF REVENUES/APPROPRIATIONS - 296-DDA Parking Ramp		(3,681)	(6,000)	(4,000)	(4,000)	(4,000)
Dept 297-DDA Sidewalk						
298-297-941.00	Motor Pool Equip Rental	3,504	1,500	3,500	3,500	3,500
NET OF REVENUES/APPROPRIATIONS - 297-DDA Sidewalk		(3,504)	(1,500)	(3,500)	(3,500)	(3,500)
ESTIMATED REVENUES - FUND 298		244,069	172,740	195,740	179,774	180,818
APPROPRIATIONS - FUND 298		(280,456)	(228,823)	(175,235)	(171,724)	(167,103)
NET OF REVENUES/APPROPRIATIONS - FUND 298		(36,387)	(56,083)	20,505	8,050	13,715
BEGINNING FUND BALANCE		85,498		49,111	69,616	77,666
ENDING FUND BALANCE		49,111		69,616	77,666	91,381

MARSHALL HOUSE

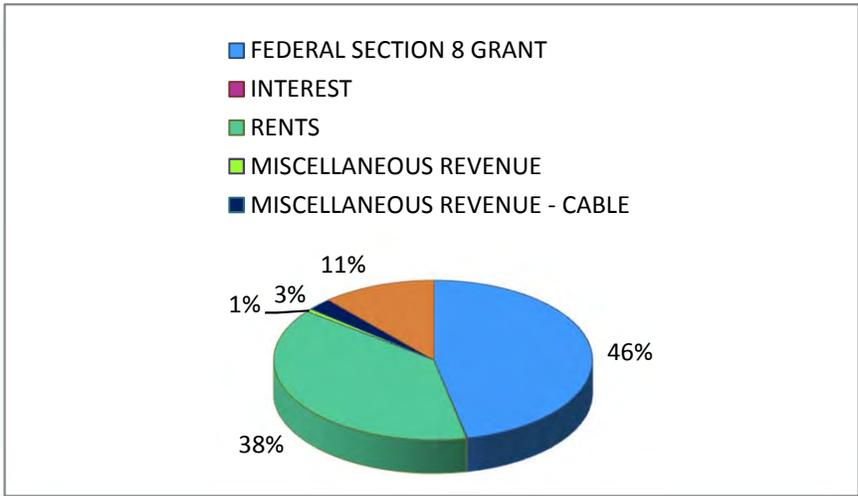
Marshall House Apartments is a 100-unit senior and disabled citizen housing community that opened January 1980 and is owned and operated by the City of Marshall. It was established for low-income seniors and disabled adults 55 or older, with the rent based on approximately 30% of the household's adjusted annual income (total annual income minus allowable medical deductions). Tenant rents are subsidized by Section 8 New Construction, Department of Housing and Urban Development (HUD) funding.

The community is comprised of four stories, and houses an administrative staff of three full time employees and one part-time receptionist, a community/activity/dining room, library with computers, internet access and a social gathering area. Each floor of the building has a coin operated laundry room, 3rd floor houses a beauty salon with an operator taking appointments two days per week. The fourth floor has a small exercise room.

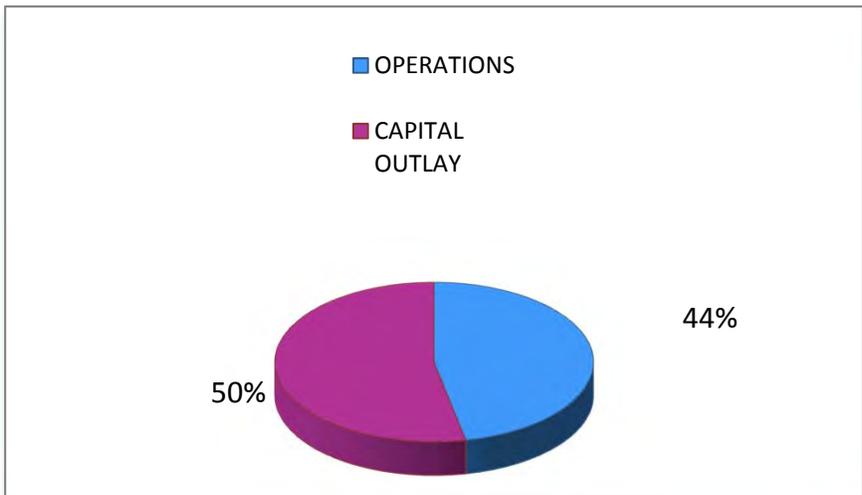
Comfort and safety are an important goal at the Marshall House. Each unit is equipped with two emergency pull-cords that are located in the bedroom and bathrooms of each unit. In the event of need for help, a tenant can pull the cord and an alarm alerts immediate neighbors to direct help to the unit in need. A security lock system is used in all public entries to the building. Only tenants and staff may enter the building by using an electronic key. All other visitors must use a telephone entry system to gain access to the building.

In 2016, Marshall House completed an upgrade of the fire alarm system and contracted a new monitoring company. The building was fitted with a new Fire Alarm Annunciator Panel and two additional remote panels. All pull stations, and wall mounted speaker/strobes were upgraded and each residential unit received two photoelectric smoke detectors that are tied into the panel by adding wiring throughout the building. Marshall House anticipates by the fiscal year end, the parking lot to be reconstructed and resurfaced which will add approximately eleven more parking spots to our lot, and by the close of November 2017, the Elevator Modernization Project is estimated to be complete.

FY 2018 MARSHALL HOUSE REVENUES		
FEDERAL SECTION 8 GRANT	\$ 447,925	46%
INTEREST	\$ 1,000	0%
RENTS	372,075	38%
MISCELLANEOUS REVENUE	15,200	1%
MISCELLANEOUS REVENUE - CABLE	24,300	3%
CONTRIBUTIONS - MARSHALL HOUSE	110,000	11%
TOTAL REVENUES	\$ 970,500	100%



FY 2018 MARSHALL HOUSE EXPENDITURES		
OPERATIONS	\$ 610,846	44%
CAPITAL OUTLAY	694,558	50%
TRANSFER TO OTHER FUNDS	93,818	7%
TOTAL EXPENDITURES	\$ 1,399,222	100%



BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 536 - Marshall House Fund						
Dept 000						
536-000-531.00	Federal Section 8 Grant	342,769	340,000	437,000	447,925	459,123
536-000-665.00	Interest	805	510	1,000	1,000	1,000
536-000-667.00	Rents	358,452	375,000	363,000	372,075	381,377
536-000-671.00	Miscellaneous Revenue	13,262	17,000	15,200	15,200	15,200
536-000-671.02	Misc. Revenue-Cable	21,923	22,000	24,300	24,300	24,300
536-000-675.02	Contributions - Marshall House	160,000		40,000	110,000	0
NET OF REVENUES/APPROPRIATIONS - 000-		897,211	754,510	880,500	970,500	881,000
Dept 700-Marshall House						
536-700-702.00	Payroll	112,838	114,895	115,350	115,350	115,350
536-700-702.01	Other Fringe Benefits-taxable	564	453	1,405	1,405	1,405
536-700-703.00	Part-time Salaries	17,499	14,800	17,450	18,500	18,500
536-700-704.00	Overtime Salaries	313	2,293	60	1,293	1,293
536-700-715.00	Social Security	9,286	10,135	10,271	10,446	10,446
536-700-716.00	Hospitalization	37,057	37,059	42,040	42,540	45,943
536-700-717.00	Life Insurance	338	371	200	216	216
536-700-718.00	Retirement - DB	46,717	20,259	42,810	48,649	54,297
536-700-718.01	Retirement - DC				6,518	6,518
536-700-718.01	Retiree Health Insurance	# 14,960	8,175	12,655	13,000	14,040
536-700-720.00	Unemployment		3,033	0	0	0
536-700-721.00	Workers Compensation	1,263	2,595	290	290	290
536-700-727.00	Office Supplies	928	800	1,682	2,190	2,234
536-700-727.02	Postage and Shipping		50	0	0	0
536-700-740.00	Operating Supplies	5,300	4,000	5,700	5,500	5,610
536-700-740.01	Operating Supplies-Activities				0	0
536-700-741.00	Uniforms	320	260	260	260	260
536-700-757.00	Fuels & Lubricants				0	0
536-700-760.00	Medical Services		120	120	120	120
536-700-776.00	Building Maintenance Supplies	15,303	16,000	16,000	16,320	16,646
536-700-801.00	Professional Services	298	5,000	1,000	1,000	1,000
536-700-802.00	Management and Admin Fee	73,740			0	0
536-700-805.00	Administrative Costs		250	0	0	0
536-700-810.00	Dues & Memberships	7,830	4,600	4,600	4,425	4,425
536-700-820.00	Contracted Services	61,225	58,000	58,000	53,000	53,000
536-700-820.03	Contracted Services - Maintenance				5,000	5,000
536-700-825.00	Insurance	5,656	10,340	11,835	12,072	12,313
536-700-850.00	Communications	4,055	3,700	5,325	5,150	5,150
536-700-860.00	Transportation & Travel	1,412	2,500	911	911	911
536-700-901.00	Advertising	803	800	300	400	400
536-700-921.00	Utilities - Gas	17,702	20,000	21,850	21,850	21,850
536-700-922.00	Utilities-Elec, Water, Sewer	61,413	70,000	67,000	67,000	67,000
536-700-923.00	Cable	16,328	18,000	16,330	16,330	16,330
536-700-930.00	Equipment Maintenance	459	1,500	1,500	1,500	1,500
536-700-931.00	Maintenance of Building	53,380	35,000	53,000	53,000	53,000
536-700-932.00	Vehicle Maintenance				0	0
536-700-941.00	Motor Pool Equip Rental	285	500	1,000	1,000	500
536-700-941.01	Data Processing	8,747	11,810	11,810	10,010	10,010
536-700-958.00	Education & Training	2,204	2,500	2,500	6,211	4,000
536-700-968.00	Depreciation	47,618	47,619	51,750	69,390	69,400
536-700-970.00	Capital Outlay	1,128	125,000	108,932	359,000	360,500
536-700-970.06	Capital Outlay-Replacement Rsv	0	450,000	450,000	335,558	0
536-700-990.00	Debt Service				0	0
536-700-995.00	Bond Interest Paid				0	0
536-700-999.00	Transfers to Other Funds		83,818	83,818	93,818	83,818
NET OF REVENUES/APPROPRIATIONS - 700-Marshall House		(626,969)	(1,186,235)	(1,217,754)	(1,399,222)	(1,063,276)
ESTIMATED REVENUES - FUND 536		897,211	754,510	880,500	970,500	881,000
APPROPRIATIONS - FUND 536		(626,969)	(1,186,235)	(1,217,754)	(1,399,222)	(1,063,276)
NET OF REVENUES/APPROPRIATIONS - FUND 536		270,242	(431,725)	(337,254)	(428,722)	(182,276)
BEGINNING FUND BALANCE		656,590		926,832	589,578	160,856
ENDING FUND BALANCE		926,832		589,578	160,856	(21,420)
ENDING FUND BALANCE WITH CAPITALIZATION				1,148,510	1,414,346	1,592,570

ALLOCATED POSITIONS: MARSHALL HOUSE						
Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Facilities Manager	0.03	0.03	0.03	0.03	0.10	0.10
Marshall House Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Office Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance	1.00	1.00	1.00	1.00	1.00	1.00
Total	3.03	3.03	3.03	3.03	3.10	3.10

Fiber to the Premise

The City Council has identified Fiber To The Premise (FTTP) ultra-high speed internet availability to residences and businesses as an objective that is contained in all four (4) of the major goals of its strategic plan.

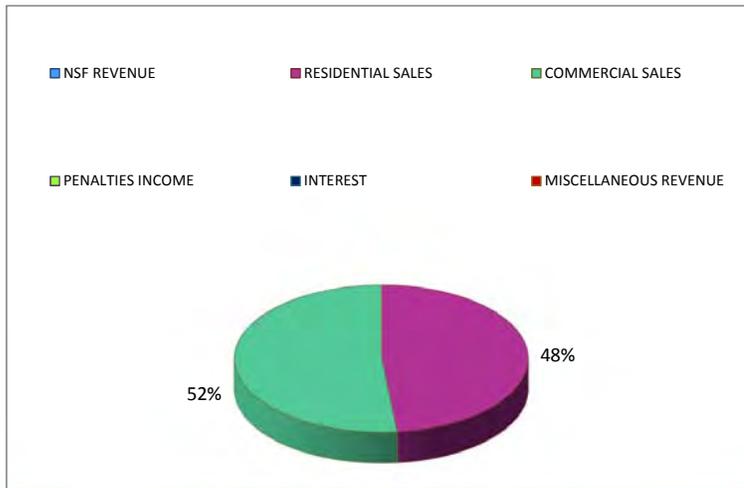
At a work session on November 2, 2015 city staff presented to the City Council the results of a FTTP due diligence evaluation which was commissioned by council on May 18, 2015. The due diligence evaluation included: 1) a legal opinion and review for a municipality to own, construct and operate a FTTP system; 2) a customer survey to determine interest in FTTP availability; 3) a determination of the availability of local bandwidth providers for the FTTP project; 4) an on-site electric system review to determine the availability of pole line availability for FTTP cables; and 5) a FTTP project conceptual economic analysis. The results of the due diligence were as follows: 1) The city owned FTTP project must comply with the State of Michigan's Metropolitan Extensions Telecommunication Right of Way Oversight Act 48 of 2002 (METRO Act) requirements; 2) The independent customer survey indicated a 60% support for the FTTP project; 3) six (6) local bandwidth providers were identified for the FTTP project; 4) The Marshall electric system would require some limited modifications to provide space for the new FTTP cable; and 5) The conceptual cost estimate for the FTTP project to be \$4.6 million. The council subsequently requested that a more detailed economic analysis be performed.

At a regularly scheduled meeting on January 19, 2016 the detailed economic analysis for the fiber FTTP project in the amount of \$3.5 million was presented to the City Council. At this meeting the City Council approved expenditures of \$55,000 for technical and legal services for compliance activities associated with the METRO Act.

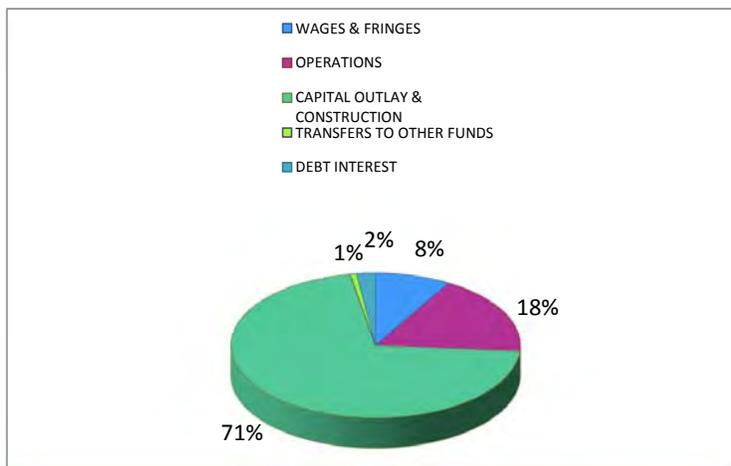
At a regularly scheduled meeting on April 4, 2016 the City Council passed a resolution supporting "the pursuit of ultra-high speed fiber internet connection availability for all city residents and businesses, pursuant to and in accordance with, the provisions of Act 48 of the State of Michigan of 2002 as amended (METRO Act)".

On Monday, March 20, 2017, City Council approved the project.

FY 2018 FTTP REVENUES		
NSF REVENUE	\$ -	0%
RESIDENTIAL SALES	168,400	48%
COMMERCIAL SALES	180,000	52%
PENALTIES INCOME	-	0%
INTEREST	-	0%
MISCELLANEOUS REVENUE	-	0%
TOTAL REVENUES	\$ 348,400	100%



FY 2018 FTTP EXPENDITURES		
WAGES & FRINGES	\$ 201,289	8%
OPERATIONS	426,737	18%
CAPITAL OUTLAY & CONSTRUCTION	1,686,123	71%
TRANSFERS TO OTHER FUNDS	17,420	1%
DEBT INTEREST	50,000	2%
TOTAL EXPENDITURES	\$ 2,381,569	100%



FIBER TO THE PREMISE

INTER-FUND ADVANCE

\$2,500,000 ISSUED 4/1/17

DATE	PRINCIPAL	INTEREST PAID	INTEREST ACCRUED	TOTAL PAYMENT
4/1/2018	0	0	50,000	0
4/1/2019	550,000	100,000	0	650,000
4/1/2020	550,000	39,000	0	589,000
4/1/2021	700,000	28,000	0	728,000
4/1/2022	700,000	14,000	0	714,000
4/1/2023			0	0
	2,500,000	181,000		2,681,000

PRELIMINARY CASH FLOW ANALYSIS

	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>	<u>FY 19-20</u>	<u>FY 20-21</u>	<u>FY 21-22</u>	<u>FY 22-23</u>	<u>FY 23-24</u>	<u>FY 24-25</u>	<u>FY 25-26</u>
Beginning Cash	0	2,145,560	1,210,067	158,735	127,842	139,116	157,694	183,462	498,480	1,221,498
Inter-Fund Advance	2,500,000	1,000,000	0	0	0	0	0	0	0	0
Revenue/Expense	-356,210	-1,983,169	-510,384	435,145	616,257	609,560	602,750	600,000	600,000	600,000
Add in Depreciation	1,770	47,676	109,052	122,962	123,017	123,018	123,018	123,018	123,018	123,018
Ending Cash before Debt Pymnt	2,145,560	1,210,067	808,735	716,842	867,116	871,694	883,462	906,480	1,221,498	1,944,516
Payment on Inter-Fund Advance	0	0	650,000	589,000	728,000	714,000 (1)	700,000	408,000 (2)	0	0
Ending Cash Balance	2,145,560	1,210,067	158,735	127,842	139,116	157,694	183,462	498,480	1,221,498	1,944,516

(1) \$2,500,000 Inter-Fund Advance Paid in Full

(2) \$1,000,000 Inter-Fund Advance Paid in Full

BUDGET REPORT FOR CITY OF MARSHALL

FIBER TO THE PREMISE		2015-16	2016-17	2016-17	2017-18	2018-19
		ACTIVITY	ORIGINAL	AMENDED	PROJECTED	PROJECTED
GL NUMBER	DESCRIPTION		BUDGET	BUDGET	ACTIVITY	ACTIVITY
Dept 000						
570-000-601.00	NSF Revenue			0		
570-000-636.00	Residential Sales			0	168,400	700,800
570-000-644.00	Commercial Sales			0	180,000	482,000
570-000-665.00	Interest			0		
570-000-671.00	Miscellaneous Revenue			0		
570-000-694.00	Cash - over & short			0		
570-000-699.00	Transfers From Other Funds			0		
TOTAL REVENUES				0	348,400	1,182,800
Dept 570-FIBER TO THE PREMISE						
570-570-702.00	Payroll - Technical Manager			10,500	42,210	43,053
570-570-702.00	Payroll - Field Techs				16,000	64,317
570-570-702.00	Payroll - Marketing/Customer MGR			12,501	50,253	51,255
570-570-702.00	Payroll - Customer Representative				7,500	30,150
570-570-702.00	Payroll - Administration			5,001	20,103	20,502
570-570-703.00	Part-time Salaries					
570-570-704.00	Overtime Salaries					
570-570-715.00	Social Security			2,143	10,410	16,158
570-570-716.00	Hospitalization			9,444	50,337	88,458
570-570-717.00	Life Insurance					
570-570-718.00	Retirement					
570-570-720.00	Unemployment					
570-570-721.00	Workers Compensation			834	4,476	7,935
570-570-727.00	Office Supplies			150	600	600
570-570-727.02	Postage and Shipping					
570-570-740.00	Operating Supplies					
570-570-741.00	Uniforms					
570-570-761.00	Safety Supplies					
570-570-775.00	Repair & Maintenance Supplies					
570-570-777.00	MINOR TOOLS AND EQUIPMENT					
570-570-801.00	Professional Services			300	1,200	900
570-570-805.00	Administrative Costs					
570-570-820.00	Contracted Services - Construction Engineering			25,000	100,000	75,000
570-570-820.00	Contracted Services - Construction Admin			25,000	100,000	75,000
570-570-825.00	Insurance					
570-570-850.00	Communications			225	900	900
570-570-860.00	Transportation & Travel					
570-570-901.00	Advertising					
570-570-902.00	Marketing			1,500	6,000	6,000
570-570-922.00	Utilities-Elec, Water, Sewer					
570-570-930.00	Equipment Maintenance - ISP Costs			17,700	126,291	264,725
570-570-930.00	Equipment Maintenance - Deployment OSP			22,000	225,230	7,970
570-570-930.00	Equipment Maintenance - Facilities			1,350	5,400	5,400
570-570-930.00	Equipment Maintenance					
570-570-932.00	Vehicle Maintenance					
570-570-940.00	Rentals - PSB					
570-570-941.00	Motor Pool Equip Rental			1,560	6,240	6,240
570-570-941.01	Motor Pool - Lease - Bucket Truck			1,050	4,200	4,200
570-570-941.01	Data Processing					
570-570-942.00	Rent				8,250	8,250
570-570-958.00	Education & Training			750	3,000	3,000
570-570-968.00	Depreciation			1,770	47,676	109,052
570-570-970.00	Capital Outlay - OSP				647,684	431,789
570-570-970.00	Capital Outlay - Electronics				397,912	265,275
570-570-970.00	Capital Outlay - Electronics Other			103,687	316,936	
570-570-970.00	Capital Outlay - Engineering			8,645	123,591	56,165
570-570-970.00	Capital Outlay - Work Truck			25,000		
570-570-970.00	Capital Outlay - Tools & Equipment			55,000		
570-570-970.00	Capital Outlay - Data Processing & Phone			20,100		
570-570-970.00	Capital Outlay - Furniture & Fixtures			5,000		
570-570-970.00	Capital Outlay					
570-570-995.00	Advance/Loan Interest Paid				50,000	50,000
570-570-999.00	Transfers to Other Funds				17,420	59,140
APPROPRIATIONS - 570-FIBER TO THE PREMISE				356,210	2,389,819	1,751,434
ESTIMATED REVENUES - FUND 570				0	348,400	1,182,800
APPROPRIATIONS - FUND 570				356,210	2,389,819	1,751,434
NET OF REVENUES/APPROPRIATIONS - FUND 570				(356,210)	(2,041,419)	(568,634)
BEGINNING FUND BALANCE				0	(356,210)	(2,397,629)
ENDING FUND BALANCE				(356,210)	(2,397,629)	(2,966,263)
Fund Balance w Capitalization				(138,778)	(694,074)	(509,479)
				217,432	1,486,123	753,229

MARSHALL ELECTRIC DEPARTMENT

The mission of the City of Marshall's Electric Department is to provide safe, reliable and cost effective electric service to residents and businesses in a customer sensitive manner.

The Marshall Municipal Electric Department was formed in 1893 with the City's acquisition of the hydroelectric facility located at its present site on the Kalamazoo River. The department is currently staffed with a Director of Electric Utilities; an Electric Utility Engineer; six(6) Journey Line Workers; three(3) Electric Line Apprentices; four(4) Powerhouse and three(3) Meter Department employees. The employees are dedicated to provide quality electric services at a reasonable cost to the city's 3867 residential, 660 commercial and 19 industrial customers. In addition to providing service to customers the department also manages the street and security lighting systems consisting of 1400 lights.

The 2017/18 requested budget for the department is \$15,157,525 with \$8,000,000 being allocated for power supply purchases. An additional \$500,000 is included for anticipated expenses associated with the FERC required hydroelectric dam modifications. The new 20MVA Brewer Street 138/12.5KV was completed on schedule and on budget in 2016. The substation will significantly increase the reliability of electric service to all city electric customers and support the city's economic development initiatives. The Electric Department budget was developed to support the city's Goal Area #1 (ECONOMIC DEVELOPMENT); Goal Area #2 (QUALITY OF LIFE) and Goal Area #4 (INFRASTRUCTURE).

Electric power supply is approximately 57% of the cost of providing electric service to the residents and customers so much attention is applied to the purchase and controlling of the cost of the electricity purchases.

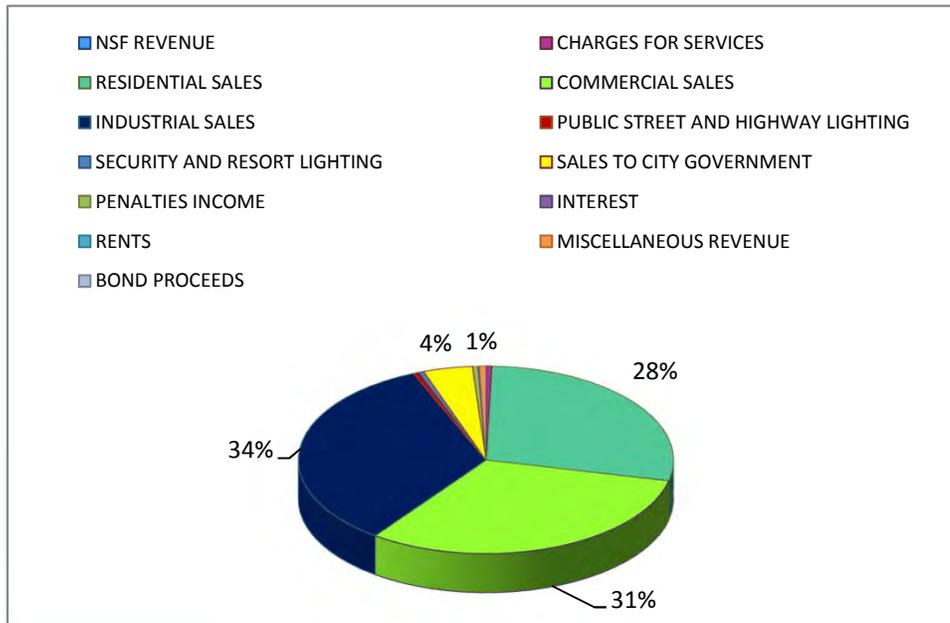
Electric power supply is currently provided through diverse long term contracts with major out-of-state electric generating facilities with a small generation contribution from the two remaining city owned hydro generators and diesel/natural gas generators located at the city's power house site on the Kalamazoo River. The major generating facilities include: Prairie State (Marissa, IL); Amp Energy Center (Fremont, OH); Menominee Hydro (Menominee, MI); Octono Hydro (Green Bay, WI) and five (5) hydroelectric generation facilities on the Ohio River. Approximately 25% of electric supply purchases are from Renewable Energy sources.

Safety and reliability are prime areas of focus. Therefore, concentrated efforts are expended by the departments' electric line workers on the condition of poles, wires, apparatus and tree to wire conflicts. The electric line workers and powerhouse employees are available on a 24 hour/day and 7 days/week basis to remedy emergencies or special customer requests.

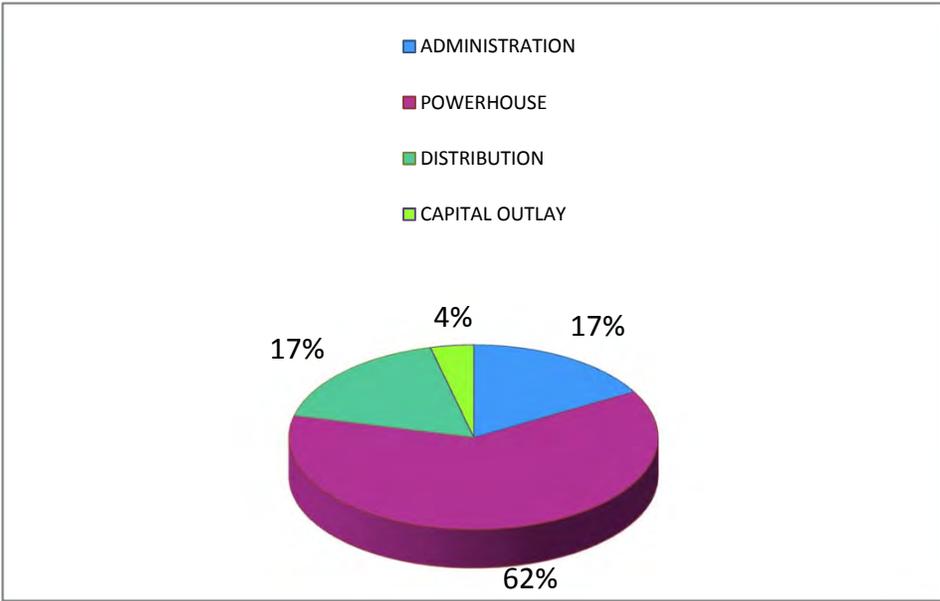
The department is affiliated with the Michigan Municipal Electric Association (MMEA); the American Municipal Power organization (AMP); the American Public Power Association (APPA) and the Michigan South Central Power Agency (MSCPA) to gain the collective benefit of addressing state and federal issues and power supply acquisition.

