

**CITY OF MARINE CITY
FISCAL YEAR BUDGET
2008-2009**

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2008-2009
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Memo

To: Marine City Board of Commissioners'

From: John M. Gabor, City Manager

Date: 5/5/2008

Re: 2008-2009 Budget

I believe that the 2008/09 budget review process that was just completed was very successful. In addition to developing a budget for the next fiscal year we were also able to do a mid-year review of our current budget. This provided a better picture of the starting point for the 2008/09 budget year. Highlights from the review are as follows:

- **REVENUES: (General Fund)** - After adjustments for special revenue sources in the 2007/08 budget, overall revenues for the 2008/09 year are forecasted to increase by one only (1) percent. I do not see this condition improving over the next 3 to 5 years. This will require careful planning and additional cost reduction measures in future years.
- **WATER FUND:** Revenues are down, as are water sales; fund balance is at break even. Our current water plant production is at 30% of total volume. I will continue to look at ways to reduce costs in this area to hold or reduce water and sewer rates. We must all look for opportunities to increase our sales in this area.
- **HEALTHCARE:** In general healthcare is going to be our greatest liability hurdle to overcome. This expenditure short and long term represents the largest uncontrolled cost area in the city budget. We will need to continually look for opportunities to stabilize this expenditure.

CITY OF MARINE CITY
PUBLIC HEARING
FISCAL YEAR 2008-2009 PROPOSED BUDGET

Notice is hereby given that the Marine City Commission at their regular meeting to be held May 15, 2008 at 7:00PM in the Fire Hall, 200 S. Parker St., Marine City, MI, will conduct a hearing to receive public comments for and against the proposed Fiscal Year 2008-2009 Budget, a summary of which is as follows:

The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing.

<u>Fund</u>	<u>Revenue</u>	<u>Expenditures</u>
General Fund	3,145,820	3,215,660*
Major Street Fund	250,000	446,060*
Local Street Fund	282,500	360,320*
Cemetery Fund	34,405	34,405
TIFA #1 Fund	361,925	540,880*
TIFA #2 Fund	94,700	54,600
TIFA #3 Fund	332,300	205,100
Debt Serv. Issue C Fund	28,475	27,150
Debt Serv. 1992 Ltd. Fund	21,885	21,475
Debt Serv. Issue A Fund	540,200	530,575
Capital Improvement Fund	29,900	24,000
Water/Sewer Fund	1,792,375	1,792,355
Special Assessment Fund	3,350	3,350
Cemetery Trust Fund	4,500	0
L.R. Miller Memorial Library Fund	600	0

*From Reserves

Millage as Follows:

General Operating	16.8707
Debt - 1992 Issue C	.1800
Debt - Issue A	1.4250
State Equalized Value (Ad Valorem, DNR PILT, and IFT)	
Real Property	145,640,002
Personal Property	12,260,300
Taxable Value	
Real Property	122,895,180
Personal Property	12,260,300

A completed proposed Fiscal Year 2008-2009 Budget is on file for public viewing during normal business hours at City Offices, 303 S. Water Street, Marine City, MI.

Diana S. Kade
City Clerk

Publish: May 7, 2008

**RESOLUTION TO ADOPT FISCAL YEAR 2008/09 BUDGET/APPROPRIATIONS ACT
RESOLUTION NO. 025-08**

WHEREAS, the City Charter of the City of Marine City, requires the adoption of a budget for the forthcoming year, and

WHEREAS, the required Budget Public Hearing has been held, and

WHEREAS, the City Commission has received and reviewed the budget as presented by the City Manager.

BE IT THEREFORE RESOLVED by the City Commission of the City of Marine City;

Section 1: The Annual Appropriations Act of the City of Marine City for the fiscal year commencing July 1, 2008 is hereby adopted as shown in the following:

GENERAL FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	3,145,820.00
101	City Commission	17,260.00
172	City Manager	76,495.00
209	City Assessor	38,750.00
210	Legal & Professional	80,000.00
215	City Clerk	134,320.00
253	City Treasurer	101,695.00
265	Building/Grounds	139,550.00
281	Water Shed Council	11,385.00
301	Police	805,000.00
336	Fire	335,545.00
371	Inspections	84,450.00
441	General Maintenance	559,010.00
448	Street Lighting	78,000.00
526	Refuse	209,800.00
721	Comm. & Economic Dev	21,700.00
751	Recreation	71,025.00
756	Parks/Beach	142,975.00
760	Safety Program	2,000.00
790	Library	17,650.00
851	Insurance	146,500.00
895	Special Projects	142,550.00
	TOTAL EXPENDITURES	3,215,660.00
	BALANCE-SURPLUS/DEFICIT	(69,840.00)

MAJOR STREET FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	250,000.00
443	Non Motorized Transportation	160,575.00
450	General Administration	70,400.00
451	Drains-Storm Sewers	69,835.00
452	Routine Maintenance	95,425.00
453	Bridge Maintenance	18,675.00
454	Street Sweeping	5,050.00
455	Ice and Snow Control	19,525.00
456	Traffic Service	1,925.00
457	Surface Maintenance (M-29)	475.00
458	Roadside Maintenance (M-29)	275.00
459	Traffic Signs (M-29)	1,500.00
460	General Maintenance (M-29)	1,325.00
461	Ice and Snow Control (M-29)	1,075.00
	TOTAL EXPENDITURES	446,060.00
	BALANCE-SURPLUS/DEFICIT	(196,060.00)

