



## **Adopted Budget**

**2007 - 2008 Fiscal Year**

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## Budget Introduction

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Welcome to the City of Manistee's Fiscal Year 2007-2008 Budget. The Budget is the guiding financial document for the City of Manistee and includes all expenditures, revenue, and capital projects for the fiscal year. The Budget is laid out in an easy to understand and read format. The Table of Contents should direct anyone to their particular area of interest.

If you want a quick summary of the document, the Overview section provides the reader with the big picture of the City's finances and challenges. This consists of the Manager's Transmittal Letter and the Executive Summary.

Important issues are discussed in greater detail under the heading of Issue Pages. This would include topics such as General Fund, Water & Sewer Utility and Appropriations. If you want a good overview of the more important issues facing the City, this is the place to look.

The General Fund is the largest part of the document and the place where most public services are identified, as well as most departmental budgets. Each departmental budget is presented in detail. Reading the narrative page of each department will give you a good understanding of the responsibilities, operations and challenges of that department.

The Enterprise Funds is the next section of the document. These funds include the Water & Sewer Utility, Municipal Marina and Boat Ramps. These are Funds that do not rely on property taxes for funding, but rather charge user fees to generate operating revenues.

Internal Service & Special Revenue Funds are presented next. These funds are established for a specific purpose, such as tracking a grant or for State mandated items, and typically have independent revenue sources. Examples of activities that are accounted for in these funds are the Major & Local Street Funds, Oil & Gas Fund, Refuse Fund and various Grant Funds.

If you want to see what physical improvements the City is planning, the Capital Project Funds section is the place to look. These funds track capital expenditures and most current projects. Finally, the Debt Service Funds record debt payments for all City general obligation, DDA and voted debt issues. Water & Sewer Utility debt is shown in the Water & Sewer Fund.

The Appendices provide valuable supplemental information to the reader. This section tracks valuable information over time, such as the Number of Fulltime Employees, State Equalized Value and Taxable Values of the City. This information will allow the budget to also serve as a record of important historic information rather than just current financial information.

We hope you find this document useful. On behalf of the City of Manistee, thank you for taking the time to review the Fiscal Year 2007-2008 Budget Document.

March 16, 2007

Honorable Mayor Cyndy Fuller  
Members of the Manistee City Council  
City of Manistee  
70 Maple Street  
Manistee, Michigan 49660

## Budget Transmittal Letter

Ladies and Gentlemen:

Transmitted herewith for the City Council's review and consideration are the City Manager's recommendations for the various budgets for the City of Manistee's 2007-2008 fiscal year.

The City's 2007-2008 Budget has been drafted to respond to the myriad of opportunities and challenges facing the City. The new strategic planning process taking shape has energized Council and Staff, and has had a direct impact on the preparation of the budget. Items identified in the Strategic Plan as needing current year funding have been incorporated to the greatest extent possible. This evolving, flexible Strategic Plan will serve as an anchor point for the City to reference as it prepares to tackle future challenges and spending priorities. On a quarterly basis, staff will review progress and proposed potential changes in the Strategic Plan due to new external factors.

The upcoming year has many important items to consider when evaluating and reviewing the budget. The most significant item is the likely prospect of getting out from under the \$1,000,000 Renaissance Park loan payback. Through proactive measures, the City has encouraged business to create new jobs that meet the terms of the EDA loan agreement. These incentives, while initially costly to the City, will ultimately save the taxpayer hundreds of thousands of dollars. They will, however, put a strain on both the Renaissance Park and Industrial Park fund's near-term finances.

The potential sale of property to Wal-Mart for a significant premium presents another interesting situation. Though this issue has polarized a certain segment of this community, the important question of what to do with the sale proceeds if the transaction goes through should not be underestimated. The ultimate disposition of proceeds of this magnitude needs to be carefully studied. Staff has made a recommendation to Council regarding this and it is presented on the Sale of Surplus Property Issue Page.

The effort to purchase Man-Made Lake property from Sand Products Corporation is also a potentially transforming event for the City. This grassroots effort has generated enormous citizenry financial support approaching \$140,000. Through a collaborative effort of Sand Products Corporation, The Citizen Committee to Save Man Made Lake, Ad Hoc Man-Made

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Lake Committee, City and State government, the Grand Traverse Regional Land Conservancy and most importantly, the citizenry at large, this project has a fighting chance to succeed. The lasting legacy of a quarter of a mile of Lake Michigan shoreline and twenty-two acres of prime recreational property for the public will indeed be one to be proud of.

Other key projects upcoming this year will be the construction of the Fifth Avenue Beach Bathhouse. Last year Council appropriated \$150,000 toward the new bathhouse. This year an additional \$40,000 is being budgeted in the Capital Improvement Fund to complete the project. Remaining funds for completing the project are coming from Local Revenue Sharing grants, Jaycee contributions, private donations, and volunteer contractor contributions.

In this upcoming fiscal year staff will be working diligently to expand intergovernmental cooperation with our political neighbors. Current conversations are being held regarding expanding Wastewater Treatment Plant services into Filer Charter Township which could result in a second expansion of the WWTP facility in two years. Intergovernmental cooperation is being preached by the State of Michigan and the City of Manistee is working to expand these relationships.

The City Council has established two budget work sessions, one on Tuesday, April 3, 2007 following the regular Council meeting and one on Tuesday, April 10, 2007 at 7:00 p.m. in the Council Chambers, City Hall. The public hearing to review these budget recommendations and receive public input on them has been scheduled for Tuesday, April 17, 2007. Budget adoption is anticipated at the regular meeting of Tuesday, May 1, 2007.

While the enclosed budget recommendations represent the City Manager and Staff's best judgment for spending based on existing City Council policies and priorities, these issues are subject to the Council's review and ultimate decision. Councilmembers are the elected representatives of the people and maintain the right and responsibility of balancing the 2007-2008 Budget for the City of Manistee.

Respectfully submitted,

CITY OF MANISTEE

*Mitchell D. Deisch*

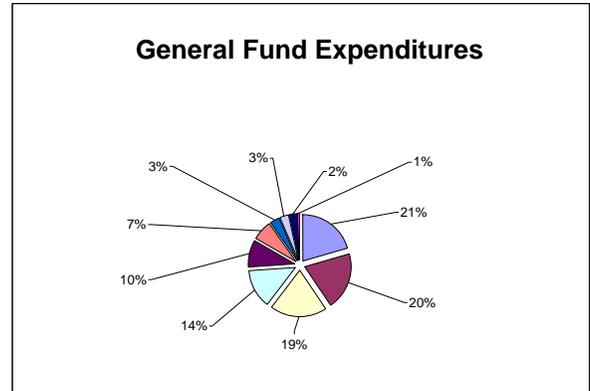
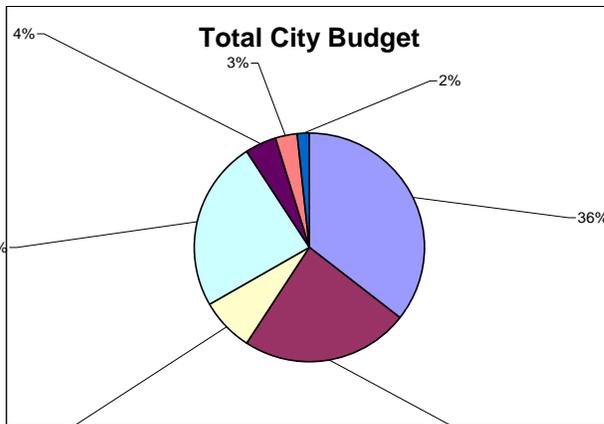
Mitchell D. Deisch, City Manager  
[mdeisch@ci.manistee.mi.us](mailto:mdeisch@ci.manistee.mi.us)

## Executive Summary

The City is financially stable, but revenue growth is less robust than in the early 2000's. There are several reasons for this economic situation. Michigan continues to struggle through a one-state recession, largely due to the automotive industry crisis. This has led to a 30% reduction in State Revenue Sharing in recent years. The City's tax base growth is also slowing as new construction has waned and industrial personal property is being taken offline. Additionally, some costs are rising more rapidly than the Proposal A increase limitations. Health insurance premiums and heating and fuel costs are the most pronounced examples.

Nonetheless, there is reason for optimism. As the economy continues to struggle and other municipalities slip closer to State receivership, the same cannot be said for Manistee. Our cash reserves remain relatively stable and service levels are being maintained. Departments continue to manage their budgets well and contain costs. Developers are showing continued interest in Manistee and new projects are breaking ground. Unlike the 1990's and early 2000's, much of the new development takes advantage of local tax breaks which results in delayed revenue benefits to the General Fund. Although challenges remain, Manistee's future looks bright.

The 2007-2008 City of Manistee budget responds to these future challenges and opportunities. It incorporates spending restraint and projects only modest growth. It also funds important capital projects and ensures key infrastructure is being maintained. The budget for all funds totals \$14,461,867. Spending for various areas is shown on the following chart:

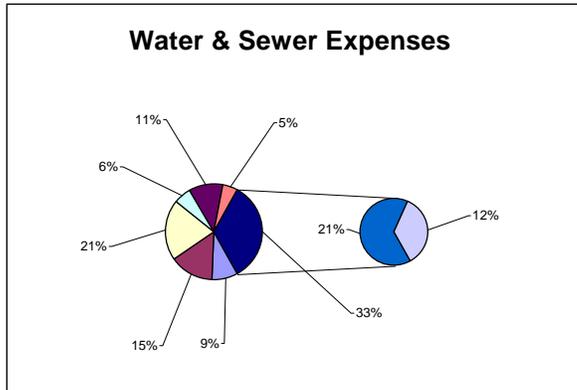


The General Fund is the City's biggest fund at \$5,130,744 or 36% of total spending. Growth in this year's budget was \$229,925 or 4.7%. Employment is stable at 50.5 full time employees, and no major services are being reduced or eliminated.

The General Fund receives its income from a variety of sources, including property taxes (65%), state revenue sharing (16%) and charges for services (11%). Services most people

associate with local government, such as police, fire, assessing, and planning and zoning are funded here.

The Water & Sewer Utility has budgeted expenditures of \$3,431,218 or 24% of total spending. Growth in this year's operating budget is \$140,567 or 9%. Employment is stable at 11 full time employees. Debt service accounts for 34% of all spending, which is to be expected given the recent large sewer separation project and the current wastewater treatment plant expansion. Total expenses are shown below.



Included in the budget is \$390,000 for capital expenses. Items to be addressed include replacement of the failing Parkdale force main, rebuilding the Jerumbo Street pump station and Phase 2 of water meter radio reads. This will require using \$103,000 of retained earnings to fund a portion of the projects.

Water and Sewer rates are proposed to increase by the inflationary amount mandated by ordinance, or 3.7%. A typical customer will see their monthly bill increase by \$1.62 per month.

The total Street budget is \$1,059,904, or 7% of total spending. Street maintenance, repairs and construction is primarily funded by gas tax money passed through by the State to the City. Spending is up sharply over prior years. The reason for this is that the City has received two MDOT grants; Category F and Small Urban, to repair a significant portion of the old US-31 truck route. These grants require the City to match a portion of the construction costs and pay for engineering.

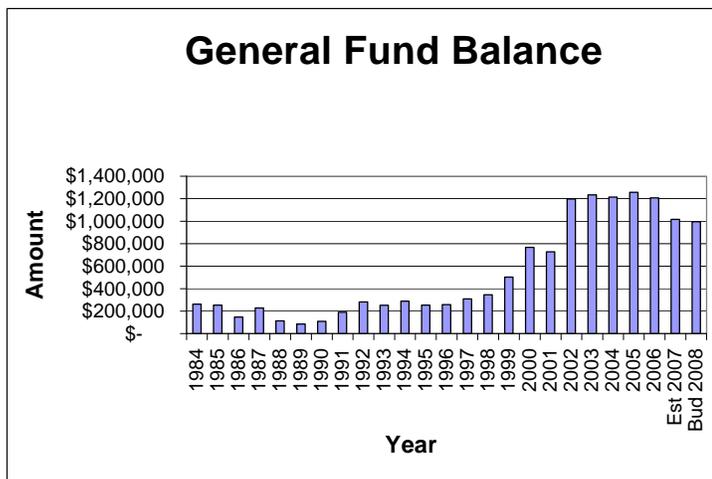
Fund balance in the Major Street Fund, which has been accumulating for several years, will be tapped to fund these projects. This will largely deplete the Major Street Fund. However, the Local Street fund has a healthy fund balance.

A comprehensive street assessment will also be completed that will allow for the prioritization of future street repair work. In addition, the City is hoping to participate in a pilot program that will allow municipalities more flexibility in the use of their road dollars.

The City has been very successful in receiving grants from a variety of sources. The budget contains \$3,498,153 of grant expenses, or 24% of total spending. This number is much higher than normal because of our recent success in pursuing grants. Grants that have been awarded and are active include the EPA Brownfield, Cool Cities Blueprints for Neighborhoods, various Local Revenue Sharing Board grants and the Maple Street Bridge Local Bridge Fund Grant. The City also anticipates receiving a Michigan Natural Resources Trust Fund Grant for the purchase of Man Made Lake. The City will continue to pursue grant opportunities that complement the City's strategic goals.

The General Fund is the primary City operating fund. It is where most City services are provided. Financial stability in the General Fund is crucial if high levels of service are to be maintained. A key to financial stability is adequate, healthy financial reserves; or General Fund Balance. This is true for three primary reasons. First, a reasonable Fund Balance provides insurance against unanticipated major expenses. Major natural or man-made disasters could require the expenditure of significant sums and the Fund Balance provides resources if necessary to address such events.

Second, a Fund Balance provides stability in the event of an economic downturn. A “rainy day fund” provides an opportunity to absorb economic trends over time without dramatically altering the services provided. An example would be tax appeal costs or costs associated with an unforeseen lawsuit.



Third, an appropriate Fund Balance provides an opportunity for investment earnings. Investment earnings can reduce the demand on other revenue sources and provide further stability for municipal operations.

Council has established a General Fund Balance target of 20% of prior year operating expense and operating transfers. Depending on the expenses of the previous year, any percentage over 20% will be

transferred into the Capital Improvement Fund. The amount of \$190,000 will be transferred in the 2007 fiscal year from Fund Balance to the Capital Improvement Fund.

Maintaining a 20% Fund Balance still provides an appropriate cushion that can be used if necessary to balance unforeseen costs, loss of revenue or a drastic downturn in Manistee economy. The June 30, 2006 audit showed a Fund Balance decrease of \$42,084 from the existing \$1,256,500 amount, for a total of \$1,206,658 as of June 30, 2006.

With the uncertain financial times in the State of Michigan, there is a significant likelihood that in the future it may be necessary to use the Fund Balance to maintain existing services.

The Water and Sewer Utility (WSU) is an Enterprise Fund and the second biggest in terms of revenue for all City funds. All of the WSU revenues and expenses, capital outlays and debt service are accounted for in one fund. Enterprise Funds should be self-supporting. That is, the users of the system should pay all the costs associated with operating, maintaining and servicing the debt of the system. In fact, the City is required by law and ordinance to ensure that sufficient funds are available to provide for the operation and maintenance of the WSU; and ensure that bond holders receive their scheduled payments.

The WSU has taken on a significant amount of debt over the past ten years to fund a State-mandated sewer separation project. Although most of this work has been done, there are also several more segments that still need to be completed. As of June 30, 2007, the WSU will have about \$13,645,000 of outstanding debt in eight different bond issues (see Appendix). Total debt service payments average about \$1,200,000 per year through 2020 and the last bond is paid off in 2028. Debt service represents approximately 35% of total WSU revenue.

The WSU is currently expanding the capacity of the wastewater treatment plant from 1.0 MGD to 1.3 MGD capacity. This project is being funded by a low interest loan through the State of Michigan revolving loan fund. Construction is progressing and completion is expected in the summer of 2007.



**Progress at the WWTP Expansion – Aeration Tank Construction**

Even as improvements and upgrades to the system are made, it is important to recognize that the WSU is an aging system, and the effect of this is that repairs and major maintenance items are continuing to increase in both frequency and magnitude. In recent years, the Industrial Park water tower was painted both inside and out at a cost of \$219,000, work was completed to fix the crumbling Jones Street storm sewer outfall and an improved chemical feed system was added to the City's wells. For the upcoming year, \$390,000 of capital items has been budgeted:

Water & Sewer Utility Capital Projects			
Department	Project	Cost	Notes
Water	Study Well Radio Frequency Control Options	\$ 10,000	Feasibility study (reduce telecom costs)
Water	Water Meter Radio Reads	\$ 125,000	Year 2 of 4
Water	Well 8 Chemical Feed Building	\$ 45,000	
Sewer	Jerumbo Street Pump Station	\$ 100,000	Rebuild failing pump station
Sewer	Parkdale force main	\$ 100,000	Replace failing line
WWTP	WWTP Vactor Sludge Containment	\$ 10,000	Provide for area to dump sludge
<b>Total</b>		<b>\$ 390,000</b>	

Sewer rates are established annually by ordinance and periodically evaluated. The rates are a combination of a consumption charge and a fixed charge based on meter size. Rates are calculated and illustrated using a "typical" 6,000 gallon per month usage assumption. Residents are billed in 1,000 gallon increments, and may install an optional separate sprinkling meter. Staff will be implementing the Michigan Rural Water Association Rate Analysis software during 2007 to ensure that our system is charging adequate, fair rates. This analysis will be available for the FY 2009 budget.

The ordinance also calls for a mandatory annual inflationary adjustment to water and sewer rates. For the current year, the published rate is 3.7%. Administration is recommending that this rate increase be implemented. The new rates are shown below:

**Proposed Water & Sewer Rates**

	Existing		New	
	Per 1000g	Per 6000g	Per 1000g	Per 6000g
Water	\$ 2.16	\$ 12.96	\$ 2.25	\$ 13.50
Sewer	\$ 4.32	\$ 25.92	\$ 4.50	\$ 27.00
Fixed	\$ 6.60	\$ 6.60	\$ 6.60	\$ 6.60
<b>Typical Monthly Bill</b>		<b>\$ 45.48</b>		<b>\$ 47.10</b>

**Employee Groups**

The City of Manistee has four different unionized employee groups including the DPW employees represented by the United Steelworkers (USW), police officers represented by the Police Officers Association of Michigan (POAM), police sergeants represented by the Command Officers Association of Michigan (COAM), and the firefighters represented by the International Association of Fire Fighters (IAFF). Supervisory and support staff are non-union. Collective Bargaining Agreements are in place for all four unions, as shown in the Table.

Negotiations with the POAM and COAM have already begun. Key issues will be wages, health insurance and retirement benefits.

The public safety unions consisting of the POAM, COAM and IAFF have binding arbitration rights under PA 312, whereas the USW does not. This means that if negotiations reach an impasse, an independent arbitrator will ultimately make the final decision for these three unions. However, no one benefits from going through arbitration, and it is always Administration’s goal to settle contracts through good faith negotiation.

Group	Number of Employees	Contract Expiration
POAM	9	June 30, 2007
COAM	3	June 30, 2007
IAFF	7	June 30, 2009
USWA	23	June 30, 2009
Supervisory	8	n/a
General	10.5	n/a
Manager	1	n/a

**Wages**

Employee group’s wages are adjusted annually on July 1, and are adopted as part of the overall budget. Each employee group, whether union or non-union, follows a wage and step schedule. A step schedule is a mechanism by which employees’ annual wages are developed. It establishes an introductory wage for a position, and then over a period of years moves employees through a series of wage increases, or steps, as their experience and abilities develop. Eventually, the employee hits the top of the wage scale and no longer receives an annual step increase.

To account for inflation, each step schedule is annually adjusted by a percentage that is negotiated (union groups) or tied to the Proposal A inflation rate (non-union groups). For this year, the Proposal A inflation rate is 3.7%. In this year’s budget, 32 of 59 or 54% of full-time employees (excluding the City manager) are at the top of their wage scale and do not receive a step increase. This number will increase each year as more employees become maxed out. Given the current employee base, nearly all employees, whether Union or Non-Union, will be at the top of their wage scale within two years. This will tend to dampen future wage increases.

The union groups' step schedules are ultimately determined through collective bargaining, but are generally based upon wages being paid in comparable communities for comparable jobs. The non-union employees and COAM step schedules were based on a comprehensive Wage & Classification Study commissioned by City Council and conducted by the Michigan Municipal League in 2003. The study serves several purposes. First, it provides an objective mechanism to evaluate newly created positions and set the compensation accordingly. Second, it allows for evaluation of whether a change in existing job responsibilities warrants a classification change. Finally, it ensures that employees are neither over nor under compensated based on the labor market; but rather that they are fairly compensated.

Over the past five years (FY 2003 to budgeted fiscal 2008) full-time wages including overtime and longevity have grown at an average annual rate of 2.61%. Over the same period, inflation averaged 2.62%.

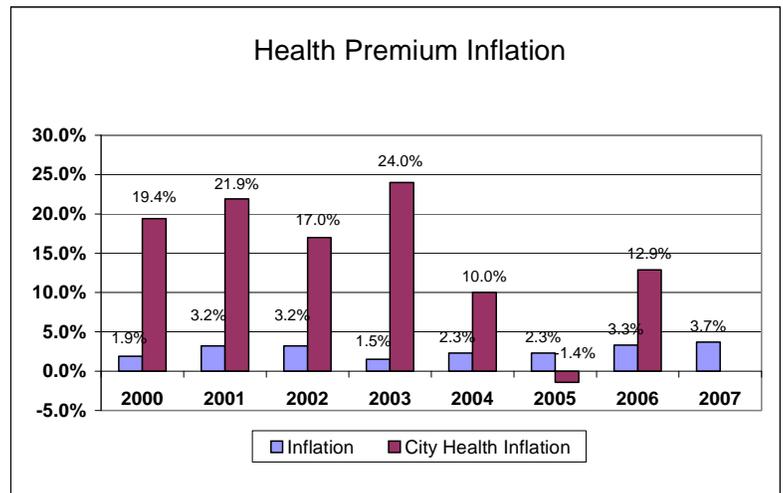
**Wages vs Inflation**

	2008	2007	2006	2005	2004	Average 2004-2008
<b>Wages</b>	5.7%	-0.4%	3.7%	2.7%	1.3%	2.61%
<b>Inflation</b>	3.7%	3.3%	2.3%	2.3%	1.5%	2.62%

**Health Insurance**

The City provides health insurance to all full-time employees. Coverage is provided through a Blue Cross Blue Shield of Michigan (BCBSM) insurance pool. It has been a long-standing City objective to provide quality, affordable health coverage employees as a method of attracting and retaining talented staff. However, maintaining quality coverage has become more difficult.

Health insurance is the second biggest employee expense behind wages. As is the case throughout the country, the City has seen tremendous increases in the cost of health insurance premiums. Over the past six years, the City's premiums have grown much faster than general inflation and have more than doubled, in spite of reforms undertaken.

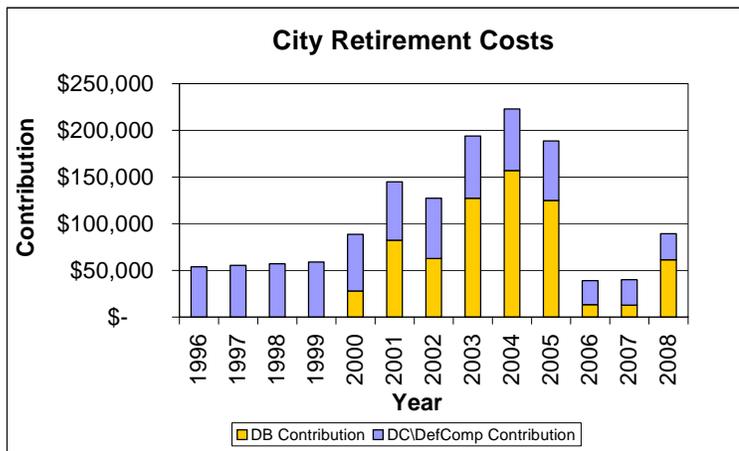


To combat the rapid rise in prices, the City has been proactive in addressing these costs. In the late 1990's, it switched from a Master Medical plan to a PPO plan. Cost savings for this move are not available. However, the belief is that there were small savings and improved coverage. In 2003, the City went from a \$5 flat co-pay drug card to a \$10/\$20 generic/brand co-pay drug card. Then, in 2005, the City went to a \$15/\$30 generic/brand drug card. In 2007, the City implemented a choice of plans for non-union, IAFF and USW and required employee participation in premium costs for the more expensive plans. In upcoming negotiations with POAM and COAM, similar reforms will be discussed.

**Retirement Benefits**

The City is a member of the Municipal Employees' Retirement System of Michigan (MERS). Most of the City's employees are covered under one of a number of defined benefit (DB) retirement plans administered through MERS. A few employees are covered under a 457 deferred compensation plan administered by ICMA, or a 401 defined contribution plan provided by MERS; collectively, (DC).

MERS calculates an annual contribution for each DB plan while the DC contribution is a percentage of wages. The graph below shows the City's retirement contributions over time:



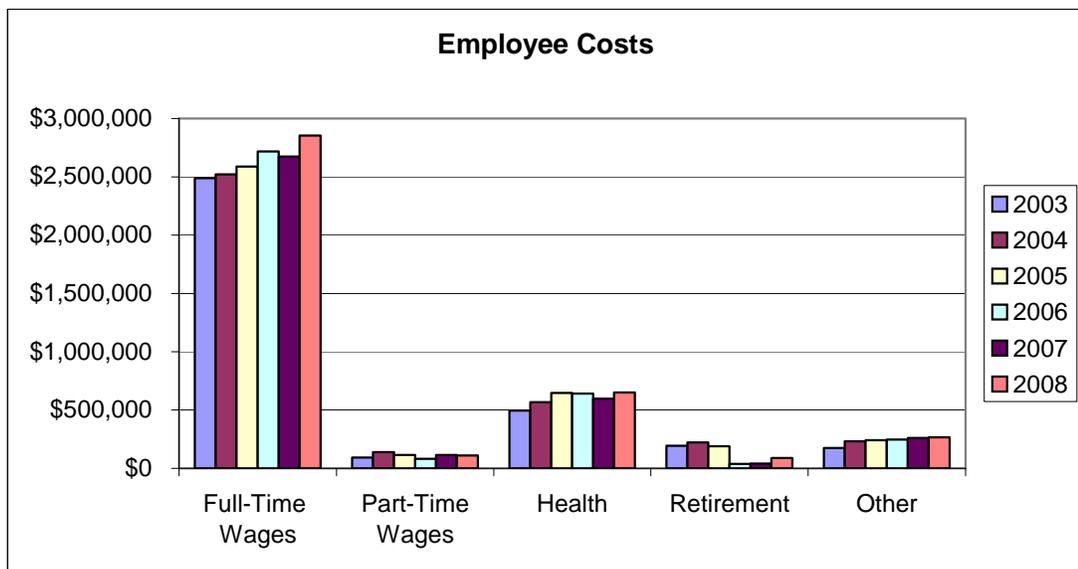
As the graph shows, the recent move to MERS has saved the City a significant amount of money. Annual DB contributions averaged \$137,000 from 2003 to 2005. With MERS, the average annual contribution is around \$29,000. This has resulted in an annual savings of about \$108,000 to the City.