FY 2018 ELECTRIC REVENUES

NSF REVENUE	\$ 3,100	0%
CHARGES FOR SERVICES	60,000	0%
RESIDENTIAL SALES	3,500,000	28%
COMMERCIAL SALES	3,930,000	31%
INDUSTRIAL SALES	4,200,000	34%
PUBLIC STREET AND HIGHWAY LIGHTING	58,000	0%
SECURITY AND RESORT LIGHTING	55,000	0%
SALES TO CITY GOVERNMENT	530,000	4%
PENALTIES INCOME	60,000	0%
INTEREST	8,000	0%
RENTS	6,400	0%
MISCELLANEOUS REVENUE	70,000	1%
BOND PROCEEDS	-	0%
TOTAL REVENUES	\$ 12,480,500	100%



FY 2018 ELECTRIC EXPENDITURES		
ADMINISTRATION	\$ 2,399,107	17%
POWERHOUSE	8,854,191	62%
DISTRIBUTION	2,489,687	17%
CAPITAL OUTLAY	540,000	4%
TOTAL EXPENDITURES	\$ 14,282,985	100%



**City of Marshall
Summary of Electric Debt**

Fiscal Year	ISSUE: 11				ISSUE: 28				ISSUE: 36				Total Electric Debt		
	PRINCIPAL	RATE	INTEREST	TOTAL	PRINCIPAL	RATE	INTEREST	TOTAL	PRINCIPAL	RATE	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
Ending June 30	(9/1)		(3/1 & 9/1)		(4/1)		(4/1 & 10/1)		(4/1)		(4/1 & 10/1)				
2018	\$90,000	2.00%	\$5,300	\$95,300	\$40,000	2.00%	\$15,000	\$55,000	\$125,000	2.00%	\$109,850	\$234,850	\$255,000	\$130,150	\$385,150
2019	\$90,000	2.00%	\$3,500	\$93,500	\$40,000	2.00%	\$14,200	\$54,200	\$130,000	2.00%	\$107,350	\$237,350	\$260,000	\$125,050	\$385,050
2020	\$85,000	2.00%	\$1,700	\$86,700	\$45,000	2.00%	\$13,400	\$58,400	\$130,000	2.00%	\$104,750	\$234,750	\$260,000	\$119,850	\$379,850
2021					\$45,000	3.00%	\$12,500	\$57,500	\$135,000	3.00%	\$102,150	\$237,150	\$180,000	\$114,650	\$294,650
2022					\$45,000	3.00%	\$11,150	\$56,150	\$135,000	3.00%	\$98,100	\$233,100	\$180,000	\$109,250	\$289,250
2023					\$45,000	4.00%	\$9,800	\$54,800	\$140,000	4.00%	\$94,050	\$234,050	\$185,000	\$103,850	\$288,850
2024					\$45,000	4.00%	\$8,000	\$53,000	\$145,000	4.00%	\$88,450	\$233,450	\$190,000	\$96,450	\$286,450
2025					\$50,000	4.00%	\$6,200	\$56,200	\$155,000	4.00%	\$82,650	\$237,650	\$205,000	\$88,850	\$293,850
2026					\$50,000	4.00%	\$4,200	\$54,200	\$160,000	4.00%	\$76,450	\$236,450	\$210,000	\$80,650	\$290,650
2027					\$55,000	4.00%	\$2,200	\$57,200	\$165,000	4.00%	\$70,050	\$235,050	\$220,000	\$72,250	\$292,250
2028									\$170,000	4.00%	\$63,450	\$233,450	\$170,000	\$63,450	\$233,450
2029	<u>\$265,000</u>		<u>\$10,500</u>	<u>\$275,500</u>	<u>\$460,000</u>		<u>\$96,650</u>	<u>\$556,650</u>	\$180,000	4.00%	\$56,650	\$236,650	\$180,000	\$56,650	\$236,650
2030									\$185,000	4.00%	\$49,450	\$234,450	\$185,000	\$49,450	\$234,450
2031									\$195,000	4.00%	\$42,050	\$237,050	\$195,000	\$42,050	\$237,050
2032									\$200,000	4.00%	\$34,250	\$234,250	\$200,000	\$34,250	\$234,250
2033									\$210,000	3.00%	\$26,250	\$236,250	\$210,000	\$26,250	\$236,250
2034									\$215,000	3.00%	\$19,950	\$234,950	\$215,000	\$19,950	\$234,950
2035									\$220,000	3.00%	\$13,500	\$233,500	\$220,000	\$13,500	\$233,500
2036									\$230,000	3.00%	\$6,900	\$236,900	\$230,000	\$6,900	\$236,900
2037									<u>\$3,225,000</u>		<u>\$1,246,300</u>	<u>\$4,471,300</u>	<u>\$3,950,000</u>	<u>\$1,353,450</u>	<u>\$5,303,450</u>

BUDGET REPORT FOR CITY OF MARSHALL

BUDGET REPORT FOR CITY OF MARSHALL		2015-16	2016-17	2016-17	2017-18	2018-19
GL NUMBER	DESCRIPTION	ACTIVITY THRU 06/30/16	AMENDED BUDGET	PROJECTED BUDGET	PROJECTED ACTIVITY	PROJECTED ACTIVITY
Fund 582 - Electric Fund						
Dept 000						
582-000-445.00	Penalties & Int. on Taxes	187			0	0
582-000-451.00	Licenses and Permits				0	0
582-000-588.00	Contributions from Local Units				0	0
582-000-601.00	NSF Revenue	3,030	4,000	3,100	3,100	3,100
582-000-601.01	RATE STABILAZATION Interest				0	0
582-000-607.00	Charges for Services - Fees	62,580	60,000	60,000	60,000	60,000
582-000-626.00	Charges for Services				0	0
582-000-636.00	Residential Sales	3,338,880	3,500,000	3,500,000	3,500,000	3,500,000
582-000-637.00	Hot Water Heating				0	0
582-000-642.00	Charges for Services - Sales				0	0
582-000-643.00	Rural Sales				0	0
582-000-644.00	Commercial Sales	3,835,610	4,000,000	3,930,000	3,930,000	3,930,000
582-000-645.00	Industrial Sales	3,934,795	4,000,000	4,200,000	4,200,000	4,200,000
582-000-646.00	Public Str. & Hwy. Lighting	55,968	58,000	58,000	58,000	58,000
582-000-647.00	Security & Resort Lighting	52,466	55,000	55,000	55,000	55,000
582-000-648.00	Sales to City Government	440,635	450,000	530,000	530,000	530,000
582-000-650.00	Sales to MSCPA				0	0
582-000-653.00	Sales - Capacity to MSCPA				0	0
582-000-660.00	Penalties Income	60,512	60,000	60,000	60,000	60,000
582-000-665.00	Interest	8,423	8,000	8,000	8,000	8,000
582-000-667.00	Rents	6,401	13,000	6,400	6,400	6,400
582-000-669.00	Amortization of Prem. & Disc.				0	0
582-000-671.00	Miscellaneous Revenue	34,931	23,000	70,000	70,000	70,000
582-000-673.00	Sale of Fixed Assets				0	0
582-000-681.00	Sales of Fixed Assets				0	0
582-000-687.00	Bad Debt Recoveries				0	0
582-000-692.00	INCR/DECR VALUE OF INVESTMENTS	(5,286,069)			0	0
582-000-693.00	GAIN\LOSS- SALES OF ASSETS			(55,847)	0	0
582-000-696.00	Bond Proceeds		3,600,000	0	0	0
582-000-698.00	Proceeds from Bonds/Notes				0	0
582-000-699.00	Transfers From Other Funds - FFTP			70,000	0	0
NET OF REVENUES/APPROPRIATIONS - 000-		6,548,349	15,831,000	12,494,653	12,480,500	12,480,500
Dept 539-Administration						
582-539-702.00	Payroll	221,593	137,512	137,512	124,830	127,327
582-539-702.01	Other Fringe Benefits-taxable	4,260	2,625	2,625	2,400	2,400
582-539-703.00	Part-time Salaries				3,185	3,185
582-539-704.00	Overtime Salaries	37			0	0
582-539-715.00	Social Security	16,296	10,721	10,721	9,977	10,168
582-539-716.00	Hospitalization	67,346	12,858	37,824	19,355	20,903
582-539-717.00	Life Insurance	623	465	465	175	175
582-539-718.00	Retirement - DB	117,099	13,751	89,500	203,520	227,149
582-539-718.01	Retirement - DC				8,695	8,869
582-539-718.01	Retiree Health Insurance	469,337	268,371	431,500	466,020	503,302
582-539-720.00	Unemployment				0	0
582-539-721.00	Workers Compensation	1,002	935	801	809	817
582-539-727.00	Office Supplies	5,173	10,000	5,000	5,000	5,100
582-539-727.02	Postage and Shipping	15,713	16,000	16,000	16,000	16,000
582-539-740.00	Operating Supplies	473	1,000	1,000	1,020	1,040
582-539-741.00	Uniforms				0	0
582-539-755.00	Miscellaneous Supplies	66	200	200	204	208
582-539-760.00	Medical Services	57			0	0
582-539-801.00	Professional Services	75,552	133,000	73,000	108,000	73,000
582-539-803.00	Service Fee	1,330	1,000	250	250	250
582-539-804.00	BANK FEES	602		700	700	700
582-539-805.00	Administrative Costs	8,040	4,000	4,550	4,550	4,550
582-539-810.00	Dues & Memberships	12,858	14,500	11,000	14,500	14,500
582-539-813.00	Energy Optimization	38,205	40,000	40,500	40,000	40,000
582-539-820.00	Contracted Services	12,655	40,000	3,000	22,000	22,000
582-539-825.00	Insurance	27,423	34,500	39,700	40,494	41,304
582-539-826.00	Bond Issuance Costs			97,050	0	0
582-539-850.00	Communications	62	150	150	150	150
582-539-860.00	Transportation & Travel	3,884	3,000	3,000	3,600	3,600
582-539-901.00	Advertising	337	1,000	1,000	1,000	1,000
582-539-930.00	Equipment Maintenance	718	700	700	700	700
582-539-941.00	Motor Pool Equip Rental				0	0
582-539-941.01	Data Processing	15,000	17,969	17,969	14,508	14,508
582-539-956.00	Bad Debt Expense	157,449	1,500	1,500	1,500	1,500
582-539-958.00	Education & Training	4,162	3,000	3,000	2,000	2,000
582-539-966.00	Amortization	(88)	2,200	2,200	2,200	2,200
582-539-968.00	Depreciation	16,535	16,535	16,535	16,535	16,535
582-539-995.00	Bond Interest Paid - 1999 Rev Bonds	41,952	4,393	4,393	5,300	3,500
582-539-995.00	Bond Interest Paid - 2005 Build Auth.		15,897	15,897	17,920	12,640
582-539-995.00	Bond Interest Paid - 2007 LTGO Bonds		10,459	10,459	15,000	14,200
582-539-995.00	Bond Interest Paid - 2016 Substation		78,612	78,612	109,850	107,350
582-539-999.00	Transfers to Other Funds -Build Auth		282,351	282,351	282,351	282,351
582-539-999.00	Transfers to Other Funds	1,133,150	1,054,572	1,054,572	834,809	824,550
NET OF REVENUES/APPROPRIATIONS - 539-Administration		(2,468,901)	(2,233,776)	(2,495,236)	(2,399,107)	(2,409,730)

Dept 543-Powerhouse						
582-543-702.00	Payroll				0	0
582-543-702.01	Other Fringe Benefits-taxable				0	0
582-543-703.00	Part-time Salaries				0	0
582-543-704.00	Overtime Salaries	8,341	15,000	15,000	15,000	15,000
582-543-704.01	Overtime-Structure Imp. & Main				0	0
582-543-704.02	Overtime - Fuel Oil Tanks				0	0
582-543-704.03	Overtime - Overhead Lines				0	0
582-543-704.04	Overtime- Electrical Apparatus				0	0
582-543-704.24	Overtime - Dam & Waterways				0	0
582-543-704.25	Overtime - Hydro				0	0
582-543-705.00	Station Labor	121,268	213,595	213,595	217,839	222,196
582-543-705.01	Other Fringe Benefits-taxable	22,485	19,088	25,300	25,300	25,300
582-543-710.01	Labor - Structure Imp. & Maint	17,020			0	0
582-543-710.02	Labor - Fuel Oil Tanks				0	0
582-543-710.03	Labor - Diesels & Generators	45,504			18,000	18,360
582-543-710.04	Labor - Electrical Apparatus	7,159			0	0
582-543-710.24	Labor - Dam & Waterways	11,392			0	0
582-543-710.25	Labor - Hydro	12,378			0	0
582-543-715.00	Social Security	17,744	18,948	18,948	21,125	21,485
582-543-716.00	Hospitalization	53,038	60,510	60,510	73,225	79,083
582-543-717.00	Life Insurance	513	545	545	317	317
582-543-718.00	Retirement - DB	131,798	42,720	122,850	95,060	106,096
582-543-718.01	Retirement - DC				9,430	9,619
582-543-721.00	Workers Compensation	4,012	4,895	6,163	6,225	6,287
582-543-727.02	Postage and Shipping		200	200	200	200
582-543-738.00	Purchase Power - MSCPA	7,767,112	7,400,000	8,000,000	8,000,000	8,000,000
582-543-740.00	Operating Supplies	3,420	4,000	4,000	4,080	4,162
582-543-741.00	Uniforms	3,945	5,000	5,000	5,000	5,000
582-543-750.00	Diesel Fuel - Oil	64,843	10,000	10,000	10,000	10,000
582-543-751.00	Diesel Fuel - Gas	391	20,000	20,000	20,000	20,000
582-543-752.00	Lubricants		2,000	500	2,000	2,000
582-543-755.00	Miscellaneous Supplies				0	0
582-543-757.00	Fuels & Lubricants				0	0
582-543-760.00	Medical Services				0	0
582-543-761.00	Safety Supplies	2,196	2,500	2,500	2,550	2,601
582-543-776.00	Building Maintenance Supplies	914	3,200	3,200	3,264	3,329
582-543-777.00	MINOR TOOLS AND EQUIPMENT	1,934	3,500	3,500	3,500	3,500
582-543-780.01	Maintenance - Structures & Imp	6,114	6,500	11,500	8,000	8,000
582-543-780.02	Maint. - Fuel Oil Tanks	536	5,000	5,000	15,000	15,000
582-543-780.03	Maint.- Diesels & Generator	7,148	10,000	10,000	10,000	10,000
582-543-780.04	Maint. - Electrical Apparatus	17,746	41,000	41,000	41,000	41,000
582-543-780.24	Maintenance - Dam & Waterways	5,582	7,000	2,000	2,000	2,000
582-543-780.25	Maintenance - Hydro	1,767	1,500	1,500	1,500	1,500
582-543-780.31	Maint. - CAT Generators				0	0
582-543-801.00	Professional Services	25,471	55,000	115,000	55,000	55,000
582-543-810.00	Dues & Memberships				0	0
582-543-811.00	Taxes				0	0
582-543-820.00	Contracted Services	14,858	40,000	40,000	40,000	40,000
582-543-825.00	Insurance				0	0
582-543-832.00	State Emmission Fee	6,020	6,000	6,000	6,000	6,000
582-543-850.00	Communications	2,387	3,000	3,000	3,000	3,000
582-543-860.00	Transportation & Travel		3,000	1,000	1,000	1,000
582-543-921.00	Utilities - Gas	7,175			0	0
582-543-922.00	Utilities-Elec, Water, Sewer				0	0
582-543-930.00	Equipment Maintenance	38	1,000	1,000	1,000	1,000
582-543-932.00	Vehicle Maintenance				0	0
582-543-941.00	Motor Pool Equip Rental	4,319	4,000	4,000	4,000	4,000
582-543-941.01	Data Processing	4,545	3,228	3,228	5,707	5,707
582-543-958.00	Education & Training	1,248	1,000	1,000	1,000	1,000
582-543-968.00	Depreciation	118,805	111,677	127,870	127,870	127,870
NET OF REVENUES/APPROPRIATIONS - 543-Powerhouse		(8,521,166)	(8,124,606)	(8,884,909)	(8,854,191)	(8,876,612)
Dept 544-Line Distribution						
582-544-702.00	Payroll				0	0
582-544-702.01	Other Fringe Benefits-taxable				0	0
582-544-703.00	Part-time Salaries	17,370	20,000	20,000	20,808	20,808
582-544-704.00	Overtime Salaries	1,159	2,000	2,000	1,000	1,000
582-544-704.05	Overtime - Overhead Lines	18,111	20,000	20,000	15,000	15,000
582-544-704.06	Overtime - Transformer & Dev	1,095	3,000	3,000	1,200	1,200
582-544-704.07	Overtime - Services	7,061	10,000	10,000	8,000	8,000
582-544-704.08	Overtime - Meters				0	0
582-544-704.09	Overtime - St. Lights & Signs	773	1,000	1,000	1,000	1,000
582-544-704.10	Overtime - Security Lights	68	150	150	200	200
582-544-704.11	Overtime - Brooks Fountain				0	0
582-544-704.12	Overtime - Meter Reading		300	300	500	500
582-544-704.13	Overtime- Christmas Decoration	980	2,000	2,000	1,000	1,000
582-544-704.14	Overtime - Meter Shop		300	300	300	300
582-544-704.29	Overtime - Underground Lines	2,334	4,000	4,000	2,000	2,000
582-544-704.30	Overtime - Line Clearance	209	500	500	500	500
582-544-705.00	Station Labor	177,633	653,848	653,848	737,090	751,832
582-544-705.01	Other Fringe Benefits-taxable	33,999	35,021	35,021	35,100	29,765
582-544-710.05	Labor - Overhead Lines	310,325				0
582-544-710.06	Labor - Transformers & Devices	1,489			0	0

582-544-710.07	Labor - Services	2,534			0	0
582-544-710.08	Labor - Meters				0	0
582-544-710.09	Labor - St. Lights & Signals	31,834			0	0
582-544-710.10	Labor - Security Lights	9,392			0	0
582-544-710.11	Labor - Brooks Fountain	3,686			0	0
582-544-710.12	Labor - Meter Reading	47,443	48,017	48,199	48,974	49,953
582-544-710.13	Labor - Christmas Decorations	14,499			0	0
582-544-710.14	Labor - Meter Shop	56,477	57,221	57,500	58,365	59,532
582-544-710.29	Labor - Underground Lines	43,989			0	0
582-544-710.30	Labor - Line Clearance	3,388			0	0
582-544-710.31	LABOR - KETCHUM PARK RESTROOM	1,004			0	0
582-544-715.00	Social Security	58,004	65,692	65,690	71,224	72,108
582-544-716.00	Hospitalization	119,426	129,334	140,000	166,300	179,604
582-544-717.00	Life Insurance	1,368	1,499	785	873	873
582-544-718.00	Retirement - DB	302,902	171,793	356,730	262,760	293,266
582-544-718.00	Retirement - DC				24,420	24,908
582-544-720.00	Unemployment				0	0
582-544-721.00	Workers Compensation	12,475	17,385	12,522	12,647	12,774
582-544-727.02	Postage and Shipping	24	200	200	200	200
582-544-740.00	Operating Supplies	13,827	12,000	12,000	12,240	12,485
582-544-741.00	Uniforms	13,007	10,000	10,000	10,000	10,000
582-544-755.00	Miscellaneous Supplies				0	0
582-544-757.00	Fuels & Lubricants				0	0
582-544-760.00	Medical Services	1,001	1,000	1,100	1,122	1,144
582-544-761.00	Safety Supplies	10,136	13,000	8,000	13,260	13,525
582-544-776.00	Building Maintenance Supplies				0	0
582-544-777.00	MINOR TOOLS AND EQUIPMENT	9,239	12,000	17,000	15,000	15,000
582-544-780.01	Maintenance - Structures & Imp				0	0
582-544-780.05	Maint. - Overhead Lines	76,639	41,000	41,000	41,000	41,000
582-544-780.06	Maint.- Transformers & Devices	23,946	20,000	23,500	30,000	30,000
582-544-780.07	Maintenance - Services	16,143	20,000	20,000	10,000	10,000
582-544-780.08	Maintenance - Meters	12,780	15,000	15,000	15,000	15,000
582-544-780.09	Maintenance - St. Lights & Sig	68,809	50,000	50,000	50,000	50,000
582-544-780.10	Maintenance - Security Lights	8,484	10,000	11,000	11,000	11,000
582-544-780.11	Maintenance - Brooks Fountain		100	100	100	100
582-544-780.12	Maintenance - Meter Reading				0	0
582-544-780.13	Maint. - Christmas Decorations		100	100	100	100
582-544-780.29	Maintenance- Underground Lines	18,621	30,000	30,000	30,000	30,000
582-544-801.00	Professional Services	14	5,000	5,000	5,000	5,000
582-544-820.00	Contracted Services	183,162	400,000	220,000	220,000	220,000
582-544-825.00	Insurance	0			0	0
582-544-850.00	Communications	2,279	2,200	2,200	2,200	2,200
582-544-860.00	Transportation & Travel	2,120	2,000	2,500	5,000	5,000
582-544-930.00	Equipment Maintenance	1,387	2,000	2,000	2,000	2,000
582-544-932.00	Vehicle Maintenance	1,987	2,000	2,000	2,000	2,000
582-544-940.00	Rentals	73,960	70,626	70,826	83,400	83,400
582-544-941.00	Motor Pool Equip Rental	197,402	174,000	209,275	209,275	209,275
582-544-941.01	Data Processing	15,500	3,270	3,270	5,628	5,628
582-544-958.00	Education & Training	8,076	5,000	3,000	3,000	3,000
582-544-968.00	Depreciation	218,943	218,944	243,900	243,900	243,900
NET OF REVENUES/APPROPRIATIONS - 544-Line Distribution		(2,258,513)	(2,362,500)	(2,436,516)	(2,489,687)	(2,547,082)
Dept 900-Capital Outlay Control						
582-900-970.00	Capital Outlay	38,877	561,000	561,000	540,000	1,050,000
582-900-970.10	POWERHOUSE ENGINE REPAIR	0				
582-900-970.20	CAPITAL OUTLAY - BREWER ST SUBSTATION	0	3,600,000	2,160,000		
582-900-970.21	MARSHALL DAM			60,000		
582-900-970.22	FIBER TO THE PREMISE			70,000		
NET OF REVENUES/APPROPRIATIONS - 900-Capital Outlay Control		(38,877)	(4,161,000)	(2,851,000)	(540,000)	(1,050,000)
ESTIMATED REVENUES - FUND 582						
APPROPRIATIONS - FUND 582		6,548,349	15,831,000	12,494,653	12,480,500	12,480,500
NET OF REVENUES/APPROPRIATIONS - FUND 582		(13,287,457)	(16,881,882)	(16,667,661)	(14,282,985)	(14,883,424)
NET OF REVENUES/APPROPRIATIONS - FUND 582		(6,739,108)	(1,050,882)	(4,173,008)	(1,802,485)	(2,402,924)
BEGINNING FUND BALANCE						
ENDING FUND BALANCE		13,212,010		6,472,902	2,299,894	497,409
		6,472,902		2,299,894	497,409	(1,905,515)
Net Position with Capitalization				5,150,894	3,888,409	2,535,485

ALLOCATED POSITIONS: ELECTRIC DEPARTMENT

Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
City Manager	0.20	0.20	0.20	0.20	0.00	0.00
Director of Electric Utility	0.00	0.00	0.00	0.00	1.00	1.00
Director of Public Services	0.20	0.20	0.45	0.15	0.00	0.00
Electric Superintendent	1.00	1.00	1.00	1.00	0.00	0.00
Powerhouse Superintendent	1.00	1.00	1.00	1.00	0.00	0.00
Electric Utility Engineer	0.00	0.00	0.00	0.25	1.00	1.00
GIS Specialist	0.00	0.00	0.00	0.00	0.00	0.25
Environmental Coordinator	0.00	0.00	0.00	0.00	0.00	0.70
Treasurer	0.00	0.15	0.15	0.15	0.00	0.00
Clerk	0.15	0.15	0.15	0.15	0.00	0.00
Purchasing Agent	0.75	0.75	0.75	0.75	0.00	0.00
Payroll/Accounting Clerk	0.50	0.50	0.50	0.50	0.00	0.00
Accountant	0.44	0.44	0.44	0.44	0.00	0.00
Utility Billing Specialist	0.50	0.50	0.50	0.50	0.00	0.00
Receptionist/Cashier	0.37	0.37	0.37	0.37	0.15	0.00
Receptionist	0.15	0.15	0.15	0.15	0.00	0.00
Maintenance Mechanic II/PH Operator	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Mechanic I/PH Operator	1.00	1.00	1.00	1.00	2.00	2.00
Operator II	1.00	1.00	1.00	1.00	0.00	0.00
Lead Operator	2.00	2.00	2.00	1.00	1.00	1.00
Lead Lineman	1.00	1.00	1.00	1.00	1.00	1.00
Senior Lineman	4.00	4.00	4.00	5.00	5.00	5.00
Apprentice Lineman	2.00	2.00	4.00	3.00	3.00	3.00
Meter Reader II	0.50	0.50	0.50	0.50	1.50	1.00
Meter Serviceman	1.00	1.00	1.00	1.00	1.00	1.00
Total	18.76	18.91	21.16	20.11	17.65	17.95

DART

Dial-a-Ride (DART) is the public transportation provider for the City of Marshall. Service is available to City residents regularly on weekdays from 7am – 6pm. In the past year, DART service area has expanded to allow for rides one mile outside City limits. In calendar year 2016, DART provided approximately 24,682 rides for persons seeking transportation for reasons such as medical appointments, shopping, and school.

In previous years, DART provided service to and from Albion through MDOT's New Freedom program. However, in the past year, New Freedom and DART have combined, seeking state and federal operating assistance through the same rural area formula program. The service route traveling to and from Albion is termed the "Albion-Marshall Connector" (AMC). The AMC provided approximately 5,925 passengers with rides in calendar year 2016.

Through increasing mobility options, the DART service directly pertains to Goal II of the 2015 City Goals: Quality of Life: "To achieve and sustain a concentrated effort to promote a vibrant community atmosphere in the Marshall area".

Expenses:

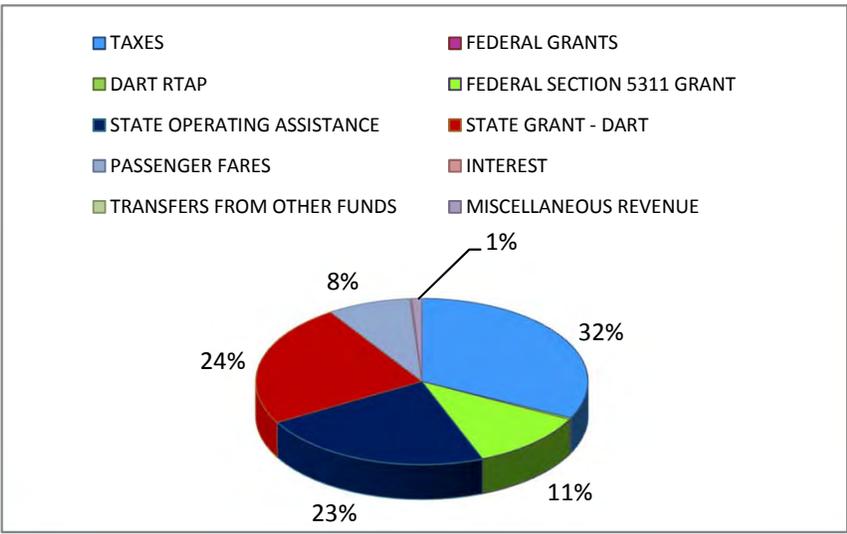
The DART Department (including AMC) currently consists of a full-time administrator, 7 part-time drivers, 2 part-time dispatchers and 1 full-time driver. As with most service sector jobs, payroll and benefits represent DART's largest expense, constituting approximately 70% of DART's overall budget. Other major expenses include vehicle maintenance, fuel, and depreciation.

Revenues:

DART's operating revenues come from several sources, including federal and state grants, user fees, and City millage. Expenses for FY2018 are projected to exceed operating revenues. Federal and state operating assistance is calculated at approximately 56.81% of eligible expenses. If the department cuts expenses, it will subsequently decrease revenue. In attempts to increase revenue streams, staff is focusing on selling more profitable advertising for local businesses on the buses. Advertising opportunity had not been fully taken advantage of in the past years, which will help alleviate some of the budget shortfall. Staff is working with Finance Department, City Manager, and City Council to develop a long term sustainability plan for the department.

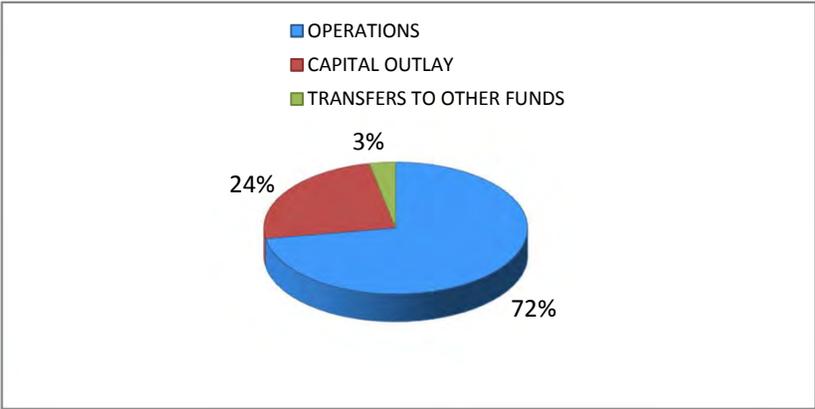
FY 2018 DIAL-A-RIDE REVENUES

TAXES	\$ 188,641	32%
FEDERAL GRANTS	-	0%
DART RTAP	2,000	0%
FEDERAL SECTION 5311 GRANT	67,074	11%
STATE OPERATING ASSISTANCE	138,884	23%
STATE GRANT - DART	140,000	24%
PASSENGER FARES	47,716	8%
INTEREST	935	0%
TRANSFERS FROM OTHER FUNDS	-	0%
MISCELLANEOUS REVENUE	5,710	1%
TOTAL REVENUES	\$ 590,960	100%



FY 2018 DIAL-A-RIDE EXPENDITURES

OPERATIONS	\$ 443,084	72%
CAPITAL OUTLAY	149,500	24%
TRANSFERS TO OTHER FUNDS	19,590	3%
TOTAL EXPENDITURES	\$ 612,174	100%



BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 588 - DART Fund						
Dept 000						
588-000-402.00	Current Property Taxes	93,057	94,175	91,877	179,910	181,529
588-000-404.00	Property Taxes - Prior Years	1			0	0
588-000-420.00	Delinquent Personal Prop Taxes	180	100	208	208	208
588-000-441.00	Local Comm Stabilization Share Tax			12,100	8,470	8,470
588-000-445.00	Penalties & Int. on Taxes	453	100	53	53	53
588-000-529.00	Federal Grants				0	0
588-000-529.01	DART RTAP		2,000	500	2,000	2,000
588-000-530.00	Federal Section 5311 Grant	43,529	64,469	79,500	67,074	67,074
588-000-570.00	State Operating Assistance	156,469	143,579	164,650	138,884	138,884
588-000-571.00	State Grant - DART		140,000	0	140,000	0
588-000-610.00	Passenger Fares	50,716	50,000	42,540	47,716	47,716
588-000-665.00	Interest	446	550	935	935	935
588-000-667.00	Rents				0	0
588-000-671.00	Miscellaneous Revenue	8,713	2,000	5,710	5,710	5,710
588-000-675-00	Contrib. from Other Sources			9,500	0	0
588-000-681.00	Sales of Fixed Assets				0	0
588-000-699.01	Contributions - General Fund		88,185	63,493	0	0
588-000-999.00	Transfers to Other Funds				0	0
TOTAL REVENUES		353,564	585,158	471,066	590,960	452,579
Dept 538-DART						
588-538-702.00	Payroll	91,159	108,329	81,615	81,615	83,247
588-538-702.01	Other Fringe Benefits-taxable	3,103	842	500	1,500	1,500
588-538-702.81	ADMIN HOURS	20,697			0	0
588-538-702.82	DISPATCH	4,185			0	0
588-538-703.00	Part-time Salaries	42,717	115,000	56,005	56,005	56,005
588-538-703.82	PART-TIME DISPATCH	13,557		31,510	31,510	31,510
588-538-704.00	Overtime Salaries	14,559	4,750	2,875	2,875	2,875
588-538-704.82	OVERTIME - DISPATCH	773		500	500	500
588-538-715.00	Social Security	14,350	17,512	13,465	13,311	13,436
588-538-716.00	Hospitalization	33,515	33,479	17,350	6,825	7,371
588-538-717.00	Life Insurance	254	341	135	160	160
588-538-718.00	Retirement - DB	48,714	16,548	50,040	41,880	41,880
588-538-718.00	Retirement - DC				8,162	8,325
588-538-718.01	Retiree Health Insurance	34,317	37,870	83,340	83,320	89,986
588-538-720.00	Unemployment				0	0
588-538-721.00	Workers Compensation	2,795	4,870	801	801	801
588-538-727.00	Office Supplies	991	1,350	1,350	1,350	1,377
588-538-740.00	Operating Supplies	3,082	1,750	2,767	1,650	1,683
588-538-757.00	Fuels & Lubricants	16,199	21,000	14,400	15,000	15,000
588-538-760.00	Medical Services	1,941	1,200	1,460	1,200	1,224
588-538-801.00	Professional Services	834	1,500	1,720	500	500
588-538-805.00	Administrative Costs				0	0
588-538-810.00	Dues & Memberships	700	700	700	700	700
588-538-820.00	Contracted Services	202			0	0
588-538-825.00	Insurance	2,055	6,200	5,275	5,328	5,381
588-538-850.00	Communications	1,234	2,800	2,240	1,496	1,496
588-538-860.00	Transportation & Travel		1,000	100	100	100
588-538-901.00	Advertising	1,116	1,000	1,000	1,000	1,000
588-538-930.00	Equipment Maintenance	1,714	250	250	250	250
588-538-932.00	Vehicle Maintenance	15,205	15,000	27,428	27,428	27,428
588-538-933.00	Tires	1,146	3,000	3,000	3,000	3,000
588-538-940.00	Rentals	6,802	11,351	9,500	13,385	13,385
588-538-941.00	Motor Pool Equip Rental		250	250	250	250
588-538-941.01	Data Processing	2,558	5,584	4,170	4,253	4,253
588-538-958.00	Education & Training	123	1,500	150	150	150
588-538-958.01	EXP RTAP			500	2,000	2,000
588-538-964.00	Refund or Rebates	138		1,650	150	150
588-538-968.00	Depreciation	43,197	50,170	35,430	35,430	35,430
588-538-970.00	Capital Outlay	0	140,000	0	149,500	0
588-538-986.01	CONTINGENCY				0	0

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
588-538-999.00	Transfers to Other Funds	12,589	23,454	19,590	19,590	19,590
APPROPRIATIONS - 538-DART		(436,521)	(628,600)	(471,066)	(612,174)	(471,943)
ESTIMATED REVENUES - FUND 588 - DART		353,564	585,158	471,066	590,960	452,579
APPROPRIATIONS - FUND 588 - DART		(436,521)	(628,600)	(471,066)	(612,174)	(471,943)
NET OF REVENUES/APPROPRIATIONS - FUND 588 - DART		(82,957)	(43,442)	0	(21,214)	(19,364)