LOCAL STREET FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	282,500.00
443	Non Motorized Transportation	81,970.00
450	General Administration	22,900.00
451	Drains-Storm Sewers	6,200.00
452	Routine Maintenance	221,050.00
454	Street Sweeping	10,525.00
455	Ice and Snow Control	15,350.00
456	Traffic Service	2,325.00
	TOTAL EXPENDITURES	360,320.00
	BALANCE-SURPLUS/DEFICIT	(77,820.00)

DEBT-ISSUE C FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	28,475.00
	EXPENDITURES	27,150.00
BALANCE-SURPLUS/DEFICIT		1,325.00

DEBT-1992 LTD FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	21,885.00
	EXPENDITURES	21,475.00
BALANCE-SURPLUS/DEFICIT		410.00

DEBT-ISSUE A FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	540,200.00
	EXPENDITURES	530,575.00
BALANCE-SURPLUS/DEFICIT		9,625.00

WATER/SEWER FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
536	Wastewater Revenue	776,750.00
537	Water Revenue	1,015,625.00
TOTAL REVENUE		1,792,375.00
543	General Administrative-Wastewater	85,275.00
544	System Maintenance-Wastewater	22,875.00
545	Plant Operation-Wastewater	437,125.00
546	Pump Stations-Wastewater	20,120.00
547	General Administrative-Water	156,300.00
548	System Maintenance-Water	83,450.00
549	Plant Operation-Water	510,400.00
TOTAL EXPENDITURES		1,315,545.00
BALANCE-SURPLUS/DEFICIT		476,830.00
	Bond Payment-FmHA Wtr/Sewer Project	(35,000.00)
	Bond Payment-Elevated Storage Tank	(55,000.00)
	Bond Payment-Water Plant Improvements	(105,000.00)
	Capital Outlay-System Maintenance-Wastewater	(35,000.00)
	Capital Outlay-Wastewater Treatment Plant	(166,000.00)
	Capital Outlay-Pump Station-Wastewater	(3,000.00)
	Capital Outlay-System Maintenance-Water	(70,000.00)
	Capital Outlay-Water Plant	(7,810.00)
BALANCE-SURPLUS/DEFICIT		20.00

CEMETERY FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	34,405.00
	EXPENDITURES	34,405.00
BALANCE-SURPLUS/DEFICIT		0.00

TIFA #1 FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	<i>361,925.00</i>
	EXPENDITURES	<i>540,880.00</i>
BALANCE-SURPLUS/DEFICIT		<i>(178,955.00)</i>

TIFA #2 FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	<i>94,700.00</i>
	EXPENDITURES	<i>54,600.00</i>
BALANCE-SURPLUS/DEFICIT		<i>40,100.00</i>

TIFA #3 FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	<i>332,300.00</i>
	EXPENDITURES	<i>205,100.00</i>
BALANCE-SURPLUS/DEFICIT		<i>127,200.00</i>

LIBRARY MEMORIAL FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	<i>600.00</i>
	EXPENDITURES	<i>0.00</i>
BALANCE-SURPLUS/DEFICIT		<i>600.00</i>

CAPITAL IMPROVEMENT FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	<i>29,900.00</i>
	EXPENDITURES	<i>24,000.00</i>
BALANCE-SURPLUS/DEFICIT		<i>5,900.00</i>

SPECIAL ASSESSMENT FUND

ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	<i>3,350.00</i>
	EXPENDITURES	<i>3,350.00</i>
BALANCE-SURPLUS/DEFICIT		<i>0.00</i>

CEMETERY TRUST FUND

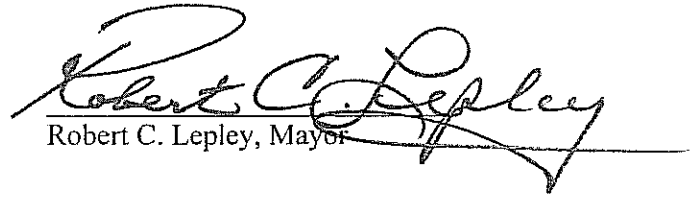
ACTIVITY NUMBER	ACTIVITY NAME	BUDGET
	REVENUE	<i>4,500.00</i>
	EXPENDITURES	<i>0.00</i>
BALANCE-SURPLUS/DEFICIT		<i>4,500.00</i>

The tax millage required to be levied against the City's total taxable valuation for General Operating purposes shall be 16.8707 Mills per thousand for fiscal year commencing July 1, 2008 and ending June 30, 2009. In addition, a minimum of \$21,900.00 will be transferred to the Capital Improvement Fund for the purpose of designating matching funds for use by the City Commission in seeking and obtaining State and Federal Grants.

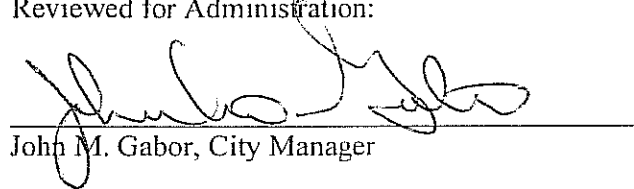
The tax millage required to be levied against the City's total taxable valuation for Debt Service shall be 1.6050 Mills for fiscal year commencing July 1, 2008 and ending June 30, 2009. The Debt Service millage allocation is as follows:

1992 Issue C	.1800
Issue A	1.4250
TOTAL	1.6050

Approved and adopted this 15th day of May 2008.


Robert C. Lepley, Mayor

Reviewed for Administration:


John M. Gabor, City Manager