The City did experience a spike in required DB contributions in 2006. However, this is expected to turn around somewhat in 2009 because of the excellent market performance of the MERS portfolio.

**Analysis**

For the fiscal years from 2003 through budgeted 2008, total employee wages and benefits have increased at an average annual rate of 3.01%. Inflation over this period averaged 2.62%.

To put this in perspective, one can calculate what typical employee cost increases are. Using MERS' assumption of 4.5% average annual wage growth and the Kaiser Family Foundation Survey number of 11% annual health insurance inflation over the last 5 years, one would expect that average wage and benefit costs for the City would have risen at an annual rate of 5.6%. Thus, employee costs have risen only 54% of the typical growth when compared to these models. The various components of employee costs over this period and the year over year performance are shown below.



The numbers show that the City has done an excellent job controlling employee costs. This is even more apparent when you consider roughly 17% of total employee costs relate to health insurance and it has increased at roughly 6 times the rate of inflation over this period. In addition, 42 of 59 (72%) full-time employees are covered by a union contract.

Administration has accomplished these results by aggressively pursuing health care reforms, addressing pension issues and negotiating firm, fair contracts with its union groups. In future years, Administration will continue to be proactive in managing costs, including exploring continued ways to control health care costs, as well as through employee attrition.

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**Issue Page****Refuse Fund**

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Refuse collection in the City is a public\private partnership. The collection and recycling service has been moved to the private sector through a contract with Allied Waste. The funding is a hybrid system, funded largely by a 1.5 mill levy and supplemented by a modest monthly user charge.

Significant discussions have been held the past several years about switching the funding mechanism away from the hybrid system to a user fee system only. In FY 2006, Council ultimately made the decision to maintain the current funding mechanism for refuse collection and reduce the millage rate from 2.0 mills to 1.5 mills. This will result in reducing the Refuse Fund Balance over time. Fund Balance as of June 30, 2006 was \$460,189.

In addition, the Refuse Fund makes significant line item transfers to the General Fund to offset costs associated with billing and collection, spring trash haul and an operating subsidy. Staff is working to reduce the General Fund dependency on this revenue transfer. This budget includes less Refuse Fund revenues being transferred into the General Fund than in last year's budget.

**It is still Staff's recommendation that the billing and payment system be privatized. This would involve reducing the millage rate by 1 mill to .5 mills to cover municipal refuse collection, spring trash haul and administration. In addition, residential and commercial users would pay Allied waste directly (under an umbrella City contract) based on the level of service they desire and amount of waste they generate. The remaining Refuse Fund Balance would be used to gradually reduce the General Fund's dependency on refuse related payments. This recommendation is supported by the findings of the May 2006 Citizen Service Survey compiled by Northwestern Michigan College, which indicated that 77.4% of the respondents felt refuse disposal fees should be based on volume, not SEV.**

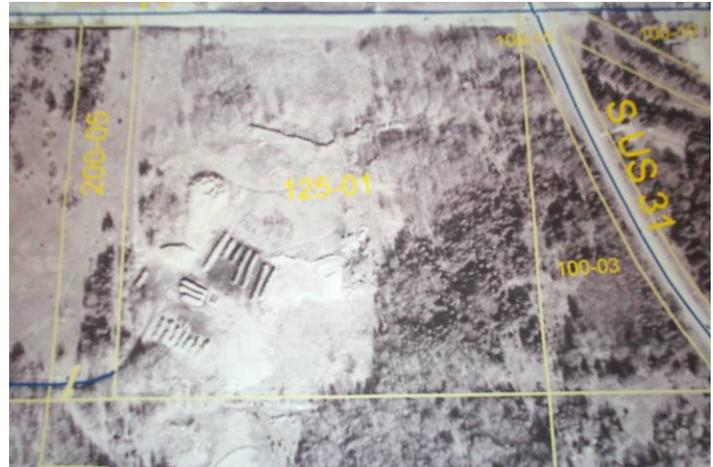
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Issue Page

Sale of Surplus Property

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The City owns 40 acres just south of the City limits in Filer Township. The land was originally deeded to the City by the State for use as a landfill. The site is currently used for composting City yard waste, as you can see from the photo.



The City has been approached by Wal-Mart Real Estate Trust to sell the eastern 19.48 +/- acres of the property to be used as the site for a proposed super Wal-Mart. The City is currently negotiating with Wal-Mart on a purchase agreement. In order for the City to sell this property, it first had to obtain clear title from the State. This required the City to extinguish the State's reverter clause on the property. This was accomplished in July of 2006 by purchasing the property from the State for its appraised value of \$79,500.

If the sale of the property is approved by City Council and all contingencies are met, the City will receive approximately \$1,750,000 to \$2,000,000 in sale proceeds. Staff strongly recommends that the following be done with these proceeds:

1. Pay back to the General Fund the \$79,500 used to extinguish the reverter clause.
2. Place \$1,500,000 into a permanent, principal protected, charter-protected trust fund to be invested for the long term benefit of the City, similar to the Oil & Gas fund.
3. Transfer any remaining money to the Capital Improvement Fund.

These recommendations will help ensure that the sale of this property inures to the benefit of future generations. At 5% return, the proposed fund would generate \$75,000 per year to be used for City projects.

Issue Page

Man Made Lake

For the past five years there have been ongoing discussions between Sand Products Corporation (SPC) and the City of Manistee regarding the 22 acres of SPC-owned property around Man-Made Lake. At times these discussions have been intense, while at other times, almost nonexistent.

In 2006, these discussions again intensified with Sand Products Corporation filing a PUD application to construct homes on the berm between Lake Michigan and Man-Made Lake. Previously, SPC had received Planning Commission approval to develop a portion of their property.

Currently the City is actively negotiating with SPC to receive a two year option to purchase the property around Man-Made Lake. It is the City's intent to apply for a Michigan Natural Resources Trust Fund grant to assist with the purchase. The current asking price from Sand Products Corporation for the 22 acres around Man-Made Lake is \$3,150,000. Whether in this fiscal year budget or in a future budget, the attempt to purchase Man-Made Lake could impact future City finances.



**SAVE MAN MADE LAKE**



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Issue Page

Ramsdell Theatre

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The City owns the historic Ramsdell Theatre. The complex is listed on the National Register of Historic Places and serves as the cultural center of Manistee County. It is one of the finest small theatres in the United States. Over the past 15 years the volunteer, non-profit group Ramsdell Theatre Restoration Project (RTRP) has raised nearly \$4,000,000 from generous donors and through grants to renovate the Theatre and restore it to its former glory. The RTRP is composed of local individuals from all over Manistee County and beyond who lend their time and talent to help restore the theatre. The RTRP board of directors oversees the restoration project based on a master plan, and coordinates with the City on the process. The City has historically made a \$25,000 annual appropriation to the RTRP to assist in applying for matching grants and/or capital improvements.



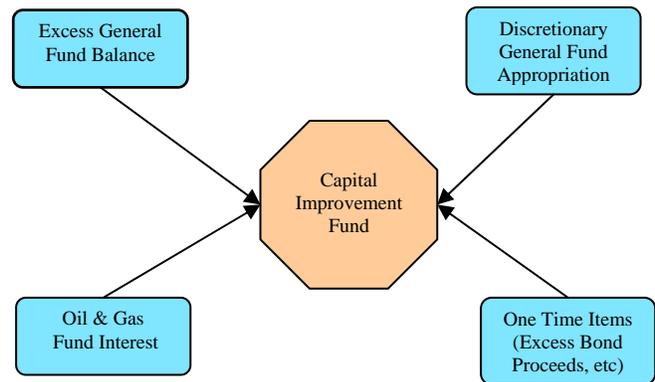
In the fall of 2005, the Ramsdell Theatre Governing Authority (RGA) was created as an oversight body for the building. The RGA is charged with operating and maintaining the building and will work closely with the RTRP to complete the restoration. The operations of the Ramsdell Theatre will now be entirely accounted for in a new Ramsdell Theatre Fund. This new fund will allow the RGA to capture the results of operations in one place and provide better information for decision-making.

The RGA hopes to eventually move the Ramsdell Theatre to a break-even enterprise. However, this is a number of years down the road. In the short-term, the City's general fund will have to provide an operating subsidy. This subsidy will allow the Theatre to keep its doors open, and more importantly, protect the multi-million dollar investment that has been made in the building. The current year budget calls for a \$65,000 transfer from the General Fund to the Ramsdell Theatre fund. The transfer will provide money for operations; primarily utility bills, and also money to study and improve the Theatre's HVAC system to make it more efficient and save money in the future. The budget also provides money for marketing to increase rentals of the building and drive a revenue increase. The RGA will be entering into a one year agreement for building management functions and/or cleaning as well.

The Capital Improvement Fund was established in 2005 as a method to accumulate money to help pay for capital improvements in the City. All major capital expenditures not required to be recorded in another fund will be recorded and budgeted for in this fund. This will primarily be General Fund items. However, it could include things such as streets and other infrastructure needs.

The primary source of funding is Oil & Gas Fund interest. This will provide a stable, long-term source of funding for capital projects. For 2008, \$175,000 is budgeted to be transferred.

A secondary source of funding will be an annual transfer of excess General Fund balance. An annual evaluation of the General Fund balance will be undertaken each year after getting the audited numbers back. The policy is to transfer any amount in excess of 20% of General Fund operating expenses and transfers out to the Capital Improvement Fund. For 2006, the amount that was transferred was \$190,000. Only years in which there is an overage will this transfer occur.



At the end of FY 2007, it is projected that the Capital Improvement fund will have \$307,500. Projects budgeted for the fund this year includes:

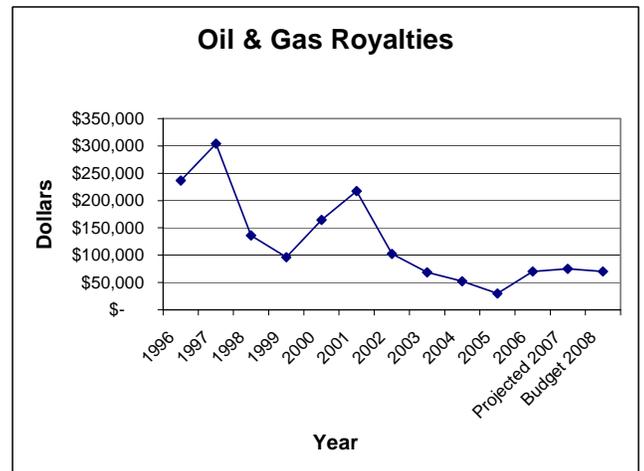
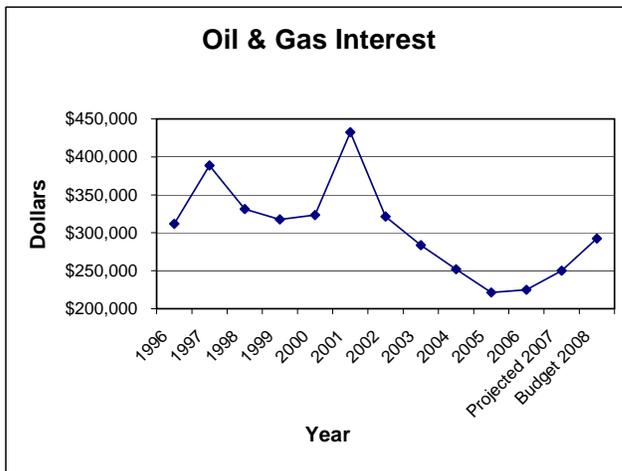
**2007-2008 Capital Improvements**

Fifth Avenue Bathhouse	\$ 40,000
Upgrade Park(s) Equipment	\$ 40,000
Fire Station Floor	\$ 22,000
GIS	\$ 20,000
Duffy Park Soccer Field Drainage	\$ 20,000
Police In Car Cameras (2)	\$ 8,500
Camera Surveillance Systems	\$ 5,000
Phase II Wayfinding	\$ 5,000
Police Tasers (4)	\$ 4,000
Fire Station Furnace	\$ 3,000
<b>Total</b>	<b>\$ 167,500</b>

Issue Page

Oil & Gas Fund

The Oil & Gas Fund was established to accumulate the principal generated from oil and gas royalties received from City-owned mineral rights. Charter Section 2-1(B) protects the principal and royalties of this fund from being spent without a vote of the people. Investing the principal of this fund is handled by the Oil & Gas Investment Board, appointed by Council. The Board consists of five members, including the Mayor and Finance Director. The fund currently has about \$6,500,000.



With the recent low interest rate environment, the fund is generating significantly less interest than in prior years, although rates are recovering and the interest earnings are increasing. Also, well production and royalty income have declined over the past 10 years because oil & gas production volumes have declined significantly. However, the recent high price of oil and natural gas, and improvements made by Aztec to the processing plant and wells, has helped offset this somewhat. The lifespan of the oil and gas wells is unknown.

Interest from the fund is used to fund capital improvements in the City and subsidize water and sewer rates. Council has begun the process of phasing out this subsidy over a period of years to allow for more funding to the Capital Improvement Fund. The City will also be undertaking an initiative to amend State law to allow this fund to be invested for greater long term returns in a manner similar to pension funds.

Issue Page

Interfund Activity

There is considerable interaction among the various accounting funds of the City. The following table shows the transfers, reimbursements and charges that have been budgeted.

<u>From Fund</u>	<u>To Fund</u>	<u>Amount</u>	<u>Reason</u>
<b><u>Operating Transfers</u></b>			
Special Assessment	Street Improvement	\$ 7,200	Special assessment collections
Public Improvement	Water & Sewer	\$ 292,500	Ratepayer subsidy
Water & Sewer	Capital Improvement	\$ 175,000	Year 3 subsidy phaseout \ build Capital Fund
General	Ramsdell Theatre	\$ 65,000	Operating Subsidy
Refuse Fund	General	\$ 70,000	Budget stabilization
Industrial Park	Renaissance Park	\$ 110,000	Cover business incentives
<b><u>Charge for Services</u></b>			
General	Motor Pool	\$ 204,750	Lease of equipment
Water & Sewer	Motor Pool	\$ 94,500	Lease of equipment
Building Inspector	General	\$ 17,000	Reimbursement
Major Street	General	\$ 180,000	Reimbursement
Local Street	General	\$ 72,000	Reimbursement
Refuse	General	\$ 81,200	Reimburse for trash haul & administration
Water & Sewer	General	\$ 180,000	Administration
Marina	General	\$ 3,000	Administration
Boat Ramps	General	\$ 2,000	Administration
<b><u>Debt Service</u></b>			
Major Street	Debt Service	\$ 139,028	Debt Service (Streetscape)
General	Debt Service	\$ 180,388	Debt Service (City Hall)

Issue Page

Appropriations

The City funds a variety of different organizations which undertake public activities on the City's behalf. A summary of the current requests is presented below.

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>901 APPROPRIATIONS</b>					
700.002 Museum	\$ 7,780	\$ 10,000	\$ 10,000	\$ 10,000	\$ 11,000
700.004 Manistee Recreation Assoc.	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
700.008 Veteran's Memorial Day	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
700.010 Economic Development Authority	\$ 26,333	\$ 26,333	\$ 29,276	\$ 29,276	\$ 29,276
700.014 Alternatives for Area Youth	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000
969.016 Civic Players - Ramsdell	\$ 7,800	\$ -	\$ -	\$ -	\$ -
969.020 Ramsdell Restoration	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
969.024 PEG Studio	\$ 23,283	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
969.025 Junior Baseball	\$ 3,000	\$ 3,000	\$ 5,000	\$ 3,000	\$ 3,000
969.030 SSCENT	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 167,196</b>	<b>\$ 158,333</b>	<b>\$ 163,276</b>	<b>\$ 161,276</b>	<b>\$ 162,276</b>

By law the City may not provide a gift or a contribution of tax dollars to any purpose. However, the City may provide governmental services through other organizations. This distinction is important. In order to document the public purpose being served, the City has requested signed agreements that document the public benefit being provided, when not readily apparent or already documented.

Both MECCA and SSCENT have agreements with the City, therefore, these amounts are pre-determined. The allocation to the Manistee County Historical Museum is in return for their assistance as City historian and historic commission assistance. The MRA provides youth sport programming. The Veteran's Day Memorial is for flags on Veteran's grave sites. AAY provides for staffing and programs at the Teen Center. The Ramsdell Theatre Restoration Project uses its allocation to continue restoring the Ramsdell Theatre through grants and fundraising. The PEG allocation supports the operations of TV2. Finally, the allocation to Junior Baseball provides funds to retain a seasonal employee for field maintenance.

Junior baseball requested a \$2,000 increase this year to help with field maintenance/restoration. However, due to maintaining the overall budget, the City Manager recommended the same level of funding as last year.

The Manager's recommendations are intended to provide the Council a point of beginning for discussion. Like other budgetary decisions, allocation decisions are in the hands of the City Council.

General Fund

Revenue

The General Fund Revenue budget increased by 4.4% compared to the prior year. This increase was almost entirely due to a 5.3% increase in property tax revenue and higher water & sewer administrative fees.

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>REVENUES</b>					
403.000 Real & Personal Property Tax	\$ 2,970,431	\$ 2,884,031	\$ 3,036,941	\$ 3,036,941	\$ 3,036,941
407.000 Delinquent Tax Collection	\$ 175,779	\$ 197,700	\$ 210,336	\$ 210,336	\$ 210,336
444.000 Tax Administration Fee	\$ 36,331	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
445.000 Tax Penalties & Interest	\$ 36,529	\$ 20,000	\$ 32,000	\$ 32,000	\$ 32,000
450.000 Licenses	\$ -	\$ 500	\$ 500	\$ 500	\$ 500
451.000 Permits	\$ 4,393	\$ 7,700	\$ 7,000	\$ 7,000	\$ 7,000
452.000 Business Registration	\$ 1,450	\$ 500	\$ 1,000	\$ 1,000	\$ 1,000
539.000 Grant Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
574.000 State Share Liquor Tax	\$ 7,789	\$ 7,700	\$ 7,500	\$ 7,500	\$ 7,500
575.000 State Shared Revenue	\$ 756,910	\$ 765,000	\$ 741,966	\$ 741,966	\$ 741,966
626.000 Charge for Service	\$ 18,274	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000
626.004 Charge for Serv - Bldg. Insp.	\$ 12,000	\$ 15,000	\$ 17,000	\$ 17,000	\$ 17,000
626.005 Charge for Serv - Inspections	\$ 4,105	\$ 5,300	\$ 5,000	\$ 5,000	\$ 5,000
627.000 Charge for Services-Major St.	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
628.000 Charge for Services-Local St.	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000	\$ 72,000
629.000 Charge for Services - Refuse	\$ 79,045	\$ 80,000	\$ 81,200	\$ 81,200	\$ 81,200
629.005 Charge for Services - Other	\$ -	\$ -	\$ 18,000	\$ 18,000	\$ 18,000
629.007 In Lieu of Taxes	\$ 188,972	\$ 128,787	\$ 118,191	\$ 118,191	\$ 118,191
630.000 Charge for Service - W&S	\$ 155,000	\$ 150,000	\$ 150,000	\$ 180,000	\$ 180,000
631.000 Charge For Service - Marina	\$ 2,500	\$ 2,500	\$ 3,000	\$ 3,000	\$ 3,000
632.000 Charge for Service - Boat Ramp	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
642.000 Charge For Sales	\$ 4,789	\$ 3,500	\$ 4,000	\$ 4,000	\$ 4,000
655.000 Fines & Forfeits	\$ 54,829	\$ 55,000	\$ 56,500	\$ 56,500	\$ 56,500
656.000 Franchise Fees	\$ 78,154	\$ 72,000	\$ 74,000	\$ 74,000	\$ 74,000
664.000 Interest Income	\$ 52,691	\$ 40,000	\$ 60,000	\$ 60,000	\$ 60,000
666.000 Riverfront Lease Income	\$ 18,593	\$ 17,000	\$ 20,489	\$ 20,489	\$ 20,489
667.000 Rental Income	\$ 5,253	\$ 2,500	\$ 2,250	\$ 2,250	\$ 2,250
671.000 Other Revenue	\$ 123,754	\$ 23,104	\$ 20,000	\$ 20,870	\$ 20,870
672.000 Operating Transfer In	\$ 126,927	\$ 75,000	\$ 70,000	\$ 70,000	\$ 70,000
675.000 Contributions\Donations	\$ 24,944	\$ 18,000	\$ -	\$ -	\$ -
676.000 Insurance Settlement	\$ 3,750	\$ -	\$ -	\$ -	\$ -
687.000 Refunds	\$ 1,498	\$ -	\$ -	\$ -	\$ -
688.000 Refunds - W.C. Premium	\$ 13,184	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
692.000 Spotlight Grant Revenue	\$ 9,060	\$ -	\$ 20,000	\$ 20,000	\$ 20,000
<b>TOTAL REVENUES</b>	<b>\$ 5,220,935</b>	<b>\$ 4,892,822</b>	<b>\$ 5,078,874</b>	<b>\$ 5,109,744</b>	<b>\$ 5,109,744</b>

General Fund

General Operating

The General Operating department accounts for those items that are City-wide in nature, or ones that do not fit within an existing department. It also captures most unexpected or unbudgeted items that occur during the year. The General Operating budget decreased by 3.8% compared to the prior year. The decrease is attributable primarily to a reduction in operating transfers out.

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>100 GENERAL</b>					
728.000 Bad Debt	\$ -	\$ -	\$ -	\$ -	\$ -
729.000 Refunds	\$ 107,543	\$ 12,000	\$ 10,000	\$ 5,000	\$ 5,000
799.000 Miscellaneous Expense	\$ 27,106	\$ 5,000	\$ 5,000	\$ -	\$ -
801.000 Professional Services	\$ 37,704	\$ 20,000	\$ 36,000	\$ 22,500	\$ 42,500
901.000 Postage	\$ 24,170	\$ 23,000	\$ 23,000	\$ 21,000	\$ 21,000
910.000 Insurance	\$ 80,121	\$ 76,000	\$ 81,000	\$ 81,000	\$ 81,000
925.001 Electric - Street Lights	\$ 90,928	\$ 88,000	\$ 89,000	\$ 89,000	\$ 89,000
928.000 Utilities - Cell Phones	\$ 5,489	\$ 4,800	\$ 5,500	\$ 5,500	\$ 5,500
929.000 Utilities - Data\Internet	\$ 4,187	\$ 5,500	\$ 7,000	\$ 5,500	\$ 5,500
939.000 Rent	\$ 6,207	\$ 4,000	\$ 6,450	\$ 6,450	\$ 6,450
955.000 Bank Charges	\$ 39	\$ 1,000	\$ 1,000	\$ 500	\$ 500
970.000 Capital Outlay	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -
972.000 Operating Transfer Out	\$ 439,697	\$ 274,056	\$ 245,388	\$ 245,388	\$ 245,388
981.000 Computer Hardware & Software	\$ 11,187	\$ 6,000	\$ 7,000	\$ 6,000	\$ 6,000
				\$ -	\$ -
<b>TOTAL GENERAL</b>	<b>\$ 834,378</b>	<b>\$ 524,356</b>	<b>\$ 521,338</b>	<b>\$ 487,838</b>	<b>\$ 507,838</b>

General Fund

Legislative

The Legislative department accounts for the expenses of City Council. It includes things such as compensation, training expense and MML membership. This budget increased by .9%.

		2006	2007	2008	2008	2008
		Actual	Budget	Requested	Manager	Adopted
<b>101 Legislative</b>						
702.000 Salaries	\$	25,500	\$ 25,883	\$ 26,265	\$ 26,265	\$ 26,265
712.001 Costs - Social Security	\$	1,581	\$ 1,605	\$ 1,628	\$ 1,628	\$ 1,628
712.002 Costs - Medicare	\$	370	\$ 375	\$ 381	\$ 381	\$ 381
712.007 FUTA	\$	91	\$ 18	\$ -	\$ -	\$ -
712.009 Costs - Work Comp	\$	53	\$ 76	\$ 76	\$ 76	\$ 76
<b>Employee Costs</b>	<b>\$</b>	<b>27,594</b>	<b>\$ 27,957</b>	<b>\$ 28,351</b>	<b>\$ 28,351</b>	<b>\$ 28,351</b>
727.001 Office/Operating Expense	\$	14,876	\$ 8,200	\$ 9,700	\$ 8,200	\$ 8,200
860.001 Travel & Training Expense	\$	6,427	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500
<b>Operating Costs</b>	<b>\$</b>	<b>21,303</b>	<b>\$ 14,700</b>	<b>\$ 16,200</b>	<b>\$ 14,700</b>	<b>\$ 14,700</b>
				\$ -	\$ -	\$ -
<b>TOTAL LEGISLATIVE</b>	<b>\$</b>	<b>48,897</b>	<b>\$ 42,657</b>	<b>\$ 44,551</b>	<b>\$ 43,051</b>	<b>\$ 43,051</b>

## General Fund

## City Manager

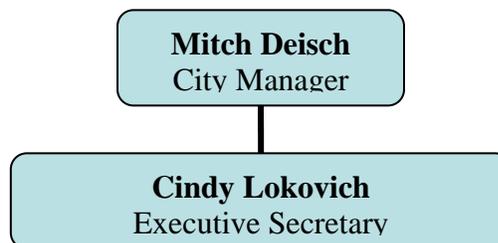


Mitch Deisch is the City Manager for the City of Manistee. He has been with the City for 6 years.

The City Manager is the chief administrative officer of the City and is appointed by City Council. The City Manager is primarily responsible for the efficient administration of all City Departments; the enforcement of all City laws and ordinances; the appointment of

certain City department heads, with the consent of City Council; to fully advise the Council on policies, affairs, financial conditions and the needs of the City; the enforcement of any franchises, contracts or agreements; and the recommendation and administration of an annual City budget.