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Dept 541-DART - ALBION						
588-541-530.00	Federal Section 5311 Grant			11,630	12,153	12,153
588-541-570.00	State Operating Assistance	14,956		24,075	25,165	25,165
588-541-610.00	Passenger Fares	7,416		7,160	7,160	7,160
588-541-675.00	Contrib. from Other Sources	53,315		45,000	45,000	45,000
TOTAL REVENUES - AMC		75,687		87,865	77,325	77,325
Dept 541-DART						
588-541-702.00	Payroll	1,125		3,423	3,423	3,423
588-541-702.81	ADMIN HOURS				0	0
588-541-702.82	DISPATCH	273			0	0
588-541-703.00	Part-time Salaries	35,405		31,096	31,100	31,100
588-541-703.80	MPS SPECIAL EVENTS	214			0	0
588-541-703.82	PART-TIME DISPATCH	756		3,200	3,200	3,200
588-541-704.00	Overtime Salaries	1,647		250	250	250
588-541-704.82	OVERTIME - DISPATCH	17		50	50	50
588-541-715.00	Social Security	2,960		2,910	2,910	2,910
588-541-716.00	Hospitalization	1,134				0
588-541-717.00	Life Insurance	8			0	0
588-541-718.00	Retirement	4,071		345	345	345
588-541-721.00	Workers Compensation			0		0
588-541-740.00	Operating Supplies	678		200	350	350
588-541-757.00	Fuels & Lubricants	8,003		7,380	9,000	9,000
588-541-801.00	Professional Services			280	280	280
588-541-825.00	Insurance	1,362		2,320	2,343	2,367
588-541-850.00	Communications	218		435	435	435
588-541-901.00	Advertising			0	0	0
588-541-932.00	Vehicle Maintenance			665	665	665
588-541-933.00	Tires			0	1,000	1,000
588-541-940.00	Rentals	5,084		3,316	3,316	3,316
588-541-941.01	Data Processing	1,912		1,460	902	902
588-541-968.00	Depreciation	6,972		7,520	7,520	7,520
588-541-999.00	Transfers to Other Funds	9,411		6,125	6,125	6,125
APPROPRIATIONS - 541-DART - ALBION		(81,250)	0	(70,975)	(73,214)	(73,238)
ESTIMATED REVENUES - FUND 588 - AMC		75,687	0	87,865	77,325	77,325
APPROPRIATIONS - FUND 588 - AMC		(81,250)	0	(70,975)	(73,214)	(73,238)
NET OF REVENUES/APPROPRIATIONS - FUND 588 - AMC		(5,563)	0	16,890	4,111	4,087
ESTIMATED REVENUES - FUND 588		429,251	585,158	558,931	668,285	529,904
APPROPRIATIONS - FUND 588		(517,771)	(628,600)	(542,041)	(685,388)	(545,181)
NET OF REVENUES/APPROPRIATIONS - FUND 588		(88,520)	(43,442)	16,890	(17,103)	(15,276)

ALLOCATED POSITIONS: DART						
Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
DART Manager	0.03	0.03	0.03	0.03	1.00	1.00
Deputy Director of Community Services	0.10	0.10	0.00	0.00	0.00	0.00
Dispatcher/Bus Driver	1.00	1.00	1.00	1.00	1.00	0.00
Driver	2.00	2.00	2.00	2.00	1.00	1.00
Total	3.13	3.13	3.03	3.03	3.00	2.00

WASTEWATER

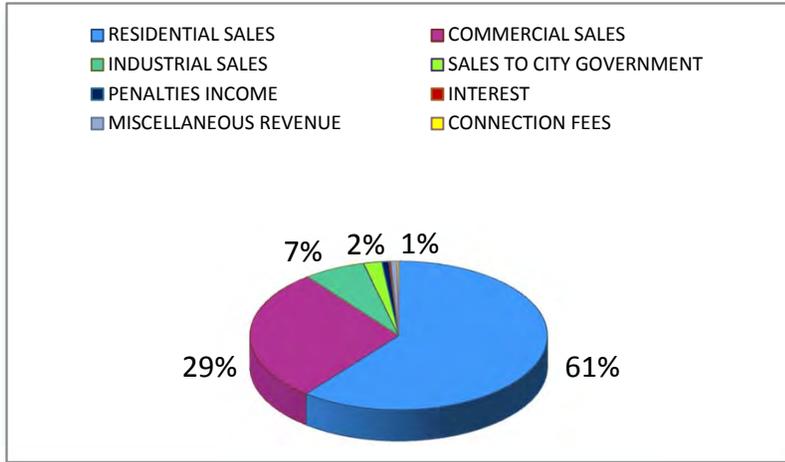
The Wastewater Department consists of the wastewater plant and the sanitary sewer collection system, maintained with the assistance of the Department of Public Works (DPW). The wastewater plant operation treats approximately 1.5 million gallons of wastewater every day. The plant is in continuous operation and the effluent must meet the requirements of a National Pollutant Discharge Elimination System (NPDES) permit issued by the Michigan Department of Environmental Quality (MDEQ). The staff conducts daily analysis and ongoing operational evaluation to ensure continuing adherence to NPDES permit standards. Along with the above duties, staff is responsible for the operation and maintenance of fourteen lift stations located throughout the community. Licensing for wastewater operators is also overseen by the MDEQ. There are four levels of wastewater license with Class D being the lowest and Class A the highest. As a Class B wastewater treatment plant, MDEQ requires at least one operator to hold a Class B or higher license.

The sanitary collection system consists of approximately 250,000 LF of sewer piping. This is regularly maintained by the DPW. During 2016 we received video data of the sewer collection system from RedZone Robotics. This data will assist the city in establishing the required Asset Management Plan for the collection system.

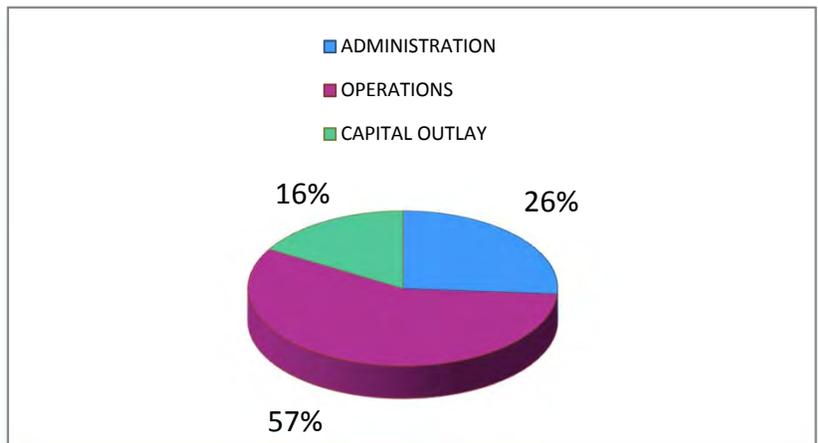
In 2017, we will continue to develop the required Asset Management Plan with an analysis of the Waste Water Treatment plant, assisted by Stantec Engineering. All equipment at the plant and lift stations will be inventoried and we will begin developing a long term replacement plan with the information that is gathered through this process.

Maintaining the plant and distribution system is integral towards the City's Vision by focusing on an improved Infrastructure. This will preserve, rehabilitate and expand the city infrastructure and assets.

FY 2018 WASTEWATER REVENUES		
RESIDENTIAL SALES	1,190,000	61%
COMMERCIAL SALES	565,250	29%
INDUSTRIAL SALES	130,900	7%
SALES TO CITY GOVERNMENT	39,270	2%
PENALTIES INCOME	15,000	1%
INTEREST	4,200	0%
MISCELLANEOUS REVENUE	12,500	1%
CONNECTION FEES	4,000	0%
TOTAL REVENUES	\$ 1,961,120	100%



FY 2018 WASTEWATER EXPENDITURES		
ADMINISTRATION	\$ 598,837	26%
OPERATIONS	1,336,234	57%
CAPITAL OUTLAY	379,000	16%
TOTAL EXPENDITURES	\$ 2,314,071	100%



City of Marshall Summary of Wastewater Debt

Fiscal Year	ISSUE: 7 AUTH: Act 185 CUSIP: 129644 TYPE: Limited Tax PURPOSE: Water-34%, Sewer-66% DATED: June 25, 1996/Refunded 2006 CALLABLE: 5/1/08 @ 100 - Refunded July 20, 2016 Fund 590				ISSUE: 32 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Sewer System Improvements DATED: September 5, 2012 CALLABLE: Fund 590				Total Sewer Debt		
	Ending June 30	PRINCIPAL (5/1)	RATE	INTEREST (5/1 & 11/1)	TOTAL	PRINCIPAL (6/1)	RATE	INTEREST (6/1 & 12/1)			
2018	\$145,200	2.00%	\$8,448	\$153,648	\$20,000	2.00%	\$66,140	\$86,140	\$165,200	\$74,588	\$239,788
2019	\$141,900	2.00%	\$5,544	\$147,444	\$20,000	3.00%	\$65,740	\$85,740	\$161,900	\$71,284	\$233,184
2020	\$135,300	2.00%	\$2,706	\$138,006	\$20,000	3.00%	\$65,140	\$85,140	\$155,300	\$67,846	\$223,146
					\$150,000	3.00%	\$64,540	\$214,540	\$150,000	\$64,540	\$214,540
					\$155,000	3.00%	\$60,040	\$215,040	\$155,000	\$60,040	\$215,040
					\$155,000	3.00%	\$55,390	\$210,390	\$155,000	\$55,390	\$210,390
					\$160,000	3.00%	\$50,740	\$210,740	\$160,000	\$50,740	\$210,740
					\$165,000	3.00%	\$45,940	\$210,940	\$165,000	\$45,940	\$210,940
					\$170,000	3.00%	\$40,990	\$210,990	\$170,000	\$40,990	\$210,990
					\$175,000	3.00%	\$35,890	\$210,890	\$175,000	\$35,890	\$210,890
					\$180,000	3.00%	\$30,640	\$210,640	\$180,000	\$30,640	\$210,640
					\$185,000	3.10%	\$25,240	\$210,240	\$185,000	\$25,240	\$210,240
					\$195,000	3.20%	\$19,505	\$214,505	\$195,000	\$19,505	\$214,505
					\$200,000	3.25%	\$13,265	\$213,265	\$200,000	\$13,265	\$213,265
					\$205,000	3.30%	\$6,765	\$211,765	\$205,000	\$6,765	\$211,765
	<u>\$422,400</u>		<u>\$16,698</u>	<u>\$439,098</u>	<u>\$2,155,000</u>		<u>\$645,965</u>	<u>\$2,800,965</u>	<u>\$2,577,400</u>	<u>\$662,663</u>	<u>\$3,240,063</u>

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 590 - Wastewater Fund						
Dept 000						
590-000-636.00	Residential Sales	920,010	925,000	1,000,000	1,190,000	1,207,850
590-000-644.00	Commercial Sales	440,538	450,000	475,000	565,250	573,729
590-000-645.00	Industrial Sales	111,334	91,000	110,000	130,900	132,864
590-000-648.00	Sales to City Government	28,788	36,000	33,000	39,270	39,859
590-000-649.00	Septic Tank Dumps				0	0
590-000-660.00	Penalties Income	13,565	12,000	15,000	15,000	15,000
590-000-665.00	Interest	5,733	2,100	4,200	4,200	4,200
590-000-669.00	Amortization of Prem. & Disc.				0	0
590-000-671.00	Miscellaneous Revenue	12,584	20,000	12,500	12,500	12,500
590-000-671.01	Connection Fees	3,807	4,000	4,000	4,000	4,000
590-000-698.00	Proceeds from Bonds/Notes				0	0
590-000-699.00	Transfers From Other Funds				0	0
TOTAL REVENUES		1,536,359	1,540,100	1,653,700	1,961,120	1,990,001
Dept 539-Administration						
590-539-702.00	Payroll	134,344	91,199	91,199	90,711	92,525
590-539-702.01	Other Fringe Benefits-taxable	1,690	1,503	1,503	503	503
590-539-703.00	Part-time Salaries				0	0
590-539-704.00	Overtime Salaries			16	0	0
590-539-715.00	Social Security	9,715	7,092	7,095	6,978	7,117
590-539-716.00	Hospitalization	42,593	19,647	24,400	22,820	24,646
590-539-717.00	Life Insurance	431	335	175	194	194
590-539-718.00	Retirement - DB	52,621	19,784	50,280	57,138	63,772
590-539-718.00	Retirement - DC			3,022	3,022	3,022
590-539-718.01	Retiree Health Insurance	67,315	36,887	60,533	61,200	66,096
590-539-720.00	Unemployment				0	0
590-539-721.00	Workers Compensation	845	1,605	370	374	377
590-539-727.00	Office Supplies	2,445	2,000	2,000	2,040	2,081
590-539-727.02	Postage and Shipping	6,300	6,200	6,200	6,200	6,200
590-539-760.00	Medical Services	81	200	200	200	200
590-539-801.00	Professional Services	3,873	5,000	15,000	5,000	5,000
590-539-803.00	Service Fee	341	500	500	500	500
590-539-804.00	BANK FEES	301	250	315	325	325
590-539-805.00	Administrative Costs	2,000	2,100	350	350	350
590-539-810.00	Dues & Memberships	268	650	650	650	650
590-539-815.00	Compensations Payments				0	0
590-539-820.00	Contracted Services	2,557	3,700	3,700	13,700	13,700
590-539-825.00	Insurance	15,607	21,480	21,480	21,910	22,348
590-539-826.00	Bond Issuance Costs				0	0
590-539-850.00	Communications	707	744	744	0	0
590-539-860.00	Transportation & Travel	109	500	250	250	250
590-539-901.00	Advertising	108			0	0
590-539-921.00	Utilities - Gas				0	0
590-539-922.00	Utilities-Elec, Water, Sewer				0	0
590-539-930.00	Equipment Maintenance	355	174	370	174	174
590-539-940.00	Rentals			495	0	0
590-539-941.00	Motor Pool Equip Rental				0	0
590-539-941.01	Data Processing	6,035	1,570	1,570	11,364	11,364
590-539-956.00	Bad Debt Expense	(2,000)			0	0
590-539-958.00	Education & Training	1,199	1,500	1,500	1,200	1,200
590-539-966.00	Amortization	1,074	1,074	1,074	1,074	1,074
590-539-968.00	Depreciation	1,700	1,500	1,700	1,700	1,700
590-539-990.00	Debt Service				0	0
590-539-995.00	Bond Interest Paid	64,273	89,261	89,261	89,261	89,261
590-539-999.00	Transfers to Other Funds	47,000	227,181	227,181	200,000	175,000
APPROPRIATIONS - 539-Administration		(463,887)	(543,636)	(613,133)	(598,837)	(589,628)
Dept 545-Operations						
590-545-702.00	Payroll - Non Union				8,121	8,283
590-545-703.00	Part-time Salaries	5,245	6,000	6,000	0	0
590-545-704.00	Overtime Salaries	11,865	13,691	12,000	12,000	12,000

590-545-704.01	Overtime-Structure Imp. & Main				0	0
590-545-704.12	Overtime - Meter Reading				0	0
590-545-704.15	Overtime - Plant Equipment				0	0
590-545-704.16	Overtime - Lift Stations				0	0
590-545-704.23	Overtime - Sewer Lines				0	0
590-545-705.00	Station Labor	268,718	246,498	260,000	233,260	233,260
590-545-705.01	Other Fringe Benefits-taxable	4,663	6,210	6,210	4,305	1,691
590-545-710.01	Labor - Structure Imp. & Maint				0	0
590-545-710.10	Labor - Security Lights				0	0
590-545-710.12	Labor - Meter Reading	23,723	24,008	24,115	24,597	25,089
590-545-710.15	Labor - Plant Equipment				0	0
590-545-710.16	Labor - Lift Stations				0	0
590-545-710.23	Labor - Sewer Lines				0	0
590-545-710.31	LABOR - KETCHUM PARK RESTROOM	159			0	0
590-545-715.00	Social Security	22,719	22,224	23,720	21,595	21,445
590-545-716.00	Hospitalization	60,682	62,755	62,755	69,470	75,028
590-545-717.00	Life Insurance	649	648	325	363	363
590-545-718.00	Retirement - DB	122,658	55,570	125,450	114,225	127,487
590-545-718.00	Retirement - DC				11,228	11,453
590-545-721.00	Workers Compensation	2,531	6,040	2,005	2,025	2,045
590-545-727.02	Postage and Shipping	186			0	0
590-545-740.00	Operating Supplies	19,910	20,000	20,000	20,400	20,808
590-545-741.00	Uniforms	2,873	2,500	2,500	2,500	2,500
590-545-755.00	Miscellaneous Supplies	256			0	0
590-545-757.00	Fuels & Lubricants	410	1,000	500	500	500
590-545-760.00	Medical Services				0	0
590-545-761.00	Safety Supplies	1,585	1,000	1,000	1,020	1,040
590-545-776.00	Building Maintenance Supplies	1,099	1,000	1,000	1,020	1,040
590-545-777.00	MINOR TOOLS AND EQUIPMENT	1,345	1,000	1,000	1,000	1,000
590-545-780.01	Maintenance - Structures & Imp	3,063	3,000	3,000	5,000	5,000
590-545-780.15	Maintenance - Plant Equipment	17,162	18,000	18,000	20,000	20,000
590-545-780.16	Maintenance - Lift Stations	12,127	15,000	15,000	15,000	15,000
590-545-780.21	Maintenance - Meters				500	0
590-545-780.23	Maintenance - Sewer Lines	5,255	5,000	5,000	5,000	5,000
590-545-780.27	Maintenance - Mains				0	0
590-545-780.28	Maint. - Sewer Lines-Chemicals		10,000	0	10,000	10,000
590-545-780.30	MAINT - SCADA	16,125	16,000	16,000	16,000	16,000
590-545-790.00	Chemical Cost	71,133	65,000	80,000	80,000	80,000
590-545-801.00	Professional Services				0	0
590-545-803.00	Service Fee	8,375	13,000	10,000	10,000	10,000
590-545-820.00	Contracted Services	85,964	80,000	80,000	70,000	70,000
590-545-850.00	Communications	1,622	1,800	300	0	0
590-545-860.00	Transportation & Travel	460	300	300	300	300
590-545-921.00	Utilities - Gas	2,544	5,000	4,200	4,200	4,200
590-545-922.00	Utilities-Elec, Water, Sewer	119,696	140,000	125,000	125,000	125,000
590-545-930.00	Equipment Maintenance	2,890	5,000	5,000	5,000	5,000
590-545-932.00	Vehicle Maintenance				0	0
590-545-940.00	Rentals				840	840
590-545-941.00	Motor Pool Equip Rental	38,869	21,000	21,000	21,000	21,000
590-545-941.01	Data Processing	6,036	6,253	6,253	0	0
590-545-958.00	Education & Training	2,892	6,000	3,000	3,000	3,000
590-545-968.00	Depreciation	387,657	381,237	417,765	417,765	417,765
APPROPRIATIONS - 545-Operations		(1,333,146)	(1,261,734)	(1,358,398)	(1,336,234)	(1,353,137)
Dept 900-Capital Outlay Control						
590-900-970.00	Capital Outlay	10,421	419,000	75,000	379,000	249,000
APPROPRIATIONS - 900-Capital Outlay Control		(10,421)	(419,000)	(75,000)	(379,000)	(249,000)
ESTIMATED REVENUES - FUND 590		1,536,359	1,540,100	1,653,700	1,961,120	1,990,001
APPROPRIATIONS - FUND 590		(1,807,454)	(2,224,370)	(2,046,531)	(2,314,071)	(2,191,766)
NET OF REVENUES/APPROPRIATIONS - FUND 590		(271,095)	(684,270)	(392,831)	(352,951)	(201,764)
BEGINNING FUND BALANCE		2,905,417		2,634,322	2,241,491	1,888,540
ENDING FUND BALANCE		2,634,322		2,241,491	1,888,540	1,686,775
Capitalization of Fixed Assets				2,316,491	2,342,540	2,389,775

City of Marshall

Wastewater	FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	FY 2018
	Actual	Actual	Budget	Forecast	Request	Projected
ALLOCATED POSITIONS: WASTEWATER						
Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
City Manager	0.05	0.05	0.05	0.05	0.00	0.00
Director of Public Services	0.15	0.15	0.15	0.25	0.25	0.25
Wastewater Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
GIS Specialist	0.00	0.00	0.00	0.25	0.25	0.25
Treasurer	0.00	0.05	0.05	0.05	0.00	0.00
Clerk	0.05	0.05	0.05	0.05	0.00	0.00
Payroll/Accounting Clerk	0.25	0.25	0.25	0.25	0.00	0.00
Accountant	0.22	0.22	0.22	0.22	0.00	0.00
Utility Billing Specialist	0.25	0.25	0.25	0.25	0.00	0.00
Receptionist/Cashier	0.19	0.19	0.19	0.19	0.00	0.00
IPP/Environmental Specialist	0.40	0.40	0.40	0.40	0.30	0.15
Equipment Operator	0.16	0.16	0.16	0.16	0.20	0.00
Operator C	1.00	1.00	1.00	1.00	1.00	1.00
Operator I	2.00	3.00	3.00	3.00	3.00	3.00
Meter Reader II	0.25	0.25	0.25	0.25	0.25	0.25
Meter Tester/Serviceman	0.25	0.25	0.25	0.25	0.25	0.25
Total	6.22	7.27	7.27	7.62	6.50	6.15

WATER

The Water Department consists of two separate operations, water production and water distribution. Water production operators at the plant are responsible for keeping daily records of plant operations, monthly inventory of chemicals, maintaining of proper chemical feed rates, water quality testing and building maintenance. The current plant is manned 8hrs/day Monday through Friday and 2hrs on Saturday and Sunday.

Water distribution operators are responsible for maintenance of the distribution system infrastructure, meters, water services, hydrants, mains and two elevated storage tanks.

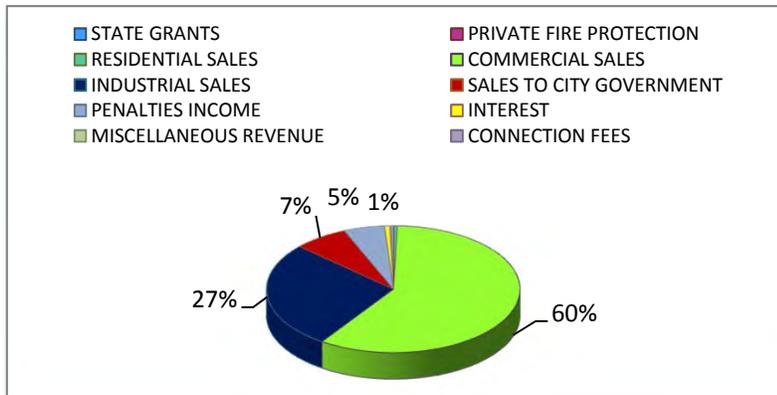
The Michigan Department of Environmental Quality (MDEQ) regulates many of the programs that the water department is responsible for. Routine and special water sampling, a valve maintenance program, hydrant flushing, a cross connection program, wellhead protection program, monthly operation reports, and new additions to the plant and distribution system. Licensing for water operators is also regulated by the MDEQ. The MDEQ requires a D-2 license for Water Production and an S-2 for Water Distribution. Currently the Water Superintendent holds both a D-2 and S-2 license.

In early 2016 MDEQ notified the city that a new Asset Management program was being implemented for all Water Systems providing services to over 1,000 residents. This requires that the entire plant and distribution systems be inventoried, documented and analyzed to develop a long term plan for maintaining this infrastructure. Development of this plan will continue throughout 2017 for submittal to the MDEQ in January 2018.

Maintaining the operation and distribution system is integral towards the City's Vision by focusing on an improved Infrastructure. This will preserve, rehabilitate and expand the city infrastructure and assets.

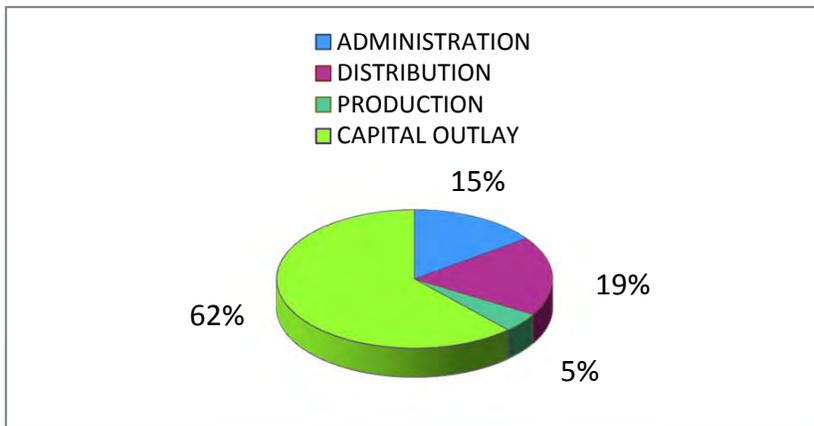
FY 2018 WATER REVENUES

STATE GRANTS	\$ 1,000	0%
PRIVATE FIRE PROTECTION	8,000	0%
RESIDENTIAL SALES	1,079,100	60%
COMMERCIAL SALES	506,850	27%
INDUSTRIAL SALES	128,620	7%
SALES TO CITY GOVERNMENT	97,010	5%
PENALTIES INCOME	12,000	1%
INTEREST	3,000	0%
MISCELLANEOUS REVENUE	6,000	0%
CONNECTION FEES	3,000	0%
TOTAL REVENUES	\$ 1,844,580	100%



FY 2018 WATER EXPENDITURES

ADMINISTRATION	\$ 670,060	15%
DISTRIBUTION	829,399	19%
PRODUCTION	204,834	5%
CAPITAL OUTLAY	2,762,200	62%
TOTAL EXPENDITURES	\$ 4,466,493	100%



City of Marshall Summary of Water Debt

	ISSUE: 7 AUTH: Act 185 CUSIP: 129644 TYPE: Limited Tax PURPOSE: Water-34%, Sewer-66% DATED: June 25, 1996/Refunded 2006 CALLABLE: 5/1/08 @ 100 Refunded 7/20/16 Fund 591				ISSUE: 9 AUTH: Act 185 CUSIP: 129644 TYPE: Limited Tax PURPOSE: Water DATED: November 3, 1997/Refunded 2008 CALLABLE: 5/1/08 @ 100 Fund 591				ISSUE: 20 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Hanover Water Main DATED: August 24, 2004 CALLABLE: 4/1/14 @ 100 Fund 591			
Fiscal Year	PRINCIPAL (5/1)	RATE	INTEREST (5/1 & 11/1)	TOTAL	PRINCIPAL (5/1)	RATE	INTEREST (5/1 & 11/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL
Ending June 30												
2018	\$74,800	2.00%	\$4,352	\$79,152	\$200,000	4.00%	\$16,000	\$216,000	\$15,000	2.00%	\$3,154	\$18,154
2019	\$73,100	2.00%	\$2,856	\$75,956	\$200,000	4.00%	\$8,000	\$208,000	\$15,000	2.00%	\$2,779	\$17,779
2020	\$69,700	2.00%	\$1,394	\$71,094					\$15,000	2.00%	\$2,875	\$17,875
2021									\$15,000	3.00%	\$2,575	\$17,575
2022									\$15,000	3.00%	\$2,125	\$17,125
2023									\$20,000	4.00%	\$1,600	\$21,600
2024									\$20,000	4.00%	\$800	\$20,800
2025												
2026												
2027												
2028												
2029												
2030												
2031												
2032												
	<u>\$217,600</u>		<u>\$8,602</u>	<u>\$226,202</u>	<u>\$400,000</u>		<u>\$24,000</u>	<u>\$424,000</u>	<u>\$75,000</u>		<u>\$15,908</u>	<u>\$130,908</u>

City of Marshall Summary of Water Debt

	ISSUE: 21 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Mulberry Water Main DATED: August 24, 2004 CALLABLE: 4/1/14 @ 100 Fund 591				ISSUE: 22 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Aquifer Study & Well DATED: August 24, 2004 CALLABLE: 4/1/14 @ 100 Fund 591				ISSUE: 29 AUTH: Act 34 CUSIP: 572427 TYPE: Limited Tax PURPOSE: Water Main Improvements DATED: July, 2009 CALLABLE: 4/1/14 @ 100 Fund 591			
Fiscal Year Ending June 30	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL	PRINCIPAL (4/1)	RATE	INTEREST (4/1 & 10/1)	TOTAL
2018	\$10,000	2.00%	\$2,103	\$12,103	\$5,000	2.00%	\$1,051	\$6,051	\$60,000	4.00%	46,000	\$106,000
2019	\$10,000	2.00%	\$1,852	\$11,852	\$5,000	2.00%	\$926	\$5,926	\$60,000	4.00%	43,180	\$103,180
2020	\$10,000	2.00%	\$1,917	\$11,917	\$5,000	2.00%	\$958	\$5,958	\$65,000	4.00%	40,360	\$105,360
2021	\$10,000	3.00%	\$1,717	\$11,717	\$5,000	3.00%	\$858	\$5,858	\$70,000	4.00%	37,240	\$107,240
2022	\$15,000	3.00%	\$1,417	\$16,417	\$5,000	3.00%	\$708	\$5,708	\$70,000	4.00%	33,880	\$103,880
2023	\$15,000	4.00%	\$1,067	\$16,067	\$10,000	4.00%	\$533	\$10,533	\$75,000	4.00%	30,450	\$105,450
2024	\$15,000	4.00%	\$533	\$15,533	\$10,000	4.00%	\$267	\$10,267	\$75,000	4.00%	26,775	\$101,775
2025									\$80,000	4.00%	22,950	\$102,950
2026									\$85,000	4.00%	18,870	\$103,870
2027									\$90,000	4.00%	14,535	\$104,535
2028									\$95,000	4.00%	9,945	\$104,945
2029									\$100,000	4.00%	5,100	\$105,100
2030												
2031												
2032												
	<u>\$55,000</u>		<u>\$10,606</u>	<u>\$95,606</u>	<u>\$25,000</u>		<u>\$5,301</u>	<u>\$50,301</u>	<u>\$325,000</u>		<u>\$329,285</u>	<u>\$1,254,285</u>

City of Marshall Summary of Water Debt

	ISSUE:	32		
	AUTH:	Act 34		
	CUSIP:	572427		
	TYPE:	Limited Tax		
	PURPOSE:	Water System Improvements		
	DATED:	September 5, 2012		
	CALLABLE:	Fund 591		
Fiscal Year Ending June 30	PRINCIPAL (6/1)	RATE	INTEREST (6/1 & 12/1)	TOTAL
2018	\$65,000	2.00%	\$40,035	\$105,035
2019	\$65,000	3.00%	\$38,735	\$103,735
2020	\$65,000	3.00%	\$36,785	\$101,785
2021	\$65,000	3.00%	\$34,835	\$99,835
2022	\$70,000	3.00%	\$32,885	\$102,885
2023	\$85,000	3.00%	\$30,785	\$115,785
2024	\$90,000	3.00%	\$28,235	\$118,235
2025	\$90,000	3.00%	\$25,535	\$115,535
2026	\$95,000	3.00%	\$22,835	\$117,835
2027	\$100,000	3.00%	\$19,985	\$119,985
2028	\$100,000	3.00%	\$16,985	\$116,985
2029	\$105,000	3.10%	\$13,985	\$118,985
2030	\$105,000	3.20%	\$10,730	\$115,730
2031	\$110,000	3.25%	\$7,370	\$117,370
2032	\$115,000	3.30%	\$3,795	\$118,795
	<u>\$330,000</u>		<u>\$363,515</u>	<u>\$1,688,515</u>

Total Water Debt		
PRINCIPAL	INTEREST	TOTAL
\$429,800	\$112,695	\$542,495
\$428,100	\$98,328	\$526,428
\$229,700	\$84,289	\$313,989
\$165,000	\$77,225	\$242,225
\$175,000	\$71,015	\$246,015
\$205,000	\$64,435	\$269,435
\$210,000	\$56,610	\$266,610
\$170,000	\$48,485	\$218,485
\$180,000	\$41,705	\$221,705
\$190,000	\$34,520	\$224,520
\$195,000	\$26,930	\$221,930
\$205,000	\$19,085	\$224,085
\$105,000	\$10,730	\$115,730
\$110,000	\$7,370	\$117,370
\$115,000	\$3,795	\$118,795
<u>\$3,112,600</u>	<u>\$757,217</u>	<u>\$3,869,817</u>

BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 591 - Water Fund						
Dept 000						
591-000-451.00	Licenses and Permits				0	0
591-000-540.00	State Grants		1,000	1,000	1,000	1,000
591-000-601.00	NSF Revenue				0	0
591-000-607.00	Charges for Services - Fees				0	0
591-000-621.00	Private Fire Protection	8,092	7,000	8,000	8,000	8,000
591-000-622.00	Public Fire Protection				0	0
591-000-626.00	Charges for Services				0	0
591-000-636.00	Residential Sales	936,753	940,000	990,000	1,079,100	1,089,891
591-000-642.00	Charges for Services - Sales				0	0
591-000-644.00	Commercial Sales	428,871	430,000	465,000	506,850	511,919
591-000-645.00	Industrial Sales	105,880	90,000	118,000	128,620	129,906
591-000-648.00	Sales to City Government	67,466	72,000	89,000	97,010	97,980
591-000-660.00	Penalties Income	13,629	12,000	12,000	12,000	12,000
591-000-665.00	Interest	4,564	2,600	3,000	3,000	3,000
591-000-667.00	Rents				0	0
591-000-669.00	Amortization of Prem. & Disc.				0	0
591-000-671.00	Miscellaneous Revenue	16,736	23,000	6,000	6,000	6,000
591-000-671.01	Connection Fees	520	10,000	3,000	3,000	3,000
591-000-673.00	Sale of Fixed Assets				0	0
591-000-674.00	Net Inc/Dec in Fair Value Inve				0	0
591-000-675.00	Contrib. from Other Sources				0	0
591-000-681.00	Sales of Fixed Assets				0	0
591-000-687.00	Bad Debt Recoveries				0	0
591-000-693.00	GAIN\LOSS- SALES OF ASSETS				0	0
591-000-696.00	Bond Proceeds				0	0
591-000-698.00	Proceeds from Bonds/Notes				0	0
591-000-699.00	Transfers From Other Funds				0	0
TOTAL REVENUES		1,582,511	1,587,600	1,695,000	1,844,580	1,862,696
Dept 539-Administration						
591-539-702.00	Payroll	129,443	90,706	90,706	91,304	93,130
591-539-702.01	Other Fringe Benefits-taxable	2,290	2,003	2,003	503	563
591-539-703.00	Part-time Salaries				0	0
591-539-704.00	Overtime Salaries				0	0
591-539-715.00	Social Security	9,736	7,092	7,095	7,023	7,168
591-539-716.00	Hospitalization	40,409	16,034	23,311	19,110	20,639
591-539-717.00	Life Insurance	431	335	165	194	194
591-539-718.00	Retirement - DB	54,453	19,735	51,650	70,000	78,127
591-539-718.00	Retirement - DC				3,023	3,083
591-539-718.01	Retiree Health Insurance	103,944	56,549	97,770	105,100	113,508
591-539-720.00	Unemployment					0
591-539-721.00	Workers Compensation	1,286	2,315	910	1,400	1,400
591-539-727.00	Office Supplies	1,971	3,500	3,500	3,570	3,641
591-539-727.02	Postage and Shipping	5,124	5,500	7,000	7,000	7,000
591-539-740.00	Operating Supplies	19	200	200	204	208
591-539-755.00	Miscellaneous Supplies				0	0
591-539-760.00	Medical Services			70	70	155
591-539-801.00	Professional Services	3,873	4,500	4,500	4,500	4,500
591-539-803.00	Service Fee	1,748	1,500	1,500	1,750	1,750
591-539-804.00	BANK FEES	301		325	300	300
591-539-805.00	Administrative Costs	2,041	1,800	400	400	400
591-539-810.00	Dues & Memberships	1,025	1,500	1,500	1,500	1,500
591-539-820.00	Contracted Services	3,428	4,000	4,000	14,000	14,000
591-539-825.00	Insurance	9,418	14,580	12,000	12,240	12,485
591-539-826.00	Bond Issuance Costs				0	0
591-539-850.00	Communications	2,463	1,400	1,730	986	986
591-539-860.00	Transportation & Travel		400	466	466	466
591-539-901.00	Advertising	150	200	200	200	200
591-539-921.00	Utilities - Gas				0	0
591-539-930.00	Equipment Maintenance	355	200	372	372	372
591-539-940.00	Rentals			440	440	440
591-539-941.00	Motor Pool Equip Rental				0	0
591-539-941.01	Data Processing	3,265	1,047	1,047	8,749	8,749

591-539-956.00	Bad Debt Expense	(1,108)			0	0
591-539-958.00	Education & Training	706	1,300	1,300	1,300	1,300
591-539-966.00	Amortization	(1,579)		(1,579)	(1,579)	(1,579)
591-539-990.00	Debt Service				0	0
591-539-995.00	Bond Interest Paid	185,977	125,935	125,935	125,935	125,935
591-539-999.00	Transfers to Other Funds	82,644	238,119	238,119	190,000	150,000
APPROPRIATIONS - 539-Administration		(643,813)	(600,450)	(676,635)	(670,060)	(650,620)
Dept 544-Line Distribution						
591-544-702.00	Payroll - Non Union				8,121	8,283
591-544-703.00	Part-time Salaries				0	0
591-544-703.07	Part-time - services				0	0
591-544-703.08	Part-time Meters				0	0
591-544-704.00	Overtime Salaries	747	6,654	6,654	7,030	7,030
591-544-704.07	Overtime - Services	1,337			0	0
591-544-704.08	Overtime - Meters	49			0	0
591-544-704.12	Overtime - Meter Reading				0	0
591-544-704.20	Overtime - Hydrants	273			0	0
591-544-704.21	Overtime - Meters				0	0
591-544-704.22	Overtime - Towers				0	0
591-544-704.27	Overtime - Mains	2,238			0	0
591-544-705.00	Station Labor	72,309	149,886	146,770	141,212	144,036
591-544-705.01	Other Fringe Benefits-taxable	16,032	17,771	17,771	16,425	11,616
591-544-710.07	Labor - Services	25,098			0	0
591-544-710.08	Labor - Meters	5,487			0	0
591-544-710.12	Labor - Meter Reading	23,721	24,008	24,112	24,487	24,977
591-544-710.20	Labor - Hydrants	11,352			0	0
591-544-710.21	Labor - Meters				0	0
591-544-710.22	Labor - Towers	1,666			0	0
591-544-710.27	Labor - Mains	18,584			0	0
591-544-710.31	LABOR - KETCHUM PARK RESTROOM	1,256			0	0
591-544-715.00	Social Security	13,368	11,805	15,100	15,092	14,990
591-544-716.00	Hospitalization	36,283	40,964	50,766	61,715	66,652
591-544-717.00	Life Insurance	345	493	306	285	285
591-544-718.00	Retirement - DB	78,173	40,297	93,744	106,531	118,899
591-544-721.00	Workers Compensation	1,685	2,900	650	657	663
591-544-727.02	Postage and Shipping				0	0
591-544-740.00	Operating Supplies	2,269	5,000	5,000	5,100	5,202
591-544-741.00	Uniforms	2,238	1,300	2,000	2,400	2,400
591-544-755.00	Miscellaneous Supplies				0	0
591-544-757.00	Fuels & Lubricants				0	0
591-544-760.00	Medical Services				0	0
591-544-761.00	Safety Supplies	215	500	200	200	200
591-544-776.00	Building Maintenance Supplies				0	0
591-544-777.00	MINOR TOOLS AND EQUIPMENT	456	700	700	1,000	1,000
591-544-780.00	Equipment Maintenance Supplies	42	300	300	300	300
591-544-780.07	Maintenance - Services	7,240	6,000	20,400	13,000	13,000
591-544-780.15	Maintenance - Plant Equipment				0	0
591-544-780.20	Maintenance - Hydrants	2,150	5,000	5,700	10,000	10,000
591-544-780.21	Maintenance - Meters	12,115	20,000	7,295	7,295	7,295
591-544-780.22	Maintenance - Towers	1,590	2,000	2,000	500	500
591-544-780.27	Maintenance - Mains	30,498	10,000	9,210	9,210	9,210
591-544-810.00	Dues & Memberships		800	0	0	0
591-544-820.00	Contracted Services	7,353	6,000	6,000	8,300	6,400
591-544-825.00	Insurance				0	0
591-544-833.00	State fees				0	0
591-544-850.00	Communications				0	0
591-544-860.00	Transportation & Travel				0	0
591-544-901.00	Advertising	449	500	500	500	500
591-544-922.00	Utilities-Elec, Water, Sewer	1,405	1,800	1,800	1,800	1,800
591-544-930.00	Equipment Maintenance		500	500	500	500
591-544-932.00	Vehicle Maintenance				0	0
591-544-940.00	Rentals	6,604	6,306	6,306	10,550	10,550
591-544-941.00	Motor Pool Equip Rental	41,152	41,000	43,150	43,150	43,150
591-544-941.01	Data Processing	9,438	6,939	6,939		0
591-544-942.00	Rent				0	0
591-544-958.00	Education & Training	476	1,500	1,500	1,500	1,500
591-544-968.00	Depreciation	333,781	318,492	332,540	332,540	332,540

APPROPRIATIONS - 544-Line Distribution	(769,474)	(729,415)	(807,913)	(829,399)	(843,478)
Dept 546-Production					
591-546-702.00 Payroll				0	0
591-546-703.00 Part-time Salaries				0	0
591-546-704.00 Overtime Salaries	2,880	2,590	2,590	2,643	2,643
591-546-704.01 Overtime-Structure Imp. & Main				0	0
591-546-704.07 Overtime - Services				0	0
591-546-704.17 Overtime - Pumps				0	0
591-546-704.18 Overtime - Wells				0	0
591-546-704.19 Overtime - Purification Pump				0	0
591-546-704.22 Overtime - Towers				0	0
591-546-705.00 Station Labor	50,652	51,314	54,590	52,312	53,358
591-546-705.01 Other Fringe Benefits-taxable				0	0
591-546-710.01 Labor - Structure Imp. & Maint				0	0
591-546-710.07 Labor - Services				0	0
591-546-710.17 Labor - Pumps				0	0
591-546-710.18 Labor - Wells				0	0
591-546-710.19 Labor - Purification Equipment				0	0
591-546-710.22 Labor - Towers				0	0
591-546-715.00 Social Security	3,881	4,124	4,375	4,204	4,284
591-546-716.00 Hospitalization	16,284	15,171	16,833	18,370	19,840
591-546-717.00 Life Insurance	162	136	136	80	80
591-546-718.00 Retirement - DC	27,054	5,131	5,131	5,232	5,337
591-546-720.00 Unemployment				0	0
591-546-721.00 Workers Compensation	1,110	3,455	266	269	271
591-546-727.02 Postage and Shipping				0	0
591-546-740.00 Operating Supplies	6,414	5,000	5,000	6,000	6,120
591-546-741.00 Uniforms	344	250	375	700	700
591-546-755.00 Miscellaneous Supplies				0	0
591-546-757.00 Fuels & Lubricants				0	0
591-546-761.00 Safety Supplies		100	100	100	100
591-546-776.00 Building Maintenance Supplies	312	500	721	1,000	1,000
591-546-777.00 MINOR TOOLS AND EQUIPMENT	264	150	150	200	200
591-546-780.00 Equipment Maintenance Supplies				0	0
591-546-780.01 Maintenance - Structures & Imp	213	400	179	179	179
591-546-780.15 Maintenance - Plant Equipment	3,300	10,000	8,820	8,820	8,820
591-546-780.17 Maintenance - Pumps		1,000	1,000	1,000	1,000
591-546-780.18 Maintenance - Wells	29,651	15,000	16,186	18,000	18,000
591-546-780.19 Maintenance - Purification Eq.	4,166	1,000	10,526	2,000	2,000
591-546-780.30 MAINT - SCADA	5,036	3,500	3,500	3,500	3,500
591-546-790.00 Chemical Cost	21,579	35,500	21,500	23,000	23,000
591-546-801.00 Professional Services		1,000	13,500	1,000	1,000
591-546-820.00 Contracted Services	1,655	3,000	3,000	4,700	4,700
591-546-833.00 State fees	2,843	4,000	4,000	4,000	4,000
591-546-850.00 Communications				0	0
591-546-860.00 Transportation & Travel				0	0
591-546-921.00 Utilities - Gas	1,830	3,000	3,000	2,000	2,000
591-546-922.00 Utilities-Elec, Water, Sewer	28,155	27,000	32,000	32,000	32,000
591-546-930.00 Equipment Maintenance				0	0
591-546-941.00 Motor Pool Equip Rental				0	0
591-546-941.01 Data Processing				0	0
591-546-958.00 Education & Training	405	500	500	1,500	1,500
591-546-968.00 Depreciation	10,474	10,475	12,025	12,025	12,025
APPROPRIATIONS - 546-Production	(218,664)	(203,296)	(220,003)	(204,834)	(207,657)
Dept 900-Capital Outlay Control					
591-900-970.00 Capital Outlay	0	146,000	19,300	2,762,200	130,000
APPROPRIATIONS - 900-Capital Outlay Control	0	(146,000)	(19,300)	(2,762,200)	(130,000)
ESTIMATED REVENUES - FUND 591	1,582,511	1,587,600	1,695,000	1,844,580	1,862,696
APPROPRIATIONS - FUND 591	(1,631,951)	(1,679,161)	(1,723,851)	(4,466,493)	(1,831,755)
NET OF REVENUES/APPROPRIATIONS - FUND 591	(49,440)	(91,561)	(28,851)	(2,621,913)	30,941
BEGINNING FUND BALANCE	4,147,615		4,098,175	4,069,324	1,447,411
ENDING FUND BALANCE	4,098,175		4,069,324	1,447,411	1,478,352
Capitalization of Fixed Assets			4,088,624	4,228,911	4,389,852

City of Marshall

Water	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2016 Forecast	FY 2017 Request	FY 2018 Projected
ALLOCATED POSITIONS: WATER DEPARTMENT						
Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
City Manager	0.05	0.05	0.05	0.05	0.00	0.00
Director of Public Services	0.15	0.15	0.15	0.25	0.25	0.25
Water Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Water Department Foreman	0.00	0.00	0.00	0.00	1.00	1.00
GIS Specialist	0.00	0.00	0.00	0.25	0.25	0.15
Treasurer	0.00	0.05	0.05	0.05	0.00	0.00
Clerk	0.05	0.05	0.05	0.05	0.00	0.00
Purchasing Agent	0.25	0.25	0.25	0.25	0.00	0.00
Payroll/Accounting Clerk	0.25	0.25	0.25	0.25	0.00	0.00
Accountant	0.22	0.22	0.22	0.22	0.00	0.00
Utility Billing Specialist	0.25	0.25	0.25	0.25	0.00	0.00
Receptionist/Cashier	0.19	0.19	0.19	0.19	0.00	0.00
Receptionist	0.05	0.05	0.05	0.00	0.00	0.00
IPP/Environmental Specialist	0.60	0.60	0.60	0.60	0.25	0.25
Operator II	1.00	1.00	1.00	1.00	1.00	1.00
Utility Worker	2.00	2.00	2.00	2.00	2.00	2.00
Meter Reader II	0.25	0.25	0.25	0.25	0.25	0.25
Meter Tester/Serviceman	0.25	0.25	0.25	0.25	0.25	0.25
Total	6.56	6.61	6.61	6.91	6.25	6.15

DATA PROCESSING FUND

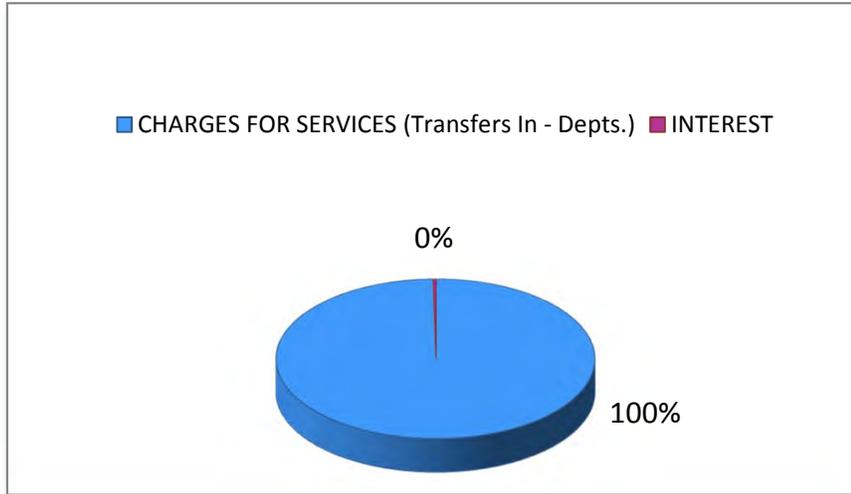
The Data Processing Fund is an internal service fund used to account for the costs associated with the maintenance and development of the City's local area network (LAN), the phone system, and several software programs. Each department is charged a monthly fee for each personal computer they have attached to the LAN, each phone they have in the department, and the number of individuals that access various software programs.

The Data Processing Fund will replace 10-14 computers each year. This results in all computers being replaced in approximately 5 years. The servers are replaced as needed. In March 2017, the City signed an agreement with Michigan Office Solutions to replace and maintain the copiers and printers throughout the city. This program removed all ink just computers and replaced them with cost effective laser printers.

Data Processing equipment is provided to enhance the job performance of each department. It allows communication with customers, suppliers, and colleagues to research relevant topics and to obtain and process useful business information.

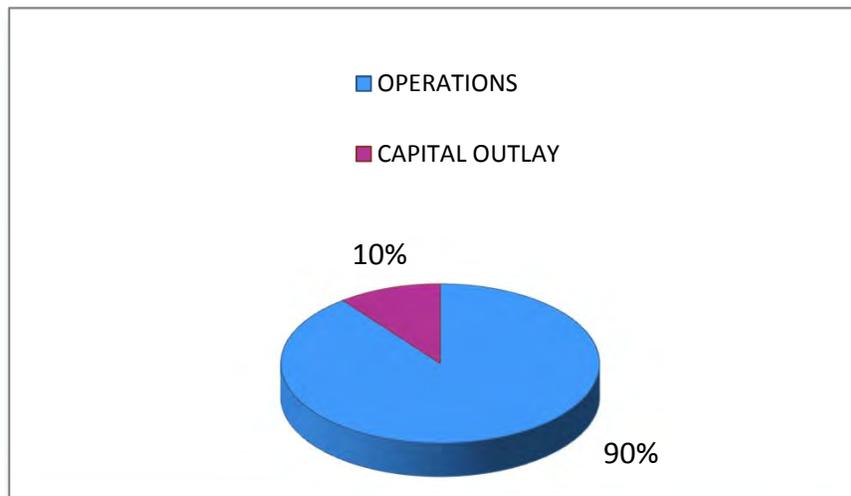
FY 2018 DATA PROCESSING

CHARGES FOR SERVICES (Transfers In - Depts.)	\$ 172,121	100%
INTEREST	500	0%
TOTAL REVENUES	\$ 172,621	100%



FY 2018 DATA PROCESSING EXPENDITURES

OPERATIONS	\$ 162,807	90%
CAPITAL OUTLAY	19,000	10%
TOTAL EXPENDITURES	\$ 181,807	100%



BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 636 - Data Processing						
Dept 000						
636-000-626.00	Charges for Services	166,598	151,405	151,405	172,121	172,121
636-000-642.00	Charges for Services - Sales				0	0
636-000-665.00	Interest	800	500	500	500	500
636-000-671.00	Miscellaneous Revenue				0	0
TOTAL REVENUES		167,398	151,905	151,905	172,621	172,621
Dept 539-Administration						
636-539-702.00	Payroll	9,226			0	0
636-539-702.01	Other Fringe Benefits-taxable	300			0	0
636-539-715.00	Social Security	643			0	0
636-539-716.00	Hospitalization	3,165			0	0
636-539-717.00	Life Insurance	39			0	0
636-539-718.00	Retirement	1,640			0	0
636-539-721.00	Workers Compensation	(3)			0	0
636-539-727.00	Office Supplies		500	500	500	500
636-539-728.00	Equipment & Supplies	1,920	5,000	5,000	23,000	23,460
636-539-740.00	Operating Supplies	5,309	8,500	8,500	8,500	8,500
636-539-755.00	Miscellaneous Supplies				0	0
636-539-801.00	Professional Services	35,361	45,000	45,000	44,000	44,000
636-539-820.00	Contracted Services	13,427	12,600	12,600	20,715	20,715
636-539-825.00	Insurance				0	0
636-539-850.00	Communications				0	0
636-539-860.00	Transportation & Travel				0	0
636-539-930.00	Equipment Maintenance	6,809	20,000	20,000	28,713	28,713
636-539-941.00	Motor Pool Equip Rental				0	0
636-539-941.01	Data Processing				0	0
636-539-958.00	Education & Training				0	0
636-539-968.00	Depreciation	21,435	21,436	20,110	20,110	20,110
636-539-970.00	Capital Outlay	36,047	48,300	48,300	19,000	19,000
636-539-999.00	Transfers to Other Funds		17,269	17,269	17,269	17,269
APPROPRIATIONS - 539-Administration		(135,318)	(178,605)	(177,279)	(181,807)	(182,267)
ESTIMATED REVENUES - FUND 636		167,398	151,905	151,905	172,621	172,621
APPROPRIATIONS - FUND 636		(135,318)	(178,605)	(177,279)	(181,807)	(182,267)
NET OF REVENUES/APPROPRIATIONS - FUND 636		32,080	(26,700)	(25,374)	(9,186)	(9,646)
BEGINNING FUND BALANCE		305,574		337,654	360,580	351,394
ENDING FUND BALANCE		337,654		360,580	351,394	341,748

ALLOCATED POSITIONS: DATA PROCESSING

Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Human Resources Coordinator	0.20	0.20	0.20	0.20	0.00	0.00
Total	0.20	0.20	0.20	0.20	0.00	0.00

MOTOR POOL

The Motor Pool is responsible for the maintenance, operation, planning and funding of the City's vehicle and equipment fleet.

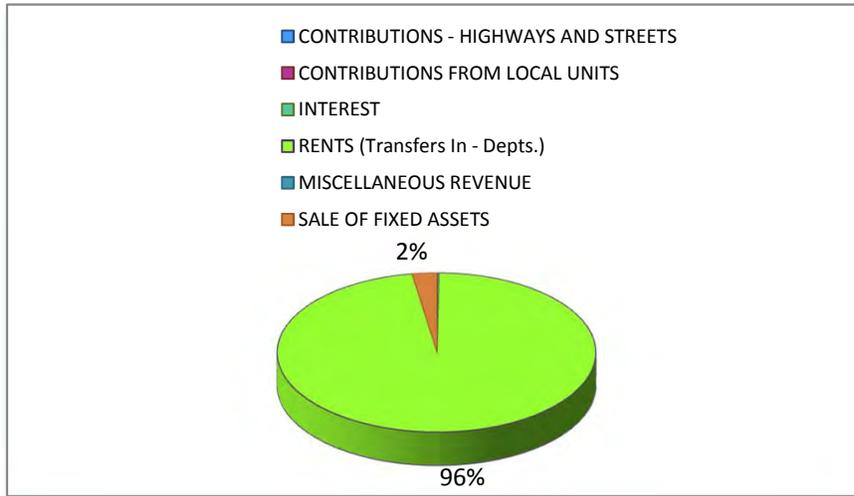
Revenues for the FY2017 fiscal year are expected to be approximately \$710,000. The majority of this revenue is provided by the various City user departments. Vehicle and equipment rents are charged by the Motor Pool fund to the various users. Motor Pool expenses include labor, operations, maintenance and capital outlay costs, which are anticipated to be approximately \$692,000 with an additional \$340,000 in Capital Expenditures.

Each year the vehicle and equipment fleet is reviewed to determine the various needs of each City Department. Using a master replacement schedule with projected replacement dates and evaluation criteria that includes, current usage, overall condition, and available funding, every vehicle and piece of equipment is analyzed for replacement.

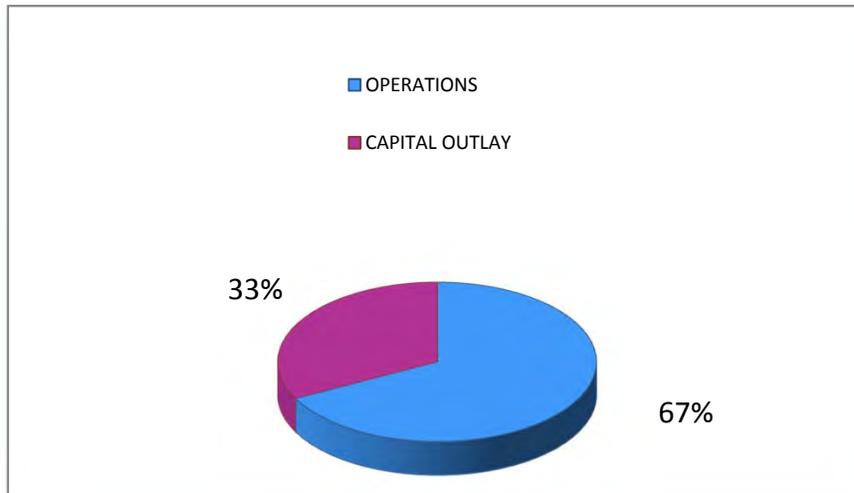
During 2017 we are anticipating the purchase/leasing of a new Sewer Vector Truck, several pick-up trucks, a new Police Patrol Vehicle, a Salt Truck, and possibly a new Electric Bucket Truck. We are looking at new options for funding some of these large expenditures through lease options, etc.

Maintaining the City's fleet is in line with the City's Vision by focusing on an improved Infrastructure. This will preserve, rehabilitate and expand the city infrastructure and assets. Oversight of the City's Motor Vehicle Pool falls under the direction of the DPW Superintendent and Director of Public Services.

FY 2018 MOTOR POOL REVENUES		
CONTRIBUTIONS - HIGHWAYS AND STREETS	\$ 286	0%
CONTRIBUTIONS FROM LOCAL UNITS	-	0%
INTEREST	1,100	0%
RENTS (Transfers In - Depts.)	692,240	96%
MISCELLANEOUS REVENUE	-	0%
SALE OF FIXED ASSETS	17,670	2%
TOTAL REVENUES	\$ 711,296	100%



FY 2018 MOTOR POOL EXPENDITURES		
OPERATIONS	\$ 703,682	67%
CAPITAL OUTLAY	341,000	33%
TOTAL EXPENDITURES	\$ 1,044,682	100%



BUDGET REPORT FOR CITY OF MARSHALL

GL NUMBER	DESCRIPTION	2015-16 ACTIVITY THRU 06/30/16	2016-17 AMENDED BUDGET	2016-17 PROJECTED BUDGET	2017-18 PROJECTED ACTIVITY	2018-19 PROJECTED ACTIVITY
Fund 661 - Motor Pool Fund						
Dept 000						
661-000-583.00	Conbtributions-Hwys & Streets	26,168	68,600	286	286	286
661-000-588.00	Contributions from Local Units		5,000	0	0	0
661-000-642.00	Charges for Services - Sales				0	0
661-000-665.00	Interest	2,563	2,200	1,100	1,100	1,100
661-000-667.00	Rents	668,848	608,150	680,000	692,240	704,700
661-000-671.00	Miscellaneous Revenue	1,335		2	0	0
661-000-681.00	Sales of Fixed Assets		15,000	15,000	15,000	15,000
661-000-693.00	Gain/Loss - Sale of Fixed Assets			2,670	2,670	2,670
661-000-698.00	Proceeds from Bonds/Notes				0	0
661-000-699.00	Transfers From Other Funds	400,000			0	0
TOTAL REVENUES		1,098,914	698,950	699,058	711,296	723,756
Dept 898-Municipal Garage						
661-898-702.00	Payroll	60,196	58,793	58,992	56,519	57,649
661-898-702.01	Other Fringe Benefits-taxable	195	750	750	675	675
661-898-703.00	Part-time Salaries		922	922	4,144	4,144
661-898-704.00	Overtime Salaries	672	1,606	1,606	1,606	1,680
661-898-715.00	Social Security	4,480	4,748	4,765	4,815	4,907
661-898-716.00	Hospitalization	6,074	5,307	6,325	6,930	7,484
661-898-717.00	Life Insurance	104	113	65	62	62
661-898-718.00	Retirement - DB	30,676	7,479	2,507	6,910	7,712
661-898-718.00	Retirement - DC			5,001	4,755	4,850
661-898-718.01	Retiree Health Insurance	14,960	8,175	16,000	17,280	18,662
661-898-720.00	Unemployment				0	0
661-898-721.00	Workers Compensation	797	1,570	1,370	1,384	1,398
661-898-727.00	Office Supplies				0	0
661-898-727.02	Postage and Shipping				0	0
661-898-740.00	Operating Supplies	6,552	6,000	6,000	6,120	6,242
661-898-741.00	Uniforms	825	900	900	900	900
661-898-757.00	Fuels & Lubricants	80,919	100,000	84,500	86,190	87,914
661-898-760.00	Medical Services	81	200	200	200	250
661-898-761.00	Safety Supplies		200	200	0	0
661-898-776.00	Building Maintenance Supplies	195	7,000	2,500	3,000	3,060
661-898-777.00	MINOR TOOLS AND EQUIPMENT	1,462	1,200	1,500	1,500	1,500
661-898-780.00	Equipment Maintenance Supplies	38,776	45,000	53,500	54,570	55,661
661-898-801.00	Professional Services				200	200
661-898-810.00	Dues & Memberships	180	200	200	220	220
661-898-820.00	Contracted Services	4,114	6,000	4,500	4,500	4,500
661-898-825.00	Insurance	58,783	64,000	60,500	61,710	62,944
661-898-850.00	Communications	757	650	650	800	800
661-898-860.00	Transportation & Travel				150	150
661-898-901.00	Advertising	204	200	200	200	200
661-898-921.00	Utilities - Gas	10,722	16,500	7,200	7,200	7,200
661-898-922.00	Utilities-Elec, Water, Sewer	18,137	18,500	18,500	18,500	18,500
661-898-930.00	Equipment Maintenance	71,211	78,000	73,000	74,460	75,949
661-898-931.00	Maintenance of Building	2,382	8,000	3,000	6,000	6,000
661-898-939.00	Contracted Maintenance				0	0
661-898-940.00	Rentals				830	830
661-898-941.01	Data Processing	2,952	3,878	3,878	3,343	3,343
661-898-958.00	Education & Training	123	1,000	1,000	500	500
661-898-968.00	Depreciation	227,532	207,842	230,164	230,164	230,164
661-898-970.00	Capital Outlay	12,181	137,000	274,419	341,000	207,000
661-898-990.00	Debt Service				0	0
661-898-995.00	Bond Interest Paid	9,363	20,000	3,474	0	0
661-898-999.00	Transfers to Other Funds		37,345	37,345	37,345	37,345
APPROPRIATIONS - 898-Municipal Garage		(665,605)	(849,078)	(965,633)	(1,044,682)	(920,597)
ESTIMATED REVENUES - FUND 661		1,098,914	698,950	699,058	711,296	723,756
APPROPRIATIONS - FUND 661		(665,605)	(849,078)	(965,633)	(1,044,682)	(920,597)
NET OF REVENUES/APPROPRIATIONS - FUND 661		433,309	(150,128)	(266,575)	(333,386)	(196,841)
BEGINNING FUND BALANCE		2,257,261		2,690,570	2,698,414	2,706,028
ENDING FUND BALANCE W/CAPITALIZATION		2,690,570		2,698,414	2,706,028	2,716,187
With Capitalization		2,377,472		2,421,727	2,532,563	2,398,563

ALLOCATED POSITIONS: MOTOR POOL

Job Description	FY 2013 FTE's	FY 2014 FTE's	FY 2015 FTE's	FY 2016 FTE's	FY 2017 FTE's	FY 2018 FTE's
Director of Community Services	0.03	0.03	0.00	0.00	0.00	0.00
Deputy Director of Community Services	0.10	0.10	0.00	0.00	0.00	0.00
DPW Superintendent	0.00	0.00	0.15	0.15	0.15	0.15
Receptionist	0.25	0.25	0.25	0.15	0.15	0.00
Building Manager						0.05
Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Mechanic	1.00	1.00	0.00	0.00	0.00	0.00
Total	2.38	2.38	1.40	1.30	1.30	1.20

City of Marshall Statistical Section

This part of the City of Marshall's comprehensive annual financial report presents detailed information as context for understanding what the information in the financial statements and note disclosures says about the City's overall financial health.