The City Manager maintains a system of accounts which conform to a uniform system required by law, the City Council and generally accepted principles and procedures of government accounting. In addition to this the City Manager performs other duties as may be prescribed by City Charter, City Ordinances or City Council.



General Fund

City Manager

The Manager's budget increased by 6.6% compared to the prior year. Employee costs increased by 5.5%, and operating costs increased by 13.8%. The operating cost increase was due mainly to higher lease payments on a new copier and replacing some furniture.

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>170 MANAGER</b>					
702.000 Salaries	\$ 118,387	\$ 125,657	\$ 128,871	\$ 128,871	\$ 128,871
703.000 Longevity	\$ 725	\$ 750	\$ 775	\$ 775	\$ 775
704.000 Overtime	\$ 968	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
706.000 Part-Time	\$ -	\$ -	\$ -	\$ -	\$ -
712.001 Costs - Social Security	\$ 8,039	\$ 8,761	\$ 9,187	\$ 9,187	\$ 9,187
712.002 Costs - Medicare	\$ 1,880	\$ 2,049	\$ 2,149	\$ 2,149	\$ 2,149
712.004 Costs - ICMA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.005 Costs - MERS	\$ 8,808	\$ 9,388	\$ 11,873	\$ 11,873	\$ 11,873
712.006 Costs - In Lieu of BC/BS	\$ 4,813	\$ 4,507	\$ 5,659	\$ 5,659	\$ 5,659
712.007 Costs - FUTA	\$ 13	\$ 20	\$ 11	\$ 11	\$ 11
712.009 Costs - Work Comp	\$ 471	\$ 510	\$ 536	\$ 536	\$ 536
712.010 Costs - Blue Cross Insurance	\$ 10,817	\$ 10,163	\$ 11,684	\$ 11,684	\$ 11,684
712.011 Costs - Life Insurance	\$ 600	\$ 747	\$ 743	\$ 743	\$ 743
714.001 Retire. Costs - Blue Cross	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 155,522</b>	<b>\$ 163,552</b>	<b>\$ 172,486</b>	<b>\$ 172,486</b>	<b>\$ 172,486</b>
727.001 Office/Operating Expense	\$ 4,814	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
801.000 Professional Services	\$ 2,900	\$ -	\$ 1,000	\$ -	\$ -
860.001 Travel & Training Expense	\$ 2,939	\$ 3,900	\$ 3,700	\$ 3,700	\$ 3,700
870.000 Memberships & Dues	\$ 978	\$ 1,000	\$ 990	\$ 990	\$ 990
875.000 Periodicals & Publications	\$ -	\$ 350	\$ 350	\$ 350	\$ 350
880.000 Education	\$ -	\$ -	\$ 500	\$ 500	\$ 500
900.000 Printing/Publishing	\$ 511	\$ 200	\$ 12,200	\$ 200	\$ 200
931.000 Contractual Repairs & Maint.	\$ 2,122	\$ 1,100	\$ 1,200	\$ 1,200	\$ 1,200
942.000 Lease Purchase	\$ -	\$ 2,800	\$ 3,400	\$ 3,341	\$ 3,341
970.000 Capital Outlay	\$ 489	\$ -	\$ 2,000	\$ 2,000	\$ 2,000
977.001 Motor Pool	\$ 10,000	\$ 10,000	\$ 10,500	\$ 10,500	\$ 10,500
<b>Operating Costs</b>	<b>\$ 24,753</b>	<b>\$ 24,850</b>	<b>\$ 41,340</b>	<b>\$ 28,281</b>	<b>\$ 28,281</b>
<b>TOTAL MANAGER</b>	<b>\$ 180,275</b>	<b>\$ 188,402</b>	<b>\$ 213,826</b>	<b>\$ 200,767</b>	<b>\$ 200,767</b>

General Fund

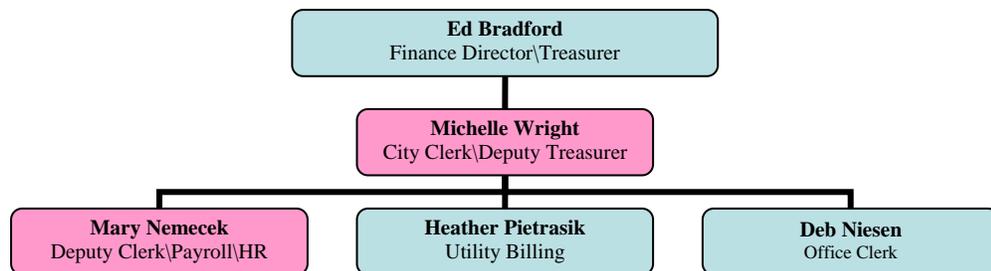
Finance\Treasurer

Edward Bradford is the Finance Director and Treasurer for the City of Manistee. He is also responsible for the City's technology. He has been with the City for 5 years.



The Finance Director\Treasurer is the Chief Financial Officer of the City. The Finance Department is responsible for all financial activities in the City. The main activities of the department include:

- Receiving all City revenue
- Paying all City bills
- Investing all City funds
- Maintaining City's accounting records
- Managing the annual audit
- Preparing the annual budget
- Drafting policies and procedures
- Serving as Chief Technology Officer



Michelle & Mary are charged to the Clerk's Department

General Fund

Finance\Treasurer

The Finance\Treasurer budget increased by 1.2% compared to the prior year. Employee costs increased by 1.0%, and operating costs increased by 1.7%. The smaller than normal employee increase was due mainly to healthcare savings.

201 FINANCE	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
702.000 Salaries	\$ 92,994	\$ 97,927	\$ 104,077	\$ 104,077	\$ 104,077
703.000 Longevity	\$ 225	\$ 275	\$ 325	\$ 325	\$ 325
704.000 Overtime	\$ -	\$ 250	\$ 500	\$ 500	\$ 500
706.000 Part-Time	\$ 9,941	\$ 11,960	\$ 14,976	\$ 12,480	\$ 12,480
712.001 Costs - Social Security	\$ 6,658	\$ 7,272	\$ 8,277	\$ 8,123	\$ 8,123
712.002 Costs - Medicare	\$ 1,557	\$ 1,701	\$ 1,936	\$ 1,900	\$ 1,900
712.004 Costs - ICMA Contribution	\$ 6,581	\$ 6,881	\$ 7,361	\$ 7,361	\$ 7,361
712.005 Costs - MERS	\$ -	\$ -	\$ 609	\$ 609	\$ 609
712.006 Costs - In Lieu of BC/BS	\$ -	\$ -	\$ 5,659	\$ 5,659	\$ 5,659
712.007 Costs - FUTA	\$ 42	\$ 30	\$ 16	\$ 16	\$ 16
712.009 Costs - Work Comp	\$ 404	\$ 442	\$ 492	\$ 481	\$ 481
712.010 Costs - Blue Cross Insurance	\$ 25,958	\$ 24,329	\$ 14,037	\$ 14,037	\$ 14,037
712.011 Costs - Life Insurance	\$ 538	\$ 568	\$ 610	\$ 610	\$ 610
714.001 Retire. Costs - Blue Cross	\$ 2,000	\$ 3,000	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 146,898</b>	<b>\$ 154,635</b>	<b>\$ 158,876</b>	<b>\$ 156,178</b>	<b>\$ 156,178</b>
727.001 Office/Operating Expense	\$ 4,675	\$ 4,000	\$ 4,500	\$ 4,000	\$ 4,000
801.000 Professional Services	\$ 37,247	\$ 38,800	\$ 39,500	\$ 36,700	\$ 36,700
860.001 Travel & Training Expense	\$ 2,916	\$ 3,300	\$ 3,800	\$ 3,300	\$ 3,300
870.000 Memberships & Dues	\$ 560	\$ 535	\$ 560	\$ 560	\$ 560
875.000 Periodicals & Publications	\$ 547	\$ 700	\$ 665	\$ 665	\$ 665
880.000 Education	\$ -	\$ -	\$ -	\$ -	\$ -
900.000 Printing/Publishing	\$ 536	\$ 845	\$ 1,400	\$ 1,200	\$ 1,200
931.000 Contractual Repairs & Maint.	\$ -	\$ 7,500	\$ 7,700	\$ 7,700	\$ 7,700
942.000 Lease Purchase	\$ 1,792	\$ 1,626	\$ 2,338	\$ 2,338	\$ 2,338
970.000 Capital Outlay	\$ 2,757	\$ 500	\$ 2,500	\$ 2,300	\$ 2,300
<b>Operating Costs</b>	<b>\$ 51,030</b>	<b>\$ 57,806</b>	<b>\$ 62,963</b>	<b>\$ 58,763</b>	<b>\$ 58,763</b>
<b>TOTAL FINANCE</b>	<b>\$ 197,928</b>	<b>\$ 212,441</b>	<b>\$ 221,838</b>	<b>\$ 214,941</b>	<b>\$ 214,941</b>

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**General Fund****Assessor**

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Julie Beardslee is the Assessor for the City of Manistee. She has been with the City for 16 years.

The City Assessor is an administrative officer appointed by the City Council, working under the direction of the City Manager. The Assessor is responsible for keeping the records for all real and personal property in the City. Real property is all land and improvements. Personal property includes furniture, fixtures, machinery and equipment which are generally owned by

commercial and industrial businesses. An assessment roll is prepared on an annual basis. December 31 is tax day for the following year's taxes. The assessment roll is completed and certified by the first Monday in March.

Upon completion of the assessment roll, if there is a change in the assessment of your property, you will be mailed a notice of assessment change. The notice is mailed 10 days before the meeting of the Board of Review. The Board meets to hear appeals the second Monday in March. If you suspect an error you may want to appeal. This is a very tight time schedule; if you miss the opportunity to appeal to the Board of Review, you will be limited in your ability to further appeal to the Michigan Tax Tribunal. Resident and non-resident taxpayers may file appeals through a letter.

Clerical errors, mutual mistakes of fact, homestead exemption and poverty exemption appeals are heard at the July and December Boards of Review. The July Board of Review is on the Tuesday following the third Monday of the month. The December Board of Review is held on the Tuesday following the second Monday of the month.

The state equalized value on your tax bill is 50% of the true cash or fair market value. Taxes are now based on taxable value, not state equalized value. Proposal A, which was passed by the electorate in 1994, limits increases in taxable value to 5% or the rate of inflation, whichever is less. New construction and equipment are added to the tax roll at 50% of the current true cash value.

New home or business buyers will experience the taxable value being raised to the level of the state equalized value the year following their purchase of real estate. The cap implemented by Proposal A will then begin again in the second year following purchase and continue until the property sells, not including new construction and improvements.

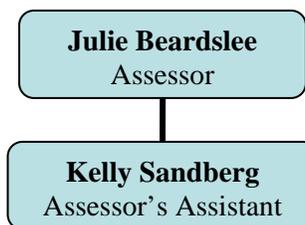
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**General Fund****Assessor**

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The actual taxes you pay are a function of the millage rate and the taxable value (as found on the assessment roll). The City of Manistee has a summer and winter tax bill. The taxing jurisdictions are the County of Manistee, the City of Manistee, Manistee Area Public Schools, Manistee Intermediate Schools, West Shore Community College, and the State of Michigan (receives the State Education Tax).

The City Assessor administers homestead exemptions in conjunction with the State of Michigan. Homeowners are allowed one exemption from the 18 mills of school operating tax on their principal residence or homestead. Questions about homestead exemptions should be directed to the City Assessor's office.



General Fund

Assessor

The Assessor's budget increased by 12.4% compared to the prior year. Employee costs increased by 13.0%, and operating costs increased by \$2,193 or 9.3%. Employee cost increased more than usual because of \$5,000 of part-time labor associated with implementing a new State Tax Commission Assessors' manual. Operating costs increased primarily due to the replacement of a computer and related equipment.

209 Assessor	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
702.000 Salaries	\$ 91,367	\$ 96,437	\$ 103,106	\$ 103,106	\$ 103,106
703.000 Longevity	\$ 550	\$ 600	\$ 650	\$ 650	\$ 650
704.000 Overtime	\$ 113	\$ 500	\$ 500	\$ 500	\$ 500
706.000 Part-Time	\$ 7,315	\$ -	\$ 5,000	\$ 5,000	\$ 5,000
712.001 Costs - Social Security	\$ 6,411	\$ 6,438	\$ 7,234	\$ 7,234	\$ 7,234
712.002 Costs - Medicare	\$ 1,499	\$ 1,506	\$ 1,692	\$ 1,692	\$ 1,692
712.004 Costs - ICMA Contribution	\$ 6,007	\$ 6,310	\$ 6,744	\$ 6,744	\$ 6,744
712.005 Costs - MERS	\$ -	\$ -	\$ 685	\$ 685	\$ 685
712.006 Costs - In Lieu of BC/BS	\$ -	\$ -	\$ -	\$ -	\$ -
712.007 Costs - FUTA	\$ 50	\$ 20	\$ 16	\$ 16	\$ 16
712.009 Costs - Work Comp	\$ 1,074	\$ 1,158	\$ 1,176	\$ 1,176	\$ 1,176
712.010 Costs - Blue Cross Insurance	\$ 25,833	\$ 24,204	\$ 28,164	\$ 28,164	\$ 28,164
712.011 Costs - Life Insurance	\$ 501	\$ 527	\$ 571	\$ 571	\$ 571
714.001 Retire. Costs - Blue Cross	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 140,720</b>	<b>\$ 137,702</b>	<b>\$ 155,538</b>	<b>\$ 155,538</b>	<b>\$ 155,538</b>
	\$ -	\$ -	\$ -	\$ -	\$ -
727.001 Office/Operating Expense	\$ 4,849	\$ 4,300	\$ 4,000	\$ 4,000	\$ 4,000
801.000 Professional Services	\$ 14,079	\$ 9,650	\$ 9,650	\$ 9,650	\$ 9,650
860.000 Transportation Vehicle	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800
860.001 Travel & Training Expense	\$ 2,352	\$ 3,915	\$ 3,870	\$ 3,870	\$ 3,870
870.000 Memberships & Dues	\$ 620	\$ 555	\$ 565	\$ 565	\$ 565
875.000 Periodicals & Publications	\$ 696	\$ 830	\$ 885	\$ 885	\$ 885
880.000 Education	\$ -	\$ -	\$ -	\$ -	\$ -
900.000 Printing/Publishing	\$ -	\$ -	\$ -	\$ -	\$ -
931.000 Contractual Repairs & Maintenance	\$ -	\$ 1,592	\$ 1,650	\$ 1,650	\$ 1,650
942.000 Lease Purchase	\$ -	\$ -	\$ -	\$ -	\$ -
970.000 Capital Outlay	\$ 370	\$ 990	\$ 3,405	\$ 3,405	\$ 3,405
	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Costs</b>	<b>\$ 24,765</b>	<b>\$ 23,632</b>	<b>\$ 25,825</b>	<b>\$ 25,825</b>	<b>\$ 25,825</b>
	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL ASSESSOR</b>	<b>\$ 165,485</b>	<b>\$ 161,334</b>	<b>\$ 181,363</b>	<b>\$ 181,363</b>	<b>\$ 181,363</b>

General Fund

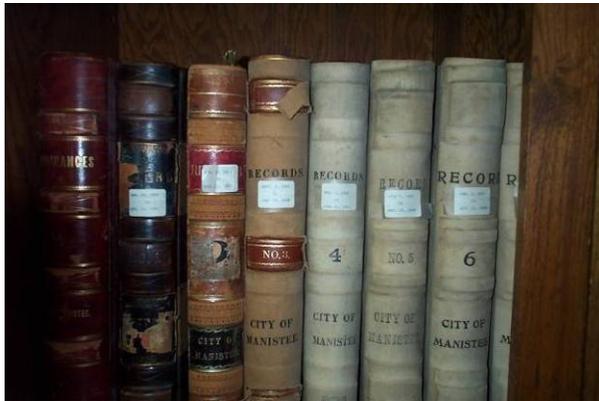
Attorney

Bruce Gockerman, of Gockerman, Wilson, Saylor & Hesslin, is the City Attorney. Bruce works closely with City staff on a variety of legal issues and prepares or reviews all contracts entered into by the City. The City also uses several other legal firms on various matters such as labor and environmental. The Attorney budget is flat this year.

		<b>2006</b>	<b>2007</b>		<b>2008</b>	<b>2008</b>
<b>210 Attorney</b>		<b>Actual</b>	<b>Budget</b>		<b>Manager</b>	<b>Adopted</b>
801.001 Professional Services - GWSH	\$	45,995	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
801.002 Prof Serv - Other Attorneys	\$	42,391	\$ 42,500	\$ 42,500	\$ 42,500	\$ 42,500
860.001 Travel & Training Expense	\$	-	\$ -	\$ -	\$ -	\$ -
<b>TOTAL ATTORNEY</b>	<b>\$</b>	<b>88,386</b>	<b>\$ 87,500</b>	<b>\$ 87,500</b>	<b>\$ 87,500</b>	<b>\$ 87,500</b>

General Fund

Clerk

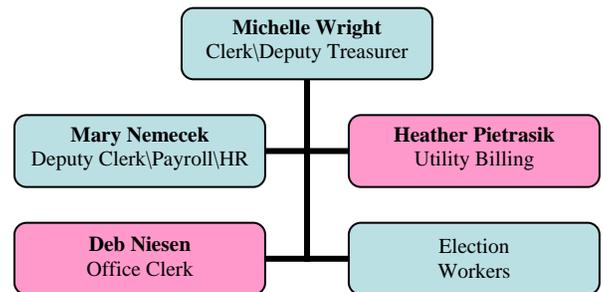


Michelle Wright is the Clerk and Deputy Treasurer for the City of Manistee. She has been with the City for 17 years.

The office of City Clerk is staffed by two full-time people; Michelle Wright and Deputy Clerk / Payroll & Benefits Mary Nemecek. The office also periodically employs 28-34 temporary workers as election inspectors. This office shares staff and duties with the Finance Department.

The responsibilities of the office are:

- Safekeeping all City documents
- Preparation of Council Minutes
- Publishing ordinances and board vacancies
- Maintaining voter registration records
- Management of school, local, state and federal elections
- Business registrations
- Payroll management and maintenance
- Employee benefits
- Retiree insurance
- Processes insurance claims
- Banner permits
- Records retention coordinator
- Accounts payable
- Bank reconciliations
- General ledger maintenance



Deb & Heather are charged to the Finance Department

General Fund

Clerk

The Clerk's budget increased by 9.9% compared to the prior year. Employee costs increased by 11%, and operating costs increased by 6.7%. Employee costs increased more than usual because of costs associated with an additional election. Operating costs increased for the same reason.

215 Clerk	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
702.000 Salaries	\$ 84,250	\$ 88,363	\$ 93,453	\$ 93,453	\$ 93,453
703.000 Longevity	\$ 575	\$ 625	\$ 675	\$ 675	\$ 675
704.000 Overtime	\$ 199	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
706.000 Part-Time	\$ 4,672	\$ 7,500	\$ 11,100	\$ 11,100	\$ 11,100
712.001 Costs - Social Security	\$ 5,172	\$ 6,044	\$ 6,681	\$ 6,681	\$ 6,681
712.002 Costs - Medicare	\$ 1,209	\$ 1,414	\$ 1,563	\$ 1,563	\$ 1,563
712.004 Costs - ICMA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.005 Costs - MERS	\$ -	\$ -	\$ 1,532	\$ 1,532	\$ 1,532
712.006 Costs - In Lieu of BC/BS	\$ -	\$ -	\$ -	\$ -	\$ -
712.007 Costs - FUTA	\$ 13	\$ 20	\$ 11	\$ 11	\$ 11
712.009 Costs - Work Comp	\$ 334	\$ 360	\$ 436	\$ 436	\$ 436
712.010 Costs - Blue Cross Insurance	\$ 15,694	\$ 14,730	\$ 16,872	\$ 16,872	\$ 16,872
712.011 Costs - Life Insurance	\$ 449	\$ 472	\$ 520	\$ 520	\$ 520
714.001 Retire. Costs - Blue Cross	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 112,567</b>	<b>\$ 120,528</b>	<b>\$ 133,841</b>	<b>\$ 133,841</b>	<b>\$ 133,841</b>
727.001 Office/Operating Expense	\$ 3,649	\$ 4,500	\$ 4,060	\$ 4,060	\$ 4,060
730.000 Election Expense	\$ 2,843	\$ 9,990	\$ 11,220	\$ 11,220	\$ 11,220
801.000 Professional Services	\$ 815	\$ 5,850	\$ 10,700	\$ 8,200	\$ 8,200
860.001 Travel & Training Expense	\$ 3,902	\$ 5,810	\$ 5,400	\$ 5,400	\$ 5,400
870.000 Memberships & Dues	\$ 470	\$ 475	\$ 410	\$ 410	\$ 410
875.000 Periodicals & Publications	\$ -	\$ -	\$ -	\$ -	\$ -
880.000 Education	\$ 250	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
900.000 Printing/Publishing	\$ 9,710	\$ 8,300	\$ 7,650	\$ 7,150	\$ 7,150
931.000 Contractual Repairs & Maint.	\$ 1,932	\$ 2,250	\$ 3,500	\$ 3,500	\$ 3,500
942.000 Lease Purchase	\$ 2,940	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
970.000 Capital Outlay	\$ 4,971	\$ -	\$ -	\$ -	\$ -
<b>Operating Costs</b>	<b>\$ 31,482</b>	<b>\$ 41,175</b>	<b>\$ 46,940</b>	<b>\$ 43,940</b>	<b>\$ 43,940</b>
<b>TOTAL CLERK</b>	<b>\$ 144,050</b>	<b>\$ 161,703</b>	<b>\$ 180,781</b>	<b>\$ 177,781</b>	<b>\$ 177,781</b>

General Fund

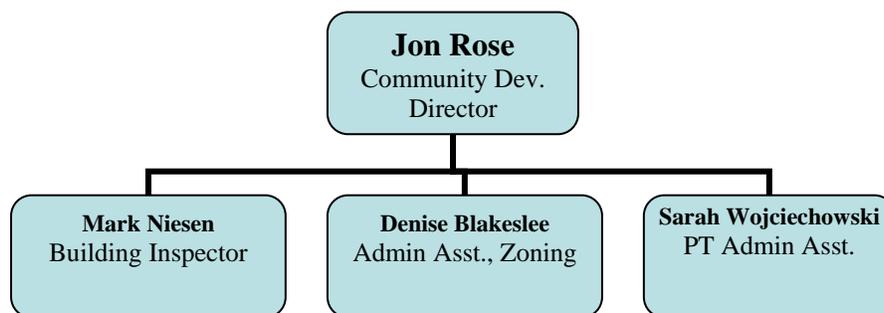
Community Development

Jon Rose is the Community Development Director for the City of Manistee. He has been with the City for 16 years.



The Community Development office coordinates many activities within the City. It also includes the Building Inspection and Facility Management function. Activities include:

- City Planning Department
- Zoning Administration
- Construction Code Enforcement
- Grant Writing/Administration
- Construction Project Administration
- Rental Inspection Program
- Risk Management Administration
- Facility Management
- Civil Infractions (Building & Zoning)
- Miscellaneous Permits



General Fund

Community Development

The Community Development budget increased by 5.9% compared to the prior year. Employee costs increased by 5.5%, and operating costs increased by \$1,400 or 14.4%. This increase was due to taking over the last few months of a copier lease from the Treasurer's office and some anticipated software purchases.

748 Community Development	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
702.000 Salaries	\$ 140,954	\$ 147,846	\$ 158,000	\$ 158,000	\$ 158,000
703.000 Longevity	\$ 850	\$ 925	\$ 1,000	\$ 1,000	\$ 1,000
704.000 Overtime	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
706.000 Part-Time	\$ -	\$ 12,480	\$ 12,480	\$ 12,480	\$ 12,480
712.001 Costs - Social Security	\$ 8,600	\$ 10,060	\$ 11,204	\$ 11,204	\$ 11,204
712.002 Costs - Medicare	\$ 2,011	\$ 2,353	\$ 2,620	\$ 2,620	\$ 2,620
712.004 Costs - ICMA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.005 Costs - MERS	\$ -	\$ -	\$ 2,576	\$ 2,576	\$ 2,576
712.006 Costs - In Lieu of BC/BS	\$ 100	\$ -	\$ 5,659	\$ 5,659	\$ 5,659
712.007 Costs - FUTA	\$ 19	\$ 40	\$ 22	\$ 22	\$ 22
712.009 Costs - Work Comp	\$ 1,888	\$ 2,114	\$ 2,095	\$ 2,095	\$ 2,095
712.010 Costs - Blue Cross Insurance	\$ 36,650	\$ 35,556	\$ 28,073	\$ 28,073	\$ 28,073
712.011 Costs - Life Insurance	\$ 580	\$ 527	\$ 711	\$ 711	\$ 711
714.001 Retire. Costs - Blue Cross	\$ -	\$ 750	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 191,652</b>	<b>\$ 213,652</b>	<b>\$ 225,441</b>	<b>\$ 225,441</b>	<b>\$ 225,441</b>
727.001 Office/Operating Expense	\$ 2,542	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200
801.000 Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -
860.000 Transportation - Vehicle	\$ 1,800	\$ 2,300	\$ 2,000	\$ 2,000	\$ 2,000
860.001 Travel & Training Expense	\$ 1,715	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200
870.000 Memberships & Dues	\$ 150	\$ 250	\$ 250	\$ 250	\$ 250
875.000 Periodicals & Publications	\$ -	\$ 250	\$ 250	\$ 250	\$ 250
880.000 Education	\$ -	\$ -	\$ -	\$ -	\$ -
900.000 Printing/Publishing	\$ -	\$ 200	\$ 200	\$ 200	\$ 200
931.000 Contractual Repairs & Maint.	\$ -	\$ 300	\$ 600	\$ 600	\$ 600
942.000 Lease Purchase	\$ -	\$ -	\$ 900	\$ 900	\$ 900
970.000 Capital Outlay	\$ 1,525	\$ -	\$ 500	\$ 500	\$ 500
977.001 Motor Pool	\$ -	\$ -	\$ -	\$ -	\$ -
983.000 Special Events	\$ 79	\$ -	\$ -	\$ -	\$ -
<b>Operating Costs</b>	<b>\$ 7,810</b>	<b>\$ 9,700</b>	<b>\$ 11,100</b>	<b>\$ 11,100</b>	<b>\$ 11,100</b>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>\$ 199,462</b>	<b>\$ 223,352</b>	<b>\$ 236,541</b>	<b>\$ 236,541</b>	<b>\$ 236,541</b>

General Fund

Boards & Commissions

This department accounts for the many Boards and Commissions that have been established by Council or through ordinance. Some are State mandated and others are purely a local creation; however they all make significant contributions to the Community and its betterment.

The Boards & Commissions budget increased by 13.6% compared to the prior year. The increase is mainly due to the establishment of three new commissions and their associated expenses.

<b>290 Boards &amp; Commissions</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2008 Requested</b>	<b>2008 Manager</b>	<b>2008 Adopted</b>
800.001 Tree Commission	\$ 335	\$ 300	\$ 300	\$ 300	\$ 300
800.002 Harbor Commission	\$ 63	\$ 250	\$ 250	\$ 250	\$ 250
800.003 Board of Review	\$ 2,099	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800
800.004 Parks Commission	\$ -	\$ 5,200	\$ 5,200	\$ 200	\$ 200
800.005 Zoning Board of Appeals	\$ 476	\$ 700	\$ 1,000	\$ 1,000	\$ 1,000
800.006 Planning Commission	\$ 17,847	\$ 5,600	\$ 10,600	\$ 10,600	\$ 10,600
800.007 Beautification Committee	\$ 11,708	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Brownfield Redevelopment Auth.	\$ -	\$ -	\$ 1,000	\$ 750	\$ 750
Historic District Commission	\$ -	\$ -	\$ 1,000	\$ 750	\$ 750
Non-Motorized Transportation	\$ -	\$ -	\$ 500	\$ 500	\$ 500
<b>TOTAL BOARDS &amp; COMMISSIONS</b>	<b>\$ 32,527</b>	<b>\$ 16,850</b>	<b>\$ 24,650</b>	<b>\$ 19,150</b>	<b>\$ 19,150</b>

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General Fund

Municipal Buildings

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This fund accounts for the expenses associated with the ongoing operation of the City's buildings, including City Hall, Fire Station, and City Garage. All repairs, maintenance and utilities are recorded in this fund. Because of the age of our buildings, there continue to be ongoing maintenance issues and needs.

The Municipal Buildings budget increased by 2.0% compared to the prior year. Natural gas prices will be less than the prior year. This will be offset somewhat by higher electric costs at City Hall.



General Fund

Municipal Buildings

265 Municipal Buildings	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
727.001 Office/Operating Expense	\$ 6,316	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
780.001 Equipment Maint. & Supplies	\$ 2,061	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
801.000 Professional Services	\$ 41,655	\$ 37,000	\$ 39,000	\$ 39,000	\$ 39,000
920.000 Gas - City Hall	\$ 8,215	\$ 11,000	\$ 11,000	\$ 6,000	\$ 6,000
920.336 Gas - Fire Dept	\$ 6,044	\$ 6,000	\$ 6,000	\$ 4,600	\$ 4,600
920.440 Gas - DPW	\$ 29,750	\$ 34,000	\$ 30,000	\$ 27,000	\$ 27,000
920.446 Gas - Bridge	\$ 1,836	\$ 1,500	\$ 1,500	\$ 1,200	\$ 1,200
922.000 Water - City Hall	\$ 1,598	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
922.336 Water - Fire Dept	\$ 649	\$ 700	\$ 700	\$ 700	\$ 700
922.440 Water - DPW	\$ 2,497	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
922.446 Water - Bridge	\$ 1,881	\$ 1,000	\$ 1,500	\$ 1,500	\$ 1,500
925.000 Electric - City Hall	\$ 22,544	\$ 15,000	\$ 23,000	\$ 23,000	\$ 23,000
925.336 Electric - Fire Dept	\$ 3,866	\$ 3,800	\$ 3,800	\$ 3,800	\$ 3,800
925.440 Electric - DPW	\$ 11,486	\$ 12,000	\$ 12,000	\$ 11,500	\$ 11,500
925.446 Electric - Bridge	\$ 2,877	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800
927.000 Utilities - Phone	\$ 22,493	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000
931.000 Contractual Repairs & Maint.	\$ -	\$ 1,000	\$ 1,500	\$ 1,500	\$ 1,500
940.000 Building Rental	\$ 2,400	\$ -	\$ -	\$ -	\$ -
970.000 Capital Outlay (Expense)	\$ -	\$ -	\$ 10,500	\$ 6,500	\$ 6,500
	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MUNICIPAL BUILDINGS</b>	<b>\$ 168,167</b>	<b>\$ 163,300</b>	<b>\$ 180,800</b>	<b>\$ 166,600</b>	<b>\$ 166,600</b>

General Fund

Police

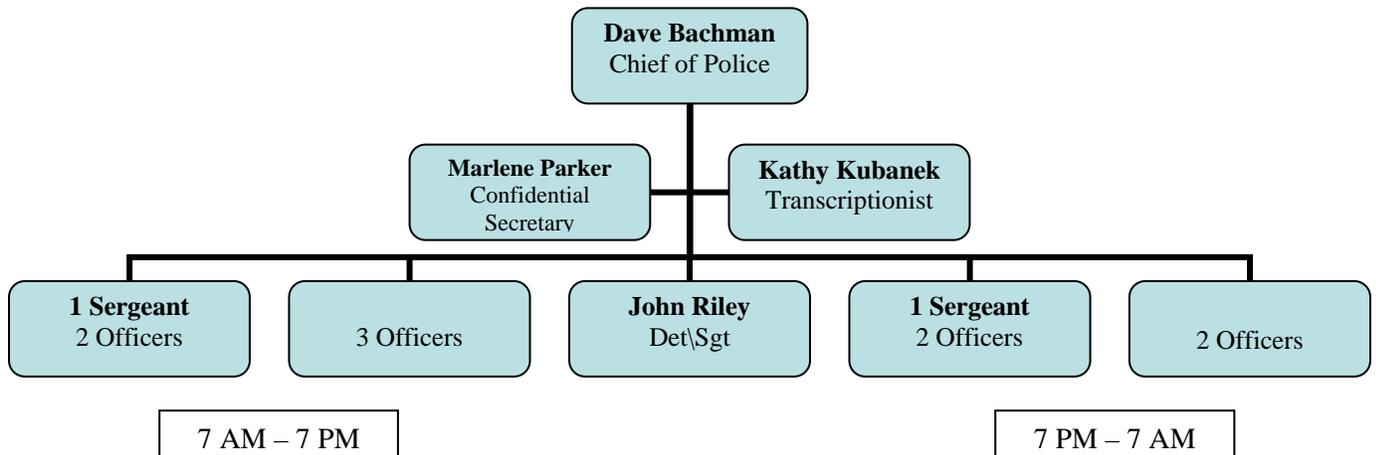


Dave Bachman is the Chief of Police for the City of Manistee. He also runs the Municipal Marina and serves as Harbor Master. He has been with the City for 9 years.

The Manistee Police Department is a young, progressive department with many plans for the future. The department currently has 13 sworn officers, including the Chief, detective sergeant, two sergeants and a DARE officer. The officers are unionized and represented by the POAM. The

Sergeants are also unionized and represented by the COAM. There are also two office support staff. The department averages 1,400 documented complaints annually.

Currently there are 4 patrol cars which patrol 40 miles of City streets. The department also has a car for the detective sergeant's use. During the summer months there is a bike patrol for community policing and summer events. Officers are expected to do foot patrols daily throughout the downtown area, the Riverwalk and local beaches.



General Fund

Police

The Police budget increased by 4.6% compared to the prior year. Employee costs increased by 4.8%, and operating costs increased by 2.9%. Most of the employee increase was contractual wage increases. This was tempered by health care reforms expected in the new contract.

301 POLICE	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
702.000 Salaries	\$ 683,214	\$ 657,676	\$ 693,521	\$ 693,521	\$ 693,521
703.000 Longevity	\$ 3,125	\$ 3,250	\$ 3,625	\$ 3,625	\$ 3,625
704.000 Overtime	\$ 18,152	\$ 21,400	\$ 25,000	\$ 25,000	\$ 25,000
706.000 Part-Time	\$ -	\$ -	\$ -	\$ -	\$ -
712.001 Costs - Social Security	\$ 4,281	\$ 4,500	\$ 5,087	\$ 5,087	\$ 5,087
712.002 Costs - Medicare	\$ 10,236	\$ 10,095	\$ 10,770	\$ 10,770	\$ 10,770
712.004 Costs - ICMA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.005 MERS	\$ 11,201	\$ 9,360	\$ 12,903	\$ 12,903	\$ 12,903
712.006 Costs - In Lieu of BC/BS	\$ 4,902	\$ 4,507	\$ 11,318	\$ 11,318	\$ 11,318
712.007 Costs - FUTA	\$ 101	\$ 150	\$ 81	\$ 81	\$ 81
712.009 Costs - Work Comp	\$ 13,459	\$ 13,278	\$ 14,633	\$ 14,633	\$ 14,633
712.010 Costs - Blue Cross Insurance	\$ 155,475	\$ 153,000	\$ 147,965	\$ 147,965	\$ 147,965
712.011 Costs - Life Insurance	\$ 3,304	\$ 3,177	\$ 3,020	\$ 3,020	\$ 3,020
714.001 Retire. Costs - Blue Cross	\$ 6,000	\$ 6,000	\$ 1,250	\$ 1,250	\$ 1,250
<b>Employee Costs</b>	<b>\$ 913,450</b>	<b>\$ 886,393</b>	<b>\$ 929,174</b>	<b>\$ 929,174</b>	<b>\$ 929,174</b>
727.001 Office/Operating Expense	\$ 18,830	\$ 14,100	\$ 15,000	\$ 15,000	\$ 15,000
745.000 Uniform & Cleaning Allowance	\$ 6,960	\$ 7,300	\$ 7,100	\$ 7,100	\$ 7,100
748.000 Vehicle Gas	\$ 26,326	\$ 27,000	\$ 27,000	\$ 22,000	\$ 22,000
750.000 Vehicle Maint. - Gas, Oil, etc	\$ 10,527	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
780.001 Equipment Maint. & Supplies	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
801.000 Professional Services	\$ 1,400	\$ 2,800	\$ 2,800	\$ 2,800	\$ 2,800
850.000 Radio Maintenance	\$ 4,615	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
860.000 Transportation - Vehicle	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200
860.001 Travel & Training Expense	\$ 4,649	\$ 4,600	\$ 14,600	\$ 4,600	\$ 4,600
870.000 Memberships & Dues	\$ 330	\$ 461	\$ 500	\$ 500	\$ 500
875.000 Periodicals & Publications	\$ 196	\$ 325	\$ 325	\$ 325	\$ 325
880.000 Education	\$ 6,451	\$ 2,500	\$ 4,500	\$ 4,500	\$ 4,500
900.000 Printing/Publishing	\$ 1,576	\$ 600	\$ 1,100	\$ 1,100	\$ 1,100
931.000 Contractual Repairs & Maint.	\$ 5,437	\$ 4,815	\$ 5,907	\$ 5,907	\$ 5,907
942.000 Lease Purchase	\$ 2,274	\$ 2,022	\$ 2,022	\$ 2,022	\$ 2,022
970.000 Capital Outlay	\$ -	\$ -	\$ 2,250	\$ 2,250	\$ 2,250
977.001 Motor Pool	\$ 45,000	\$ 35,000	\$ 36,750	\$ 36,750	\$ 36,750
<b>Operating Costs</b>	<b>\$ 138,770</b>	<b>\$ 115,723</b>	<b>\$ 134,054</b>	<b>\$ 119,054</b>	<b>\$ 119,054</b>
<b>TOTAL POLICE</b>	<b>\$ 1,052,220</b>	<b>\$ 1,002,116</b>	<b>\$ 1,063,228</b>	<b>\$ 1,048,228</b>	<b>\$ 1,048,228</b>

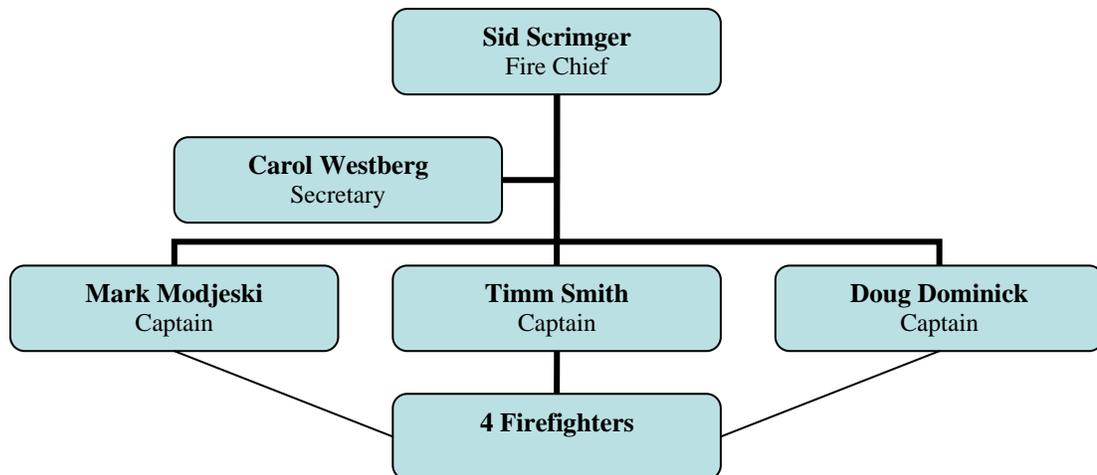
General Fund

Fire & EMS



Sid Scrimger is the Fire Chief for the City of Manistee. He has been with the City for 12 years.

The Fire Department is staffed by a total of eight full time employees and a part time secretary. The department provides the City with fire protection and rescue services. In addition, firefighters conduct an active fire prevention program, conduct fire prevention and preplanning inspections, inspect the City's fire hydrants, and maintain and conduct tours at the City's 117 year-old fire station. All firefighters are specially trained for cold water and confined space rescue, and some hazmat operations.



General Fund

Fire & EMS

The Fire & EMS budget increased by 13.1% compared to the prior year. Employee costs increased by 15.2%, and operating costs increased by 2.6%. Most of the increase in employee costs was attributable to contractual wages and an increase in retirement costs for the MERS firefighter division.

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>336 FIRE</b>					
702.000 Salaries	\$ 379,436	\$ 350,167	\$ 381,128	\$ 381,128	\$ 381,128
703.000 Longevity	\$ 3,100	\$ 2,650	\$ 2,825	\$ 2,825	\$ 2,825
704.000 Overtime	\$ 25,145	\$ 32,500	\$ 35,000	\$ 35,000	\$ 35,000
706.000 Part-Time	\$ 10,123	\$ 10,440	\$ 10,920	\$ 10,920	\$ 10,920
712.001 Costs - Social Security	\$ 635	\$ 647	\$ 677	\$ 677	\$ 677
712.002 Costs - Medicare	\$ 3,349	\$ 5,032	\$ 5,113	\$ 5,113	\$ 5,113
712.004 Costs - ICMA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.005 MERS	\$ 499	\$ 1,730	\$ 37,708	\$ 37,708	\$ 37,708
712.006 Costs - In Lieu of BC/BS	\$ -	\$ -	\$ 5,659	\$ 5,659	\$ 5,659
712.007 Costs - FUTA	\$ 89	\$ 90	\$ 49	\$ 49	\$ 49
712.009 Costs - Workers Compensation	\$ 11,721	\$ 11,871	\$ 12,518	\$ 12,518	\$ 12,518
712.010 Costs - Blue Cross Insurance	\$ 101,409	\$ 87,593	\$ 87,055	\$ 87,055	\$ 87,055
712.011 Costs - Life Insurance	\$ 1,232	\$ 1,180	\$ 1,741	\$ 1,741	\$ 1,741
714.001 Retire. Costs - Blue Cross	\$ 9,750	\$ 9,000	\$ 10,250	\$ 10,250	\$ 10,250
<b>Employee Costs</b>	<b>\$ 546,488</b>	<b>\$ 512,900</b>	<b>\$ 590,642</b>	<b>\$ 590,642</b>	<b>\$ 590,642</b>
727.001 Office/Operating Expense	\$ 5,206	\$ 5,220	\$ 5,070	\$ 5,070	\$ 5,070
745.000 Uniform & Cleaning Allowance	\$ 4,269	\$ 6,750	\$ 6,850	\$ 6,850	\$ 6,850
746.000 Food Allowance	\$ 5,580	\$ 6,080	\$ 6,080	\$ 5,460	\$ 5,460
748.000 Vehicle Gas	\$ 3,851	\$ 4,000	\$ 4,200	\$ 4,200	\$ 4,200
750.000 Vehicle Maintenance	\$ 3,849	\$ 3,300	\$ 4,300	\$ 4,300	\$ 4,300
780.001 Equipment Maint. & Supplies	\$ 4,182	\$ 5,000	\$ 5,100	\$ 5,100	\$ 5,100
801.000 Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -
850.000 Radio Maintenance	\$ 544	\$ 300	\$ 300	\$ 300	\$ 300
860.001 Travel & Training Expense	\$ 6,339	\$ 5,900	\$ 6,900	\$ 6,900	\$ 6,900
870.000 Memberships & Dues	\$ -	\$ 350	\$ 400	\$ 400	\$ 400
875.000 Periodicals & Publications	\$ 921	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
880.000 Education	\$ -	\$ -	\$ -	\$ -	\$ -
900.000 Printing/Publishing	\$ 1,315	\$ 800	\$ 800	\$ 800	\$ 800
931.000 Contractual Repairs & Maint.	\$ 802	\$ 3,150	\$ 4,450	\$ 4,450	\$ 4,450
941.000 Hydrant Rental	\$ 21,600	\$ 21,600	\$ 21,600	\$ 21,600	\$ 21,600
941.001 Mutual Aid	\$ -	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
942.000 Lease Purchase	\$ -	\$ -	\$ -	\$ -	\$ -
977.000 Capital Outlay	\$ 7,282	\$ 7,110	\$ 5,390	\$ 5,390	\$ 5,390
977.001 Motor Pool	\$ 29,000	\$ 30,000	\$ 31,500	\$ 31,500	\$ 31,500
978.001 Fire Prevention	\$ 1,479	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
<b>Operating Costs</b>	<b>\$ 96,218</b>	<b>\$ 104,160</b>	<b>\$ 107,540</b>	<b>\$ 106,920</b>	<b>\$ 106,920</b>
<b>TOTAL FIRE</b>	<b>\$ 642,707</b>	<b>\$ 617,060</b>	<b>\$ 698,182</b>	<b>\$ 697,562</b>	<b>\$ 697,562</b>

General Fund

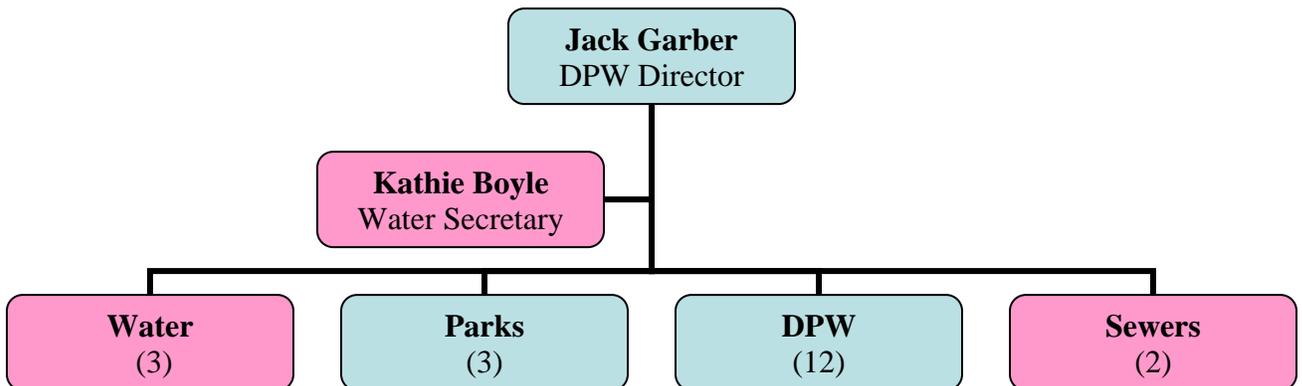
Public Works



Jack Garber is the Department of Public Works and Parks Department Director. He has been with the City for 36 years.

The Department of Public Works (including the Parks department) is the workhorse of the City. It provides such services as snow plowing, sanding, street repairs, traffic control, chipping, leaf pickup, Christmas tree pickup, maintaining parks, flooding ice rink, putting up Christmas decorations, making compost,

fleet maintenance, beach grooming and public area maintenance, to name just a few. The DPW also assists other organizations as necessary, especially during the City's festivals and peak summer season.



Charged to Water & Sewer Utility.

General Fund

Public Works

The Public Works budget increased by 6.2% compared to the prior year. Employee costs increased by 6.6%, and operating costs increased by 5.1%. The employee cost increase is attributable primarily to contractual wages and health insurance. The operating cost increase is attributable to gasoline and motor pool increases.

441 DPW	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
702.000 Salaries	\$ 474,090	\$ 466,450	\$ 487,011	\$ 487,011	\$ 487,011
703.000 Longevity	\$ 5,025	\$ 5,250	\$ 5,450	\$ 5,450	\$ 5,450
704.000 Overtime	\$ 19,465	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
706.000 Part-Time	\$ -	\$ -	\$ -	\$ -	\$ -
712.001 Costs - Social Security	\$ 30,195	\$ 30,643	\$ 32,006	\$ 32,006	\$ 32,006
712.002 Costs - Medicare	\$ 7,062	\$ 7,130	\$ 7,485	\$ 7,485	\$ 7,485
712.004 Costs - ICMA Contribution	\$ 2,315	\$ 2,542	\$ 2,638	\$ 2,638	\$ 2,638
712.005 Costs - MERS	\$ -	\$ -	\$ 1,120	\$ 1,120	\$ 1,120
712.006 Costs - In Lieu of BC/BS	\$ -	\$ -	\$ -	\$ -	\$ -
712.007 Costs - FUTA	\$ 81	\$ 120	\$ 65	\$ 65	\$ 65
712.009 Costs - Work Comp	\$ 24,196	\$ 24,776	\$ 25,755	\$ 25,755	\$ 25,755
712.010 Costs - Blue Cross Insurance	\$ 117,790	\$ 103,921	\$ 128,757	\$ 128,757	\$ 128,757
712.011 Costs - Life Insurance	\$ 1,370	\$ 1,367	\$ 2,029	\$ 2,029	\$ 2,029
714.001 Retire. Costs - Blue Cross	\$ 2,250	\$ 6,000	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 683,839</b>	<b>\$ 668,199</b>	<b>\$ 712,315</b>	<b>\$ 712,315</b>	<b>\$ 712,315</b>
727.001 Office/Operating Expense	\$ 7,524	\$ 11,000	\$ 11,000	\$ 11,000	\$ 11,000
745.000 Uniform & Cleaning Allowance	\$ 4,382	\$ 6,700	\$ 14,610	\$ 6,360	\$ 6,360
748.000 Vehicle Gas	\$ 51,958	\$ 42,000	\$ 50,000	\$ 51,215	\$ 51,215
750.000 Vehicle Maint. - Gas, Oil, etc	\$ 4,359	\$ -	\$ -	\$ -	\$ -
780.001 Equipment Maint. & Supplies	\$ 67,091	\$ 72,000	\$ 83,000	\$ 72,000	\$ 72,000
780.002 Christmas Decorations	\$ 5,878	\$ 5,000	\$ 10,000	\$ 5,000	\$ 5,000
801.000 Professional Services	\$ 36,271	\$ 33,000	\$ 35,000	\$ 35,000	\$ 35,000
850.000 Radio Maintenance	\$ 2,437	\$ 3,000	\$ 2,600	\$ 1,500	\$ 1,500
860.001 Travel & Training Expense	\$ 3,892	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500
880.000 Education	\$ -	\$ -	\$ -	\$ -	\$ -
900.000 Printing/Publishing	\$ -	\$ -	\$ -	\$ -	\$ -
931.000 Contractual Repairs & Maint.	\$ 11,233	\$ 8,000	\$ 10,000	\$ 10,000	\$ 10,000
977.000 Capital Outlay	\$ 747	\$ 4,000	\$ 2,400	\$ 2,400	\$ 2,400
977.001 Motor Pool	\$ 87,000	\$ 80,000	\$ 84,000	\$ 84,000	\$ 84,000
<b>Operating Costs</b>	<b>\$ 282,771</b>	<b>\$ 269,200</b>	<b>\$ 307,110</b>	<b>\$ 282,975</b>	<b>\$ 282,975</b>
<b>TOTAL DPW</b>	<b>\$ 966,610</b>	<b>\$ 937,399</b>	<b>\$ 1,019,425</b>	<b>\$ 995,290</b>	<b>\$ 995,290</b>

General Fund

Engineer



Brian Sousa, of Wade Trim, is the City’s Engineer of Record. The engineer of record contract expires in 2007 and will be put out for bids in May. Brian assists in many of the day to day activities of the City; answering technical questions and working across all departments to address their engineering needs. He also helps the City write, apply for and administer grants; such as the Fifth Avenue and Washington Street repaving projects.

The Engineer budget for general services remained flat this year compared to the prior year.

It is important to note that total City engineering costs are higher than those reflected in this budget, because they are charged to different funds depending on the project or grant.

		2006		2007		2008		2008		2008
		Actual		Budget		Requested		Manager		Adopted
<b>449 Engineer</b>										
801.000 Professional Services	\$	46,330	\$	37,000	\$	37,000	\$	37,000	\$	37,000
861.000 Travel & Training	\$	-	\$	-	\$	-	\$	-	\$	-
<b>TOTAL ENGINEER</b>	<b>\$</b>	<b>46,330</b>	<b>\$</b>	<b>37,000</b>	<b>\$</b>	<b>37,000</b>	<b>\$</b>	<b>37,000</b>	<b>\$</b>	<b>37,000</b>

General Fund

Parks & Recreation

The Parks budget decreased by 2.1% compared to the prior year. Employee costs decreased by 2.8%, and operating costs decreased by .8%. The decreases are due to better forecasting of part-time summer help, and lower projected gasoline and maintenance costs.