Contents

Table

Financial Trends

These schedules contain information to help the reader understand how the City's financial performance and well-being have changed over time.

A-1 to A-4

Revenue Capacity

These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax.

B-1 to B-4

Debt Capacity

These present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

C-1 to C-5

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment in which the City's financial activities take place.

D-1 to D-2

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and activities it performs.

E-1 to E-3

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF MARSHALL, MICHIGAN

Table A-1

Net Position by Component (Accrual Basis of Accounting)
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014*	2015	2016
Governmental activities										
Net investment in capital assets	\$ 13,070,336	\$ 13,498,671	\$ 13,738,175	\$ 13,551,965	\$ 13,960,325	\$ 13,632,575	\$ 12,672,273	\$ 15,176,566	\$ 21,390,237	\$ 23,338,239
Restricted	834,405	886,955	775,833	793,141	772,879	787,803	2,422,083	2,182,533	4,086,071	2,292,920
Unrestricted	3,798,414	3,477,917	3,267,007	2,769,352	2,239,903	2,174,819	2,155,568	(3,815,329)	(5,137,373)	(4,322,028)
Total governmental activities net position	\$ 17,703,155	\$ 17,863,543	\$ 17,781,015	\$ 17,114,458	\$ 16,973,107	\$ 16,595,197	\$ 17,249,924	\$ 13,543,770	\$ 20,338,935	\$ 21,309,131
Business-type activities										
Net investment in capital assets	\$ 8,163,674	\$ 8,395,344	\$ 8,401,227	\$ 7,964,028	\$ 8,378,716	\$ 8,876,689	\$ 7,186,806	\$ 9,411,751	\$ 9,538,687	\$ 11,447,031
Restricted	2,905,132	3,642,168	4,346,482	4,948,057	4,347,200	5,285,471	5,511,602	2,862,097	843,583	844,514
Unrestricted	10,031,634	10,457,377	11,143,627	12,700,071	14,338,174	12,825,500	12,538,534	9,553,805	11,752,693	1,733,727
Total business-type activities net position	\$ 21,100,440	\$ 22,494,889	\$ 23,891,336	\$ 25,612,156	\$ 27,064,090	\$ 26,987,660	\$ 25,236,942	\$ 21,827,653	\$ 22,134,963	\$ 14,025,272
Total primary government										
Net investment in capital assets	\$ 21,234,010	\$ 21,894,015	\$ 22,139,402	\$ 21,515,993	\$ 22,339,041	\$ 22,509,264	\$ 19,859,079	\$ 24,588,317	\$ 30,928,924	\$ 34,785,270
Restricted	3,739,537	4,529,123	5,122,315	5,741,198	5,120,079	6,073,274	7,933,685	5,044,630	4,929,654	3,137,434
Unrestricted	13,830,048	13,935,294	14,410,634	15,469,423	16,578,077	14,900,319	14,694,102	5,738,476	6,615,320	(2,588,301)
Total primary government net position	\$ 38,803,595	\$ 40,358,432	\$ 41,672,351	\$ 42,726,614	\$ 44,037,197	\$ 43,482,857	\$ 42,486,866	\$ 35,371,423	\$ 42,473,898	\$ 35,334,403

Source: City of Marshall Finance Department

* Restated Due to GASB 68

CITY OF MARSHALL, MICHIGAN

Table A-2

Changes in Net Position (Accrual Basis of Accounting)
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 1,845,842	\$ 1,689,006	\$ 1,681,749	\$ 1,901,417	\$ 1,907,279	\$ 2,035,070	\$ 1,536,135	\$ 1,180,247	\$ 1,927,654	\$ 2,375,248
Public safety	2,373,758	2,330,377	2,450,835	2,624,281	2,722,997	2,675,567	2,662,719	2,680,317	3,151,608	3,608,123
Public works	1,763,126	1,930,747	1,992,259	1,713,933	1,877,076	1,954,109	1,980,187	2,337,102	2,331,817	2,145,946
Parks and recreation	600,926	615,280	644,071	484,408	623,244	599,982	591,491	588,463	593,371	599,585
Community/economic development	127,613	130,930	182,485	138,669	151,077	167,198	148,806	154,714	202,552	146,387
Interest on long-term debt	233,111	226,164	158,971	325,155	135,294	121,582	178,430	138,467	318,524	296,478
Subtotal governmental activities	6,944,376	6,922,504	7,110,370	7,187,863	7,416,967	7,553,508	7,097,768	7,079,310	8,525,526	9,171,767
Business-type activities:										
Electric	11,682,604	12,100,696	12,388,402	12,804,410	12,118,033	12,352,835	13,118,049	12,432,134	12,301,471	17,440,376
Wastewater	1,269,409	1,387,374	1,308,655	1,214,436	1,310,960	1,343,044	1,453,850	1,329,436	1,600,776	1,760,453
Water	1,156,149	1,254,500	1,201,031	1,309,664	1,287,914	1,219,040	1,326,138	1,329,071	1,333,100	1,549,304
Public transit	444,809	453,277	428,501	428,624	401,678	385,992	397,214	398,912	416,893	533,012
Public housing	462,856	476,615	442,605	489,195	521,490	584,902	532,270	565,450	618,134	626,970
Subtotal business-type activities	15,015,827	15,672,462	15,769,194	16,246,329	15,640,075	15,885,813	16,827,521	16,055,003	16,270,374	21,910,115
Total primary government expenses	21,960,203	22,594,966	22,879,564	23,434,192	23,057,042	23,439,321	23,925,289	23,134,313	24,795,900	31,081,882
Program revenues										
Governmental activities:										
Charges for Services:										
General Government	204,888	208,970	197,666	752,660	1,248,330	1,173,148	362,535	346,127	536,501	526,366
Public Safety	-	-	-	-	-	-	-	-	56,895	219,946
Public Works	-	-	-	-	-	-	-	-	82,703	89,057
Parks & Recreation	198,571	214,329	207,941	213,405	212,962	217,355	207,822	209,400	205,607	208,262
Community Development	-	-	-	-	-	-	-	-	41,429	13,286
Operating grants and contributions	1,209,870	1,414,774	1,468,297	1,034,464	1,311,931	1,426,002	1,317,998	1,799,614	985,757	1,360,797
Capital grants and contributions	1,479,263	-	-	-	91,257	-	308,299	28,658	8,068,221	861,121
Subtotal governmental activities	3,092,592	1,838,073	1,873,904	2,000,529	2,864,480	2,816,505	2,196,654	2,383,799	9,977,113	3,278,835
Business-type activities:										
Charges for Services, Grants and Contributions										
Electric	14,004,360	13,886,257	14,078,379	14,189,257	13,303,892	12,260,940	12,271,455	13,129,478	13,597,667	11,819,594
Wastewater	1,198,986	1,328,505	1,263,518	1,239,442	1,360,653	1,433,183	1,550,497	2,256,421	1,565,950	1,530,627
Water	1,399,327	1,450,018	1,429,141	1,294,364	1,451,374	1,261,023	1,431,091	1,534,055	1,560,798	1,577,947
Public transit	280,490	250,762	397,758	481,598	259,904	299,264	240,024	291,195	383,125	338,098
Public housing	614,970	601,102	613,620	622,401	553,654	562,688	563,818	565,867	618,300	896,406
Subtotal business-type activities	17,498,133	17,516,644	17,782,416	17,827,062	16,929,477	15,817,098	16,056,885	17,777,016	17,725,840	16,162,672
Total primary government program revenues	\$ 20,590,725	\$ 19,354,717	\$ 19,656,320	\$ 19,827,591	\$ 19,793,957	\$ 18,633,603	\$ 18,253,539	\$ 20,160,815	\$ 27,702,953	\$ 19,441,507
Net (expense)/revenues										
Governmental activities	\$ (3,851,784)	\$ (5,084,431)	\$ (5,236,466)	\$ (5,187,334)	\$ (4,552,487)	\$ (4,737,003)	\$ (4,901,114)	\$ (4,695,511)	\$ 1,451,587	\$ (5,892,932)
Business-type activities	2,482,306	1,844,182	2,013,222	1,580,733	1,289,402	(68,715)	(770,636)	1,722,013	1,455,466	(5,747,443)
Total primary government net (expenses) revenues	\$ (1,369,478)	\$ (3,240,249)	\$ (3,223,244)	\$ (3,606,601)	\$ (3,263,085)	\$ (4,805,718)	\$ (5,671,750)	\$ (2,973,498)	\$ 2,907,053	\$ (11,640,375)

continued...

CITY OF MARSHALL, MICHIGAN

Table A-2

Change in Net Position (Accrual Basis of Accounting)
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General revenues and other changes										
Governmental activities:										
Property taxes	\$ 3,537,068	\$ 3,457,339	\$ 3,512,925	\$ 3,639,562	\$ 3,487,465	\$ 3,400,641	\$ 3,352,166	\$ 3,768,238	\$ 3,672,699	\$ 3,713,910
Grants and contributions not restricted to specific programs	739,026	728,344	726,066	625,155	610,106	639,043	627,376	645,432	653,948	647,700
Unrestricted investment earnings	329,126	280,872	129,880	16,266	3,148	11,760	8,912	6,890	19,120	19,200
Gain (Loss) on Sale of Capital Assets	-	-	-	-	72,609	70,729	2,937	46,366	(278,809)	-
Transfers	647,787	778,264	785,066	239,794	237,808	236,925	1,143,440	1,235,502	1,276,620	1,284,794
Subtotal governmental activities	<u>5,253,007</u>	<u>5,244,819</u>	<u>5,153,937</u>	<u>4,520,777</u>	<u>4,411,136</u>	<u>4,359,098</u>	<u>5,134,831</u>	<u>5,702,428</u>	<u>5,343,578</u>	<u>5,665,604</u>
Business-type activities:										
Property Taxes	105,500	103,253	103,966	107,787	102,461	99,887	94,849	94,396	91,882	93,691
Unrestricted investment earnings	249,373	225,278	64,325	265,514	49,650	29,323	970,211	21,691	22,111	26,379
Gain (Loss) on Sale of Capital Assets	-	-	-	6,580	247,959	-	(178,079)	-	14,471	-
Transfers	(647,787)	(778,264)	(785,066)	(239,794)	(237,808)	(236,925)	(1,143,440)	(1,235,502)	(1,276,620)	(1,284,794)
Subtotal business-type activities	<u>(292,914)</u>	<u>(449,733)</u>	<u>(616,775)</u>	<u>140,087</u>	<u>162,262</u>	<u>(107,715)</u>	<u>(256,459)</u>	<u>(1,119,415)</u>	<u>(1,148,156)</u>	<u>(1,164,724)</u>
Total primary government general revenues	<u>4,960,093</u>	<u>4,795,086</u>	<u>4,537,162</u>	<u>4,660,864</u>	<u>4,573,398</u>	<u>4,251,383</u>	<u>4,878,372</u>	<u>4,583,013</u>	<u>4,195,422</u>	<u>4,500,880</u>
Change in net position										
Governmental activities	1,401,223	160,388	(82,529)	(666,557)	(141,351)	(377,905)	233,717	1,006,917	6,795,165	(227,328)
Business-type activities	2,189,392	1,394,449	1,396,447	1,720,820	1,451,664	(176,430)	(1,027,095)	602,598	307,310	(6,912,167)
Total primary government change in net position	<u>\$ 3,590,615</u>	<u>\$ 1,554,837</u>	<u>\$ 1,313,918</u>	<u>\$ 1,054,263</u>	<u>\$ 1,310,313</u>	<u>\$ (554,335)</u>	<u>\$ (793,378)</u>	<u>\$ 1,609,515</u>	<u>\$ 7,102,475</u>	<u>\$ (7,139,495)</u>

concluded.

Source: City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table A-3

Fund Balances - Governmental Funds (Modified Accrual Basis of Accounting)
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Nonspendable	\$ 124,525	\$ 61,904	\$ 116,527	\$ 39,487	\$ 38,530	\$ 105,373	\$ 77,186	\$ 33,049	\$ 44,757	\$ 83,788
Restricted	-	-	-	-	-	-	-	-	1,778,715	-
Committed	699,290	547,464	547,464	524,796	560,089	560,089	560,089	735,594	163,014	185,450
Unassigned	1,249,229	1,335,772	1,261,838	1,315,574	1,653,876	1,705,362	2,192,258	839,801	2,640,174	1,800,039
Total general fund	\$ 2,073,044	\$ 1,945,140	\$ 1,925,829	\$ 1,879,857	\$ 2,252,495	\$ 2,370,824	\$ 2,829,533	\$ 1,608,444	\$ 4,626,660	\$ 2,069,277
All Other Governmental Funds										
Nonspendable	26,014	11,391	24,202	14,728	475,731	487,746	327,004	328,494	360,458	364,687
Restricted	348,628	216,585	169,060	1,257,545	559,297	643,073	2,115,425	1,854,039	1,946,898	1,928,233
Committed	1,082,486	1,076,114	1,032,080	76,528	212,824	201,989	152,197	265,120	140,250	127,171
Total all other governmental funds	\$ 1,457,128	\$ 1,304,090	\$ 1,225,342	\$ 1,348,801	\$ 1,247,852	\$ 1,332,808	\$ 2,594,626	\$ 2,447,653	\$ 2,447,606	\$ 2,420,091

Note: GASB 54 was adopted beginning with fiscal 2011; prior years were not retroactively restated.

CITY OF MARSHALL, MICHIGAN

Table A-4

Changes in Fund Balances - Governmental Funds (Modified Accrual Basis of Accounting)
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenue										
Property taxes	\$ 3,537,068	\$ 3,457,339	\$ 3,512,925	\$ 3,639,562	\$ 3,487,465	\$ 3,400,641	\$ 3,352,166	\$ 3,768,238	\$ 3,672,699	\$ 3,713,910
Licenses and permits	48,432	45,530	34,633	35,117	61,282	41,394	50,050	104,559	123,507	135,298
Intergovernmental	1,992,430	1,828,007	1,536,871	1,366,748	1,324,937	1,718,070	1,444,400	1,724,191	9,637,134	2,779,687
Charges for services	309,405	340,362	320,646	339,129	350,782	387,488	391,519	350,833	357,153	551,026
Fines and forfeitures	45,622	37,407	50,328	69,736	66,186	113,861	128,788	100,135	56,895	55,654
Investment earnings	261,553	230,538	113,413	20,180	16,594	32,037	16,883	13,761	19,120	19,200
Other	385,879	315,111	657,492	292,871	597,100	346,975	500,974	720,855	456,372	404,870
Total revenue	6,580,389	6,254,294	6,226,308	5,763,343	5,904,346	6,040,466	5,884,780	6,782,572	14,322,880	7,659,645
Expenditures										
General government	1,622,060	1,658,135	1,705,119	1,119,515	869,675	1,222,585	1,972,898	1,699,623	1,674,114	2,054,008
Public safety	2,363,359	2,322,738	2,241,007	2,445,258	2,560,189	2,504,409	2,552,181	2,575,066	2,852,751	3,040,070
Public works	887,699	910,778	829,809	778,047	868,755	891,416	834,956	829,025	1,385,688	1,383,425
Highways and streets	314,659	549,865	400,635	305,912	227,098	182,133	181,679	283,544	-	-
Community development	85,999	86,488	137,716	96,799	106,995	121,126	103,562	99,855	191,161	134,469
Culture and recreation	479,857	481,232	474,752	351,566	480,477	461,359	460,439	463,674	463,145	507,962
Debt service:										
Principal	569,227	596,847	596,746	402,231	417,580	439,073	364,905	355,000	495,000	492,773
Interest and other charges	243,062	228,691	189,560	323,817	146,302	118,213	101,660	122,391	239,424	297,101
Bond Issuance Costs	-	-	-	-	-	-	58,020	-	37,275	-
Capital outlay	917,498	455,236	507,626	71,039	257,219	335,312	528,865	2,973,015	10,606,331	3,619,529
Total expenditures	7,483,420	7,290,010	7,082,970	5,894,184	5,934,290	6,275,626	7,159,165	9,401,193	17,944,889	11,529,337
Revenues over (under) expenditures	(903,031)	(1,035,716)	(856,662)	(130,841)	(29,944)	(235,160)	(1,274,385)	(2,618,621)	(3,622,009)	(3,869,692)
Other financing sources (uses)										
Issuance of bonds / long-term debt	-	-	-	-	63,825	-	1,825,000	-	5,325,000	400,000
Premium on bonds	-	-	-	-	-	-	26,472	-	173,558	-
Sale of capital assets	-	-	-	-	-	201,520	-	15,057	-	-
Transfers in	796,696	838,995	1,106,856	413,969	575,216	514,153	1,355,328	1,438,770	1,661,141	1,891,677
Transfers out	(173,529)	(84,221)	(348,253)	(205,641)	(337,408)	(277,228)	(211,888)	(203,268)	(519,521)	(1,006,883)
Total other financing sources (uses)	623,167	754,774	758,603	208,328	301,633	438,445	2,994,912	1,250,559	6,640,178	1,284,794
Net change in fund balance	\$ (279,864)	\$ (280,942)	\$ (98,059)	\$ 77,487	\$ 271,689	\$ 203,285	\$ 1,720,527	\$ (1,368,062)	\$ 3,018,169	\$ (2,584,898)
Debt service as a percentage of noncapital expenditures	12.37%	12.08%	11.96%	12.47%	9.93%	9.38%	7.04%	7.43%	10.01%	9.99%

Source: City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table B-1

Taxable and Estimated Actual Value of Property
Last Ten Fiscal Years

As of Dec. 31,	FYE June 30,	Residential (1)		Commercial (1)		Industrial (1)		Utility		Total		(2) Total Direct Tax Rate
		Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value	Taxable Value	Estimated Actual Value	
2014	2016	\$126,638,972	\$292,882,000	\$ 39,386,893	\$ 98,290,980	\$ 50,108,403	\$120,615,600	\$ 2,419,716	\$ 4,847,600	218,553,984	516,636,180	18.9862
2013	2015	124,599,214	284,523,200	39,547,803	97,879,200	47,124,743	114,202,400	2,277,213	4,572,400	213,548,973	501,177,200	19.0862
2012	2014	126,770,173	278,727,900	47,608,965	112,412,200	42,502,565	91,783,800	2,805,420	5,662,200	219,687,123	488,586,100	19.0862
2011	2013	130,379,679	279,414,900	47,317,444	110,927,484	38,281,232	95,792,472	2,480,653	4,961,306	218,459,008	491,096,162	16.8862
2010	2012	136,530,496	301,750,600	53,082,869	113,507,598	36,262,417	91,800,800	1,941,829	4,061,000	227,817,611	511,119,998	16.8862
2009	2011	135,275,254	300,975,500	57,379,499	130,611,800	41,044,660	105,672,800	2,340,476	4,771,400	236,039,889	542,031,500	16.8862
2008	2010	142,443,237	321,713,012	57,822,583	139,672,008	47,490,702	124,682,400	1,809,064	3,708,400	249,565,586	589,775,820	16.7634
2007	2009	142,443,237	329,642,392	54,402,936	130,930,646	41,624,506	106,696,472	1,663,135	3,419,000	240,133,814	570,688,510	16.7634
2006	2008	139,187,928	323,223,156	53,791,912	131,759,600	42,087,661	105,417,000	1,740,405	3,544,400	236,807,906	563,944,156	16.7634
2005	2007	134,954,070	319,341,200	56,980,547	139,589,800	48,882,855	123,955,000	1,723,389	3,513,400	242,540,861	586,399,400	16.7634

(1) Includes properties subject to Industrial Facility Tax exemptions.

(2) Per \$1,000 of taxable value.

Source: City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table B-2

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	City Direct Rates				Overlapping Rates								
	City	Leaf, Brush and Trash Pickup	Dial-A-Ride	Recreation	Marshall Public Schools	State Education Tax	Calhoun County Intermediate School Dist.	County	Marshall Library	Kellogg Community College	Marshall Ambulance Authority	Total Homestead	Total Non-Homestead
2016	17.1629	0.4000	0.4840	0.9393	26.0500	6.0000	6.2057	6.4713	1.9911	3.6136	0.5000	51.8179	69.8179
2015	17.1629	0.5000	0.4840	0.9393	25.8800	6.0000	6.2057	6.4713	2.0711	3.6136	0.5000	51.8279	69.8279
2014	17.1629	0.5000	0.4840	0.9393	25.8800	6.0000	6.2057	6.4713	2.0671	3.6136	0.4819	51.8058	69.8058
2013	15.4629	-	0.4840	0.9393	25.8800	6.0000	6.2057	6.3713	2.0711	3.7106	0.4831	49.6080	67.6080
2012	15.4629	-	0.4840	0.9393	25.8800	6.0000	6.2057	6.3713	2.0711	3.7106	0.4831	49.6080	67.6080
2011	15.4629	-	0.4840	0.9393	26.0000	6.0000	6.2057	6.3713	2.0661	3.7106	0.4831	49.7230	67.7230
2010	15.4629	-	0.4840	0.8165	23.4500	6.0000	6.2057	6.3713	2.0711	3.7106	0.4925	47.0646	65.0646
2009	15.4629	-	0.4840	0.8165	23.4500	6.0000	6.2057	6.3713	2.0711	3.7106	0.4925	47.0646	65.0646
2008	15.4629	-	0.4840	0.8165	23.4500	6.0000	6.2057	6.3713	2.0289	3.7106	0.5000	47.0299	65.0299
2007	15.4629	-	0.4840	0.8165	23.4500	6.0000	6.2057	6.3713	2.0327	3.7106	0.5000	47.0337	65.0337
2006	15.4629	-	0.4840	0.8165	23.5947	6.0000	6.2057	6.3713	2.1227	3.7106	0.5000	47.2684	65.2684

Source: City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table B-3

**Principal Property Taxpayers
Fiscal Year and Nine Years Ago**

Taxpayer	2016			2007		
	(1) Taxable Valuation	Rank	% of Total City Taxable Value	(1) Taxable Valuation	Rank	% of Total City Taxable Value
Tenneco	\$ 19,963,504	1	9.13%	\$ 7,761,900	3	3.20%
Auto Cam Corp.	5,631,400	2	2.58%	6,476,559	5	2.67%
Consumers Energy	3,711,951	3	1.70%	-	-	-
Borg Warner	2,897,979	4	1.33%	-	-	-
Stelmi America	1,858,426	5	0.85%	-	-	-
Joseph Campbell	1,740,257	6	0.80%	9,525,355	1	3.93%
Financing VI-Healthcare	1,343,400	7	0.61%	-	-	-
Loves Travel Stops	1,342,541	8	0.61%	-	-	-
Stagg Marshall LLC	1,326,286	9	0.61%	-	-	-
Walden Pond Inv.	1,173,750	10	0.54%	-	-	-
Lear Technologies	-	-	-	8,403,600	2	3.46%
Eaton Corporation	-	-	-	6,555,898	4	2.70%
State Farm Insurance	-	-	-	6,451,083	6	2.66%
Marshall Brass Co.	-	-	-	4,411,317	7	1.82%
Marshall Hotels LLC	-	-	-	3,207,437	8	1.32%
Sheridan-McClellan Apt.	-	-	-	2,423,480	9	1.00%
Agree limited (K-Mart)	-	-	-	2,381,937	10	0.98%
	\$ 40,989,494		18.75%	\$ 57,598,566		23.75%

(1) Includes ad valorem and Industrial Facilities Tax properties.

Source: City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table B-4

**Property Tax Levies and Collections
Last Ten Fiscal Years**

(1) Fiscal Year Ended June 30,	(2) Taxes Levied for the Fiscal Year	Collections to March 1st of Fiscal Year of the Levy		Delinquent Collections	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2016	\$ 3,988,294	\$ 3,974,085	99.64%	\$ 125	\$ 3,974,210	99.65%
2015	3,973,980	3,965,617	99.79%	4,875	3,970,492	99.91%
2014	4,079,395	4,064,069	99.62%	11,544	4,075,613	99.91%
2013	4,030,907	4,026,677	99.90%	2,298	4,028,975	99.95%
2012	3,847,025	3,843,336	99.90%	852	3,844,188	99.93%
2011	3,983,452	3,974,060	99.76%	2,383	3,976,443	99.82%
2010	4,136,283	4,123,480	99.69%	6,077	4,129,557	99.84%
2009	4,025,403	4,010,552	99.63%	13,319	4,023,871	99.96%
2008	3,944,595	3,930,130	99.63%	11,027	3,941,157	99.91%
2007	4,005,794	3,985,506	99.49%	18,846	4,004,352	99.96%

(1) Property taxes are levied August 1 of the current fiscal year based on taxable property values as of the preceding December 31. Unpaid property taxes become delinquent as of March 1 of the current fiscal year. The City's delinquent real property taxes are purchased by the Calhoun County Treasurer. Uncollected personal property taxes are collected by the City Treasurer.

(2) Includes Industrial Facility Tax (Leaf, Brush & Trash collection tax beginning in 2014). Also includes taxes captured by Tax Incremental Finance Authority (TIFA) Districts.

Source: City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table C-1

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
General obligation bonds	\$ 4,400,000	\$ 3,915,000	\$ 3,435,000	\$ 3,150,000	\$ 2,850,000	\$2,540,000	\$4,030,000	\$3,675,000	\$8,505,000	\$8,030,000
Installment contracts	771,193	639,346	497,600	355,369	146,532	598,552	460,920	350,567	237,024	502,427
Insurance premium/discount(net)	(151,586)	(140,015)	(128,434)	(116,854)	(105,271)	(93,690)	30,900	28,963	193,642	184,763
Total governmental activities	5,019,607	4,414,331	3,804,166	3,388,515	2,891,261	\$3,044,862	\$4,521,820	\$4,054,530	\$8,935,666	\$8,717,190
Business-type activities										
General obligation bonds	6,760,000	6,465,000	6,055,000	6,960,000	6,405,000	5,815,000	8,940,000	8,245,000	7,535,000	6,795,000
Revenue bonds	1,535,001	1,235,001	990,001	740,000	680,000	620,000	555,000	490,000	420,000	345,000
Installment contracts	1,084,143	1,040,678	996,075	947,070	720,000	720,000	720,000	-	-	280,368
Insurance premium/discount (net)	(52,181)	(26,594)	(24,669)	(22,743)	(20,819)	(18,894)	82,262	74,470	66,677	58,884
Total business-type activities	9,326,963	8,714,085	8,016,407	8,624,327	7,784,181	7,136,106	10,297,262	8,809,470	8,021,677	7,479,252
Total primary government outstanding debt	\$ 14,346,570	\$ 13,128,416	\$ 11,820,573	\$ 12,012,842	\$ 10,675,442	\$ 10,180,968	\$ 14,819,082	\$ 12,864,000	\$ 16,957,343	\$ 16,196,442
Total taxable value	\$ 392,650,808	\$ 407,867,563	\$ 406,249,284	\$ 249,565,586	\$ 236,039,889	\$227,817,611	\$218,459,008	\$219,687,123	\$250,588,600	\$ 258,318,090
Ratio of total debt to taxable value	3.65%	3.22%	2.91%	4.81%	4.52%	4.47%	6.78%	5.86%	6.77%	6.27%
Total population	7,459	7,459	7,459	7,459	7,086	7,088	7,040	7,035	7,035	7,094
Total debt per capita	\$ 1,923	\$ 1,760	\$ 1,585	\$ 1,695	\$ 1,506	\$ 1,436	\$ 2,091	\$ 1,815	\$ 2,392	\$ 2,283
% of personal income	65.14%	48.27%	43.46%	44.16%	39.25%	37.43%	53.43%	46.39%	61.15%	58.40%
Personal Income per capita	\$ 22,023	\$ 27,200	\$ 27,200	\$ 27,200	\$ 27,200	\$ 27,200	\$ 27,733	\$ 27,733	\$ 27,733	\$ 27,733

Source: City of Marshall Finance Department; US Census

Details regarding the City's debt can be found in the notes to the financial statements.

CITY OF MARSHALL, MICHIGAN

Table C-2

**Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years**

<u>Year</u>	<u>Governmental General Obligation Bonds</u>	<u>Business-type General Obligation Bonds</u>	<u>Total</u>	<u>Amounts Available in Debt Service Funds</u>	<u>Net General Bonded Debt Outstanding</u>	<u>% of Total Personal Income</u>	<u>% of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2016	\$ 8,214,763	\$ 6,853,884	\$ 15,068,647	\$ (1,000)	\$ 15,067,647	8.70%	6.89%	\$ 2,124
2015	8,698,642	7,601,677	16,300,319	-	16,300,319	9.04%	7.63%	2,317
2014	3,703,963	8,319,470	12,023,433	(9,404)	12,014,029	6.66%	5.47%	1,708
2013	4,060,900	9,022,262	13,083,162	(29,365)	13,053,797	7.23%	5.98%	1,854
2012	2,446,310	5,796,106	8,242,416	(108,631)	8,133,785	4.48%	3.57%	1,148
2011	2,744,729	6,384,181	9,128,910	(123,823)	9,005,087	4.96%	3.82%	1,271
2010	3,033,146	6,937,257	9,970,403	(123,779)	9,846,624	5.99%	3.95%	1,320
2009	3,306,566	6,030,331	9,336,897	(123,458)	9,213,439	5.61%	3.84%	1,235
2008	3,774,985	6,438,406	10,213,391	(124,484)	10,088,907	6.14%	4.26%	1,353
2007	4,248,404	6,707,819	10,956,223	(134,602)	10,821,621	6.59%	4.46%	1,451

Source: City of Marshall Finance Department
 General Obligation Bond amounts are net of any premium or discount.
 Details regarding the City's debt can be found in the notes to the financial statements.

CITY OF MARSHALL, MICHIGAN

Table C-3

**Computation of Net Direct and Overlapping Governmental Activities Debt
As of June 30, 2016**

		<u>Gross Amount Outstanding</u>	<u>Self-Supporting or Paid by Benefited Entity</u>	<u>Net Amount Outstanding</u>
Direct debt				
General obligation bonds (1)		\$8,214,763	\$ -	\$ 8,214,763
Installment contracts		502,427	-	502,427
		<u>502,427</u>	<u>-</u>	<u>502,427</u>
Net direct debt		<u>\$ 8,717,190</u>	<u>\$ -</u>	<u>8,717,190</u>
	City Share of Debt (2)			
Overlapping debt				
Marshall School District	44.46%	52,485,000		23,334,831
Calhoun County	5.99%	12,364,250		740,619
Marshall District Library	40.98%	360,000		147,528
Kellogg Community College	6.01%	9,725,000		584,473
				<u>24,807,450</u>
Net overlapping debt				<u>24,807,450</u>
				<u>\$ 33,524,640</u>

(1) Governmental activity debt only

(2) Based on Taxable Value of the City of Marshall (\$218,553,984) compared to Taxable Value of the entire taxing jurisdiction.