		2006	2007	2008	2008	2008
		Actual	Budget	Requested	Manager	Adopted
<b>751 PARKS</b>						
702.000 Salaries	\$	90,099	\$ 103,577	\$ 111,851	\$ 111,851	\$ 111,851
703.000 Longevity	\$	300	\$ 375	\$ 450	\$ 450	\$ 450
704.000 Overtime	\$	7,893	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
706.000 Part-Time	\$	50,467	\$ 73,640	\$ 83,200	\$ 57,720	\$ 57,720
712.001 Costs - Social Security	\$	9,426	\$ 11,910	\$ 12,741	\$ 11,161	\$ 11,161
712.002 Costs - Medicare	\$	2,205	\$ 2,785	\$ 2,980	\$ 2,610	\$ 2,610
712.004 Costs - ICMA Contribution	\$	-	\$ -	\$ -	\$ -	\$ -
712.005 Costs - MERS	\$	-	\$ -	\$ -	\$ -	\$ -
712.006 Costs - In Lieu of BC/BS	\$	4,813	\$ 4,507	\$ -	\$ -	\$ -
712.007 Costs - FUTA	\$	199	\$ 82	\$ 16	\$ 16	\$ 16
712.009 Costs - Work Comp	\$	3,727	\$ 4,090	\$ 4,788	\$ 4,194	\$ 4,194
712.010 Costs - Blue Cross Insurance	\$	18,480	\$ 24,834	\$ 30,932	\$ 30,932	\$ 30,932
712.011 Costs - Life Insurance	\$	202	\$ 235	\$ 421	\$ 421	\$ 421
714.001 Retire. Costs - Blue Cross	\$	-	\$ -	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$</b>	<b>187,809</b>	<b>\$ 236,034</b>	<b>\$ 257,379</b>	<b>\$ 229,356</b>	<b>\$ 229,356</b>
727.001 Office/Operating Expense	\$	1,039	\$ -	\$ -	\$ -	\$ -
745.000 Uniform & Cleaning Allowance	\$	-	\$ -	\$ -	\$ -	\$ -
748.000 Vehicle Gas	\$	5,426	\$ 5,000	\$ 5,000	\$ 4,000	\$ 4,000
750.000 Vehicle Maint. - Gas, Oil, etc	\$	267	\$ -	\$ -	\$ -	\$ -
780.001 Equipment Maint. & Supplies	\$	42,751	\$ 36,500	\$ 35,000	\$ 35,000	\$ 35,000
801.000 Professional Services	\$	840	\$ -	\$ -	\$ -	\$ -
850.000 Radio Maintenance	\$	-	\$ -	\$ -	\$ -	\$ -
860.001 Travel & Training Expense	\$	650	\$ -	\$ -	\$ -	\$ -
880.000 Education	\$	-	\$ -	\$ -	\$ -	\$ -
900.000 Printing/Publishing	\$	-	\$ -	\$ -	\$ -	\$ -
920.000 Gas	\$	933	\$ 1,500	\$ 1,500	\$ 1,000	\$ 1,000
922.000 Water	\$	7,587	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
925.000 Electric	\$	11,122	\$ 12,000	\$ 12,000	\$ 11,000	\$ 11,000
931.000 Contractual Repairs & Maint.	\$	23,727	\$ 21,500	\$ 22,500	\$ 22,500	\$ 22,500
977.000 Capital Outlay	\$	18,181	\$ -	\$ 22,000	\$ -	\$ -
977.001 Motor Pool	\$	30,000	\$ 40,000	\$ 42,000	\$ 42,000	\$ 42,000
<b>Operating Costs</b>	<b>\$</b>	<b>142,523</b>	<b>\$ 126,500</b>	<b>\$ 150,000</b>	<b>\$ 125,500</b>	<b>\$ 125,500</b>
<b>TOTAL PARKS</b>	<b>\$</b>	<b>330,332</b>	<b>\$ 362,534</b>	<b>\$ 407,379</b>	<b>\$ 354,856</b>	<b>\$ 354,856</b>

General Fund

Appropriations

The Appropriations budget increased by 1.9% compared to the prior year. The increase is due to the inflationary adjustment received by the EDO through the MECCA contract.

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>901 APPROPRIATIONS</b>					
700.002 Museum	\$ 7,780	\$ 10,000	\$ 10,000	\$ 10,000	\$ 11,000
700.004 Manistee Recreation Assoc.	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
700.008 Veteran's Memorial Day	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
700.010 Economic Development Authority	\$ 26,333	\$ 26,333	\$ 29,276	\$ 29,276	\$ 29,276
700.014 Alternatives for Area Youth	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000
969.016 Civic Players - Ramsdell	\$ 7,800	\$ -	\$ -	\$ -	\$ -
969.020 Ramsdell Restoration	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
969.024 PEG Studio	\$ 23,283	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
969.025 Junior Baseball	\$ 3,000	\$ 3,000	\$ 5,000	\$ 3,000	\$ 3,000
969.030 SSCENT	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 167,196</b>	<b>\$ 158,333</b>	<b>\$ 163,276</b>	<b>\$ 161,276</b>	<b>\$ 162,276</b>

Enterprise Funds

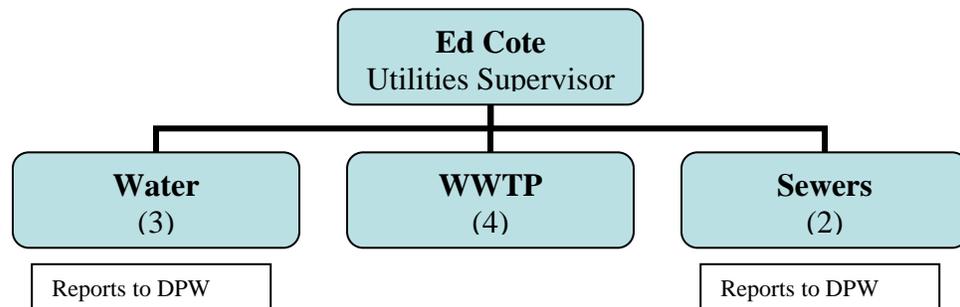
Water & Sewer Utility



Ed Cote is the Utilities Superintendent for the City of Manistee. He has been with the City for 36 years.



The Water and Sewer Utility performs a variety of tasks, all of which are important to the City and its residents. The Water department is responsible for water production and treatment, monitoring, storage, testing, system maintenance and ensuring compliance with State and Federal regulations. The WWTP is responsible for treating and disposal of the City waste stream, operating lift stations, testing, system maintenance, and insuring compliance with the City's NPDES permit and Local, State and Federal regulations. The Sewer department is responsible for maintaining the sewer infrastructure, and monitoring CSO's and SSO's. All parties work together to ensure the highest treatment standards for both water and sewer so that the public health and environment is protected.



Enterprise Funds

Water & Sewer Utility

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>REVENUES</b>					
446.000 Penalties	\$ 30,490	\$ 25,000	\$ 30,000	\$ 30,000	\$ 30,000
569.002 Abandoned Well Mgt. Grant	\$ 1,380	\$ -	\$ -	\$ -	\$ -
644.000 Water Sales	\$ 886,992	\$ 932,751	\$ 973,252	\$ 973,252	\$ 973,252
645.000 Hydrant & Tunnel Rental	\$ 21,600	\$ 21,600	\$ 21,600	\$ 21,600	\$ 21,600
646.000 New Service	\$ 13,000	\$ 10,000	\$ 11,000	\$ 11,000	\$ 11,000
647.000 Bond Debt	\$ 366,606	\$ 350,000	\$ 360,000	\$ 360,000	\$ 360,000
648.000 Sewer Sales	\$ 1,354,677	\$ 1,651,260	\$ 1,486,419	\$ 1,486,419	\$ 1,486,419
649.000 Meter Sales	\$ 4,008	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
661.000 Capital Cost Recovery	\$ 32,169	\$ 31,835	\$ 31,835	\$ 31,835	\$ 31,835
664.000 Interest Income	\$ 44,900	\$ 45,000	\$ 50,000	\$ 50,000	\$ 50,000
667.000 Rental Income	\$ 47,983	\$ 42,500	\$ 42,500	\$ 42,500	\$ 42,500
671.000 Other Revenue	\$ 9,621	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500
672.000 Operating Transfer In	\$ 224,779	\$ 275,000	\$ 292,500	\$ 292,500	\$ 292,500
676.000 Insurance Settlement	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	<b>\$ 3,038,204</b>	<b>\$ 3,398,446</b>	<b>\$ 3,312,606</b>	<b>\$ 3,312,606</b>	<b>\$ 3,312,606</b>

Enterprise Funds

Water & Sewer Utility

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>100 GENERAL</b>					
729.000 Refunds	\$ -	\$ -	\$ -	\$ -	\$ -
905.000 Retirement Fund Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
969.050 Abandoned Well Mngt Expenses	\$ 18,950	\$ -	\$ -	\$ -	\$ -
972.000 Operating Transfer Out	\$ 42,000	\$ 100,000	\$ 175,000	\$ 175,000	\$ 175,000
<b>TOTAL GENERAL</b>	<b>\$ 60,950</b>	<b>\$ 100,000</b>	<b>\$ 175,000</b>	<b>\$ 175,000</b>	<b>\$ 175,000</b>

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>200 ADMINISTRATION</b>					
702.000 Salaries	\$ 34,756	\$ 35,369	\$ 36,678	\$ 36,678	\$ 36,678
703.000 Longevity	\$ 625	\$ 625	\$ 625	\$ 625	\$ 625
704.000 Overtime	\$ 827	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
706.000 Part-Time	\$ -	\$ -	\$ -	\$ -	\$ -
712.001 Costs - Social Security	\$ 2,163	\$ 2,306	\$ 2,426	\$ 2,426	\$ 2,426
712.002 Costs - Medicare	\$ 506	\$ 539	\$ 567	\$ 567	\$ 567
712.004 Costs - ICMA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.005 Costs - MERS Contribution	\$ -	\$ -	\$ 620	\$ 620	\$ 620
712.006 Costs - In Lieu of BC/BS	\$ -	\$ -	\$ -	\$ -	\$ -
712.007 Costs - FUTA	\$ 6	\$ 10	\$ 5	\$ 5	\$ 5
712.009 Costs - Workers Compensation	\$ 132	\$ 149	\$ 158	\$ 158	\$ 158
712.010 Costs - Blue Cross Insurance	\$ 12,916	\$ 12,102	\$ 14,037	\$ 14,037	\$ 14,037
712.011 Costs - Life Insurance	\$ 78	\$ 78	\$ 140	\$ 140	\$ 140
714.001 Costs - Retiree BCBS	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 52,009</b>	<b>\$ 52,379</b>	<b>\$ 56,456</b>	<b>\$ 56,456</b>	<b>\$ 56,456</b>
727.001 Office/Operating Expense	\$ 6,857	\$ 11,850	\$ 11,850	\$ 11,850	\$ 11,850
728.000 Bad Debt	\$ 852	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
801.000 Professional Services	\$ -	\$ 6,500	\$ 3,500	\$ 3,500	\$ 18,500
806.000 Administration	\$ 155,000	\$ 150,000	\$ 180,000	\$ 180,000	\$ 180,000
860.001 Travel & Training Expense	\$ 26	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
880.000 Education	\$ -	\$ -	\$ -	\$ -	\$ -
900.000 Printing\Publishing	\$ 3,096	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
927.000 Utilities - Phone	\$ 19,092	\$ 20,000	\$ 21,500	\$ 21,500	\$ 21,500
955.000 Bank Charges	\$ 4,060	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
970.000 Capital Outlay (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Costs</b>	<b>\$ 188,982</b>	<b>\$ 197,750</b>	<b>\$ 226,250</b>	<b>\$ 226,250</b>	<b>\$ 241,250</b>
<b>TOTAL ADMINISTRATION</b>	<b>\$ 240,991</b>	<b>\$ 250,129</b>	<b>\$ 282,706</b>	<b>\$ 282,706</b>	<b>\$ 297,706</b>

Enterprise Funds

Water & Sewer Utility

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>442 WATER OPERATION</b>					
702.000 Salaries	\$ 115,724	\$ 107,896	\$ 113,931	\$ 113,931	\$ 113,931
703.000 Longevity	\$ 1,175	\$ 1,225	\$ 1,275	\$ 1,275	\$ 1,275
704.000 Overtime	\$ 9,056	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
706.000 Part Time	\$ -	\$ -	\$ -	\$ -	\$ -
712.001 Costs - Social Security	\$ 6,850	\$ 7,138	\$ 7,515	\$ 7,515	\$ 7,515
712.002 Costs - Medicare	\$ 1,602	\$ 1,669	\$ 1,757	\$ 1,757	\$ 1,757
712.004 Costs - ICMA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.005 Costs - MERS Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.006 Costs - In Lieu of BC/BS	\$ -	\$ -	\$ -	\$ -	\$ -
712.007 Costs - FUTA	\$ 19	\$ 30	\$ 16	\$ 16	\$ 16
712.009 Costs - Workers Compensation	\$ 2,956	\$ 2,890	\$ 3,260	\$ 3,260	\$ 3,260
712.010 Costs - Blue Cross Insurance	\$ 33,083	\$ 32,554	\$ 37,467	\$ 37,467	\$ 37,467
712.011 Costs - Life Insurance	\$ 235	\$ 235	\$ 421	\$ 421	\$ 421
714.001 Costs - Retiree BCBS	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
<b>Employee Costs</b>	<b>\$ 173,699</b>	<b>\$ 162,636</b>	<b>\$ 174,643</b>	<b>\$ 174,643</b>	<b>\$ 174,643</b>
727.001 Office/Operating Expense	\$ 2,461	\$ 4,850	\$ 5,250	\$ 5,250	\$ 5,250
745.000 Uniform & Cleaning Allowance	\$ 195	\$ 800	\$ 890	\$ 890	\$ 890
745.001 Chemicals	\$ 33,179	\$ 40,300	\$ 40,300	\$ 40,300	\$ 40,300
746.001 Lab Testing	\$ 11,665	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100
748.000 Vehicle Gas	\$ 5,379	\$ 5,100	\$ 5,625	\$ 5,625	\$ 5,625
750.000 Vehicle Maintenance	\$ 4	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
780.001 Equipment Maint. & Supplies	\$ 69,418	\$ 49,800	\$ 54,800	\$ 54,800	\$ 54,800
801.000 Professional Services	\$ 4,800	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
850.000 Radio Maintenance	\$ -	\$ 500	\$ 500	\$ 500	\$ 500
860.001 Travel & Training Expense	\$ 1,637	\$ 3,200	\$ 3,200	\$ 3,200	\$ 3,200
880.000 Education	\$ 2,914	\$ -	\$ -	\$ -	\$ -
910.000 Insurance	\$ -	\$ 3,000	\$ 3,100	\$ 3,100	\$ 3,100
925.000 Utilities - Electric	\$ 59,067	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
930.102 Meters	\$ 18,135	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000
931.000 Contractual Repairs & Maint.	\$ 2,897	\$ 66,400	\$ 71,400	\$ 71,400	\$ 71,400
977.001 Motor Pool	\$ 36,000	\$ 30,000	\$ 31,500	\$ 31,500	\$ 31,500
970.000 Capital Outlay (Expense)	\$ 3,290	\$ -	\$ -	\$ -	\$ -
<b>Operating Costs</b>	<b>\$ 251,042</b>	<b>\$ 312,550</b>	<b>\$ 325,165</b>	<b>\$ 325,165</b>	<b>\$ 325,165</b>
<b>TOTAL WATER OPERATION</b>	<b>\$ 424,741</b>	<b>\$ 475,186</b>	<b>\$ 499,808</b>	<b>\$ 499,808</b>	<b>\$ 499,808</b>

Enterprise Funds

Water & Sewer Utility

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>443 SEWER - WWTP</b>					
702.000 Salaries	\$ 195,819	\$ 204,373	\$ 207,719	\$ 207,719	\$ 207,719
703.000 Longevity	\$ 1,400	\$ 1,500	\$ 1,425	\$ 1,425	\$ 1,425
704.000 Overtime	\$ 11,400	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
706.000 Part Time	\$ -	\$ -	\$ -	\$ -	\$ -
712.001 Costs - Social Security	\$ 12,752	\$ 13,734	\$ 13,929	\$ 13,929	\$ 13,929
712.002 Costs - Medicare	\$ 2,983	\$ 3,212	\$ 3,258	\$ 3,258	\$ 3,258
712.004 Costs - ICMA Contribution	\$ 1,995	\$ 2,396	\$ -	\$ -	\$ -
712.005 Costs - MERS Contribution	\$ 1,633	\$ 1,740	\$ 2,855	\$ 2,855	\$ 2,855
712.006 Costs - In Lieu of BC/BS	\$ -	\$ 4,507	\$ 5,659	\$ 5,659	\$ 5,659
712.007 Costs - FUTA	\$ 31	\$ 50	\$ 27	\$ 27	\$ 27
712.009 Costs - Workers Compensation	\$ 4,484	\$ 4,768	\$ 4,690	\$ 4,690	\$ 4,690
712.010 Costs - Blue Cross Insurance	\$ 50,243	\$ 36,996	\$ 42,678	\$ 42,678	\$ 42,678
712.011 Costs - Life Insurance	\$ 723	\$ 762	\$ 992	\$ 992	\$ 992
714.001 Costs - Retiree BCBS	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 283,463</b>	<b>\$ 281,038</b>	<b>\$ 290,232</b>	<b>\$ 290,232</b>	<b>\$ 290,232</b>
727.001 Office/Operating Expense	\$ 23,286	\$ 29,900	\$ 29,900	\$ 29,900	\$ 29,900
745.000 Uniform & Cleaning Allowance	\$ 2,716	\$ 2,800	\$ 3,978	\$ 3,978	\$ 3,978
745.001 Chemicals	\$ 33,682	\$ 40,400	\$ 40,400	\$ 40,400	\$ 40,400
746.001 Lab Testing	\$ 6,662	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200
748.000 Vehicle Gas	\$ 9,525	\$ 9,700	\$ 11,515	\$ 11,515	\$ 11,515
750.000 Vehicle Maintenance	\$ 438	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
780.001 Equipment Maint. & Supplies	\$ 84,382	\$ 62,400	\$ 96,400	\$ 96,400	\$ 96,400
801.000 Professional Services	\$ 31,153	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
850.000 Radio Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
860.001 Travel & Training Expense	\$ 3,008	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600
880.000 Education	\$ -	\$ -	\$ -	\$ -	\$ -
910.000 Insurance	\$ 12,105	\$ 11,500	\$ 16,700	\$ 16,700	\$ 16,700
920.000 Utilities - Gas	\$ 16,368	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
925.000 Utilities - Electric	\$ 63,768	\$ 72,500	\$ 75,000	\$ 75,000	\$ 75,000
931.000 Contractual Repairs & Maint.	\$ 43,366	\$ 36,000	\$ 40,000	\$ 40,000	\$ 40,000
977.001 Motor Pool	\$ 30,000	\$ 30,000	\$ 31,500	\$ 31,500	\$ 31,500
970.000 Capital Outlay (Expense)	\$ 3,155	\$ -	\$ -	\$ -	\$ -
<b>Operating Costs</b>	<b>\$ 363,616</b>	<b>\$ 371,000</b>	<b>\$ 421,193</b>	<b>\$ 421,193</b>	<b>\$ 421,193</b>
<b>TOTAL SEWER - WWTP</b>	<b>\$ 647,079</b>	<b>\$ 652,038</b>	<b>\$ 711,424</b>	<b>\$ 711,425</b>	<b>\$ 711,425</b>

Enterprise Funds

Water & Sewer Utility

	2006 Actual	2007 Budget	2008 Requested	2008 Manager	2008 Adopted
<b>444 SEWER COLLECTION</b>					
702.000 Salaries	\$ 78,164	\$ 72,624	\$ 75,364	\$ 75,364	\$ 75,364
703.000 Longevity	\$ 1,175	\$ 1,200	\$ 1,225	\$ 1,225	\$ 1,225
704.000 Overtime	\$ 3,733	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
706.000 Part Time	\$ -	\$ -	\$ -	\$ -	\$ -
712.001 Costs - Social Security	\$ 4,803	\$ 4,794	\$ 4,966	\$ 4,966	\$ 4,966
712.002 Costs - Medicare	\$ 1,123	\$ 1,121	\$ 1,161	\$ 1,161	\$ 1,161
712.004 Costs - ICMA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.005 Costs - MERS Contribution	\$ -	\$ -	\$ -	\$ -	\$ -
712.006 Costs - In Lieu of BC/BS	\$ -	\$ -	\$ -	\$ -	\$ -
712.007 Costs - FUTA	\$ 13	\$ 20	\$ 11	\$ 11	\$ 11
712.009 Costs - Workers Compensation	\$ 2,596	\$ 2,683	\$ 2,763	\$ 2,763	\$ 2,763
712.010 Costs - Blue Cross Insurance	\$ 23,353	\$ 20,327	\$ 23,493	\$ 23,493	\$ 23,493
712.011 Costs - Life Insurance	\$ 157	\$ 157	\$ 281	\$ 281	\$ 281
714.001 Costs - Retiree BCBS	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Employee Costs</b>	<b>\$ 115,116</b>	<b>\$ 106,426</b>	<b>\$ 112,763</b>	<b>\$ 112,763</b>	<b>\$ 112,763</b>
727.001 Office/Operating Expense	\$ 120	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700
745.000 Uniform & Cleaning Allowance	\$ 3,575	\$ 1,600	\$ 1,244	\$ 1,244	\$ 1,244
745.001 Chemicals	\$ 1,107	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
748.000 Vehicle Gas	\$ -	\$ -	\$ -	\$ -	\$ -
750.000 Vehicle Maintenance	\$ -	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
780.001 Equipment Maint. & Supplies	\$ 13,609	\$ 16,000	\$ 19,000	\$ 19,000	\$ 19,000
801.000 Professional Services	\$ 272	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
850.000 Radio Maintenance	\$ -	\$ 200	\$ 200	\$ 200	\$ 200
860.001 Travel & Training Expense	\$ 142	\$ 500	\$ 500	\$ 500	\$ 500
880.000 Education	\$ -	\$ -	\$ -	\$ -	\$ -
931.000 Contractual Repairs & Maint.	\$ 38,460	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
977.001 Motor Pool	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
970.000 Capital Outlay (Expense)	\$ 16,549	\$ -	\$ -	\$ -	\$ -
<b>Operating Costs</b>	<b>\$ 103,834</b>	<b>\$ 83,000</b>	<b>\$ 85,644</b>	<b>\$ 85,644</b>	<b>\$ 85,644</b>
<b>TOTAL SEWER COLLECTION</b>	<b>\$ 218,950</b>	<b>\$ 189,426</b>	<b>\$ 198,408</b>	<b>\$ 198,407</b>	<b>\$ 198,407</b>

Enterprise Funds

Water & Sewer Utility

<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,592,712</b>	<b>\$ 1,666,779</b>	<b>\$ 1,867,346</b>	<b>\$ 1,867,346</b>	<b>\$ 1,882,346</b>
<b>AVAILABLE FOR DEBT SERVICE</b>	<b>\$ 1,445,493</b>	<b>\$ 1,731,667</b>	<b>\$ 1,445,260</b>	<b>\$ 1,445,260</b>	<b>\$ 1,430,260</b>
<b>574 WATER &amp; SEWER BOND INTEREST</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2008 Requested</b>	<b>2008 Manager</b>	<b>2008 Adopted</b>
955.000 Bank Charges	\$ 900	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
990.001 1997 A Bond Interest	\$ 5,036	\$ 3,749	\$ 2,333	\$ 2,333	\$ 2,333
990.002 1997 B SRF Bond Interest	\$ 7,988	\$ 7,425	\$ 6,863	\$ 6,863	\$ 6,863
990.003 1998 B SRF Bond Interest	\$ 43,088	\$ 40,331	\$ 37,519	\$ 37,519	\$ 37,519
990.004 1998 A Bond Interest	\$ 30,625	\$ 22,233	\$ 13,523	\$ 13,523	\$ 13,523
990.005 1999 A Bond Interest	\$ 22,121	\$ 17,846	\$ 13,244	\$ 13,244	\$ 13,244
990.006 1999 B SRF Bond Interest	\$ 46,625	\$ 44,125	\$ 41,563	\$ 41,563	\$ 41,563
990.013 2005 Refunding Interest	\$ 203,874	\$ 246,520	\$ 245,189	\$ 245,189	\$ 245,189
990.014 2006 SRF Interest	\$ -	\$ 47,000	\$ 46,638	\$ 46,638	\$ 46,638
Total Debt Service	\$ 545,000	\$ 605,000	\$ 750,000	\$ 750,000	\$ 750,000
<b>TOTAL WATER &amp; SEWER BOND INT</b>	<b>\$ 905,257</b>	<b>\$ 1,036,229</b>	<b>\$ 1,158,872</b>	<b>\$ 1,158,872</b>	<b>\$ 1,158,872</b>
<b>OPERATING RESULT</b>	<b>\$ 540,236</b>	<b>\$ 695,438</b>	<b>\$ 286,388</b>	<b>\$ 286,388</b>	<b>\$ 271,388</b>
<b>CAPITAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Capital Outlay	\$ 176,433	\$ -	\$ -	\$ -	\$ -
Admin Capital Outlay	\$ -	\$ 4,000	\$ -	\$ -	\$ -
Water Capital Outlay	\$ -	\$ 140,000	\$ 180,000	\$ 180,000	\$ 180,000
WWTP Capital Outlay	\$ -	\$ 52,000	\$ 10,000	\$ 10,000	\$ 10,000
Sewer Capital Outlay	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ 200,000
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$ 176,433</b>	<b>\$ 196,000</b>	<b>\$ 390,000</b>	<b>\$ 390,000</b>	<b>\$ 390,000</b>
<b>PROJECTED SURPLUS\DEFICIT</b>	<b>\$ 363,803</b>	<b>\$ 499,438</b>	<b>\$ (103,612)</b>	<b>\$ (103,612)</b>	<b>\$ (118,612)</b>
<b>CASH EFFECT</b>					
<b>Beginning Cash</b>	<b>\$ 796,742</b>	<b>\$ 796,742</b>			<b>\$ 996,180</b>
Surplus\Deficit (projected 2007)		<u>\$ 199,438</u>			\$ (118,612)
<b>Ending Cash</b>		<b>\$ 996,180</b>			<b>\$ 877,568</b>

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Enterprise Funds

Municipal Marina

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The Municipal Marina fund accounts for the activities of the Manistee Municipal Marina. Police Chief Dave Bachman serves as harbormaster and directs the operations of the Marina. An enthusiastic staff of young adults manages the day-to-day activities and provides first rate service to the boaters.

serves as the home port for several large fishing tournaments. The marina has 36 slips ranging in length from 30 to 60 feet. It can also accommodate larger vessels (up to 100') with a broadside tie against the Riverwalk seawall. It offers a full array of services including fuel, pump out, bath facilities, water and electric hookup. Several times a year, Manistee is visited by cruise ships that bring passengers to visit our Victorian Port City.

The marina has undergone several improvements over the past few years, including lowering all the docks to accommodate lower water levels, upgrading its fuel delivery system, improving bathroom facilities and offering free wi-fi internet access to our boating guests. In FY 2008, an office kiosk located on the end of the gas dock is planned, to be funded mainly by a Michigan Waterways Grant.



Enterprise Funds

Municipal Marina

	2006 Actual	2007 Budget	2008 Department Requested	2008 Manager Budget	2008 Council Adopted
<b>594 Municipal Marina Fund</b>					
569.001 State Grant	\$0	\$0	\$30,000	\$30,000	\$30,000
642.001 Charge for Sales - Fuel	104,934	70,000	70,000	70,000	70,000
642.002 Charge for Sales - Dockage	74,586	70,000	70,000	70,000	70,000
642.003 Charge for Sales - Other	5,520	4,000	4,000	4,000	4,000
642.004 Charge for Services	0	4,000	4,000	4,000	4,000
664.000 Interest Income	883	1,000	1,000	1,000	1,000
671.000 Other Revenue	0	0	0	0	0
676.000 Insurance Settlement	0	0	0	0	0
<b>Total Revenues</b>	<b>\$185,923</b>	<b>\$149,000</b>	<b>\$179,000</b>	<b>\$179,000</b>	<b>\$179,000</b>
702.000 Salaries	\$24,036	\$25,000	\$25,000	\$ 25,000	\$ 25,000
703.000 Longevity	0	\$0	\$0	\$ -	\$ -
704.000 Overtime	29	\$1,000	\$1,000	\$ 1,000	\$ 1,000
706.000 Part-Time	0	\$0	\$0	\$ -	\$ -
712.001 Costs - Social Security	1,476	\$1,600	\$1,612	\$ 1,612	\$ 1,612
712.002 Costs - Medicare	345	\$350	\$377	\$ 377	\$ 377
712.007 Costs - FUTA	90	\$100	\$0	\$ -	\$ -
712.009 Costs - Work Comp	975	\$750	\$918	\$ 918	\$ 918
<b>Employee Costs</b>	<b>\$26,951</b>	<b>\$28,800</b>	<b>\$28,907</b>	<b>\$28,907</b>	<b>\$28,907</b>
727.001 Office/Operating Expense	18,252	5,000	5,000	5,000	5,000
727.002 Operating Supplies - Fuel	92,706	60,000	60,000	60,000	60,000
727.003 Operating Supplies - Other	1,400	2,000	2,000	2,000	2,000
728.000 Bad Debt	0	0	0	0	0
780.001 Equipment Maint. & Supplies	4,785	3,500	3,500	3,500	3,500
806.000 Administration	2,500	2,500	2,500	2,500	2,500
910.000 Insurance	662	3,000	3,000	3,000	3,000
920.000 Gas	616	500	500	500	500
922.000 Water	5,328	3,500	3,500	3,500	3,500
925.000 Electric	11,543	6,000	6,000	6,000	6,000
927.000 Utilities - Phone	452	1,200	1,200	1,200	1,200
931.000 Contractual Repairs & Maint.	2,603	0	0	0	0
954.000 Sales Tax	1,740	5,300	5,300	5,300	5,300
955.000 Bank Charges	3,674	4,000	4,000	4,000	4,000
977.000 Capital Outlay	6,389	15,000	0	0	0
<b>Operating Costs</b>	<b>\$152,649</b>	<b>\$111,500</b>	<b>\$96,500</b>	<b>\$96,500</b>	<b>\$96,500</b>
<b>Total Expenditures</b>	<b>\$179,600</b>	<b>\$140,300</b>	<b>\$125,407</b>	<b>\$125,407</b>	<b>\$125,407</b>
<b>OPERATING RESULT</b>	<b>\$6,323</b>	<b>\$8,700</b>	<b>\$53,593</b>	<b>\$53,593</b>	<b>\$53,593</b>
<b>Beginning Cash</b>	<b>\$33,573</b>	<b>\$33,573</b>	<b>\$42,273</b>	<b>\$42,273</b>	<b>\$42,273</b>
Operating Surplus\Deficit		8,700	53,593	53,593	53,593
Capital Outlay (not expensed)		0	60,000	60,000	60,000
Accruals\Other		0	0	0	0
<b>Ending Cash</b>	<b>\$31,589</b>	<b>\$42,273</b>	<b>\$35,866</b>	<b>\$35,866</b>	<b>\$35,866</b>

Enterprise Funds

Boat Ramp



The boat ramp fund accounts for the activities of the First Street Boat launch. It operates as a stand-alone enterprise. The City recently completed a grant from the State of Michigan for the rehabilitation of some launch ramps and the construction of a handicap accessible pier. The City is also looking at ways to increase revenue at the boat ramps through extended hours and possible automation.

	2006 Actual	2007 Budget	2008 Department Requested	2008 Manager Budget	2008 Council Adopted
<b>508 Boat Ramp Fund</b>					
569.001 State Grant	\$0	\$0	\$0	\$0	\$0
642.000 Charge For Sales	38,026	41,000	42,000	42,000	42,000
664.000 Interest Income	767	1,200	1,000	1,000	1,000
<b>Total Revenues</b>	<b>\$38,793</b>	<b>\$42,200</b>	<b>\$43,000</b>	<b>\$43,000</b>	<b>\$43,000</b>
702.000 Salaries	\$11,517	\$18,900	\$14,280	\$14,280	\$14,280
704.000 Overtime	0	0	0	\$0	\$0
712.001 Costs - Social Security	707	1,172	885	\$885	\$885
712.002 Costs - Medicare	165	274	207	\$207	\$207
712.007 Costs - FUTA	49	10	11	\$11	\$11
712.009 Costs - Workers Compensation	302	412	333	\$333	\$333
<b>Employee Costs</b>	<b>\$12,741</b>	<b>\$20,768</b>	<b>\$15,716</b>	<b>\$15,716</b>	<b>\$15,716</b>
727.001 Office/Operating Expense	573	500	500	500	500
780.001 Equipment Maint. & Supplies	1,254	10,500	10,000	10,000	10,000
801.000 Professional Services	1,279	0	2,000	2,000	2,000
806.000 Administration	2,000	2,000	2,000	2,000	2,000
922.000 Water	9	1,000	500	500	500
925.000 Electric	238	500	500	500	500
927.000 Utilities - Phone	0	0	0	0	0
970.000 Capital Outlay (expense)	255	13,000	0	0	0
<b>Operating Costs</b>	<b>\$5,608</b>	<b>\$27,500</b>	<b>\$15,500</b>	<b>\$15,500</b>	<b>\$15,500</b>
<b>Total Expenditures</b>	<b>\$18,348</b>	<b>\$48,268</b>	<b>\$31,216</b>	<b>\$31,216</b>	<b>\$31,216</b>
<b>TOTAL BOAT RAMP</b>	<b>\$20,444</b>	<b>-\$6,068</b>	<b>\$11,784</b>	<b>\$11,784</b>	<b>\$11,784</b>
<b>Beginning Cash</b>	<b>\$8,451</b>	<b>\$29,073</b>	<b>\$23,005</b>	<b>\$23,005</b>	<b>\$23,005</b>
Operating Surplus\Deficit	\$20,444	-\$6,068	\$11,784	\$11,784	\$11,784
970.000 Capital Outlay (investment)	0	0	10,000	10,000	10,000
Accruals\Other	178	0	0	0	0
<b>Projected Ending Cash</b>	<b>\$29,073</b>	<b>\$23,005</b>	<b>\$34,789</b>	<b>\$34,789</b>	<b>\$34,789</b>

Internal Service Funds

Motor Pool



The City operates a Motor Pool which provides capital funding for significant equipment purchases. It receives payments from the operating departments and pays out money for purchasing equipment and insurance; accruing capital for equipment replacement, or funding emergency purchases if necessary. In this regard, the Motor Pool provides a cushion against the unexpected. The Motor Pool was originally established with the \$551,000 sale proceeds from the Dunes Subdivision auction.



The overall condition of the City's fleet is very good. With the Motor Pool, vehicles have been acquired in a cost-effective manner and replaced on a regular basis. This maintains vehicle efficiency and reduces maintenance costs. Administration has established a 10 year forecast horizon for Motor Pool equipment purchases. Equipment scheduled to be purchased in the upcoming year are listed below:

Model	Make	Description	Type	Est Cost	Method
1997	GMC	DPW - Pickup	Replace	\$23,000	Finance
1995	GMC	DPW - Pickup	Replace	\$23,000	Finance
2001	Ford	GENERAL - Car	Replace	\$15,000	Finance
1995	John Deere	PARKS - Rider	Replace	\$14,500	Purchase
		PARKS - Mowers (2)	Replace	\$6,000	Purchase
1997	GMC	PARKS - Pickup	Replace	\$23,000	Finance
1985	Surf-Rake	PARKS - Beack Cleaner	Replace	\$70,000	Finance
1998	GMC	WATER - Pickup	Replace	\$23,000	Finance
		DPW - Hot Patch Trailer	New	\$30,000	Purchase



## 2007-2008 Budget

### Internal Service Funds

### Motor Pool

<b>661 Motor Pool</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2007 Projected</b>	<b>2008 Department Requested</b>	<b>2008 Manager Budget</b>	<b>2008 Council Adopted</b>
664.000 Interest Income	14,734	12,000	18,000	13,320	\$13,320	\$13,320
670.001 Equipment Rental - Police	45,000	35,000	35,000	36,750	\$36,750	\$36,750
670.002 Equipment Rental - Fire	29,000	30,000	30,000	31,500	\$31,500	\$31,500
670.003 Equipment Rental - Public Work	87,000	80,000	80,000	84,000	\$84,000	\$84,000
670.004 Equipment Rental - Parks	30,000	40,000	40,000	42,000	\$42,000	\$42,000
670.005 Equipment Rental - Water	36,000	30,000	30,000	31,500	\$31,500	\$31,500
670.006 Equipment Rental - Sewer Colle	30,000	30,000	30,000	31,500	\$31,500	\$31,500
670.007 Equipment Rental - WWTP	30,000	30,000	30,000	31,500	\$31,500	\$31,500
670.008 Equipment Rental - City Mgr.	10,000	10,000	10,000	10,500	\$10,500	\$10,500
670.999 Sale of Assets	2,500	5,000	40,000	19,700	\$19,700	\$19,700
671.000 Other Revenue	0	0	0	0	\$0	\$0
<b>Total Revenue</b>	<b>\$314,234</b>	<b>\$302,000</b>	<b>\$343,000</b>	<b>\$332,270</b>	<b>\$332,270</b>	<b>\$332,270</b>
750.001 WS - Vactor	\$24,268	\$25,271	\$60,432	\$35,161	\$35,161	\$35,161
750.002 POLICE - Patrol Car	37,818	30,500	28,810	28,810	28,810	28,810
750.004 DPW - Plow Trucks	4,732	147,392	152,562	63,932	63,932	63,932
750.005 DPW - Loader (Big)	14,508	14,508	14,508	14,508	14,508	14,508
750.008 FIRE - Pumper	20,174	24,850	24,849	24,850	24,850	24,850
750.009 WWTP - Pickup	7,648	0	0	0	0	0
750.011 WATER - Pickup	0	0	0	11,500	11,500	11,500
750.012 PARKS - Mowers	14,340	3,500	0	20500	20500	20500
750.014 DPW - Sidewalk Tractor/Blower	13,203	0	2,034	0	0	0
750.015 PARKS - Beach Cleaner	0	0	0	17,084	17,084	17,084
750.016 DPW - Pickup	7,648	0	0	23,000	23,000	23,000
750.017 PARKS - Pickup	0	0	0	11,500	11,500	11,500
750.020 DPW Hot Patch Trailer	0	0	0	30,000	30,000	30,000
750.024 DPW - Sweeper	20,368	16,168	31,725	31,725	31,725	31,725
750.025 GENERAL - Car	0	0	0	7,500	7,500	7,500
750.030 WATER - Cargo Van	6,233	0	0	0	0	0
750.032 DPW - Snow Blower	22,969	21,366	21,366	21,366	21,366	21,366
750.033 DPW - Skid Steer	10,357	10,418	10,418	2,604	2,604	2,604
750.037 FIRE - Aerial Lift Truck	0	0	49,369	0	0	0
799.000 Miscellaneous Expense	205	500	500	500	500	500
910.000 Insurance	33,430	38,000	31,805	32,759	32,759	32,759
<b>Total Expenses</b>	<b>\$251,520</b>	<b>\$332,473</b>	<b>\$428,377</b>	<b>\$377,299</b>	<b>\$377,299</b>	<b>\$377,299</b>
<b>TOTAL MOTOR POOL</b>	<b>\$62,714</b>	<b>-\$30,473</b>	<b>-\$85,377</b>	<b>-\$45,029</b>	<b>-\$45,029</b>	<b>-\$45,029</b>
Beginning Cash			\$442,187		\$356,810	
Projected Ending Cash	\$442,187		\$356,810		\$311,781	

Special Revenue Funds

Oil & Gas

This fund records revenues from oil and gas royalties generated by leases on City-owned property. The principal is protected by City Charter as a permanent fund. A Council appointed Oil & Gas Board oversees the investments of this fund. For more information, see the Appendix.



<b>245 Oil &amp; Gas Fund</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2008 Manager Budget</b>	<b>2008 Council Adopted</b>
641.000 Oil Royalties	\$79,928	\$75,000	\$70,000	\$70,000
664.000 Interest Income	224,819	275,000	292,500	292,500
671.000 Other Revenue	225	0	0	0
<b>Total Revenues</b>	<b>\$304,972</b>	<b>\$350,000</b>	<b>\$362,500</b>	<b>\$362,500</b>
727.001 Office/Operating Expense	\$40	\$500	\$500	\$500
801.000 Professional Services	0	15,000	0	0
972.000 Operating Transfer Out	224,779	275,000	292,500	292,500
<b>Total Expenditures</b>	<b>\$224,819</b>	<b>\$290,500</b>	<b>\$293,000</b>	<b>\$293,000</b>
<b>TOTAL OIL &amp; GAS FUND</b>	<b>\$80,153</b>	<b>\$59,500</b>	<b>\$69,500</b>	<b>\$69,500</b>
Beginning Fund Balance	\$6,414,379	\$6,494,532	\$6,554,032	\$6,554,032
Projected Ending Fund Balance	\$6,494,532	\$6,554,032	\$6,623,532	\$6,623,532

Special Revenue Funds

Major Street

This fund records revenue the City receives from the State of Michigan for its major streets. It is authorized by Public Act 51 of 1951, and is funded by gasoline taxes. The City files a report with the Michigan Department of Transportation every year detailing how its Act 51 dollars are spent. The Major Street fund pays for things like road construction, road maintenance and plowing of streets. The fund also is responsible for the debt service on bonds that were issued for the Streetscape. The payment is about \$140,000 per year and the bonds will be retired in 2015. The City recently undertook two significant paving projects, largely funded by State grants. Both Fifth Avenue and Washington Street were resurfaced. The City is also undertaking a street assessment that will help prioritize future work on its streets. This year's budget has included \$475,000 for road projects and/or grant matching.

202 Major Street Fund	2006 Actual	2007 Budget	2007 Projected	2008 Manager Budget	2008 Council Adopted
539.000 Grant Revenue	\$227,812	\$0	\$241,495	\$0	\$0
547.000 Act 51 Revenue	382,393	350,000	350,000	380,000	380,000
550.000 Snow Removal	0	0	0	0	0
626.000 Charge for Service	141,985	130,000	130,000	135,000	135,000
664.000 Interest Income	9,626	5,000	5,000	5,000	5,000
672.000 Operating Transfer In	0	0	0	0	0
<b>Total Revenues</b>	<b>\$761,816</b>	<b>\$485,000</b>	<b>\$726,495</b>	<b>\$520,000</b>	<b>\$520,000</b>
799.000 Miscellaneous Expense	\$4,276	\$0	\$0	\$6,000	\$6,000
802.000 Traffic Services	19,730	10,000	10,000	10,000	10,000
851.000 Construction Streets	14,376	0	14,376	14,376	14,376
852.000 Construction Bridges	0	0	0	0	0
853.000 Preservation Streets	797,977	346,000	265,000	636,000	636,000
854.000 Routine Maintenance Bridges	0	0	0	0	0
855.000 Winter Maintenance Streets	105,104	100,000	100,000	100,000	100,000
972.000 Operating Transfer Out	142,655	143,445	143,445	139,028	139,028
<b>Total Expenses</b>	<b>\$1,084,118</b>	<b>\$599,445</b>	<b>\$532,821</b>	<b>\$905,404</b>	<b>\$905,404</b>
<b>TOTAL MAJOR STREET</b>	<b>-\$322,302</b>	<b>-\$114,445</b>	<b>\$193,674</b>	<b>-\$385,404</b>	<b>-\$385,404</b>
Beginning Fund Balance	\$525,099		\$202,798	\$396,472	\$396,472
Projected Ending Fund Balance	\$202,798		\$396,472	\$11,068	\$11,068

Special Revenue Funds

Local Street

This fund records revenue the City receives from the State of Michigan for its local streets. It is authorized by Public Act 51 of 1951, and is funded by gasoline taxes. The City files a report with the Michigan Department of Transportation every year detailing how its Act 51 dollars are spent. The Local Street fund pays for things like road construction, road maintenance and plowing of streets. Any construction of local streets requires a 50% match of locally raised dollars (special assessment, general fund, etc.). The City is also undertaking a street assessment that will help prioritize future work on its streets.

	2006 Actual	2007 Budget	2008 Manager Budget	2008 Council Adopted
<b>203 Local Street Fund</b>				
547.000 Act 51 Revenue	\$137,840	\$125,000	\$130,000	\$130,000
550.000 Snow Removal	0	0	0	0
555.000 Transfer from Major Street	0	0	0	0
626.000 Charge for Service	4,424	0	0	0
664.000 Interest Income	11,827	7,000	10,000	10,000
672.000 Operating Transfer In	0	0	0	0
<b>Total Revenues</b>	<b>\$154,091</b>	<b>\$132,000</b>	<b>\$140,000</b>	<b>\$140,000</b>
802.000 Traffic Services	\$1,421	\$1,500	\$1,500	\$1,500
851.000 Construction Streets	0	0	0	0
852.000 Construction Bridges	0	0	0	0
853.000 Preservation Streets	64,457	72,000	72,000	72,000
854.000 Routine Maintenance Bridges	0	0	0	0
855.000 Winter Maintenance Streets	53,735	43,000	43,000	43,000
<b>Total Expenditures</b>	<b>\$119,612</b>	<b>\$116,500</b>	<b>\$116,500</b>	<b>\$116,500</b>
<b>TOTAL LOCAL STREET</b>	<b>\$34,479</b>	<b>\$15,500</b>	<b>\$23,500</b>	<b>\$23,500</b>
Beginning Fund Balance	\$376,734	\$411,212	\$426,712	\$426,712
Projected Ending Fund Balance	\$411,212	\$426,712	\$450,212	\$450,212

Special Revenue Funds

Street Improvement

This fund records locally generated and other revenues that are used for street and right-of-way improvements. Funding sources include money generated from the METRO Act, charges for road breakage and also transfers in from the Special Assessment Fund. This fund pays for the sidewalk replacement program and also for the tree program. This fund may also provide the local match required for any local street projects.

204 Street Improvement Fund	2006 Actual	2007 Budget	2007 Projected	2008 Manager Budget	2008 Council Adopted
539.000 Grant Revenue	\$0	\$0	\$0	\$0	\$0
626.000 Charge for Service	13,317	7,500	4,000	5,000	5,000
664.000 Interest Income	4,167	1,500	3,000	3,000	3,000
670.100 ROW Fee	23,713	25,000	25,000	24,000	24,000
672.000 Operating Transfer In	8,380	8,000	8,000	7,200	7,200
<b>Total Revenue</b>	<b>\$49,577</b>	<b>\$42,000</b>	<b>\$40,000</b>	<b>\$39,200</b>	<b>\$39,200</b>
801.000 Professional Services	\$0	\$15,000	\$15,000	\$0	\$5,000
931.000 Contractual Repairs & Maint.	4,655	0	200	0	0
970.001 Residential District-Sidewalk	11,385	30,000	51,390	28,000	28,000
970.004 Capital Outlay - Trees	334	10,000	12,800	10,000	10,000
972.000 Operating Transfer Out	0	0	0	0	0
<b>Total Expense</b>	<b>\$16,374</b>	<b>\$55,000</b>	<b>\$79,390</b>	<b>\$38,000</b>	<b>\$43,000</b>
<b>TOTAL STREET IMPROVEMENT</b>	<b>\$33,203</b>	<b>-\$13,000</b>	<b>-\$39,390</b>	<b>\$1,200</b>	<b>-\$3,800</b>
Beginning Fund Balance	\$37,245		\$70,448	\$31,058	\$31,058
Projected Ending Fund Balance	\$70,448		\$31,058	\$32,258	\$27,258

Special Revenue Funds

Refuse

The refuse fund records revenues and expenditures relating to refuse collection and disposal. Please see the Refuse Fund Issue Page for more information.

226 Refuse Fund	2006 Actual	2007 Budget	2008 Manager Budget	2008 Council Adopted
403.000 Real & Personal Property Tax	\$248,640	\$275,000	\$271,230	\$271,230
407.000 Delinquent Tax Collection	14,286	10,000	15,584	15,584
445.000 Tax Penalties & Interest	0	0	0	0
626.000 Charge for Service	114,322	115,000	115,000	115,000
626.001 Dumpster Fees	0	2,000	0	0
626.002 Yard Bags	11,632	9,000	10,000	10,000
626.003 Trash Bags	801	1,500	1,000	1,000
664.000 Interest Income	22,719	12,000	15,000	15,000
671.000 Other Revenue	0	0	0	0
672.000 Operating Transfer In	0	0	0	0
<b>Total Revenue</b>	<b>\$412,399</b>	<b>\$424,500</b>	<b>\$427,814</b>	<b>\$427,814</b>
799.000 Miscellaneous Expense	\$1,515	\$0	\$0	\$0
801.102 Refuse Contract Fees	235,914	260,000	250,000	250,000
801.103 Municipal Refuse Fees	11,826	1,000	12,000	12,000
801.104 Trash Haul Contract Fees	33,962	50,000	40,000	40,000
801.105 Trash Haul City	39,045	40,000	40,000	40,000
801.106 Yard Bags	10,593	12,000	12,000	12,000
801.110 Parks Dumpster Contract Fees	0	9,000	0	0
806.000 Administration	40,000	40,000	41,200	41,200
972.000 Operating Transfer Out	95,000	75,000	70,000	70,000
<b>Total Expenses</b>	<b>\$467,855</b>	<b>\$487,000</b>	<b>\$465,200</b>	<b>\$465,200</b>
<b>TOTAL REFUSE</b>	<b>-\$55,456</b>	<b>-\$62,500</b>	<b>-\$37,386</b>	<b>-\$37,386</b>
Beginning Fund Balance	\$515,645	\$460,189	\$397,689	\$397,689
Projected Ending Fund Balance	\$460,189	\$397,689	\$360,303	\$360,303

Special Revenue Funds

Building Inspector



This fund accounts for the activities of the building inspector. It is a State mandated fund. Municipalities are not allowed to use the building inspection function as a revenue generator; rather, it should be run as a break-even operation. The City's building inspector splits his time between the building inspector and general fund; however, his wages are paid from the general fund. The administration fee is paid to the general fund to reimburse it for these wages and benefits. If it is a slow year for issuing permits, the amount of the administration fee will be reduced accordingly. The Building Inspector also handles enforcement of the blight ordinance and facility management\maintenance duties at City Hall & the Ramsdell Theatre.

249 Building Inspector	2006 Actual	2007 Budget	2008 Department Requested	2008 Manager Budget	2008 Council Adopted
626.006 Charge for Serv - Permits	\$13,450	\$23,500	\$24,000	\$24,000	\$24,000
664.000 Interest Income	285	50	50	50	50
671.000 Other Revenue	0	0	0	0	0
<b>Total Revenues</b>	<b>\$13,734</b>	<b>\$23,550</b>	<b>\$24,050</b>	<b>\$24,050</b>	<b>\$24,050</b>
727.001 Office/Operating Expense	\$424	\$1,000	\$1,000	\$1,000	\$1,000
780.001 Equipment Maint. & Supplies	0	0	0	0	0
806.000 Administration	12,000	15,000	17,000	17,000	17,000
860.000 Transportation - Vehicle	20	500	1,800	1,800	1,800
860.001 Travel & Training Expense	255	6,000	3,000	3,000	3,000
870.000 Memberships & Dues	280	325	325	325	325
875.000 Periodicals & Publications	0	650	650	650	650
880.000 Education	0	0	0	0	0
900.000 Printing/Publishing	0	75	75	75	75
931.000 Contractual Repairs & Maint	635	0	0	0	0
977.001 Motor Pool	0	0	0	0	0
970.000 Capital Outlay	0	0	0	0	0
<b>Total Expenses</b>	<b>\$13,614</b>	<b>\$23,550</b>	<b>\$23,850</b>	<b>\$23,850</b>	<b>\$23,850</b>
<b>TOTAL BUILDING INSPECTOR</b>	<b>\$120</b>	<b>\$0</b>	<b>\$200</b>	<b>\$200</b>	<b>\$200</b>
Beginning Fund Balance	\$2,818	\$2,939	\$2,939	\$2,939	\$2,939
Projected Ending Fund Balance	\$2,939	\$2,939	\$3,139	\$3,139	\$3,139

Special Revenue Funds

Maple Street Bridge



This fund accounts for revenue received from commercial vessels that require after hour bridge openings. It was established pursuant to the City of Manistee bridge opening policy. The purpose of the fund is to build money to help offset repairs and maintenance on the bridge. The Maple Street Bridge is one of only a handful of bascule bridges in the State. It is in need of major electrical repairs and upgrades. The City recently received a

\$341,500 federal appropriation and \$500,000 from the State of Michigan Local Bridge Fund to assist in these repairs. Phase I consists of all engineering and laying a new electrical line under the Manistee River. The cost is \$464,600 and should be completed by late spring 2007. Phase II consists of replacing controls and equipment at the bridge house and is estimated to cost \$500,000. This should be completed by late spring 2008 or early 2009.