Source: Municipal Advisory Council of Michigan and the City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table C-4

**Legal Debt Margin
Last Ten Fiscal Years**

Legal debt margin calculation for fiscal 2016

Assessed value (including IFT values)	<u>\$ 258,318,090</u>
Debt limit (10% of assessed value)	25,831,809
Less: net debt applicable to limit	<u>(16,196,442)</u>
Legal debt margin	<u>\$ 9,635,367</u>

<u>Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</u>
2016	\$ 25,831,809	\$ 16,196,442	\$ 9,635,367	62.70%
2015	25,058,860	16,957,343	8,101,517	67.67%
2014	24,429,305	12,864,000	11,565,305	52.66%
2013	24,554,808	14,819,082	9,735,726	60.35%
2012	25,556,000	10,180,968	15,375,032	39.84%
2011	27,101,575	10,675,442	16,426,133	39.39%
2010	29,448,791	12,012,842	17,435,949	40.79%
2009	28,534,426	11,870,573	16,663,853	41.60%
2008	28,197,208	13,128,416	15,068,792	46.56%
2007	29,319,970	14,346,560	14,973,410	48.93%

Source: City of Marshall Finance Department
Assessed Value = one-half of Estimated Actual Value (Schedule 5)

City of Marshall

Table C-5

Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30,	(1) Gross Revenue	(2) Operating Expenses	Net Revenue Available for Debt Service	Total Debt Service Requirement	Coverage
Water Revenue Bonds (3)					
2016	-	-	-	n/a	n/a
2015	-	-	-	n/a	n/a
2014	-	-	-	n/a	n/a
2013	-	-	-	n/a	n/a
2012	-	-	-	n/a	n/a
2011	-	-	-	n/a	n/a
2010	1,300,062	823,711	476,351	999	476.83
2009	1,438,252	751,432	686,820	1,049	654.74
2008	1,489,038	709,796	779,242	64,304	12.12
2007	1,439,211	608,938	830,273	63,957	12.98
Sewer Revenue Bonds (4)					
2016	-	-	-	n/a	n/a
2015	-	-	-	n/a	n/a
2014	-	-	-	n/a	n/a
2013	-	-	-	n/a	n/a
2012	-	-	-	n/a	n/a
2011	-	-	-	n/a	n/a
2010	1,236,775	844,425	392,350	196,811	1.99
2009	1,266,569	873,076	393,493	197,330	1.99
1999	1,266,569	873,076	393,493	197,330	1.99
2007	1,238,268	781,399	456,869	304,799	1.50
Electric Revenue Bonds (5)					
2016	11,834,418	11,055,268	779,150	95,860	8.13
2015	13,611,884	11,776,240	1,835,644	94,890	19.34
2014	13,144,054	13,561,207	(417,153)	93,625	(4.46)
2013	13,228,258	11,608,613	1,619,645	95,350	16.99
2012	12,224,904	11,762,521	462,383	93,475	4.95
2011	13,102,431	11,475,571	1,626,860	96,430	16.87
2010	13,208,622	12,190,994	1,017,628	94,178	10.81
2009	12,587,675	11,710,294	877,381	96,721	9.07
2008	12,498,722	11,356,382	1,142,340	94,085	12.14
2007	12,682,539	10,905,984	1,776,555	96,285	18.45

(1) Includes utility service charges along with investment income.

(2) Excludes depreciation expense.

(3) Water revenue bonds were issued in 1993 and 1999; A portion was refunded in 2006; remaining paid in full 2010.

(4) Wastewater revenue bonds were issued in 1989 and 1999; portion was refunded in 2006; paid in full 2010.

(5) Electric revenue bonds were issued in 1976 and 1999; 1976 issue was paid in full 2005.

Source: City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table D-1

**Demographic and Economic Statistics
Last Ten Years**

Year	Population	(1) Total Personal Income (in thousands)	Per Capita Personal Income	(2) Unemployment Rate
2016	7,094	\$ 173,243	\$ 24,421	4.40%
2015	7,035	180,300	25,629	5.40%
2014	7,035	180,300	25,629	7.60%
2013	7,040	180,428	25,629	7.90%
2012	7,088	181,658	25,629	9.30%
2011	7,086	181,607	25,629	11.40%
2010	7,459	164,270	22,023	11.50%
2009	7,459	164,270	22,023	7.50%
2008	7,459	164,270	22,023	6.80%
2007	7,459	164,270	22,023	6.90%

(1) The amount shown is calculated based the City population times the Per capita money income

(2) Source: Homefacts.com as of 6/30/2016.

Sources:

United State Census - Quick Facts Marshall (City)

CITY OF MARSHALL, MICHIGAN

Table D-2

Principal Employers
Fiscal Year and Nine Years Ago

Employer	2016			2007		
	Employees	Rank	Percentage of Total	Employees	Rank	Percentage of Total
Oaklawn Hospital	988	1	18.36%	644	1	12.91%
Tenneco Auto.	915	2	17.00%	427	5	8.56%
Marshall Schools	270	3	5.02%	185	6	3.71%
Eaton Auto.	210	4	3.90%	467	4	9.36%
Marshall Excelsior	200	5	3.72%	*		
Autocam Corp.	150	6	2.79%	99	10	1.99%
Michigan Kitchen Distributors	140	7	2.60%	*		
Oaklawn Medical Group	126	8	2.34%	*		
Medilodge of Marshall	107	9	1.99%	*		
Tribal Manuf.	100	10	1.86%	*		
Progressive Dynamics	89	11	1.65%	104	9	2.09%
City of Marshall	87	12	1.62%	97	11	1.95%
State Farm Insurance				569	2	11.41%
Lear Corporation				530	3	10.63%
Joseph Campbell				167	7	3.35%
Marshall Brass				160	8	3.21%
	<u>3,382</u>		<u>62.85%</u>	<u>3,449</u>		<u>69.16%</u>
Estimated total city employment	<u>5,381</u>			<u>4,987</u>		

* Not available.

Source: City of Marshall - MAEDA

CITY OF MARSHALL, MICHIGAN

Table E-1

**Full-time Governmental Employees by Function/Program
Last Ten Fiscal Years**

Function/Program	Full Time Equivalent Employees as of June 30									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government	10.0	9.00	8.0	7.5	7.4	7.1	6.7	10.0	14.5	12.8
Community & Economic Development	2.5	2.00	2.0	1.6	1.6	1.6	1.1	1.2	-	2.2
Public Safety (Police & Fire)	26.0	24.00	22.0	21.0	21.0	22.0	21.0	21.0	21.0	24.0
Transportation	4.5	4.00	3.5	3.1	3.1	3.1	3.0	3.0	3.0	3.0
Public Works										
Streets & Roads	8.0	7.50	7.0	6.8	6.7	6.7	6.4	9.0	11.0	9.9
Electric	12.0	14.00	17.0	19.3	19.3	19.4	21.7	20.7	16.4	17.2
Wastewater	6.5	7.00	7.0	7.3	7.3	6.2	7.3	7.3	9.5	6.5
Water	6.5	6.50	6.5	6.5	6.6	6.6	6.6	6.6	6.6	5.3
Parks and Recreation	4.0	4.00	4.0	4.0	3.0	3.0	3.0	3.3	4.0	4.3
Total	80	78	77	77	76	76	77	82	86	85

Source: City of Marshall Human Resources Department

CITY OF MARSHALL, MICHIGAN

Table E-2

**Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Election Data (Even Election Years)										
Registered Voters	-	5,673	-	5,303	-	5,460	-	5,452	5,544	5,659
Voters (at the polls or absentee) [November Elections]	-	3,575	-	2,502	-	3,444	-	2,331	N/A	N/A
Percent Participating	-	63.0%	-	47.2%	-	63.1%	-	42.8%	N/A	N/A
Police										
Traffic citations	*	*	*	*	1,478	2,254	614	614	920	1,050
Arrests	630	815	696	745	835	959	688	701	525	491
Crime Rate (U.S. Ave 297.7)	271.8	241.0	241.0	160.0	170.2	136.1	136.1	136.1	169.6	N/A
Calls for service	10,212	12,671	10,802	5,256	6,438	5,189	4,886	4,886	6,947	5,703
Community & Economic Development										
Building Inspections Performed	459	370	473	454	398	456	1,188	207	172	93
Building Permits Issued	75	77	63	83	79	80	121	118	75	118
Dollar Value of Building Permits Issued (e)	\$ 500,000	\$ 663,000	\$ 1,922,000	\$ 3,050,000	\$ 1,836,000	\$ 435,000	\$ 4,644,157	\$ 18,765,867	\$ 1,082,500	\$ 2,626,625
Public Services										
Energy Billed (kwh)	118,761,214	113,950,367	103,128,220	107,889,673	110,017,513	108,939,712	104,163,961	106,021,809	104,812,021	104,502,417
Water Pumped (gallons)	479,567,208	437,412,252	360,434,816	338,743,821	288,841,299	311,443,072	292,166,800	290,089,956	263,810,557	282,870,000
Water Treated (gallons)	548,150,000	653,850,000	587,790,000	837,180,000	549,780,000	489,780,000	488,730,000	517,870,000	508,440,000	536,010,000
Expenditures on Major Street const. & preser	246,552	208,567	321,913	167,097	162,097	134,120	298,409	311,912	368,205	282,995
Expenditures on Local Street const. & preser	254,442	429,463	196,644	236,251	236,251	300,161	293,215	673,732	234,230	371,630
Recreation										
Programs Offered	73	87	71	80	61	56	55	63	71	119
Youth Participation in Rec. Activity	3,845	2,887	3,567	3,529	2,372	2,380	2,521	1,833	1,854	2,715
Adult Participation in Rec. Activity	2,329	3,823	1,865	2,038	2,204	1,850	1,895	1,811	1,619	2,375
Senior Participation in Rec. Activity	4,248	1,951	2,802	3,529	1,321	127	50	55	46	243
Family Participation in Rec. Activity	1,189	1,679	1,058	559	1,704	1,705	1,504	1,645	1,747	1,253

e = estimated

(1) switch to consolidated dispatch

Source: City of Marshall Finance Department

CITY OF MARSHALL, MICHIGAN

Table E-3

**Capital Asset Statistics by Function/Program
Last 3 Fiscal Years**

Function/Program	2016 *	2015	2014
Police			
Police department building	1	1	1
Vehicle patrol units	7	7	7
Fire (1)			
Number of stations serving City	1	1	1
Fire units serving City:			
Fire engines	2	2	1
Ladder trucks	1	1	1
Rescue vehicles	1	1	1
Brush trucks	1	1	1
Utility vehicles	1		
Public Works			
City streets:			
Miles of major streets	14.38	14.38	14.38
Miles of local streets	25.76	25.76	25.70
Miles of Trunkline	16.00	16.00	16.00
Miles of sidewalks	34.00	34.00	34.00
Number of Street Lights	1,375	1,375	1,375
Sewer:			
Miles of sanitary mains	49.40	49.40	49.35
Miles of storm sewers	38.10	38.10	38.05
Treatment capacity	2.62/mgd	2.62/mgd	2.62/mgd
Water:			
Miles of water mains	59.10	59.10	59.07
Number of fire hydrants	496.00	496.00	496.00
Treatment capacity	3.86/mgd	3.86/mgd	3.86/mgd
Parks and Recreation			
Parks:			
City	6	6	6
Skate	1	1	1
Park acreage	235	235	235
Play structures	3	3	2
Pavilions	4	4	4
Adult Softball Fields	2	2	2
Youth Softball Fields	2	2	2
Sand Volleyball Courts	3	3	3

* This is the third year for the City of Marshall to develop a CAFR and the historical relevant capital asset data was not captured in a manner to accurately provide historical reference.

Source: City of Marshall Finance Department

BUDGET:

The City Council will adopt a balanced annual General Fund operating budget pursuant to the Uniform Budgeting and Accounting Act for local governments MCLA 141.121.

The operating budget shall serve as the annual financial plan for the City of Marshall (City). It will serve as the policy document of the City Council for implementing Council goals and objectives and provide for statutorily and constitutionally required services and programs.

The City will strive to adopt a budget where current annual operating revenues will be equal to or greater than current operating expenditures.

Balanced revenue and expenditure forecasts should be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, contractual obligations and capital improvements.

In the event a balanced budget is not attainable, and the cause of the imbalance is expected to last for no more than one year, the planned use of reserves to balance the budget is permitted. In the event that a budget shortfall is expected to continue beyond one year, the planned use of reserves must be developed as part of a corresponding strategic financial plan to close the gap through revenue increases or expenditure decreases. Any use of reserves must be in accordance with the City's Fund Balance Reserve Policy.

Pursuant to City Charter Article IX, the City Manager shall annually present to the Mayor and City Council, a proposed operating budget at the Council's first meeting in April. A copy of the Proposed Budget shall be on file and available to the public for a period of not less than one week prior to the adoption of the Budget by Council. The City Council shall adopt, by resolution, a final budget no later than the first Council meeting in June.

It is the responsibility of every Director, Supervisor, or Department Head to ensure that spending within each account group within each Department/Function does not exceed the amount appropriated. Every Director, Supervisor, or Department Head has the responsibility to inform the Finance Director and City Manager of any anticipated budget variance as soon as the amount of variance is determined.

Unspent balances of previously authorized capital improvements or capital outlay may be re-appropriated for the succeeding year and will be presented to Council as a budget amendment. These budget amendments will be on a case by case basis and the department's total actual budget variance will be taken into account.

The City Council shall approve all budget amendments over \$20,000. The City Manager and Finance Director shall approve and enter into the General Ledger all amendments less than \$10,000 but only if the amendment is within a department/function and not across funds.

If at any time during the budget year a substantial reduction or shortfall in revenue occurs, the effected department or departments will submit to the City Manager and Director of Finance an expenditure reduction plan. The plan shall include a statement whether services to the public will be impacted.

REVENUES:

Enterprise and Internal Service Operations by definition are to be self-supporting.

The City of Marshall (City) is to maximize the use of service users' charges in lieu of ad valorem (property) taxes and subsidies from other City funds, for services that can be identified and where costs are directly related to the level of service provided.

1. Charges (Rate Schedules) for providing utility services shall be sufficient to finance all operating, capital outlay, and debt service expenses of the City's enterprise funds, including operating contingency, planned capital improvements and reserve requirements.
2. Recreation programs should be funded by a users' charge or approved millage. Where practicable, user charges shall be comparable to other neighboring cities.
3. Other reimbursable work performed by the City (labor, meals, contracted services, equipment and other indirect expenses) shall be billed at actual or estimated actual cost.
4. The City Council may declare certain community events beneficial to the City and its citizens, and allow City personnel, under the direction and control of the City Manager or designee, to support the event without requiring reimbursement of expenses. Community events declared beneficial shall be included in the current expense budget.
5. Charges for services shall accurately reflect the actual or estimated cost of providing a specific service. The cost of providing specific services shall be recalculated periodically, and the fee adjusted accordingly. The City shall maintain a current schedule of fees and charges, showing when the fees were last reviewed and/or recalculated.
6. The City will consider market rates and charges levied by other municipalities for like services in establishing rates, fees and charges.
7. Certain fees, such as rental fees, will be based on market conditions and not subject to limitations of cost recovery.

Grant funding for programs or items which address the City's current priorities and policy objectives should be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund on-going programs.

1. Before accepting any grant, the City shall thoroughly consider the implications in terms of ongoing obligations that will be required in connection with acceptance of said grant.
2. All grants and other federal and state revenue shall be managed to comply with the laws and regulations of the Federal Government, State of Michigan, and City Charter. Any funds received from local and area foundations will comply with the terms and conditions of the grantor.

EXPENDITURES:

Department Directors are responsible for managing their budgets within the total appropriation for their department.

Annual appropriated budgets are adopted at the fund level within available resources (i.e., new revenue and existing reserves). Operating programs appropriations not spent during the fiscal year do not automatically carry-over into the next year and may lapse at year end.

Encumbrances are purchase orders, contracts, and other commitments for the expenditure of funds. Outstanding encumbrances at the end for the year may, at the discretion of the Finance Department, be carried forward into the next year's budget by a formal budget appropriation authorized by Council. This practice will be limited to those items deemed necessary to the operations of the City.

The City will take immediate corrective actions if at any time during the fiscal year, expenditure and revenue re-estimates are such that an operating deficit is projected at year-end. Corrective actions may include a hiring freeze, expenditure reductions, fee increases, or use of fund balance. The Finance Director may approve a short-term inter-fund loan or use of one-time revenue sources to address temporary gaps in cash flow, although this will be avoided if at all possible.

Long-term debt or bond financing shall not be used to finance current operating expenditures.

The City will assess funds for services provided internally by other funds. Inter-fund service fees charged to recovers these costs will be recognized as revenue to the providing fund.

The City will invest in technology and other efficiency tools to maximize productivity.

Periodic comparisons of service delivery will be made to ensure that quality services are provided to the City of Marshall citizens and customers at the most competitive and economical cost. Programs that are determined to be inefficient and/or ineffective shall be considered for reduction in scope or elimination.

The City will make every effort to maximize any discounts offered by creditors or vendors.

FUND BALANCE and NET POSITION RESERVE POLICY Adopted: February 16, 2016

The City desires to maintain a prudent level of financial resources to guard its citizens against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenditures. The Fund Balance, or in the case of Enterprise Funds-Net Position, has been accumulated to meet this purpose, to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The City's goals are to maintain annual expenditure increases at a conservative growth rate, and to limit expenditures to anticipated revenues.

The following fund balance and net position reserve policy should be used to provide the general framework for setting unrestricted fund balance and net position reserve levels and for proposals with intended use of those reserves. City Council recognizes there are no absolute rules or easy formulas that provide fund balance or net position reserve levels. Generally, reserve levels are determined based on a percent of operating expenditures or a debt service ratio. The City recognizes the need to provide a policy which provides the guidelines for the periodic review and discussion of fund balance and net position reserves during the budget development process. Planned use of fund balance and net position reserve decisions should be the result of deliberative consideration of all factors involved. Fund Balance and Net Position as described in this Policy will be understood to exclude Pension and Other Post-Employment Benefits (OPEB) liability.

GENERAL FUND 15-20% Operating Expenditures OR 1.2 Debt Service Ratio

To account for resources traditionally associated with general government operations, which are not required to be accounted for in another fund. Expenditures from the General Fund go to services such as public safety (police, fire, and emergency management); parks and recreation programs; development and planning; community development services; roads; the City's legal and general government administration; and a variety of other services and programs.

The City Council considers it a good practice to keep 15-20% of annual operating expenditures in unrestricted governmental fund balance, OR 1.2 debt service ratio, whichever is greater, to cover unexpected expenses.

The decision to retain a fund balance of 15-20% of operating expenditures stems from the following considerations:

- This amount, in combination with the Working Capital Reserve, provides adequate funding to cover approximately two and one half months (or 20%) of operating expenses.
- It provides the liquidity necessary to accommodate the City's uneven cash flow, which is inherent in its periodic tax collection schedule.
- It provides the liquidity to respond to unplanned expenditures.

Fund balance may be accessed under the following conditions.

- The Fund balance target, will be maintained at 15-20% of Operating Expenditures. Surplus Funds may be transferred to a Capital Reserve Fund, Debt Service Fund, or may be used in establishing a balanced budget.
- Except in the event of a declaration of an emergency or in short-term funding situation, as deemed appropriate by the City Council, a minimum Fund Balance equal to 15-20% of operating expenditures will be maintained. A majority of the Council is required to approve use of the Fund Balance such that it falls below the 15% target. The City will identify a plan to restore the General Fund Balance to its target amount as part of the budget process.

FUND BALANCE and NET POSITION RESERVE POLICY Adopted: February 16, 2016

ENTERPRISE FUNDS 20% Operating Expenditures OR 1.2 Debt Service Ratio

Includes all expenses necessary to operate the funds including, but not limited to, administration, operations, maintenance, financing, billing and collection. The intent is to maintain an unrestricted net position balance that is equal to or greater than 20% of projected operating expenditures unless specified otherwise, OR 1.2 times debt service requirements, whichever is greater.

For Utility net position balance reserves (electric, wastewater and water), the decision to increase or decrease target net position balance reserves will be approved by City Council and supported by a cost of service study or review provided by the City's consultant.

Electric Fund - to account for the generation and distribution to the City and to account for all revenue and expenditures related to the City's Electric System.

Waste Water Fund - to account for the collection, treatment and disposal of all sewage within the City and to account for all revenues and expenditures related to the City's Wastewater Treatment System.

Water Fund - to account for the distribution of treated water to the City and account for the revenues and expenditures related to the City's Water Supply System.

Marshall House Fund - to account for the revenues and expenditures related to the rental activities of a lower-income senior citizen housing facility.

Dial-A-Ride Fund (DART) – Currently not governed by this Policy.

SPECIAL REVENUE FUNDS 1.2 Debt Service Ratio

To account for specific revenue sources (other than those from expendable trusts or for major capital projects), which are restricted legally to expenditures for specified purposes. The intent is to maintain an unrestricted fund balance of 1.2 times annual debt service requirements.

MVH Major and Local Roads - to account for the State-Shared gasoline and weight tax collections to provide for certain maintenance, repair costs and capital improvements of the City's Roads.

Leaf, Brush and Trash Removal - to account for the dedicated millage levy which provides for the necessary revenue to fund the City's Fall Leaf removal and Spring brush/trash removal.

FUND BALANCE and NET POSITION RESERVE POLICY Adopted: February 16, 2016

INTERNAL SERVICE FUNDS 1.2 Debt Service Ratio

To account for the costs of the various services listed below, which are billed to the various other funds on the basis of services used. The costs include, but are not limited to, administrative, operation, maintenance and financing costs. The intent is to maintain an unrestricted net position of 1.2 times the annual debt requirements.

Data Processing - to account for the operation and maintenance of the City's information technology equipment and software.

Motor Pool - to account for the operation and maintenance of the City's motor vehicle fleet and other equipment.

Safety - to account for the operation of the City's safety training program.

Health Reimbursement Arrangement - to account for the City's funding for health insurance HRA and HSA deductibles.

COMPONENT UNITS 1.2 Debt Service Ratio

Legally separate organizations for which the elected officials of the primary government are financially accountable.

Downtown Development Authority (DDA) - to account for the tax increment revenue that is derived from various tax levies in the Downtown Development District, which is used to finance various improvements in the DDA area.

Local Development Finance Authority (LDFA) - to account for the tax increment revenue that is derived from various tax levies in the Local Development Finance Authority District, which is used to finance various improvements in the LDFA area.

INVESTMENT POLICY

Adopted: February 16, 2016

I. It is the policy of the City of Marshall (hereafter known as the CITY) to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the CITY and conforming to all State statutes and local ordinances governing the investment of public funds.

II. Scope

This investment policy applies to all financial assets held by the CITY. These assets are accounted for in the CITY's Comprehensive Annual Financial Report (CAFR) and include:

- General Fund
- Special Revenue Funds
- Internal Service Funds
- Capital Project Funds
- Enterprise Funds
- Trust and Agency Funds
- Debt Service Funds
- Any new fund created by the City, unless specifically exempted by the legislative body.

The CITY does not invest employee pension funds as these funds are managed by the Municipal Employees' Retirement System (MERS).

III. Investment Objectives

The following investment objectives, in priority order, will be applied in the management of the CITY's funds:

Safety

The primary objective of the CITY's investment activities is the preservation of capital in the overall portfolio and the protection of investment principal. The Finance Director will employ mechanisms to control risks and diversify investments regarding specific security types or individual financial institutions.

Liquidity

The investment portfolio will remain sufficiently liquid to enable the CITY to meet operating requirements which may be reasonably anticipated.

Return on Investment

Subject to the foregoing constraints, the CITY will strive to maximize the rate of return on the portfolio and to preserve the purchasing power but will avoid assuming unreasonable investment risk. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

IV. Prudence

In managing its investment portfolio, the Finance Director shall avoid any transaction that might impair public confidence. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence

exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The above standard is established as the standard for professional responsibility and shall be applied in the context of managing the overall portfolio. The Finance Department staff of the CITY, as designated by the Finance Director, acting in accordance with State statute, this Investment Policy, written procedures as may be established, and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely fashion, and appropriate action is taken to control adverse developments.

V. Delegation of Authority

Authority to manage the CITY's investment program is derived from State statutes.

Daily management responsibility for the investment program is the responsibility of the Finance Director, who shall establish written procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of the procedures established by the Finance Director. Such procedures should also include reference to safekeeping, repurchase agreements, wire transfer agreements, collateral or depository agreements and banking service contracts. The Finance Director shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of designated staff.

VI. Ethics and Conflicts of Interest

Designated staff involved in the investment process shall refrain from personal business activity which could conflict with proper execution of the investment program or which could impair--or create the appearance of an impairment-- in their ability to make impartial investment decisions. Any employee involved with investments shall disclose to the City Manager any material financial interests in financial institutions that conduct business with the CITY, and they shall further disclose any large personal financial investment positions that could be related to the performance of the CITY's portfolio.

VII. Authorized Financial Dealers and Institutions

The Finance Director will maintain a list of financial institutions, which are authorized to provide investment and depository services. In addition, a list will also be maintained of approved security broker/dealers selected by credit-worthiness, who maintain an office in the State of Michigan or who are "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by State law.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Finance Director with the following: audited financial statements for the recent fiscal year; certification of having read the CITY's investment policy and the pertinent State statutes; proof of National Association of Security Dealers certification; and proof of State registration, where applicable.

VIII. Authorized and Suitable Investments

The CITY is empowered by State statute (1988 Public Act 239, M.C.L. 129.91) to invest in the following types of securities:

- a. Treasury Bills, Treasury Bonds, Treasury Notes, Treasury STRIPS, and other securities or obligations of the United States, or an agency or instrumentality of the United States;
- b. Certificates of Deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the federal deposit insurance corporation or a savings and loan which is a member of the federal savings and loan insurance corporation or a credit union which is insured by the national credit union administration, but only if the bank, savings and loan, or credit union is eligible to be a depository of surplus funds belonging to the state under section 5 or 6 of Act No.105 of the Public Acts of 1855, as amended;
- c. In United States government or federal agency obligation repurchase agreements;
- d. In Banker's Acceptances (BA's) of United States banks;
- e. In commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and which matures not more than 270 days after the date of purchase;
- f. In mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan;
- g. Investments purchased through an inter-local agreement under the urban co-operations act of 1967, (Ex Sess) PA 7, MCL 124.501 to 124.512;
- h. Investment pools organized under the surplus funds investment pool act, 1982 Public Act 367, MCL 129.111 to 129.118; and
- i. The investment pools organized under the local investment pool act, 1985 Public Act 121, MCL 129.141 to 129.150.

The Finance Director is restricted to investments which meet the statutory restrictions above and limitations on security issues and issuers as detailed below:

- a. Repurchase agreements shall be negotiated only with dealers or financial institutions with whom the Finance Director's Office has negotiated a Master Repurchase Agreement or with the CITY's primary bank. Repurchase agreements must be signed with the bank or dealer and must contain provisions similar to those outlined in the Public Security Association's model Master Repurchase Agreement.
- b. Investments in Commercial Paper are restricted to those which have, at the time of purchase, the top investment rating provided by any two nationally recognized rating agencies. Commercial paper held in the portfolio which subsequently

receives a reduced rating shall be closely monitored and sold immediately if the principal invested may otherwise be jeopardized.

c. Certificates of deposits shall be purchased only from financial institutions which qualify under Michigan law and are consistent with Opinion No. 6168, Opinions of the Attorney General (1982).

d. In money market mutual funds or qualified bank trust funds composed of investment vehicles which are legal for direct investment by local governments in Michigan.

IX. Diversification

The CITY will diversify its instruments and investments by security type and institution. With the exception of U.S. Treasury securities and authorized investment pools, no more than fifty percent (50%) of the total investment portfolio will be invested in a single security type OR with a single financial institution.

X. Pooling of Cash

The Finance Director or Designee may, where appropriate, pool cash of various funds to maximize earnings. Investment income shall be allocated to the various funds based upon their respective participation.

XI. Maximum Maturities

To the extent possible, the CITY will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the CITY will not directly invest in securities maturing more than three (3) years from the date of purchase. Reserve funds may be invested in securities exceeding three (3) years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds.

XII. Collateralization, Safekeeping and Custody

The State of Michigan does not require collateralization of Public Funds. Non-negotiable, non-collateralized Certificates of Deposit, as is the law in the State of Michigan, shall be evidenced by a Safekeeping Receipt from the issuing bank.

XIII. Accounting

The CITY maintains its records on the basis of funds and account groups, each of which is considered a separate accounting entity. All investment transactions shall be recorded in the various funds of the CITY in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board. Accounting treatment will include:

- Investments will be carried at cost or amortized cost which approximates market.
- Premium or discount will be amortized over the life of the investment.
- Gains or losses of investments in all funds will be recognized at the time of disposition of the security.
- Market price shall be disclosed annually in the financial statements and periodically in the performance reports.

XIV. Investment Performance and Reporting

The Finance Director shall submit a quarterly investment report that provides:

- Principal and type of investment by fund
- Annualized yield
- Ratio of cash to investments
- Earnings for the current quarter and year-to-date
- Market price and a summary report of cash and investments maintained in each financial institution.

Performance of the portfolio shall be reported to the City Manager and Marshall City Council quarterly. Reports shall include details of the characteristics of the portfolio as well as its performance for that period. Material deviations from projected investment strategies shall be reported immediately to the City Manager.

XV. Internal Controls

The Finance Director shall establish a system of internal controls which is designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by designated employees of the Finance Office. Required elements of the system of internal controls shall include: 1) The timely reconciliation of all bank accounts (i.e. monthly reconciliation's within 30 days of the end of the monthly cycle), 2) details of delivery versus payment procedures and trust receipt documentation, and 3) a third party audit to be conducted annually. Internal controls will also encompass at a minimum the additional issues of:

- transfers of all funds (purchases, sales, etc.);
- separation of functions including transaction authority and accounting and record-keeping;
- custodial safekeeping;
- avoidance of delivery of bearer from or non-wireable securities to the CITY;
- delegation of authority to staff members;
- written confirmation of telephone transactions;
- supervisory control of employee actions;
- specific guidelines regarding securities losses and remedial action;
- identification and minimization of the number of authorized investment officials

XVI. Investment Policy Adoption

The CITY's investment policy shall be adopted by resolution of the Marshall City Council. The policy shall be reviewed as necessary by the Marshall City Council.

GLOSSARY

Bankers' Acceptance (BA): A draft or bill of exchange accepted by bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Broker: A broker brings buyers and sellers together for a commission.

Commercial Paper: Short-term unsecured debt obligation issued by a bank holding company, finance company, utility or industrial company to raise short term cash.

Certificate of Deposit (CD): A receipt of funds deposited in a financial institution for a specified period at a specified rate of interest. A negotiable receipt may be in bearer or registered form and can be traded in the secondary market. A non-negotiable receipt is always registered and has no secondary market. Denominations can be any agreed amount, and interest is normally calculated using actual number of days on a 360 day year. However, each financial institution's calculations vary, and the investor should ask to avoid misunderstanding.

Discount: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

Federal Deposit Insurance Corporation (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

Federal Savings and Loan Insurance Corporation (FSLIC): A federal institution that insures deposits of federally chartered savings and loan associations.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the Money Market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

Market Price: The price at which a security is trading and could presumably be purchased or sold.

National Credit Union Administration: A federal institution that insures deposits of federal and state chartered credit unions.

Primary Dealer: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks and a few unregulated firms.

Portfolio: Collection of securities held by an investor.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. (see Yield)

Repurchase Agreement: A contractual arrangement, not a security, between a financial institution or dealer and an investor. The agreement normally can run for one to thirty days, but some can go longer. The investor puts up his funds for a certain number of days at a stated yield. In return he takes title to a given block of securities as collateral. At maturity the securities are returned and the funds repaid plus interest.

Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vault for protection.

SEC Rule 15C3-1: See Uniform Net Capital Rule.

Securities & Exchange Commission: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SIPC: Securities Investor Protection Corporation created as a non-profit member corporation by Congress in 1970 for the purpose of protection of cash and securities held by member SEC-registered broker/dealers that protects customer accounts in the event of the financial failure of a member.

Treasury Bills: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

Treasury Bonds: Long-term coupon-bearing U.S. Treasury security issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

Treasury Notes: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government bearing interest payable at six month intervals and having initial maturities from one to 10 years.

Treasury STRIPS: Separate Trading of Registered Interest and Principal of Securities issued by the U.S. Government

Uniform Net Capital Rule: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash

Yield: The rate of annual income return on an investment, expressed as a percentage.

The following debt management policy should be used to provide the general framework for planning and reviewing debt proposals. City Council recognizes there are no absolute rules or easy formulas that can substitute for a thorough review of all information affecting the City's debt position. Debt decisions should be the result of deliberative consideration of all factors involved.

1. **General Debt Policy**

- 1.1 The City shall seek to maintain and, if possible, to enhance its current bond rating so borrowing costs are minimized and access to credit is preserved. It is imperative that the City demonstrates to rating agencies, investment bankers, creditors, and taxpayers that City officials are following a prescribed financial plan. The City will follow a policy of full disclosure by communicating with bond rating agencies informing them of the City's financial condition.
- 1.2 The City recognizes that it is of the utmost importance that elected and appointed City officials, and all others associated with the issuance of City debt, not only avoid the reality of a conflict of interest, but the appearance thereof as well. City officials must conduct themselves in a manner consistent with the best interests of the City and taxpayers. Elected and appointed City officials should avoid even the appearance of linkages between politics and public finance that can erode the confidence of taxpayers, ratepayers, and voters. This includes avoiding gratuities, and political contributions of more than nominal value from service providers and the disclosure of all possible conflicts of interest shall be provided in writing and filed with the City Clerk.
- 1.3 Bonds will be sold on a competitive basis unless it is in the best interest of the City to conduct a negotiated sale. Competitive sales will be the preferred method. Negotiated sales may occur when selling bonds for a defeasance of existing debt, for current or advanced refunding of debt, or for other appropriate reasons.

2. **Taxpayer Equity**

- 2.1 Marshall's property taxpayers and citizens who benefit from projects financed by bonds should be the source of the related debt service funding. This principle of taxpayer equity should be a primary consideration in determining the type of projects selected for financing through bonds. Furthermore, the principle of taxpayer equity shall be applied for setting rates in determining net revenues for bond coverage ratios.

3. Uses

- 3.1 Bond proceeds should be limited to financing the costs of planning, design, land acquisition, buildings, permanent structures, attached fixtures or equipment, vehicles such as fire engines, or other costs as permitted by law. Utility revenue bond proceeds may be used to establish a debt service reserve as allowed by State law. Acceptable uses of bond proceeds can be viewed as items, which can be capitalized. Non-capital furnishings and supplies will not be financed from bond proceeds. Refunding bond issues designed to restructure currently outstanding debt are an acceptable use of bonds proceeds.

4. Decision Analysis

- 4.1 Whenever the City is contemplating a possible bond issue, information will be developed concerning the following four categories commonly used by rating agencies assessing the City's creditworthiness. The subcategories are representative of the types of items to be considered. The Finance Director will present this information to the City Manager:

4.1.a Debt Analysis

- Debt capacity analysis
- Purpose for which debt is issued
- Debt structure
- Debt burden
- Debt history and trends
- Adequacy of debt and capital planning
- Obsolescence of capital plant

4.1.b Financial Analysis

- Stability, diversity, and growth rates of tax or other revenue sources
- Trend in assessed valuation and collections
- Current budget trends
- Appraisal of past revenue and expenditure trends
- History and long-term trends of revenues and expenditures
- Evidences of financial planning
- Adherence to generally accepted accounting principles
- Audit results
- Fund balance status and trends in operating and debt funds
- Financial monitoring systems and capabilities
- Cash flow projections

4.1.c Governmental and Administrative Analysis

- Government organization structure
- Location of financial responsibilities and degree of control
- Adequacy of basic service provision
- Intergovernmental cooperation/conflict and extent of duplication
- Overall city planning efforts

4.1.d Economic Analysis

- Geographic and location advantages
- Population and demographic characteristics
- Wealth indicators
- Housing characteristics
- Level of new construction
- Types of employment, industry, and occupation
- Evidences of industrial decline
- Trend of the economy

4.2 The City may use the services of qualified internal staff and outside advisors to assist in the analysis, evaluation, and decision process, including bond counsel and financial advisors. Recognizing the importance and value to the City's creditworthiness and marketability of the City's bonds, this policy is intended to ensure that potential debt complies with all laws and regulations, as well as sound financial principles.

5. **Debt Planning**

5.1 Unlimited-tax general obligation bond borrowing should be planned and the details of the plan should be included in the City's Capital Improvement Plan.

5.2 Unlimited-tax general obligation bond issues should be included in at least two Capital Improvement Plans preceding the year of the bond sale. The first inclusion should contain a general description of the project, its timing, and financial limits; subsequent inclusions should become increasingly specific.

6. **Communication and Disclosure**

6.1 Significant financial reports affecting or commenting on the City will be forwarded to the rating agencies. Each bond prospectus will follow the disclosure guidelines of the Government Finance Officers Association of the U.S. & Canada.

- 6.2 The City should attempt to develop coordinated communication processes concerning collective plans for future debt issues with all other jurisdictions with which it shares a common property tax base. Reciprocally, shared information on debt plans including amounts, purposes, timing, and types of debt would aid each jurisdiction in its debt planning decisions.

7. **General Obligation Bonds**

- 7.1 Every project proposed for financing through general obligation debt should be accompanied by a full analysis of the future operating, maintenance and depreciation costs associated with the project.
- 7.2 Generally, bonds cannot be issued for a longer maturity schedule than a conservative estimate of the useful life of the asset to be financed. The City will attempt to keep the average maturity of general obligation bonds at or below 25 years. The City will limit the total of its general obligation debt to 10% of the City's assessed value.
- 7.3 Whenever possible, the City will finance capital projects by using self-supporting revenue bonds. Revenue bonds assure the greatest degree of equity because those who benefit from a project and those who pay for a project are most closely matched.

8. **Limited Tax General Obligation Debt**

- 8.1 Limited tax general obligation bonds should be considered only when constraints preclude the practice of voter approved general obligation bonds. As a precondition to the issuance of limited tax general obligation bonds, all alternative methods of financing should have been investigated. Consideration should always be given to provide a pledge of facility revenue to accompany the basic pledge of limited tax revenues.
- 8.2 Limited tax general obligation bonds should only be issued under certain conditions:
- 8.2.a A project to be financed will generate positive net revenues, i.e., additional revenues generated by the project will be greater than the debt service requirements. The net revenues should be positive over the life of the bonds, and be positive each year if possible. The City recognizes that net revenues may not be positive in the early years of certain projects, but should be positive within a reasonable time period of five to seven years. These calculations will be made on a conservative basis so that the potential for a long-term net decrease in general fund revenues is

minimized.

8.2.b Matching fund monies are available which may be lost if not applied for in a timely manner.

8.2.c Catastrophic conditions.

9. Debt Coverage

9.1 It is City policy that each utility or enterprise should provide adequate debt service coverage. This coverage is outlined in detail within the City’s Fund Balance/Net Position Policy. An example of the debt coverage calculation is below.

EXAMPLE

<u>Debt Coverage Example:</u>	
Operating Revenues	\$14,000,000
Operating Investment Income	<u>800,000</u>
Total Operating Revenue	\$14,800,000
Operating Expenses	\$11,500,000
Less: Depreciation and Amortization	<u>1,000,000</u>
Net Expenses	\$10,500,000
Net Revenue Available for Debt Service	\$ 4,300,000 (1*)
Principal	\$ 1,500,000
Interest	<u>2,000,000</u>
Total Debt Service	\$ 3,500,000 (2*)
Debt Coverage Ratio (1* divided by 2*)	1.23

10. Short Term Financing/Capital Lease Debt

10.1 Short-term financing or capital lease debt will be considered to finance certain equipment and rolling stock purchases when the aggregate cost of equipment to

be purchased exceeds \$100,000. Adequate funds for the repayment of principal and interest must be included in the requesting service area's approved budget.

- 10.2 The term of short-term financing will be limited to the usual useful life period of the vehicle or equipment, but in no case will exceed ten years.

City Council recognizes the importance of a CIP policy to guide capital programming because: 1) it provides a better understanding of the basis for a CIP, 2) it raises issues that should be discussed, and 3) it provides more specific guidance to the City Manager as well as to the departments that propose capital improvements. This policy is intended to be the basis for deliberation and debate. Both policies and priorities change over time as new components of the master plan are adopted.

- 1) The Capital Improvements Program plays an increasingly significant role in the implementation of the master plan, providing the link between planning and budgeting for capital projects. Nearly all of the capital improvement project requests will evolve, over time, from a component of the master plan. All City departments will be asked to take a more active role in the planning process so that master plan components are consistently reviewed when planning for capital improvements.
- 2) The Capital Improvements Program will continue to evolve by adding features each year to gradually improve its quality and sophistication. Greater attention will be devoted to more detailed information about individual project requests, program planning, fiscal analysis, fiscal policies, and developing debt strategy.
- 3) Projects first will be evaluated in relation to each other before consideration is given to available financing. Projects will be prioritized as a matter of implementing the goals and objectives of adopted plans and policies, not as a matter of available funds.
- 4) Capital projects that encourage private economic investment in the City will be considered relative to components of the master plan.
- 5) Projects that maintain the existing infrastructure normally will take precedence over projects that create or expand facilities.
- 6) The City must develop sources of revenue to pay for capital expenditures that do not use, or compete for, resources from the General Fund.
- 7) A successful capital improvements program cannot be achieved without the understanding and support of the taxpayers and voters. A more comprehensive effort to involve the public in the process will ensure that their concerns, preferences, and priorities are considered.
- 8) The Capital Improvements Program must strive to provide for services equally among all residents of the City and to focus on those projects that provide the most benefit to the entire community.
- 9) Projects that are necessary to protect against a clear and immediate risk to public health or public safety should be regarded as highest priority.

City of Marshall

Capital Improvements Program Schedule
July 1, 2018 through June 30, 2023

<u>Date</u>	<u>Activity</u>
August 18, 2016	Meet with Directors and Department Heads to discuss CIP update process. Distribute CIP calendar and instructions for CIP update.
August 19 – September 16, 2016	Department Heads work on updates to CIP; submit to Finance Department Project Application Form on or before September 16th.
September 19 – September 23, 2016	Preliminary CIP requests reviewed by Directors, City Manager and Finance Director.
September 26 – September 30, 2016	Directors meet with Department Heads (if needed)
October 12, 2016	Draft CIP distributed to Planning Commission.
November 9, 2016	Planning Commission holds public hearing on CIP and submits formal recommendation to City Council.
December 5, 2016	Council receives CIP and recommendations by Planning Commission and schedules public hearing for December 19, 2016.
December 19, 2016	City Council holds public hearing on CIP and adopts the CIP.

City of Marshall Capital Improvements Program

This year's Capital Improvements Program (CIP) provides an opportunity for the various stakeholders in the City of Marshall to come together and prepare a plan of the City's capital improvement needs for the next six years. These stakeholders include the City Council, City Administration along with department heads, and the citizens of Marshall. While not all of these needs will be met, as resources are scarce, the CIP provides a way to prioritize these needs and allocate resources to best meet the various demands.

What is the Capital Improvements Program?

The CIP is a six-year plan identifying capital projects to be funded over that period. Included in the plan is the year in which the capital item/project will be funded, the duration of the item/project, the source of funding, and the impact, if any, on operational costs once the capital item/project is completed. All items/projects are prioritized as explained later in this section.

What is a Capital Improvements Item/Project?

A capital improvements item/project is defined as a major, non-recurring expenditure that incorporates any of the following:

1. The acquisition of land for a public purpose.
2. Any construction of a new facility including engineering design and other pre-construction costs with an estimated cost in excess of \$5,000.
3. A non-reoccurring rehabilitation or major repair of all or part of a building and its grounds or infrastructure, provided that such costs are more than \$5,000 and the improvement will have a useful life of more than one year.
4. Purchase of major equipment or vehicle valued in excess of \$5,000 with a useful life of more than one year.
5. Major studies requiring the employment of outside professional consultants in excess of \$5,000.
6. Projects funded substantially from the proceeds of a debt obligation.

These factors should be used to determine if a project should be considered as part of the CIP. If there is uncertainty as to whether a project or expenditure should be included in the CIP, please include it and it will be reviewed during the compilation process.

Why develop a Capital Improvements Program?

By developing a CIP, the City of Marshall is showing fiscal planning responsibility. The CIP focuses attention on the long-term issues and implications of these needs, and matches them to financing resources. The CIP demonstrates fiscal responsibility and planning to:

1. City Council
2. Citizens
3. Rating Agencies
4. Municipal Bond Authorities

Further, the CIP facilitates proper planning for economic development in the broadest sense of the term. It helps establish the future plan for growth with regard to infrastructure, utilities, service needs, parks and Council goals.

What are the benefits of having a Capital Improvements Program?

The benefits of a thorough and well-planned CIP are numerous. First and foremost, the CIP is a planning tool which, as mentioned earlier, provides a mechanism to allocate scarce resources across competing demands. Second, with a “pay-as-you-go” approach to financing capital projects, overall savings can be realized by avoiding interest and other costs associated with issuing debt. Third, the CIP provides an opportunity for the City’s Council, Administration, and citizens to come together and prioritize the needs of the community. Finally, the CIP is a budgeting tool. As such, each of the six years of the program provides a snapshot of that year’s potential capital expenditures. Each of these years will be considered individually as that year’s Capital Improvement Budget. Hence, the CIP projects out the capital needs of the city for each budget year.

Who is responsible for the preparation of the CIP?

The key players in the development of the CIP and their respective roles are as follows:

City Council

The City Council has final responsibility of authorizing expenditures of public funds for capital improvement projects. The City Council will be reviewing, conducting public hearings, and adopting the capital improvements program. Once approved, the CIP will be used as a guide for preparing the budget.

City Manager

The City Manager has the responsibility for submitting the proposed CIP to the Planning Commission and City Council for their review. It is the responsibility of the City Manager to review the proposed program as to content, timing, coordination and its affect on the overall fiscal policy and resources of the City.

Finance Department

The Finance Department has the responsibility of coordinating the actual preparation of the proposed CIP. The Director of Finance coordinates and with Directors reviews individual department projects and prepares the proposed CIP. This Department is also responsible for providing supporting information regarding the City’s revenue and expenditure capabilities and limitations.

Directors and Department Heads

The Directors and Department Heads have the most knowledge and information concerning the functions and needs of their respective departments. They are responsible for analyzing plans and projects and projecting their costs for inclusion the in the CIP. They are also responsible for providing input and the approval of proposed projects by the various boards and commissions concerned with their activities. Along with information regarding each project, they are responsible for weighing each project and assigning a priority level which designates the project’s criticality.

Citizens of Marshall

The citizens of Marshall have a responsibility to express their concerns and desires as it relates to the CIP by meeting with City Council, staff, and the various boards and advisory committees of the City.

How should projects be prioritized?

This section provides a basis for determining first the significance of a project, and second how the project should be prioritized. Listed below are several criteria to assist in determining the significance of a project:

- relationship to Master Plan For Land Use
- **relationship to City Council vision and goals**
- relationship to overall community needs
- relationship to other projects
- **necessary to fulfill any federal or state legal or administrative requirements**
- impact on annual operating and maintenance costs
- relationship to other community plans
- relationship to source and availability of funds
- relationship to overall fiscal policy and capabilities

Based on the significance of each project, the next step involves assigning a priority ranking to each project. The priority rankings are defined below:

- Priority 1: Project cannot be postponed. It is partially completed, meets an emergency situation or the City is committed by contractual arrangement.
- Priority 2: Project is important and should be carried out as scheduled to meet anticipated needs of a current program, replace or repair unsatisfactory facilities, or to maintain the a program at its current level of performance.
- Priority 3: Project is needed, however, the project can wait until funds become available, or other projects are completed.
- Priority 4: Project identified as necessary for operations but cannot yet be recommended for action. Project can safely be deferred beyond the third (3rd) year of the six (6) year projection.

Ongoing Maintenance Costs

Please pay close attention to quantifying the impact proposed projects will have on operating and maintenance costs including personnel time, equipment, materials and supplies. If a savings will be realized from the project (example: project will reduce chemical costs by \$1,000), this too should be quantified. This information should be included in the "Impact on Operations" section of the request form.

FUND	Department (sort with filter)	Project Title	Priority Ranking	Estimated Useful Life	Source of Funding	Project Narrative/Purpose	2017-2018 Expenditure	2018-2019 Expenditure	2019-2020 Expenditure	2020-2021 Expenditure	2021-2022 Expenditure	2022-2023 Expenditure	City Expenditure	Other Funds or Grant Share	Total Expenditure
295	Airport	Terminal Building Construction	2	30	General Fund 5%, FAA Allocation 90%, State 5%	The existing terminal building, due to it's age, requires improvements to maintain the use of the building.	\$13,500	\$13,500					\$27,000	\$517,000	\$544,000
295	Airport	Pavement Marking and Crack Sealing	1	10	General Fund 5%, FAA Allocation 90%, State 5%	Replacement of pavement markings and crack sealing as necessary	\$1,250						\$1,250	\$23,750	\$25,000
295	Airport	Purchase Snow Removal Equipment	2	30	General Fund 5%, FAA Allocation 90%, State 5%	Purchase snow removal equipment for the airport. The airport does not have any dedicated equipment on site for snow removal. This equipment will help airport personnel keep pavements clear of snow and better serve the airport users.		\$8,300					\$8,300	\$158,300	\$166,600
295	Airport	Land Acquisition	3	N/A	General Fund 5%, FAA Allocation 90%, State 5%	This project is to acquire approximately 29 acres of property in easement. The property is located at the approach end of runway 28 and is needed for approach protection and future development of the RPZ control.			\$8,300				\$8,300	\$158,300	\$166,600
						TOTAL	\$14,750	\$21,800	\$8,300	\$0	\$0	\$0	\$44,850	\$857,350	\$902,200
101	Cemetery	Cemetery Water Distribution System	2	20	Cemetery Trust Fund	Replacing the current water distribution system will eliminate line breaks which will result in reduced water usage as a result of the leaks.	\$10,000	\$10,000	\$10,000	\$12,000	\$12,000		\$54,000		\$54,000
101	Cemetery	Cemetery Road Paving Project	2	20	Cemetery Trust Fund	Finishing the drives in the cemetery will provide a clean and solid surface during inclement weather for those visiting their loved ones during a funeral service.	\$15,000	\$15,000	\$15,000	\$18,000	\$18,000		\$81,000		\$81,000
101	Cemetery	Cemetery Expansion to Meet Future Demand	3	150	Cemetery Trust Fund	Cemetery has four sections left holding 600 spaces for purchase. The number available will shrink exponentially as families begin having trouble finding blocks of spaces available for family plots. This will drive many to seek alternate locations.		\$30,000	\$50,000				\$80,000		\$80,000
						TOTAL	\$25,000	\$55,000	\$75,000	\$30,000	\$30,000	\$0	\$215,000	\$0	\$215,000
101	City Hall	Handicap Door Opener	2	15	General Fund	Handicap door opener on one outside door and interior door into Finance Department		\$10,400					\$10,400		\$10,400
101	City Hall	Replace eavetroughs at City Hall	2	15	General Fund	Replace all eavetroughs at City Hall. Current ones are bent and damaged from ice dams. Eliminate possible foundation damage in the future		\$7,200					\$7,200		\$7,200
101	City Hall	New Roof on garage at City Hall	1	25	General Fund	Re-roof whole garage area with membrain roofing	\$16,850						\$16,850		\$16,850
101	City Hall	Tuck Pointing at City Hall	1	25	General Fund	Chip out lost or missing mortar and tuck point	\$15,000						\$15,000		\$15,000
101	City Hall	Paint Trim at City Hall	2	15	General Fund	Paint trim and eaves at City Hall. Includes window caulking		\$5,000	\$5,000	\$5,000			\$15,000		\$15,000
101	PSB	Repair parking lot at PSB	2	15	General Fund	Crack sealing and a few large skip patch areas	\$6,500	\$6,500	\$6,500				\$19,500		\$19,500
101	PSB	Replace carpet on 1st and 2nd floor	3	15	General Fund	Replace approx. 9,786 sq. ft. of carpet on the 1st and 2nd floors of PSB including lobby and hallways.		\$12,000	\$12,000	\$12,000			\$36,000		\$36,000

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						TOTAL	\$38,350	\$41,100	\$23,500	\$17,000	\$0	\$0	\$119,950	\$0	\$119,950
207	MRLEC	Purchase 2 AEDs for MRLEC Building	1	15	MRLEC Operations	Building currently does not have an AED	\$6,000						\$6,000		\$6,000
298	Downtown Development Authority	Wayfaring signage	3	15	DDA Fund & grants	Installation of directional signs in the downtown			\$50,000				\$50,000		\$50,000
296	LDFA	Oliver Drive Extension	4	25	LDFA reserves and possible Bond	Extend Oliver Dr to Udell Property				\$400,000			\$400,000		\$400,000
296	LDFA	Water main loop in Industrial Park	4	50	LDFA reserves and possible Bond	Extend water main from Woolley Dr & Kalamazoo to Pratt Ave. Circle				\$650,000			\$650,000		\$650,000
						TOTAL	\$0	\$0	\$0	\$1,050,000	\$0	\$0	\$1,050,000	\$0	\$1,050,000
582	Electric	Replace High School Underground exit cables at the South Substation	1	40 yrs	Electric Fund	Underground electric cable has a normal life expectancy of 40 years. Substation exits are a critical component of the electric system. The High School Circuit out of the South Substation is the normal electric source to the high school, Oaklawn Hosp. and 250 residential customers in Northeast Marshall and is over 40 years old. The cables should be replaced before cable failures start to develop.	\$200,000						\$200,000		\$200,000
582	Electric	Rebuild Water Well #1 at Powerhouse	1	25	Electric Fund	Originally installed in the 1960's	\$25,000						\$25,000		\$25,000
582	Electric	Engine #6 rebuild turbochargers	1	20	Electric Fund	Rebuild worn turbochargers on Engine #6	\$50,000						\$50,000		\$50,000
582	Electric	Replace Tie 1 and 2 underground cable	2	40 years	Electric Fund	A portion of the two main express feeder cables from Pearl St. Substation to the Powerhouse are underground and in a duct system. They have been in service for 35 years and have met their life expectancy. The feeder cables are the main source of power to the city's electric load and are the connection to the grid for the city's internal generation. Because they are a critical component of the electric system the cables should be modernized.			\$500,000	\$500,000			\$1,000,000		\$1,000,000
582	Electric	Repair Brick (re-tuck joints & seal)	1	50	Electric Fund	General maintenance of the brick structures. This is a historical site.	\$40,000	\$40,000					\$80,000		\$80,000
582	Electric	Replace Windows	3	50	Electric Fund	Existing windows are the original single pane steel framed and not energy efficient. Many of the window sills and frames are deteriorated to the point that water is coming in and further damaging the building.	\$50,000	\$50,000	\$50,000				\$150,000		\$150,000
582	Electric	Pearl St. Substation #1 Bank 12kv Bushing Replacement	1	40 years	Electric Fund	Replace #1 12.5 kv transformer bushing that are leaking	\$25,000						\$25,000		\$25,000
582	Electric	Replace the underground electric cable in the Wooded Lane area.	2	40 years	Electric Fund	The underground electric system in the Wooded Lane area is 35 years old. The normal life expectancy of this type of cable is 35 years. The proposal is to replace the total primary system cable and replace the secondary/service cables on an as needed basis.		\$100,000	\$100,000				\$200,000		\$200,000

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582	Electric	Replace Engine #6 Cooling Tower Piping	1	40	Electric Fund	Replace deteriorated and corroded piping to #6 cooling tower	\$25,000						\$25,000		\$25,000
582	Electric	Pole Replacement and Line Reconstruction	2	50	Electric Fund	Most of the older poles in the City of Marshall are Creosote treated poles and have a life expectancy of 30 - 40 years. Creosote, is not environmentally acceptable by today's standards. In most recent history, the City has purchased Penta and CCA treated poles. Many of the poles in the City of Marshall's electric system are older than 60 years and are in need of replacement. The plan is to replace several poles and conductor (if needed) per year to get the poles in the system more environmentally friendly and safe.	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$480,000		\$480,000
582	Electric	Kalamazoo River Dam Project	1	50	Electric Fund - Bond	The FERC is requiring that all trees, stumps and root system systems be removed from the earthen embankment between the spillway's. This will require a geotechnical investigation be completed to determine to what extent the embankment must be excavated and replaced. This budgetary number was created assuming the top eight feet of the embankment would need to be removed and reconstructed.	\$500,000	\$500,000					\$1,000,000		\$1,000,000
582	Electric	Substation Relay Replacement	1	30	Electric Fund	Replace outdated substation relays with new microprocessor based relays. Brings system protection schemes to modern day technology.	\$30,000	\$30,000					\$60,000		\$60,000
582	Electric	Circuit Upgrade	2	50	Bonding	Partial Conversion of 4kv System to 12kv. This will relieve the heavily loaded 4kv system and reduce line losses.	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,500,000		\$1,500,000
582	Electric	Underground Line Relocation	3	40	Electric Fund	Re-route electric underground cables to maintain feed to old State Farm warehouse building do to the demolition of the main State Farm building.	\$100,000						\$100,000		\$100,000
						TOTAL	\$1,375,000	\$1,050,000	\$980,000	\$830,000	\$330,000	\$330,000	\$4,895,000	\$0	\$4,895,000
210	Farmer's Market	Farmer's Market Pavillion	4	25	Farmer's Market/Grants	Pavillion to cover a portion of the Farmer's Market area in the Green St. parking lot				\$150,000			\$150,000		\$150,000
101	Fire	Structural Fire Fighting Protective Clothing Purchase	1	10	General Fund	With our turn-out gear being quickly outdated and non-compliant, it is imperative to set up a program to not only keep our fire fighters in current gear but to lesson the financial burden of having to make a one time purchase. This CIP should be placed in perpetuity so as to keep up with the ever changing standards and rules for protective clothing.	\$12,000						\$12,000		\$12,000
101	Fire	HVAC repair Fire Department	3	15	General Fund	Eliminate excess humidity		\$5,800					\$5,800		\$5,800
101	Fire	SCBA Gear	1	10	General Fund	Our current self contained breathing apparatus are out of compliance. Parts are no longer available	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000		\$175,000		\$175,000
						TOTAL	\$47,000	\$40,800	\$35,000	\$35,000	\$35,000	\$0	\$192,800	\$0	\$192,800
536	Marshall House	Apartment Remodeling	2	15	Marshall House Fund - HUD Reserves	Remove old and replace with new cabinets, countertops and floor coverings with vinyl base. Current items from original construction in 1979. Based on 4 units/year	\$88,000	\$88,000	\$88,000	\$88,000	\$88,000		\$440,000		\$440,000

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536	Marshall House	Sidewalk Replacement	3	40	Marshall House Fund	Allowance for replacement of deteriorated concrete sidewalk (10% replacement)						\$29,400	\$29,400		\$29,400
536	Marshall House	Public Restrooms	1	20	Marshall House Fund	Upgrade the public restrooms to ADA compliant status	\$12,500						\$12,500		\$12,500
536	Marshall House	Window Repair/Water Infiltration	3	40	Marshall House Fund	Replace and Repair the flashing on all windows				\$500,000	\$500,000		\$1,000,000		\$1,000,000
536	Marshall House	Sign Refurbishing	2	25	Marshall House Fund	Refurbish property sign w/new landscaping and electric for illuminating sign	\$5,000						\$5,000		\$5,000
536	Marshall House	Ceiling Tiles	3	25	Marshall House Fund	Replace suspended ceiling tiles and lighting fixtures in common areas		\$5,000					\$5,000		\$5,000
536	Marshall House	Hallway Flooring	2	10	Marshall House Fund	Replace the flooring in hallways and elevator lobby area	\$14,000	\$14,000	\$14,000				\$42,000		\$42,000
536	Marshall House	Intercom Replacement	4	40	Marshall House Fund	Replace intercom system	\$27,500						\$27,500		\$27,500
536	Marshall House	Replace Steel Entrance Service Doors	2	20	Marshall House Fund	They are the original doors of the facility and have long outlived their expected life.	\$12,000						\$12,000		\$12,000
536	Marshall House	Exterior Brick Power Cleaned, Joints Re-tucked	1	20	Marshall House Fund	The re-sealing of the brick is the minimal amount of maintenance required to prevent further water infiltration into interior of apartments causing further damage.	\$200,000	\$200,000					\$400,000		\$400,000
536	Marshall House	Renovation of Salon	4	20	Marshall House Fund	The salon and its equipment have long outlived its estimated useful lifespan.		\$8,000					\$8,000		\$8,000
536	Marshall House	Parking Lot Lighting	2	25	Marshall House Fund	Replace 3 lighting fixtures @ \$4,500 each		\$13,500					\$13,500		\$13,500
536	Marshall House	Replace Pole Mounted Lighting on walkways	2	30	Marshall House Fund	Replace inefficient pole mounted lighting along pedestrian walkways		\$32,000					\$32,000		\$32,000
536	Marshall House	Replace Water Softeners	3	10	Marshall House Fund	The water softeners will be exceeding their useful lifespan in fifteen years and will need to be replaced.					\$7,702		\$7,702		\$7,702
						TOTAL	\$359,000	\$360,500	\$102,000	\$588,000	\$595,702	\$29,400	\$2,034,602	\$0	\$2,034,602
661	Motor Pool	Powerwash and Paint DPW Garage	3	20	Motorpool - General Fund	Powerwash, prime, and paint DPW garage		\$8,000					\$8,000		\$8,000
661	Motor Pool	2018 Purchases		Variable	Motorpool	110 WW Pickup 4x4 - \$26,000, 116 PH Pickup 4x4 - \$26,000, 300 Electric Digger Truck, \$25,000 Lease Pymt, 306 DPW Plow Truck \$140,000, 307 DPW Bucket Truck - \$16,000 Lease Pymt, 308 DPW Salt Truck - \$14,000 Lease Pymt, 313 DPW Dump Truck - \$40,000, 2 police vehicles \$27,000	\$341,000						\$341,000		\$341,000
661	Motor Pool	2019 Purchases		Variable	Motorpool	320 DPW Vactor - \$45,000 Lease Pymt, 402 DPW Loader - \$8,000 Lease Pymt, 300 Electric Digger truck - \$25,000 Lease Pymt, 307 DPW Bucket Truck - \$16,000 Lease Pymt, 308 DPW Salt Truck - \$14,000 Lease Pymt, 710 Zero Turn Mower - \$10,000, 712 Powerhouse Zero Turn Mower - \$10,000, M-3 Explorer - \$29,500, M-6 Explorer - \$29,500		\$187,000					\$187,000		\$187,000