<b>211 Maple Street Bridge Fund</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2007 Projected</b>	<b>2008 Manager Budget</b>	<b>2008 Council Adopted</b>
539.000 Grant Revenue	\$0	\$345,000	\$341,500	\$500,000	\$500,000
626.000 Charge for Service	5,550	3,000	4,500	5,000	\$5,000
664.000 Interest Income	830	5,000	300	250	\$250
672.000 Operating Transfer In	0	20,000	90,000	0	\$0
<b>Total Revenues</b>	<b>6,380</b>	<b>373,000</b>	<b>436,300</b>	<b>505,250</b>	<b>505,250</b>
801.000 Professional Services	\$10,628	\$0	\$0	\$5,000	\$5,000
970.000 Capital Outlay	14,662	400,000	440,550	500,000	\$500,000
972.000 Operating Transfer Out	0	0	0	0	\$0
<b>Total Expenditures</b>	<b>\$25,291</b>	<b>\$400,000</b>	<b>\$440,550</b>	<b>\$505,000</b>	<b>\$505,000</b>
<b>TOTAL MAPLE STREET BRIDGE FUND</b>	<b>-\$18,911</b>	<b>-\$27,000</b>	<b>-\$4,250</b>	<b>\$250</b>	<b>\$250</b>
Beginning Fund Balance	\$27,375	\$8,464	\$8,464	\$4,214	\$4,214
Projected Ending Fund Balance	\$8,464	-\$18,536	\$4,214	\$4,464	\$4,464

Special Revenue Funds

Riverwalk Maintenance



The Manistee Riverwalk is one of the City's crown jewels. Stretching from US-31 all the way to Lake Michigan, the walk is nearly two miles long. This Riverwalk Maintenance fund was established by a \$100,000 allotment from the DDA several years ago. Its purpose is to allow for a reserve to maintain and/or repair the Riverwalk as needed. Recent repairs have included replacing aging decking and repainting the handrail.

<b>213 Riverwalk Maintenance Fund</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2007 Projected</b>	<b>2008 Manager Budget</b>	<b>2008 Council Adopted</b>
664.000 Interest Income	\$4,089	\$4,000	\$4,000	\$3,500	\$3,500
672.000 Operating Transfer In	0	0	0	0	0
<b>Total Revenues</b>	<b>\$4,089</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$3,500</b>	<b>\$3,500</b>
727.001 Office/Operating Expense	0	0	0		
780.001 Equipment Maint. & Supplies	0	0	0		
790.000 Repair & Maint. Supplies Misc.	0	3,500	1,000	1,000	1,000
931.000 Contractual Repairs & Maint.	15,446	8,000	14,550	10,000	10,000
970.000 Capital Outlay	9,405	0	0		
<b>Total Expenditures</b>	<b>\$24,851</b>	<b>\$11,500</b>	<b>\$15,550</b>	<b>\$11,000</b>	<b>\$11,000</b>
<b>TOTAL RIVERWALK MAINTENANCE FUND</b>	<b>-\$20,762</b>	<b>-\$7,500</b>	<b>-\$11,550</b>	<b>-\$7,500</b>	<b>-\$7,500</b>
Beginning Fund Balance	\$123,492		\$102,730	\$91,180	\$91,180
Projected Ending Fund Balance	\$102,730		\$91,180	\$83,680	\$83,680

Special Revenue Funds

Ramsdell Theatre



This fund accounts for the operations of the Ramsdell Theatre. This is the second full year of the City taking over operations of a building they have owned for more than fifty years. The Ramsdell Governing Authority, appointed by Council, oversees operations of the complex. See the Ramsdell Theatre Issue Page for more details.

296 Ramsdell Theatre Fund	2006 Actual	2007 Budget	2007 Projected	2008 Manager Budget	2008 Council Adopted
539.000 Grant Revenue	\$0	\$0	\$0	\$0	\$0
664.000 Interest Income	73	500	250	250	250
667.000 Rental Income		15,000	15,000	18,000	18,000
671.000 Other Revenue		0	0	0	0
672.000 Operating Transfer In	51,070	65,000	65,000	65,000	65,000
675.000 Contributions\Donations		0	0	0	0
<b>Total Revenues</b>	<b>\$51,143</b>	<b>\$80,500</b>	<b>\$80,250</b>	<b>\$83,250</b>	<b>\$83,250</b>
700.300 Marketing Expense	\$0	\$5,000	\$500	\$5,000	\$5,000
727.001 Office/Operating Expense	624	500	4,000	4,000	4,000
780.001 Equipment Maintenance & Supplies	1,579	6,000	35,000	15,000	15,000
799.000 Miscellaneous Expense	0	500	0	0	0
801.000 Professional Services	2,902	8,000	16,000	16,000	16,000
870.000 Memberships & Dues	0	0	0	0	0
900.000 Printing/Publishing	0	500	500	500	500
920.000 Gas	38,583	31,920	15,000	18,000	18,000
922.000 Water	426	350	350	350	350
925.000 Electric	3,985	5,500	6,500	8,500	8,500
927.000 Phone	159	300	300	300	300
931.000 Contractual Repairs & Maintenance	0	1,000	1,000	1,000	1,000
970.000 Capital Outlay	0	20,000	17,000	0	0
<b>Total Operating Costs</b>	<b>\$48,258</b>	<b>\$79,570</b>	<b>\$96,150</b>	<b>\$68,650</b>	<b>\$68,650</b>
<b>TOTAL RAMSDELL THEATRE</b>	<b>\$2,885</b>	<b>\$930</b>	<b>-\$15,900</b>	<b>\$14,600</b>	<b>\$14,600</b>
Beginning Fund Balance	\$0	\$2,885	\$2,885	-\$13,015	-\$13,015
Projected Ending Fund Balance	\$2,885	\$3,815	-\$13,015	\$1,585	\$1,585

Special Revenue Funds

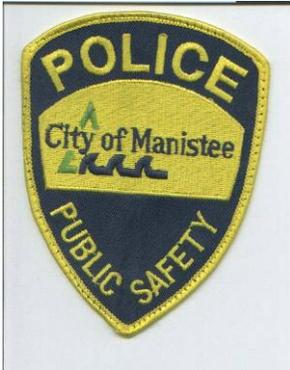
Special Assessment

This fund accounts for revenue received from special assessments levied on property owners. Money received is transferred to the Street Improvement fund and used for things such as sidewalk replacement and tree planting. The City has one outstanding special assessment relating to the River Street\Streetscape project.

<b>280 Special Assessment Fund</b>	<b>2006 Actual</b>	<b>2007 Adopted</b>	<b>2008 Manager Budget</b>	<b>2008 Council Adopted</b>
662.000 Special Assessment Revenue	\$10,700	\$7,500	\$7,200	\$7,200
664.000 Interest Income	0			
<b>Total Revenues</b>	<b>\$10,700</b>	<b>\$7,500</b>	<b>\$7,200</b>	<b>\$7,200</b>
972.000 Operating Transfer Out	8,380	7,500	7,200	7,200
<b>Total Expenditures</b>	<b>\$8,380</b>	<b>\$7,500</b>	<b>\$7,200</b>	<b>\$7,200</b>
<b>TOTAL SPECIAL ASSESSMENT FUND</b>	<b>\$2,320</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Beginning Fund Balance	\$9,089	\$11,410	\$11,410	\$11,410
Projected Ending Fund Balance	\$11,410	\$11,410	\$11,410	\$11,410

Special Revenue Funds

Criminal Justice Training



This fund accounts for revenue received from the State of Michigan for training of our police officers. It can only be used for this purpose. It is used as a supplement to our police training budget in the general fund. In the past, some of these funds have been used to send an officer to the school of staff and command. No one in the department is scheduled for this training in the current year.

	2006 Actual	2007 Budget	2008 Manager Budget	2008 Council Adopted
<b>266 Criminal Justice Training Fund</b>				
569.001 State Grant	\$3,160	\$3,500	\$2,900	\$2,900
664.000 Interest Income	52	0	40	40
<b>Total Revenues</b>	<b>\$3,213</b>	<b>\$3,500</b>	<b>\$2,940</b>	<b>\$2,940</b>
860.001 Travel & Training Expense	3,666	4,300	3,125	3,125
<b>Total Expenditures</b>	<b>\$3,666</b>	<b>\$4,300</b>	<b>\$3,125</b>	<b>\$3,125</b>
<b>TOTAL CRIMINAL JUSTICE FUND</b>	<b>-\$454</b>	<b>-\$800</b>	<b>-\$185</b>	<b>-\$185</b>
Beginning Fund Balance	\$1,379	\$1,379	\$579	\$579
Projected Ending Fund Balance	\$925	\$579	\$394	\$394

Special Revenue Funds

Local Revenue Sharing Grant

This fund accounts for grants received from the Local Revenue Sharing Board. This three member board (which has a City representative) distributes money to local units of government as prescribed in a compact with the Little River Band of Ottawa Indians, under which they operate their casino. The mechanism for receiving this money is to apply to the board for grants. The board evaluates these grants and distributes money twice per year. The City has seen a steady decline in the amount of grant dollars received over the past few years. This trend is expected to continue as the tribe expands its non-gaming facilities, and a greater portion of the available grant money must be paid out as payments in lieu of taxes. Grants are typically expended within one year of receipt.

<b>275 Local Revenue Sharing Board Fund</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2008 Manager Budget</b>	<b>2008 Council Adopted</b>
539.000 Grant Revenue	\$34,000	\$0	\$10,000	\$10,000
664.000 Interest Income	0	0	0	0
<b>Total Revenues</b>	<b>\$34,000</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$10,000</b>
700.100 Expenditures	\$58,604	\$0	\$73,153	\$73,153
<b>Total Expenditures</b>	<b>\$58,604</b>	<b>\$0</b>	<b>\$73,153</b>	<b>\$73,153</b>
<b>TOTAL LOCAL REVENUE SHARING FUND</b>	<b>-\$24,604</b>	<b>\$0</b>	<b>-\$63,153</b>	<b>-\$63,153</b>
Beginning Fund Balance	\$87,757	\$63,153	\$63,153	\$63,153
Projected Ending Fund Balance	\$63,153	\$63,153	\$0	\$0

Special Revenue Funds

EPA Brownfield Inventory Grant



This fund accounts for a \$195,000 EPA Brownfield Inventory Grant received by the City in autumn, 2005. The grant will fund the creation of a database of Brownfield sites throughout the City, continue with the environmental assessments started in Brownfield Pilot Grant, and provide for some redevelopment planning. The grant has started and is expected to be wrapped up by November, 2007.

243 EPA Brownfield Inventory	2006 Actual	2007 Budget	2007 Projected	2008 Manager Budget	2008 Council Adopted
539.000 Grant Revenue	\$36,441	\$195,000	\$90,000	\$70,000	\$70,000
<b>Total Revenues</b>	<b>\$36,441</b>	<b>\$195,000</b>	<b>\$90,000</b>	<b>\$70,000</b>	<b>\$70,000</b>
799.000 Miscellaneous Expense	\$54	\$0		\$0	\$0
803.000 Prof Services - Engineering	36,387	195,000	90,000	70,000	70,000
860.001 Travel & Training Expense		0		0	0
<b>Total Expenses</b>	<b>\$36,441</b>	<b>\$195,000</b>	<b>\$90,000</b>	<b>\$70,000</b>	<b>\$70,000</b>
<b>TOTAL EPA BROWNFIELD PILOT GRANT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Beginning Fund Balance	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Projected Ending Fund Balance	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Special Revenue Funds

Cool Cities Blueprint Grant



In the fall of 2005 the City was the recipient of a Cool Cities Blueprint for Neighborhoods grant. We were one of only three communities across the state to be selected. Residents should be proud of the fact that the City is recognized statewide as a progressive, up-and-coming community. The grant will provide funding for infrastructure improvements at the east end of River Street on the Peninsula. The amount of the grant has yet to be determined, but should be in the range of \$200,000-\$300,000. The City matched \$24,500 in planning costs in FY 2007.

281 Cool Cities Blueprints	2006 Actual	2007 Budget	2008 Manager Budget	2008 Council Adopted
539.000 Grant Revenue	\$0	\$0	\$300,000	\$300,000
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$300,000</b>
799.000 Miscellaneous Expense	\$0	\$0	\$0	\$0
803.000 Prof Services - Engineering		0	300,000	300,000
860.001 Travel & Training Expense		0	0	0
<b>Total Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$300,000</b>
<b>TOTAL COOL CITIES BLUEPRINT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Beginning Fund Balance	\$0	\$0	\$0	\$0
Projected Ending Fund Balance	\$0	\$0	\$0	\$0

Special Revenue Funds

Man-Made Lake



The Man-Made Lake fund was established in March of 2007 to account donations to, and the overall finances of, the Man-Made Lake acquisition project. See the Man-Made Lake Issue Page for further details.

286 - Man Made Lake Fund	2006 Actual	2007 Budget	2007 Projected	2008 Manager Budget	2008 Council Adopted
539.000 Grant Revenue	\$0	\$0	\$0	\$2,261,250	\$2,261,250
Donations	0	0	150,000		
664.000 Interest Income			2,500		
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$152,500</b>	<b>\$2,261,250</b>	<b>\$2,261,250</b>
799.000 Miscellaneous Expense	\$0	\$0	\$0	\$0	\$0
803.000 Prof Services - Engineering		0	0	0	0
977.000 Capital Outlay		0	0	2,550,000	2,550,000
<b>Total Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,550,000</b>	<b>\$2,550,000</b>
<b>TOTAL MAN MADE LAKE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$152,500</b>	<b>-\$288,750</b>	<b>-\$288,750</b>
Beginning Fund Balance	\$0	\$0	\$0	\$152,500	\$152,500
Projected Ending Fund Balance	\$0	\$0	\$152,500	<b>-\$136,250</b>	-\$136,250

Capital Project Funds

Capital Improvement Fund

The Capital Improvement fund was established in 2005 to set aside money for capital improvements throughout the City. Its primary source of revenue is the interest earnings from the Oil & Gas fund. See the Capital Improvement Fund Issue Page for further details.



430 Capital Improvement Fund	2006 Actual	2007 Budget	2007 Projected	2008 Manager Budget	2008 Council Adopted
664.000 Interest Income	\$0	\$0	\$9,000	\$10,000	\$10,000
671.000 Other Revenue	\$0	\$0	\$0	\$0	\$5,000
672.000 Operating Transfer In	262,000	100,000	290,000	175,000	175,000
<b>Total Revenues</b>	<b>\$262,000</b>	<b>\$100,000</b>	<b>\$299,000</b>	<b>\$185,000</b>	<b>\$190,000</b>
801.000 Professional Services	\$0	\$0	\$0	\$0	\$0
970.000 Capital Outlay - Over \$3,000	0	192,500	253,500	137,500	167,500
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$192,500</b>	<b>\$253,500</b>	<b>\$137,500</b>	<b>\$167,500</b>
<b>TOTAL CAPITAL IMPROVEMENT</b>	<b>\$262,000</b>	<b>-\$92,500</b>	<b>\$45,500</b>	<b>\$47,500</b>	<b>\$22,500</b>
Beginning Fund Balance	\$0		\$262,000	\$307,500	\$307,500

Capital Project Funds

Industrial Park

The City's Industrial Park is located at the end of Washington Street on the north side of town. The Industrial Park fund accounts for the revenue and expenses associated with this park. This fund also pays a portion of the City's contribution to MECCA, which helps to market the City to potential industries. The park has a number of existing companies and room to accommodate growth. Lots are listed at \$6,000 per acre.



412 Industrial Park Fund	2006 Actual	2007 Budget	2007 Projected	2008 Manager Budget	2008 Council Adopted
528.000 Sales	\$0	\$12,000	\$0	\$12,000	\$12,000
664.000 Interest Income	7,058	6,000	8,000	2,000	2,000
667.000 Rental Income	0	0	0	0	0
677.000 Sale of Asset	0	0	0	0	0
<b>Total Revenues</b>	<b>\$7,058</b>	<b>\$18,000</b>	<b>\$8,000</b>	<b>\$14,000</b>	<b>\$14,000</b>
700.300 Marketing - MECCA	\$15,000	\$15,000	\$15,500	\$16,100	\$16,100
799.000 Miscellaneous Expense	208	1,000	0	0	0
972.000 Operating Transfer Out	13,204	0	110,000	52,000	52,000
<b>Total Expenditures</b>	<b>\$28,412</b>	<b>\$16,000</b>	<b>\$125,500</b>	<b>\$68,100</b>	<b>\$68,100</b>
<b>INDUSTRIAL PARK DEVELOPMENT</b>	<b>-\$21,354</b>	<b>\$2,000</b>	<b>-\$117,500</b>	<b>-\$54,100</b>	<b>-\$54,100</b>
Beginning Fund Balance	\$203,098	\$181,744	\$183,744	\$66,244	\$66,244
Projected Ending Fund Balance	\$181,744	\$183,744	\$66,244	\$12,144	\$12,144

Capital Project Funds

Renaissance Park



The Renaissance Industrial Park is located just east of US-31 on M-55. The Renaissance Park fund accounts for activity relating to the park, including lot sales, marketing and infrastructure. This park was built in 1997 with funding from the Michigan Economic Development Corporation in the form of a loan and grant; as well as local funds. The current loan balance is \$1,072,538. Under the terms of the loan, the City will be credited against the loan principal for each new qualifying job created within the Renaissance Park up to a

maximum of fifty (50) jobs. If enough jobs are created, the loan will be reduced to \$110,000. The City, prior to receiving an extension, had paid back \$26,230 of the loan. In FY 2007, the City undertook an aggressive marketing/incentive campaign to create jobs in the park. It is anticipated that the City will close out the loan by the end of FY 2007 and will be responsible for paying back only the remaining \$83,770 of the loan. These funds will come from the Renaissance Park fund, Industrial Park fund and General fund, if necessary.

<b>490 Renaissance Park Fund</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2007 Projected</b>	<b>2008 Manager Budget</b>	<b>2008 Council Adopted</b>
569.001 State Grant	\$0	\$0	\$0	\$0	\$0
664.000 Interest Income	2,810	2,500	2,500	100	100
671.000 Other Revenue	0	0	0	0	0
672.000 Operating Transfer In	0	37,000	147,000	52,600	52,600
677.000 Sale of Asset	35,000	0	0	0	0
<b>Total Revenues</b>	<b>37,810</b>	<b>39,500</b>	<b>149,500</b>	<b>52,700</b>	<b>52,700</b>
799.000 Miscellaneous Expense	\$0	\$0	\$160,000	\$0	\$0
801.000 Professional Services	0	0	77,000	0	0
997.001 Renaissance Park Loan Principa	26,230	52,459	0	52,600	52,600
997.002 Renaissance Park Interest	0	0	0	0	0
<b>Total Expenditures</b>	<b>26,230</b>	<b>52,459</b>	<b>237,000</b>	<b>52,600</b>	<b>52,600</b>
<b>TOTAL RENAISSANCE PARK</b>	<b>\$11,581</b>	<b>-\$12,959</b>	<b>-\$87,500</b>	<b>\$100</b>	<b>\$100</b>
Beginning Fund Balance	\$84,329	\$95,910	\$95,910	\$8,410	\$8,410
Projected Ending Fund Balance	\$95,910	\$82,951	\$8,410	\$8,510	\$8,510

Debt Service Funds

Debt Service

This fund serves as a central fund to account for all of the City's outstanding debt, except for Water & Sewer Utility debt. It receives monies from the funds which the debt is associated with and makes payments according to a fixed schedule. The fund also pays some bank (paying agent) fees for debt administration. More information on the City's Debt can be obtained in the Appendix.

<b>351 Debt Service Fund</b>	<b>2006 Actual</b>	<b>2007 Budget</b>	<b>2008 Manager Budget</b>	<b>2008 Council Adopted</b>
664.000 Interest Income	\$0	\$0	\$0	\$0
671.000 Other Revenue	0	0	0	0
672.000 Operating Transfer In	311,118	315,501	319,416	319,416
673.000 DDA Remittance	145,956	147,560	143,998	143,998
<b>Total Revenues</b>	<b>\$457,074</b>	<b>\$463,061</b>	<b>\$463,414</b>	<b>\$463,414</b>
801.000 Professional Services	\$0	\$500		
955.000 Bank Charges	1,256	1,250	1,300	1,300
995.006 1996 Riverwalk Principal	60,000	0	0	0
995.007 1996 Riverwalk Interest	1,380	0	0	0
999.000 Operating Transfers Out	0	0	0	0
999.007 Bond Principal (1999 MDOT)	90,000	95,000	95,000	95,000
999.008 Bond Interest (1999 MDOT)	52,655	48,445	44,028	44,028
999.009 Bond Principal (1999 DDA)	10,000	75,000	75,000	75,000
999.010 Bond Interest (1999 DDA)	74,576	72,560	68,998	68,998
999.013 2003 Cap Imp Prin	60,000	65,000	75,000	75,000
999.014 2003 Cap Imp Int	108,463	107,056	105,388	105,388
<b>Total Expenditures</b>	<b>\$458,330</b>	<b>\$464,811</b>	<b>\$464,714</b>	<b>\$464,714</b>
<b>TOTAL DEBT SERVICE FUND</b>	<b>-\$1,256</b>	<b>-\$1,750</b>	<b>-\$1,300</b>	<b>-\$1,300</b>
Beginning Fund Balance	\$9,712	\$8,456	\$6,706	\$6,706
Projected Ending Fund Balance	\$8,456	\$6,706	\$5,462	\$5,462

**CITY OF MANISTEE**  
**2007-2008 GENERAL APPROPRIATIONS ACT**  
**BUDGET ADOPTION LIST**

It was moved by \_\_\_\_\_, supported by \_\_\_\_\_, that the City of Manistee Budgets for the fiscal year 2007-2008 be adopted as presented by the City Manager on March 16, 2007 and modified by Council work sessions including tax levy, capital outlay, appropriations and other matters included in the following expenditures:

<b>GENERAL FUND</b>	<b>MANAGER REQUESTED</b>	<b>COUNCIL APPROVED</b>
<b>101 - GENERAL FUND**</b>		
Total Revenue	\$ 5,109,744	\$ 5,109,744
Total Expense	\$ 5,109,744	\$ 5,130,744
100 - General Government	\$ 487,838	\$ 507,838
101 - Legislative	\$ 43,051	\$ 43,051
170 - Manager	\$ 200,767	\$ 200,767
201 - Finance	\$ 214,941	\$ 214,941
209 - Assessor	\$ 181,363	\$ 181,363
210 - Attorney	\$ 87,500	\$ 87,500
215 - Clerk	\$ 177,781	\$ 177,781
248 - Community Development	\$ 236,541	\$ 236,541
250 - Boards and Commissions	\$ 19,150	\$ 19,150
265 - Municipal Buildings	\$ 166,600	\$ 166,600
301 - Police	\$ 1,048,228	\$ 1,048,228
336 - Fire	\$ 697,562	\$ 697,562
440 - Public Works	\$ 995,290	\$ 995,290
449 - Engineer	\$ 37,000	\$ 37,000
751 - Parks and Recreation	\$ 354,856	\$ 354,856
901 - Appropriations	\$ 161,276	\$ 162,276

	<b>MANAGER REQUESTED</b>	<b>COUNCIL APPROVED</b>
<b>ENTERPRISE FUNDS</b>		
<b>573 - WATER &amp; SEWER FUND**</b>		
Revenue	\$ 3,312,606	\$ 3,312,606
Expenses	\$ 3,596,218	\$ 3,611,218
<b>594 - MUNICIPAL MARINA FUND**</b>		
Revenue	\$ 179,000	\$ 179,000
Expense	\$ 185,407	\$ 185,407
<b>508 - BOAT RAMP FUND</b>		
Revenue	\$ 43,000	\$ 43,000
Expense	\$ 41,216	\$ 41,216
<b>SPECIAL REVENUE FUNDS</b>		
<b>245 - PUBLIC IMPROVEMENT FUND</b>		
Revenue	\$ 362,500	\$ 362,500
Expense	\$ 293,000	\$ 293,000
<b>202 - MAJOR STREET FUND**</b>		
Revenue	\$ 520,000	\$ 520,000
Expense	\$ 905,404	\$ 905,404
<b>203 - LOCAL STREET FUND</b>		
Revenue	\$ 140,000	\$ 140,000
Expense	\$ 116,500	\$ 116,500
<b>204 - STREET IMPROVEMENT FUND</b>		
Revenue	\$ 39,200	\$ 39,200
Expense	\$ 38,000	\$ 43,000
<b>226 - REFUSE FUND**</b>		
Revenue	\$ 427,814	\$ 427,814
Expense	\$ 465,200	\$ 465,200
<b>249 - BUILDING INSPECTOR</b>		
Revenue	\$ 24,050	\$ 24,050
Expense	\$ 23,850	\$ 23,850

	<b>MANAGER REQUESTED</b>	<b>COUNCIL APPROVED</b>
<b>SPECIAL REVENUE FUNDS</b>		
<b>211 - MAPLE STREET BRIDGE FUND</b>	\$ 505,250	\$ 505,250
Revenue	\$ 505,000	\$ 505,000
Expense		
<b>213 - RIVERWALK MAINTENANCE FUND**</b>		
Revenue	\$ 3,500	\$ 3,500
Expense	\$ 11,000	\$ 11,000
<b>296 - RAMSDELL THEATRE FUND</b>		
Revenue	\$ 83,250	\$ 83,250
Expense	\$ 68,650	\$ 68,650
<b>280 - SPECIAL ASSESSMENT FUND</b>		
Revenue	\$ 7,200	\$ 7,200
Expense	\$ 7,200	\$ 7,200
<b>281 - COOL CITIES BLUEPRINT FUND</b>		
Revenue	\$ 300,000	\$ 300,000
Expense	\$ 300,000	\$ 300,000
<b>286 - MAN MADE LAKE FUND**</b>		
Revenue	\$ 2,261,250	\$ 2,261,250
Expense	\$ 2,550,000	\$ 2,550,000
<b>266 - CRIMINAL JUSTICE TRAINING FUND**</b>		
Revenue	\$ 2,940	\$ 2,940
Expense	\$ 3,125	\$ 3,125
<b>275 - LOCAL REVENUE SHARING GRANT**</b>		
Revenue	\$ 10,000	\$ 10,000
Expense	\$ 73,153	\$ 73,153
<b>243 - EPA BROWNFIELD INVENTORY</b>		
Revenue	\$ 70,000	\$ 70,000
Expense	\$ 70,000	\$ 70,000

	<b>MANAGER REQUESTED</b>	<b>COUNCIL APPROVED</b>
<b>CAPITAL PROJECT FUNDS</b>		
<b>430 - CAPITAL IMPROVEMENT FUND</b>		
Revenue	\$ 185,000	\$ 190,000
Expense	\$ 137,500	\$ 167,500
<b>412 - INDUSTRIAL PARK **</b>		
Revenue	\$ 14,000	\$ 14,000
Expense	\$ 68,100	\$ 68,100
<b>490 - RENAISSANCE PARK</b>		
Revenue	\$ 52,700	\$ 52,700
Expense	\$ 52,600	\$ 52,600
<b>DEBT SERVICE FUNDS</b>		
<b>351 - DEBT SERVICE FUND **</b>		
Revenue	\$ 463,414	\$ 463,414
Expense	\$ 464,714	\$ 464,714
<b>INTERNAL SERVICE FUNDS</b>		
<b>661 - MOTOR POOL FUND**</b>		
Revenue	\$ 332,270	\$ 332,270
Expense	\$ 377,299	\$ 377,299

The Manistee City Council hereby establishes a property tax levy of 16.9457 mills for General Fund operations and 1.5 mills for Refuse Fund operations for the 2007-2008 fiscal year. Water and Sewer consumption charges are established at \$2.25 and \$4.50 per 1,000 gallons respectively for bills issued after July 1, 2007.