FUND	Department (sort with filter)	Project Title	Priority Ranking	Estimated Useful Life	Source of Funding	Project Narrative/Purpose	2017-2018 Expenditure	2018-2019 Expenditure	2019-2020 Expenditure	2020-2021 Expenditure	2021-2022 Expenditure	2022-2023 Expenditure	City Expenditure	Other Funds or Grant Share	Total Expenditure
661	Motor Pool	2020 Purchases		Variable	Motorpool	320 DPW Vactor - \$45,000 Lease Pymt, 402 DPW Loader - \$8,000 Lease Pymt, 300 Electric Digger truck - \$25,000 Lease Pymt, 307 DPW Bucket Truck - \$16,000 Lease Pymt, 308 DPW Salt Truck - \$14,000 Lease Pymt, 124 DPW Pickup Truck 4x4 - \$28,000, 709 Rec Dept. Tractor - \$35,000, M-4 Explorer - \$29,500			\$200,500				\$200,500		\$200,500
661	Motor Pool	2021 Purchases		Variable	Motorpool	320 DPW Vactor - \$45,000 Lease Pymt, 402 DPW Loader - \$8,000 Lease Pymt, 300 Electric Digger truck - \$25,000 Lease Pymt, 307 DPW Bucket Truck - \$16,000 Lease Pymt, 308 DPW Salt Truck - \$14,000 Lease Pymt, 318 DPW Dump Truck - \$42,000, 362 Tool Cat - \$52,000, 730-732-733 Zero Turn (3) - \$33,000				\$235,000			\$235,000		\$235,000
661	Motor Pool	2020 Purchases		Variable	Motorpool	320 DPW Vactor - \$45,000 Lease Pymt, 402 DPW Loader - \$8,000 Lease Pymt, 300 Electric Digger truck - \$25,000 Lease Pymt, 307 DPW Bucket Truck - \$16,000 Lease Pymt, 308 DPW Salt Truck - \$14,000 Lease Pymt					\$108,000		\$108,000		\$108,000
661	Motor Pool	Repair Parking Lot at DPW Garage	2	15	Motorpool	Crack-fill, sealcoat, and stripe asphalt parking lot at DPW Garage		\$12,000					\$12,000		\$12,000
						TOTAL	\$341,000	\$207,000	\$200,500	\$235,000	\$108,000	\$0	\$1,091,500	\$0	\$1,091,500
101	Parks	Shearman Park Senior Exercise Equipment	3	20	General Fund/ Misc Grants	Purchase and install senior exercise equipment							\$0	\$15,000	\$15,000
101	Parks	Shearman Park Pavillion	3	20	General Fund/ Misc Grants	New Pavillion Construction							\$0	\$45,000	\$45,000
101	Parks	Brooks Nature Park Vault Toilet	3	20	Grants	Toilet installed at Brooks Nature Area							\$0	\$25,000	\$25,000
101	Parks	Phase V Riverwalk Design / Construction	4	30	General Fund 25%, Local Grant 75%	Design and construction of the next phase of Kalamazoo Riverwalk extending from Kalamazoo Ave. westerly to Pearl St .sub-station area.			\$37,500				\$37,500	\$1,387,000	\$1,424,500
101	Parks	South Ketchum Parking Lot Expansion	3	40	Grants - General Fund	With the addition of the Kid's Kingdom, additional parking is needed		\$60,000					\$60,000		\$60,000
101	Parks	South Ketchum Ground Leveling	3	40	Grants - General Fund	The area behind Kids Kingdom needs to be leveled, top soil and seeded			\$20,000				\$20,000		\$20,000
101	Parks	Ketchum Park Sub Project #1 - Overlook & Slope Restoration	1	40	Various Grants	Main Park Overlook Structure and Bank Restoration (This is the match portion of the larger project, not in addition to the overall costs.)							\$0	\$110,300	\$110,300
101	Parks	Ketchum Park Sub Phase 1	3	40	Various Grants	This includes a trellis type structure and retaining wall, seating, interpretive signage, and a new park sign. This does not include any of the sub-project							\$0	\$387,000	\$387,000
101	Parks	Ketchum Park Phase 2	3	40	Grants	The improvement plan includes development of the north side of the park including trails, and a conection to the north								\$1,000,000	\$1,000,000
						TOTAL	\$0	\$60,000	\$57,500	\$0	\$0	\$0	\$117,500	\$2,969,300	\$3,086,800

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101	Police	Police Vehicle Change-over	2	4	General Fund	To purchase all new equipment other than radios for the new vehicles beginning in 2011. This is due to the crown Victoria no longer be produced, therefore a new design vehicle will be utilized. This will not allow the current equipment to change-over to the new design.	\$13,600						\$13,600		\$13,600
101	Police	Tasers	2	7	General Fund	Current Tasers are no longer manufactured and replacement will be required within 2 years.		\$4,800	\$4,800				\$9,600		\$9,600
						TOTAL	\$13,600						\$23,200	\$0	\$23,200
208	Recreation	Replacement of Athletic Field Light System	2	30	Recreation Fund	The current lights on diamond #1 & #2 are approaching the end of their expected life. The entire system should be replaced.	\$15,000						\$15,000		\$15,000
208	Recreation	Canoe/Kayak Trailer and Storage Systems	4	5	Enbridge Grant/Rec Fund	Three 2 person kayaks, 18 ft. trailer, 1 garage door opener	\$6,400						\$6,400		\$6,400
208	Recreation	Seal Coating Athletic Field Parking Lot & Pathways. Striping of Parking Lot	2	3-5	Recreation Fund	Seal Coating Athletic Field Parking Lot & Pathways is considered routine maintenance. Seal Coated Sept. 2013.		\$11,000					\$11,000		\$11,000
208	Recreation	Roofing - Athletic Field Concession/Restroom Building	3	25	Recreation Fund	Replacement of shingles on Concession/Restroom Building.						\$15,000	\$15,000		\$15,000
208	Recreation	Outdoor Basketball Courts	4	20+	Recreation Fund	This project will encompass a new full size outdoor basketball court on the south side of the Athletic Field. This will include excavating & leveling, base, blacktop courts, (2) hoops, nets and striping court lines.				\$25,000			\$25,000		\$25,000
208	Recreation	Dug-Outs, Diamond #3 & #4	3	25	Recreation Fund	Dug-outs for diamonds #3 & #4 can provide additional safety and protection to players while separating from spectators which is desired for tournament/league play. This will add a professional element to the facility and may help to expand programming/rentals. POSTPONE PROJECT FROM FY 16 & FY 17 TO FY 19 & FY 20					\$15,000		\$15,000		\$15,000
208	Recreation	RECROWN , DIAMONDS #1, #2, #3, #4	2	5	Recreation Fund	LASER RECROWN, NEW BATTERS BOX, NEW PITCHING MOUNDS ON ALL FOUR DIAMONDS. CONSIDERED A VITAL PRESERVATION MEASURE FOR DIAMONDS TO ENSURE A PROFESSIONAL SURFACE, WHICH IS EXPECTED BY PLAYERS. RECOMMEND RE-CROWN EVERY 4-5 YRS. LAST RECROWN AUG. 2010		\$10,000					\$10,000		\$10,000
208	Recreation	PURCHASE PLAY EQUIPMENT	4	20	Recreation Fund	INSTALL PLAY EQUIPMENT AT THE ATHLETIC FIELD ALONG 3RD BASE SIDE OF DIAMOND #1.			\$15,000	\$15,000			\$30,000		\$30,000
						TOTAL	\$21,400	\$21,000	\$15,000	\$40,000	\$15,000	\$15,000	\$127,400	\$0	\$127,400
202/203	Streets	Montgomery - Cedar to Maple	1	25	Act 51	Pulverize in place and reshape/pave. Estimate includes 1000' of sidewalk on North side of Montgomery adjacent to Kid's Kingdom.	\$110,000						\$110,000		\$110,000
202/203	Streets	Montgomery - Maple to S. Marshall - Sidewalk only	1	25	Act 51	5' wide sidewalk from the restroom building to S. Marshall Ave. In-kind for Ketchum Park	\$40,000						\$40,000		\$40,000

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202/203	Streets	Eagle St - Green to Hanover	1	25	Act 51	Full depth mill and resurface			\$65,000				\$65,000		\$65,000
202/203	Streets	Eagle St - Green to Mansion	1	25	Act 51	Full depth mill and resurface			\$110,000				\$110,000		\$110,000
202/203	Streets	Elk - Arms to Michigan Ave	1	25	Act 51	2" mill and overlay					\$26,000		\$26,000		\$26,000
202/203	Streets	Green St - Kalamazoo to Sycamore	1	25	Act 51	2" mill and overlay	\$51,000						\$51,000		\$51,000
202/203	Streets	Green St - Cherry to Linden	1	25	Act 51	2" mill and overlay	\$56,000						\$56,000		\$56,000
202/203	Streets	Hill Rd Court - Entire street	1	25	Act 51	Full depth mill and resurface		\$39,000					\$39,000		\$39,000
202/203	Streets	Hill Rd - Wooded Ln to Cul-de-Sac	1	25	Act 51	Full depth mill and resurface		\$72,500					\$72,500		\$72,500
202/203	Streets	Jefferson St. - Green to Hanover	1	25	Act 51	Full depth mill and resurface				\$45,000			\$45,000		\$45,000
202/203	Streets	Jefferson St. Michigan Ave to Mansion	1	25	Act 51	Full depth mill and resurface					\$63,000		\$63,000		\$63,000
202/203	Streets	Liberty - Spruce to Michigan Ave	1	25	Act 51	2" mill and Overlay					\$85,000		\$85,000		\$85,000
202/203	Streets	Mansion St - Madison to High	1	25	Act 51 - Small Urban Grant Funds	Full Reconstruction			\$24,000				\$24,000	\$96,000	\$120,000
202/203	Streets	Mansion St - High to Michigan Ave	2	25	Act 51 - Small Urban Grant Funds	2" mill and Overlay			\$40,000				\$40,000	\$140,000	\$180,000
202/203	Streets	N Kalamazoo - Mansion to North Dr	2	25	Act 51 - TEDF Cat F Funds	Mill and resurface		\$90,000					\$90,000	\$340,000	\$430,000
202/203	Streets	North Dr/East Dr - Michigan Ave to Madison	2	25	Act 51 - Small Urban Grant Funds	2" mill and overlay			\$120,000				\$120,000	\$140,000	\$260,000
202/203	Streets	Prospect - Kalamazoo to Sycamore	1	25	Act 51	Full depth mill and resurface		\$56,000					\$56,000		\$56,000
202/203	Streets	Spruce St - Marshall to Liberty	1	25	Act 51	2" mill and Overlay				\$27,000			\$27,000		\$27,000
202/203	Streets	Wooded Ln - East Dr to Hill	1	25	Act 51	Full depth mill and resurface		\$43,000					\$43,000		\$43,000
202/203	Streets	Monroe St Bridge Construction	2	40	Act 51 - Bridget Grant	Pending Grant Approval - Reconstruction of Monroe St. Bridget			\$65,000	\$65,000			\$130,000	\$2,270,000	\$2,400,000
202/203	Streets	Monroe St Bridge Engineering	2	40	Act 51	Pending Grant Approval - Engineering for bridge reconstruction		\$22,500	\$22,500				\$45,000		\$45,000
						TOTAL	\$257,000	\$323,000	\$446,500	\$137,000	\$174,000		\$1,337,500	\$2,986,000	\$4,323,500

FUND	Department (sort with filter)	Project Title	Priority Ranking	Estimated Useful Life	Source of Funding	Project Narrative/Purpose	2017-2018 Expenditure	2018-2019 Expenditure	2019-2020 Expenditure	2020-2021 Expenditure	2021-2022 Expenditure	2022-2023 Expenditure	City Expenditure	Other Funds or Grant Share	Total Expenditure
590	Wastewater	I & I Study (Inflow and Infiltration)	2	15	Wastewater Fund	An I & I Study will determine where the infiltration and inflow areas are in the City's Sewer System. This will allow us to budget in the future the repairs of the City's sewers.			\$65,000				\$65,000		\$65,000
590	Wastewater	Water Meter Upgrade	3	30	Wastewater Fund	Change out and upgrade all water meters in the city. New meter will be read automatically.		\$130,000	\$150,000	\$150,000			\$430,000		\$430,000
590	Wastewater	Partello Road Lift Station Replacement	1	25	Wastewater Fund	Due to the age (20 yrs) and on-going maintenance to the lift station replacement is recommended. Electric will be upgraded to 480V 3-phase for efficiency and equipment life	\$200,000						\$200,000		\$200,000
590	Wastewater	New Raw Sewage Pump VFDs	1	10	Wastewater Fund	Current VFDs need to be replaced due to age. Adding a third VFD to our third pump will allow us to rotate the pumps and increase the useful life of all three raw sewage pumps.		\$25,000					\$25,000		\$25,000
590	Wastewater	Channel Monster Cartridge Replacement	2	5	Wastewater Fund	It is recommended by the manufacturer to replace the cutter cartridge in the Channel Monster every five years.				\$35,000			\$35,000		\$35,000
590	Wastewater	Muffin Monster cartridge replacement	2	5	Wastewater Fund	It is recommended by the manufacturer to replace the cutter cartridge in the in-line Muffin Monster every five years. We have three of these units.	\$25,000					\$25,000	\$50,000		\$50,000
590	Wastewater	Sewer Condition Assessment	1	10	Wastewater Fund	Televise and evaluate the entire sanitary sewer collection system to assess and prioritize repairs. Software with assessment data will be integrated into our current GIS.	\$94,000	\$94,000	\$7,500	\$7,500	\$7,500	\$7,500	\$218,000		\$218,000
	Wastewater	Sewer Lining	1	30	Wastewater Fund	Project will line sewers which have experienced failure and root penetration. FY18 TBD FY20 TBD	\$60,000		\$60,000				\$120,000		\$120,000
	Wastewater	New Sludge Thickening/De-watering Process	3	20	Wastewater Fund	The current equipment will be 20 years old and the polymer agent used in the process is no longer produced. A suitable replacement is not expected. We have enough polymer to last about 4 years. With a new system, Class A biosolids may be				\$500,000			\$500,000		\$500,000
590	Wastewater	Clarifier Rehabilitation	3	25	Wastewater Fund - Possible Bonds	Rehabilitate concrete and steel structures in each of 4 clarifiers do to age and corrosion. Rehad/Replace clarifier drive mechanisms due to age and wear. Coat all concrete surfaces with marine grade coating.			\$325,000	\$325,000			\$650,000		\$650,000
						TOTAL	\$379,000	\$249,000	\$607,500	\$1,017,500	\$7,500	\$32,500	\$2,293,000	\$0	\$2,293,000
591	Water	Replace Water Main on S. Marshall	1	30	Water Fund - Bond	Replacement of 4' water main from Hughes St. to Powerhouse on S. Marshall	\$11,200						\$11,200		\$11,200
591	Water	Water Main S. Marshall St.	3	30	Water Fund	Replace existing 4' cast iron with 8' pipe on S. Marshall between Green St. and Raymond.						\$456,000	\$456,000		\$456,000
591	Water	New 600k Water Tower	2	50	Water Fund -Bond	Install new 600,000 gallon water tower at the MRLEC site.	\$2,500,000						\$2,500,000		\$2,500,000

FUND	Department (sort with filter)	Project Title	Priority Ranking	Estimated Useful Life	Source of Funding	Project Narrative/Purpose	2017-2018 Expenditure	2018-2019 Expenditure	2019-2020 Expenditure	2020-2021 Expenditure	2021-2022 Expenditure	2022-2023 Expenditure	City Expenditure	Other Funds or Grant Share	Total Expenditure
591	Water	Water Treatment Plant Piping and Filter Inspection	2	15	Water Fund	Remove piping insulation and inspect condition of water mains and iron removal filters for defects.			\$20,000				\$20,000		\$20,000
591	Water	Upgrade SCADA at WTP	1	20	Water Fund	SCADA was partially installed in 2012. The PLC's that run the programming at the WTP are outdated	\$90,000						\$90,000		\$90,000
591	Water	New Office at WTP	2	20	Water Fund	In 2006 the Water Dept. was moved back to the WTP without sufficient storage or office space	\$40,000						\$40,000		\$40,000
591	Water	Siding on Well Houses 1-3	3	20	Water Fund	Side and insulate Well Houses 1-3	\$15,000						\$15,000		\$15,000
591	Water	Build New Treatment Plant at Well #5 Site. S. Kalamazoo behind Moonraker	4	50	Water Fund - Bond	Install water main and build water treatment plant at #5 well site. This would add a backup in case of contamination to other four wells on Green St.						\$1,000,000	\$1,000,000		\$1,000,000
591	Water	Water Main replacement Jefferson St	1	30	Water Fund	Replace 2 sections of 4' cast iron on Jefferson St between Mansion and Michigan - also between Hanover and Green				\$150,000			\$150,000		\$150,000
591	Water	Water Main installation Kalamazoo and Brewer	1	30	Water Fund	Replace 4' cast iron with 8' pipe.	\$40,000								
591	Water	Water Main installation Eagle St.	1	30	Water Fund	Replace existing 4' cast iron with 8' pipe. Eagle St. between Hanover and Michigan.			\$150,000				\$150,000		\$150,000
591	Water	Replace aging 6" water main on W. Prospect	1	30	Water Fund - Bond	Replace aging 6" water main on W. Prospect between Kalamazoo and Mulberry and from between Linden and Verona.						\$360,000	\$360,000		\$360,000
591	Water	Water meter change out	3	30	Water Fund-Bonding -DWRF	Phase 1 would be to change out meter larger than 1 1/2'. Phase 2 & 3 would be to change out meters smaller than 1'		\$130,000	\$150,000	\$150,000			\$430,000		\$430,000
591	Water	Replace Filter Media	2	15	Water Fund	Media has projected life of 12-15 Years					\$80,000		\$80,000		\$80,000
591	Water	Install 16" EZ Valve at Water Plant	1	30	Water Fund	Install 16" EZ Valve outside Water Plant as suggested by DEQ	\$34,000						\$34,000		\$34,000
591	Water	Replace Roof and Paint WTP	1	25	Water Fund	Roof, Insulation, and paint on the outside of the WTP is in need of repair	\$32,000	\$0	\$0	\$0			\$32,000		\$32,000
						TOTAL	\$2,762,200	\$130,000	\$320,000	\$300,000	\$80,000	\$1,816,000	\$5,368,200	\$0	\$5,368,200
						GENERAL FUND TOTALS	\$98,950	\$196,900	\$191,000	\$82,000	\$65,000	\$0	\$668,450	\$2,969,300	\$3,637,750

Glossary of Governmental Financial Terms

The Annual Budget contains terminology that is unique to public finance reporting and budgeting. To assist the reader of the Annual Budget, this budget glossary is included.

A

Accounts Payable. Amounts owed to others for goods and services received and assets acquired.

Accounts Receivable. Amounts due from others for goods furnished and services rendered. Such amounts include reimbursements earned and refunds receivable.

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

Activity. A specific line of work carried on by a governmental unit in order to perform its function as specified by constitutional, statutory, or administrative fiat which specific expenses/expenditures are recorded.

Ad Valorem: According to value. "A method of taxation using the value of the item taxed to determine the amount of tax.

Allocation. A part of a lump-sum appropriation which is designated for expenditure by specific organizational units and/or for special purposes, activities or objects.

Allotment. A portion of an appropriation set aside for use during a certain period or for a particular purpose.

American Municipal Power, Inc.(AMP). A corporation established to provide sources of power to participating organizations.

Appropriation. An authorization granted by the constitution or City Council to make expenditures or to incur obligations for a specific purpose. An appropriation is usually limited in amount and as to the time when it may be spent, normally calendar or fiscal year.

Appropriation Line Item (ALI). The specific purpose of appropriations as authorized by law and accounted for within its fund.

Assessed Valuation: The estimated value placed upon real and personal property by the assessor. In Michigan, the assessed value is required to be at 50% of true cash value.

Asset. Any item of economic value owned by a governmental unit. The item may be physical in nature (tangible) or a right to ownership (intangible) that is expressed in terms of cost or some other value.

Audit. The examination of some or all of the following items: documents, records, reports, systems of internal control, accounting procedures, and other evidence, for one or more of the following purposes: (a) determining the propriety, legality, and mathematical accuracy of proposed or consummated transactions; (b) ascertaining whether all transactions have been recorded; and (c) determining whether transactions are accurately reflected in the accounts and in the statements drawn therefrom in accordance with accepted accounting principles.

NOTE: The term "audit" is sometimes applied to the examination of a single transaction; for example, the audit of an invoice; that is, the checking of an invoice and supporting evidence for the purpose of approving the invoice for payment and properly reflecting the transaction in the accounts. This is referred to as preaudit. On the other hand, even a limited special audit involves the examination of documents, records, reports, systems of internal control, and other evidence. The term "audit" is, thus, of little significance when used without a modifier.

B

Balanced Budget. A budget in which revenue and use of fund balance/fund equity is equal to or greater than expenses/expenditures in a fiscal period.

Baseline Revenue. Total revenue excluding revenue derived from one-time revenue items and tax structure changes. One-time revenue items typically include such things as an accounting change that results in a one-time revenue gain during the period when the change is implemented or a one-time transfer of revenue from one fund to another fund. Tax structure changes include tax rate increases or decreases, and additions to or subtractions from the base of a tax.

Budget. A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them. NOTE: The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to City Council for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary and tentative or whether it has been approved by the legislature. The term is also sometimes confused with the budget document.

Budget Year. The fiscal year for which the budget is being considered; the fiscal year following the current year.

C

CAFR. See Comprehensive Annual Financial Report.

Capital Outlay. A disbursement of money which results in the acquisition of or addition to fixed assets, i.e., land acquisition, building and construction, infrastructure improvements, and renovation.

Carry-Forward. A portion or total of the unspent balance of an appropriation that is made available for expenditure in the succeeding fiscal year.

CIP: Abbreviation for Capital Improvement Plan.

Comprehensive Annual Financial Report (CAFR). The official annual financial report of the City.

Consumer Price Index (CPI). A measure of the average change in prices over time in a fixed market basket of goods and services typically purchased by consumers. The CPI for all urban consumers covers about 80% of the total population.

Cost-Benefit Analysis. An analytical technique that compares the social costs and benefits of proposed programs or policy actions. All losses and gains experienced by society are included and measured in dollar terms. The net benefits created by an action are calculated by subtracting the

losses incurred by some sectors of society from the gains that accrue to others. Alternative actions are compared to choose one or more that yield the greatest net benefits, or ratio of benefits to costs.

The inclusion of all gains and losses to society in cost-benefit analysis distinguishes it from cost-effectiveness analysis, which is a more limited view of costs and benefits.

Cost-Effectiveness Analysis. An analytical technique used to choose the most efficient method for achieving a program or policy goal. The costs of alternatives are measured by their requisite estimated dollar expenditures. Effectiveness is defined by the degree of goal attainment, and may also (but not necessarily) be measured in dollars. Either the net effectiveness (effectiveness minus costs) or the cost effectiveness ratios of alternatives are compared. The most cost-effective method chosen may involve one or more alternatives.

Countercyclical. Actions aimed at smoothing out swings in economic activity. Countercyclical actions may take the form of monetary and fiscal policy (such as countercyclical revenue sharing or jobs programs). Automatic (built-in) stabilizers have a countercyclical effect without necessitating changes in governmental policy.

Current Year. The fiscal year in progress.

D

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.

Deficit. The excess of liabilities and reserves of a fund over its assets.

Department: An administration or financial division of the City. Departments within the budget are City Manager, Public Works, Clerk, etc.

Depreciation: A noncash expense that reduces the value of an asset as a result of use, 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) . A tax increment finance authority (TIFA) that is permitted to collect a portion of the tax that is applicable to units located within the Downtown Development District.

E

Encumbrance. A commitment related to unperformed contracts for goods and services which is recognized as a reservation of fund balance for financial reporting purposes.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedule for these services are established from time to time, to ensure that revenues are adequate to meet all necessary expenditures.

Equipment. Durable goods such as computers, desks, chairs, or cars.

Expenditures. Payments against appropriations that reduce the cash balance after legal requirements have been met. A fiscal year's expenditures are payments actually made in that fiscal year, regardless of the City's fiscal year in which the appropriations were reserved or encumbered for such payments.

F

FTE. See Full-time Equated Position.

FY. Abbreviation for fiscal year.

Fiscal Year (FY). A 12-month accounting period that may not coincide with the calendar year. For the City of Marshall, the fiscal year begins July 1 and ends June 30. The year's title comes from the date that it ends, thus the fiscal year beginning July 1, 2015 and ending June 30, 2016 is fiscal year 2016.

Fixed Charges. Repetitive expenditures of which the amounts are more or less constant. These may repeat at various intervals, weekly, monthly, annually, etc. Examples are insurance premiums, contributions to pensions, and land and building rentals.

Full-time Equated (FTE) Position. Full-time equated (FTE) position in the classified service of City government. One full-time equated position is based on 2,080 work hours (26 two-week pay periods times 80 hours).

Fund. In governmental accounting a fund may be described as representing a distinct phase of the activities of government and is controlled by a self-balancing group of accounts in which all of the financial transactions of the particular phase are recorded. NOTE: A fund is both a sum of resources and an independent accounting entity. A self-balancing group of accounts must be provided for each fund to show the assets and other resources, on one hand, and obligations, surplus, and other credits, on the other. Accounts must also be set up to permit the identification of revenues and expenditures and receipts and disbursements with the fund to which they apply. Although the General Fund is available for all legally authorized purposes, the definition also applies to it, for the fund can be used for governmental purposes only and expenditures cannot be made from it without legal authorization.

Fund Balance. Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).

G

GAAP: Abbreviation for Generally Accepted Accounting Principles.

Grant. In governmental terminology, a contribution to or from a unit of government for specific or general purposes. This may take the form of donations, bequests, payments to or for local units, aid, reimbursements, etc.

General Fund (GF). The City General Fund covers all appropriation, expenditure and receipt transactions, except those for which special or statutory requirements demand separate fund accounting. Most of the traditional City services are included in the General Fund.

The accounts of the General Fund reflect the major share of the City's fiscal transactions. It is the predominant element in the annual budget review and enactment from the viewpoints of both appropriations and taxes. This is evidenced by the frequent identification of the "General" Fund with

the City of Marshall as a whole. The General Fund is financed by what are defined as general purpose and restricted revenues. General purposes are self-explanatory. Restricted revenues are those resources that, by statute, charter, ordinance, contract or agreement, are reserved to specific purposes, and expenditures that are limited by the amount of revenue realized.

GF. Abbreviation for General Fund.

GFOA: Abbreviation for Government Finance Officers Association.

H

Headlee Amendment. Sections 25-34 (Article IX) provisions of the Michigan Constitution of 1963; also known as the Tax Limitation Amendment of 1978.

I

Internal Service Fund. Internal service funds are those employed to finance industrial, commercial, and service activities of the City, the expenses of which are to be met by operating income; or to finance supply inventories for City departments. An example of an internal service fund would be Motor Pool, which owns and maintains various vehicles and equipment and rents such vehicles and equipment to City departments based on a predetermined rate schedule.

L

Lapse. Appropriated amounts that are unspent or unobligated at the end of a fiscal year; appropriations are automatically terminated at the end of a fiscal year unless otherwise provided by law, or a purchase order is left open into the next fiscal year.

Liabilities. Amounts owed for items received, services rendered, expenses incurred, assets acquired, construction performed (regardless of whether invoices have been received), and amounts received but as yet unearned. Included are amounts owed for goods in the hands of contractors under the constructive delivery concept (when the records of the agency provide such information), and amounts owed under grants, pensions, awards, and other indebtedness not involving the furnishing of goods and services. The two classifications occurring most frequently are the following- Long Term (payment due in excess of the current fiscal year); and Short Term (payment due in the current year).

Liabilities - Current: Liabilities that will be due within a short time (usually one year or less) and that are to be paid out of current assets. Includes all amounts owed on the basis of invoices or other evidence of receipt of goods and services, other amounts owed for the purchase of goods and services even if not "due and payable", and deferred income (received but not earned).

Local Development Finance Authority (LDFA). A tax increment finance authority (TIFA) created to allow for the collection of a portion of the tax collected within the taxing district.

LONG-TERM AND UNFUNDED LIABILITIES:

Liabilities that will not be due for a comparatively long time (usually more than one year). However, as they come within the one-year range, and are to be paid, such liabilities become current. Includes bonded debt, notes payable, and liabilities that will not become obligations until a later time (e.g., accrued annual leave in the case of appropriation accounts).

Line Item. An entry in an appropriations act which provides for expenditure authorization to an individual general ledger account.

Lump Sum Appropriation. An appropriation made for a stated purpose, or for a named department or program without specifying further the amounts that may be spent for specific activities or for particular objects of expenditure.

M

Management Plan. A document developed by a department consisting of program descriptions, financial needs, program alternatives, and performance data; used to develop the Manager's budget proposal.

Michigan South Central Power Agency (MSCPA). An Agency consisting of five member municipalities organized to provide power to those member's customers. Marshall is a 24% owner in the Agency.

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

Municipal Employee's Retirement System (MERS). The retirement system that covers all active City employees.

N

Negative Appropriations. An appropriation consisting of negative dollar amounts which has as its purpose the reduction of appropriation expenditures of funds that have already been appropriated.

O

Obligations. Amounts that the City may be required legally to meet out of its resources at a particular date.

Operating Budget. A budget that applies to all outlays other than capital outlays.

Operating Expenditures. In the City's accounting procedures, all charges incurred during a fiscal period for supplies, materials, services, grants-in-aid, debt service, and capital outlay that will affect the fund surplus or deficit of that period. It is immaterial whether payment has been made. The benefits of such expenditures may extend into subsequent periods.

Outlays. Obligations are generally liquidated when checks are issued or cash disbursed. Such payments are called outlays. In lieu of the issuance of checks, obligations also may be liquidated (and outlays may occur) by the maturing of interest coupons in the case of some bonds, or by the issuance of bonds or notes (or increases in the redemption value of bonds outstanding).

P

Personal Services. Expenditures for payroll, including fringe benefits and related services such as consultants, physicians, and temporary services.

Prior Year. The fiscal year immediately preceding the current year.

Program. A narrower, more targeted focus on a specific aspect of the general objective addressed by a Department's program series. There are various numbers of programs grouped under each Department's program series.

R

Reserves. While the City operates on the principle that unspent appropriation balances are canceled at the end of the fiscal year, certain provisions create deviations from this general rule. These exceptions include appropriations for capital additions, repair and alternations; special projects; and purchase orders on which the City is obligated, but on which delivery has not been made at June 30. In addition, included are amounts received from certain revenue sources that, by law, may be used only for specified purposes.

Restricted Funds/ Restricted Revenue. Appropriated funding earmarked by ordinance or by budget resolution to finance a specific activity or group of related activities.

Revenue. The income attributable to a designated fiscal accounting period that will affect the balance (surplus) or deficit resulting from the operations of that period. Certain items earned during that period are also considered revenue of that period even though the cash is not received until a subsequent period.

S

SEV: Abbreviation for State Equalized Value.

Special Program. A regular recurring activity that is segregated in the accounts to control a special annual appropriation, or to establish a control for reporting purposes.

Special Revenue Funds. These are funds used to finance particular activities from the receipts of specific taxes or other revenue. Such a fund is created by ordinance or statute to provide certain activities with definite and continuing revenues. After the fund is created, it usually continues year after year until discontinued or revised by resolution. Accounting transactions are treated the same as they are in the General Fund.

T

Taxes. Sums imposed by a government authority upon persons or property to pay for government services.

Tax Increment Financing Authority (TIFA). An authority established by City Council for the purpose of benefiting a specific district of the City of Marshall. The district may issue debt and is entitled to receive a portion of the taxes collected on parcels located within the district.

Taxable Value: This is a value used as a base for levying property taxes. Taxable values may only be increased by 5% or the rate of inflation, whichever is lower.

Transfer. An authorized transfer of funds between line items of a budget act. Appropriation transfers are categorized as either a transfer-in or a transfer-out.

Transfer Request. A request submitted to the Council to transfer funds between appropriation line-items within a fund.

Trust and Agency Funds. Trust funds consist of assets received and held by the City in a capacity similar to that of a trustee. Agency funds consist of money received by the City as agent for other governmental units. Most of the trust funds are of the expendable type, i.e.; the total resources are available for expenditure in accordance with provisions of the trust or other restrictions. Most trust and agency funds have receipts and make expenditures and it is necessary to set up accounts to

show the kind of receipts and the nature of expenditures. At the end of a fiscal period, receipts and expenditures are closed out and the difference is used to increase or decrease the fund balance. All receipts and expenditures of trust and agency funds are of a nonoperating nature.

W

Work Project. A one-time, nonrecurring undertaking for the purpose of accomplishing a specific objective, the appropriation for which remains available until the work is completed. This does not include Work Orders.

A work project shall meet all of the following criteria:

- (a) The work project shall be for a specific purpose.
- (b) The work project shall contain a specific plan to accomplish its objective.
- (c) The work project shall have an estimated completion cost.
- (d) The work project shall have an estimated completion date.

Y

Year-End Closing. The period necessary for all accounting transactions to be completed from the previous fiscal year until the Comprehensive Annual Financial Report (CAFR) is audited and published within 6 months after the end of the fiscal year.

Z

Zero-Base Budgeting. A process emphasizing management's responsibility to plan, budget, and evaluate. Zero-base budgeting provides for analysis of alternative methods of operation and various levels of effort. It places new programs on an equal footing with existing programs by requiring that program priorities be ranked, thereby providing a systematic basis for allocating resources.