Adopted by the Manistee City Council on May 8, 2007.

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Cynthia A. Fuller, Mayor

ATTEST:

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Michelle Wright, City Clerk

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**Appendix****Elected Officials & Administration**

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**Elected Officials**

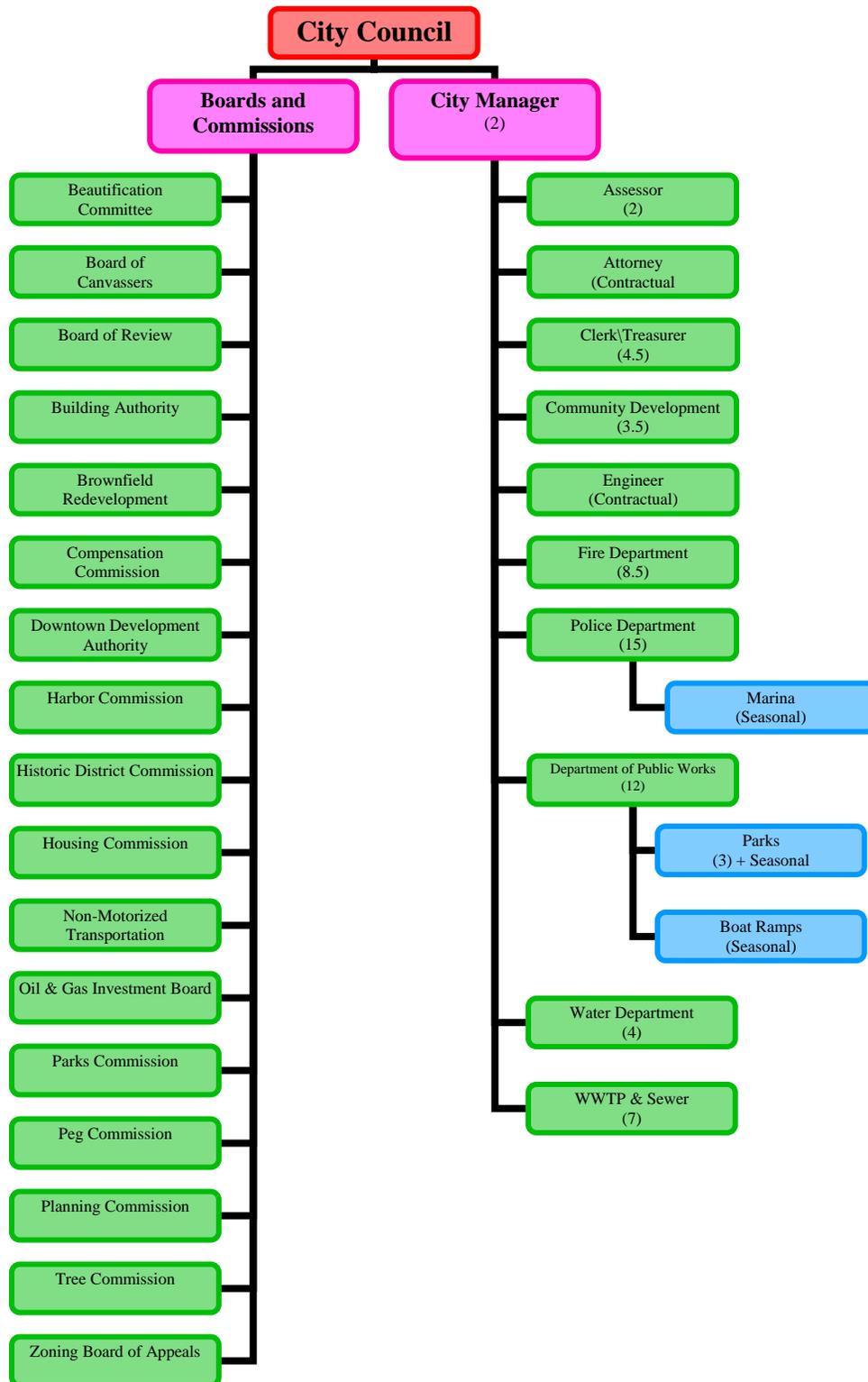
Cyndy Fuller	Mayor	Second District	<a href="mailto:cfuller@harbor-village.com">cfuller@harbor-village.com</a>
Robert Goodspeed	Mayor Pro-tem	Fourth District	<a href="mailto:speedo@chartermi.net">speedo@chartermi.net</a>
Colleen Kenny	Councilmember	First District	<a href="mailto:ckenny@packagingcorp.com">ckenny@packagingcorp.com</a>
Robert Hornkohl	Councilmember	Third District	<a href="mailto:rmhornkohl@sbcglobal.net">rmhornkohl@sbcglobal.net</a>
Hank Yonkman	Councilmember	Fifth District	<a href="mailto:hyonkman@yahoo.com">hyonkman@yahoo.com</a>
Richard Mack	Councilmember	Sixth District	<a href="mailto:rlmayor@yahoo.com">rlmayor@yahoo.com</a>
Alan Marshall	Councilmember	Seventh District	<a href="mailto:alupnorth@webtv.net">alupnorth@webtv.net</a>

**Administration**

Mitch Deisch	City Manager	<a href="mailto:mdeisch@ci.manistee.mi.us">mdeisch@ci.manistee.mi.us</a>
Dave Bachman	Police Chief	<a href="mailto:dbachman@ci.manistee.mi.us">dbachman@ci.manistee.mi.us</a>
Julie Beardslee	Assessor	<a href="mailto:jbeardslee@ci.manistee.mi.us">jbeardslee@ci.manistee.mi.us</a>
Ed Bradford	Finance Director\Treasurer	<a href="mailto:ebradford@ci.manistee.mi.us">ebradford@ci.manistee.mi.us</a>
Ed Cote	Utilities Director	<a href="mailto:ecote@ci.manistee.mi.us">ecote@ci.manistee.mi.us</a>
Jack Garber	Public Works Director	<a href="mailto:jgarber@ci.manistee.mi.us">jgarber@ci.manistee.mi.us</a>
Jon Rose	Community Development Director	<a href="mailto:jrose@ci.manistee.mi.us">jrose@ci.manistee.mi.us</a>
Sid Scrimger	Fire Chief	<a href="mailto:sscrimger@ci.manistee.mi.us">sscrimger@ci.manistee.mi.us</a>
Michelle Wright	Clerk\Deputy Treasurer	<a href="mailto:mwright@ci.manistee.mi.us">mwright@ci.manistee.mi.us</a>

Appendix

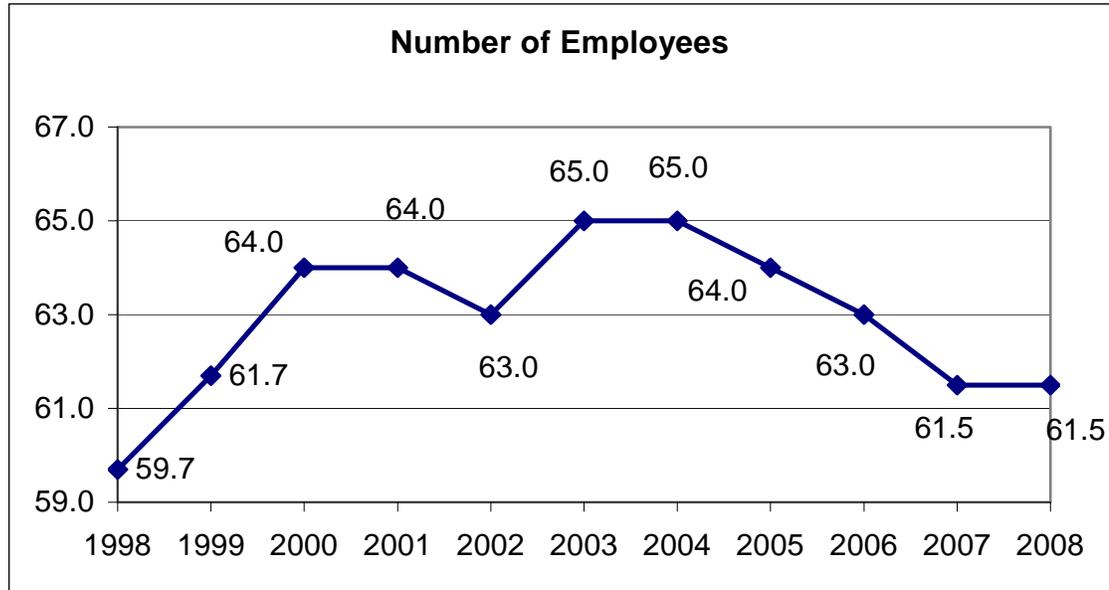
City Organization Chart



Appendix

Number of Employees

The number of City employees over time is listed below:



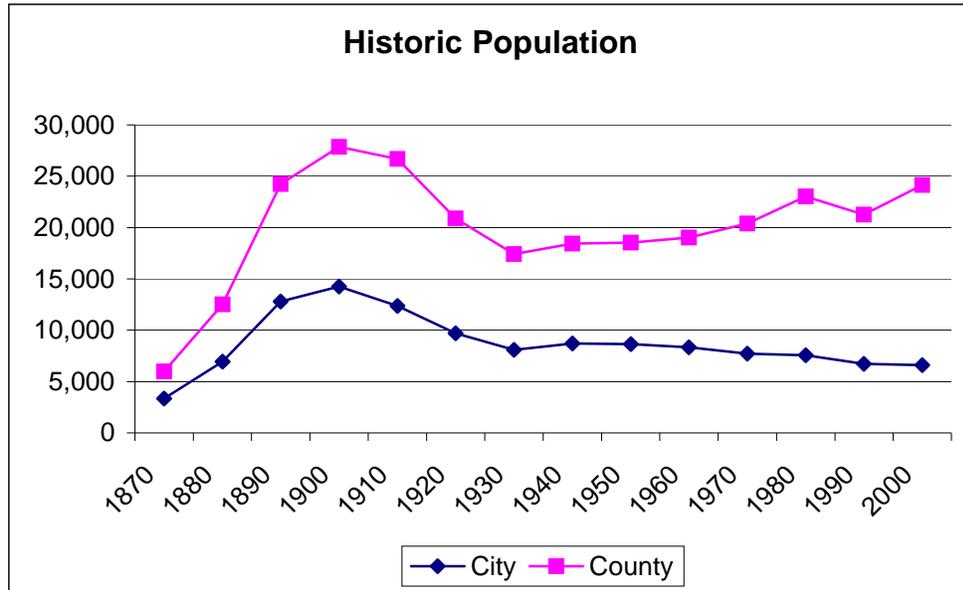
**NUMBER OF EMPLOYEES**

	Actual 1998	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008
City Manager	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance/Clerk/Treasurer	3.0	4.0	4.0	4.0	4.0	4.0	4.5	4.5	4.5	4.5	4.5
Assessor	1.7	1.7	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Comm Dev/Bldg Insp	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.5	3.5
Municipal Building	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Police	16.0	17.0	17.0	17.0	17.0	17.0	17.0	16.0	16.0	15.0	15.0
Fire	8.0	8.0	8.0	8.0	8.0	9.0	9.5	9.5	9.5	8.5	8.5
Public Works/Bridge	12.0	12.0	12.5	13.5	12.5	12.5	12.5	12.5	12.0	12.0	12.0
Parks	3.0	3.0	3.5	3.5	3.5	3.5	2.5	2.5	3.0	3.0	3.0
<b>General Fund</b>	<b>48.7</b>	<b>50.7</b>	<b>52.0</b>	<b>53.0</b>	<b>52.0</b>	<b>53.0</b>	<b>53.0</b>	<b>52.0</b>	<b>52.0</b>	<b>50.5</b>	<b>50.5</b>
Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water	4.5	4.5	4.5	3.5	3.0	4.0	4.0	4.0	3.0	3.0	3.0
WWTP	3.5	3.5	4.5	4.5	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Sewer	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Water &amp; Sewer Fund</b>	<b>11.0</b>	<b>11.0</b>	<b>12.0</b>	<b>11.0</b>	<b>11.0</b>	<b>12.0</b>	<b>12.0</b>	<b>12.0</b>	<b>11.0</b>	<b>11.0</b>	<b>11.0</b>
<b>Grand Total:</b>	<b>59.7</b>	<b>61.7</b>	<b>64.0</b>	<b>64.0</b>	<b>63.0</b>	<b>65.0</b>	<b>65.0</b>	<b>64.0</b>	<b>63.0</b>	<b>61.5</b>	<b>61.5</b>

Appendix

Population

A history of census data counts has been prepared.

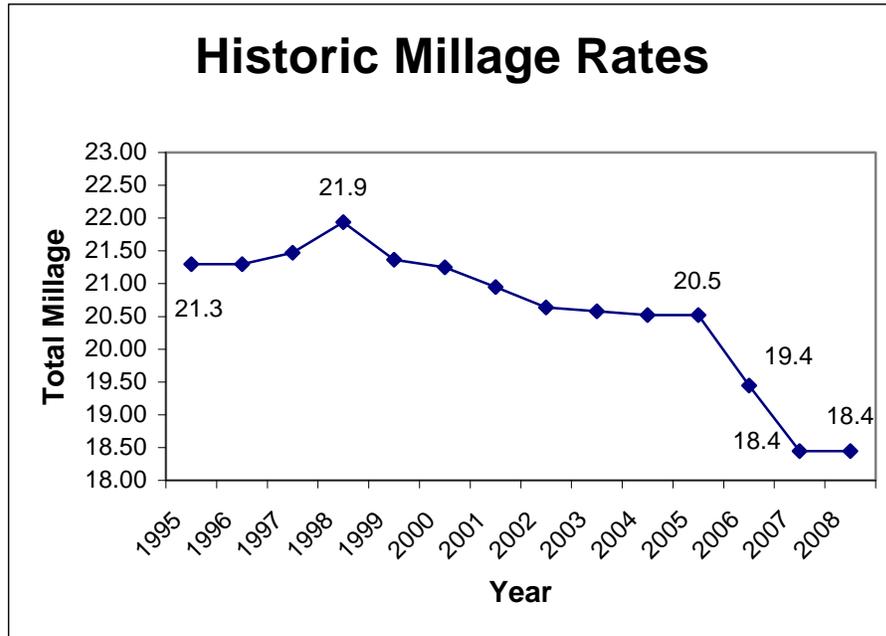


Year	City	County
1870	3,342	5,988
1880	6,930	12,532
1890	12,812	24,233
1900	14,260	27,856
1910	12,381	26,690
1920	9,694	20,899
1930	8,078	17,409
1940	8,694	18,447
1950	8,642	18,524
1960	8,324	19,042
1970	7,723	20,393
1980	7,566	23,019
1990	6,734	21,265
2000	6,586	24,150

Appendix

Millage

Historic City millage rates are presented below.

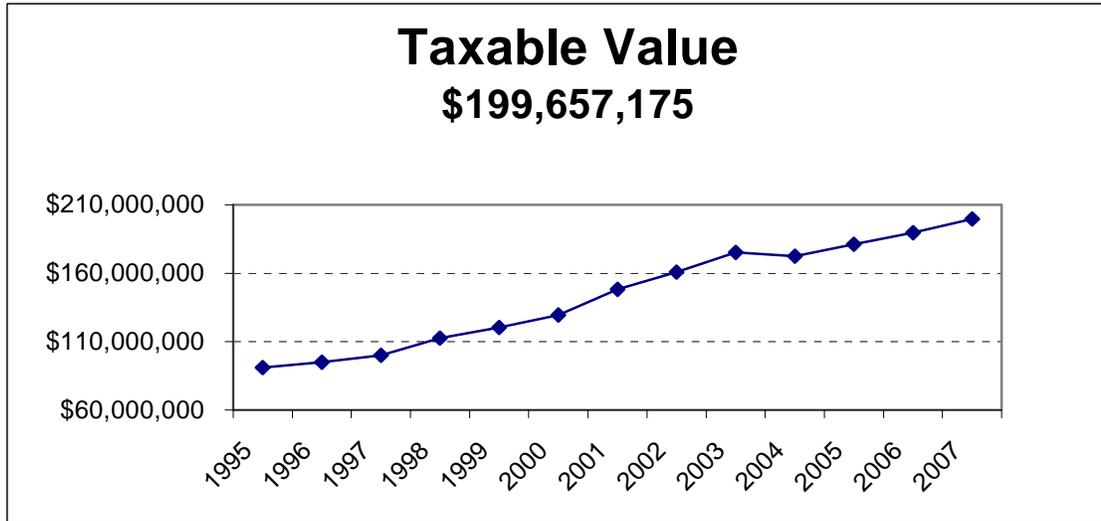


Millage Rates

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>General</b>	18.52	18.52	18.52	18.52	18.52	18.50	18.50	18.19	18.13	18.07	18.07	17.95	16.95	16.95
<b>Refuse</b>	2.78	2.78	2.95	2.78	2.25	2.25	2.00	2.00	2.00	2.00	2.00	1.50	1.50	1.50
<b>Voted Fire</b>	0.00	0.00	0.00	0.64	0.60	0.50	0.45	0.45	0.45	0.45	0.45	0.00	0.00	0.00
<b>Total</b>	<b>21.30</b>	<b>21.30</b>	<b>21.47</b>	<b>21.94</b>	<b>21.37</b>	<b>21.25</b>	<b>20.95</b>	<b>20.64</b>	<b>20.58</b>	<b>20.52</b>	<b>20.52</b>	<b>19.45</b>	<b>18.45</b>	<b>18.45</b>
<b>Reduction Amount</b>		0.00	0.17	0.47	(0.57)	(0.12)	(0.30)	(0.31)	(0.06)	(0.06)	(0.00)	(1.08)	(1.00)	0.00
<b>Cumulative Reduction</b>		0.00	0.17	0.64	0.07	(0.05)	(0.35)	(0.66)	(0.72)	(0.78)	(0.78)	(1.85)	(2.85)	(2.85)
<b>Percent Change</b>		0.0%	0.8%	2.2%	-2.6%	-0.6%	-1.4%	-1.5%	-0.3%	-0.3%	0.0%	-5.2%	-5.1%	0.0%
<b>Cumulative Change</b>		0.0%	0.8%	3.0%	0.4%	-0.2%	-1.6%	-3.1%	-3.3%	-3.6%	-3.6%	-8.9%	-14.0%	-14.0%

Appendix

SEV & Taxable Value



Year	SEV	SEV Growth	Taxable Value	Taxable Value Growth
1990	\$ 69,346,762			
1991	\$ 72,328,192	4.3%		
1992	\$ 74,662,923	3.2%		
1993	\$ 86,335,306	15.6%		
1994	\$ 87,868,352	1.8%		
1995	\$ 92,276,049	5.0%	\$ 91,170,863	
1996	\$ 98,777,799	7.0%	\$ 95,065,215	4.3%
1997	\$ 107,576,400	8.9%	\$ 100,105,513	5.3%
1998	\$ 122,376,906	13.8%	\$ 112,633,190	12.5%
1999	\$ 132,539,856	8.3%	\$ 120,320,668	6.8%
2000	\$ 146,033,156	10.2%	\$ 129,495,380	7.6%
2001	\$ 173,749,756	19.0%	\$ 148,341,437	14.6%
2002	\$ 198,421,736	14.2%	\$ 160,733,605	8.4%
2003	\$ 223,975,606	12.9%	\$ 175,212,684	9.0%
2004	\$ 217,777,056	-2.8%	\$ 172,431,911	-1.6%
2005	\$ 229,542,700	5.4%	\$ 181,139,334	5.0%
2006	\$ 242,067,200	5.5%	\$ 189,639,534	4.7%
2007	\$ 255,567,100	5.6%	\$ 199,657,175	5.3%

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Appendix

Home Sales

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The table below shows the number of homes sold in the City of Manistee.

Year	Homes Sold or Transferred	Change
2000	274	
2001	240	(34)
2002	245	5
2003	236	(9)
2004	249	13
2005	217	(32)
2006	184	(33)
Average	235	

Appendix

Outstanding Debt

The City has ten outstanding bond issues for a variety of purposes. These bond issues create a first demand on City financial resources, before any discretionary funding. It is necessary to remain aware of these obligations as the City makes decisions on other financial matters.

**Outstanding Debt**

As of 7-1-2008

Bond Issue	Purpose	Paid By	Expires	Principal Balance	Principal Payments	Interest Payments	Total Payments
1997 A Revenue	CSO Revenue	Water & Sewer	2009	\$ 60,000	\$ 30,000	\$ 2,333	\$ 32,333
1997 B Revenue	CSO (SRF)	Water & Sewer	2017	\$ 305,000	\$ 30,000	\$ 6,863	\$ 36,863
1998 A Revenue	Refunding, CSO	Water & Sewer	2009	\$ 390,000	\$ 190,000	\$ 13,523	\$ 203,523
1998 B Revenue	CSO (SRF)	Water & Sewer	2019	\$ 1,730,000	\$ 125,000	\$ 37,519	\$ 162,519
1999 A Revenue	CSO	Water & Sewer	2010	\$ 330,000	\$ 105,000	\$ 13,244	\$ 118,244
1999 B Revenue	CSO (SRF)	Water & Sewer	2021	\$ 1,715,000	\$ 105,000	\$ 41,563	\$ 146,563
1999 DDA	Streetscape	DDA	2020	\$ 1,370,000	\$ 75,000	\$ 68,998	\$ 143,998
1999 MTF	Streetscape	Major Street	2015	\$ 925,000	\$ 95,000	\$ 44,028	\$ 139,028
2003 Cap Imp	City Hall	General Fund	2024	\$ 2,760,000	\$ 75,000	\$ 105,388	\$ 180,388
2006 WWTP	WWTP (SRF)	Water & Sewer	2027	\$ 2,870,000	\$ 120,000	\$ 46,638	\$ 166,638
2005 WS Refunding	Refund WS	Water & Sewer	2028	\$ 6,245,000	\$ 45,000	\$ 245,189	\$ 290,189

In August of 2005, the City refunded three Water & Sewer revenue bonds. This refunding saved the City \$282,000 over the life of the bonds. In addition, the Phase IV Riverwalk bond was paid off in 2006 and the Fire Truck Bond was paid off in 2007.

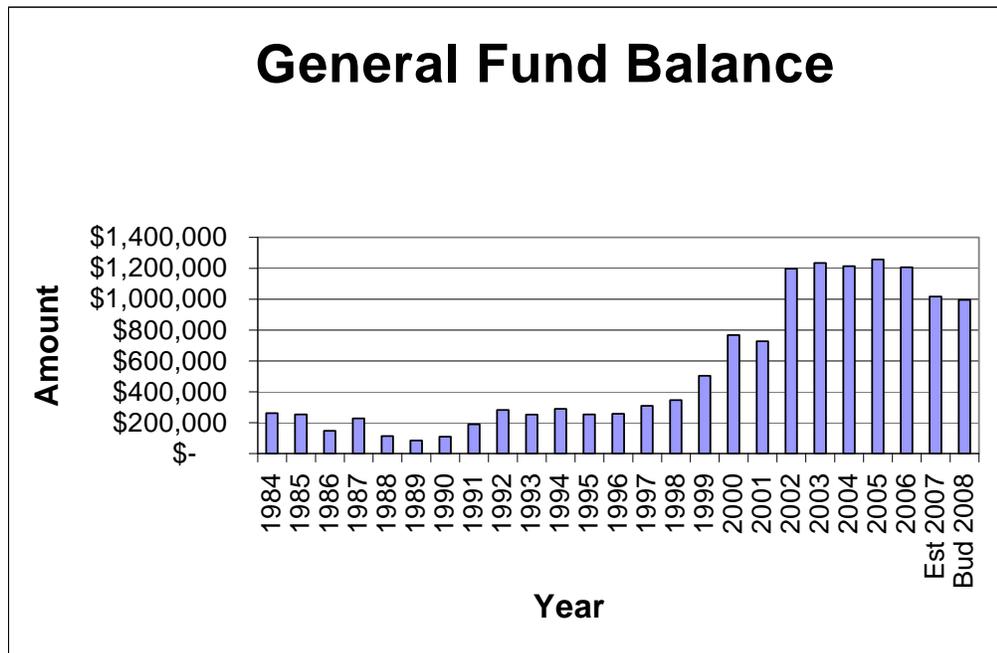
**Water & Sewer Rate History**

	2001	2002	2003	2004	2005	2006	2007	Budget 2008
<b>Water per 1000G</b>	\$1.63	\$1.79	\$1.86	\$1.90	\$1.95	\$2.04	\$2.16	\$ 2.25
<b>Sewer per 1000G</b>	\$3.53	\$3.57	\$3.71	\$3.80	\$3.90	\$4.08	\$4.32	\$ 4.50
<b>Fixed Charge</b>	\$6.60	\$6.60	\$6.60	\$6.60	\$6.60	\$6.60	\$6.60	\$ 6.60
<b>Typical Bill</b> (6,000 G per Month)	\$37.56	\$38.76	\$40.02	\$40.80	\$41.70	\$43.32	\$45.48	\$47.10
<b>Dollar Increase</b>		\$1.20	\$1.26	\$0.78	\$0.90	\$1.62	\$2.16	\$1.62
<b>Percent Increase</b>		3.2%	3.3%	1.9%	2.2%	3.9%	5.0%	3.6%

Appendix

General Fund Balance

Year	Fund Balance	Change
1984	\$ 261,983	
1985	\$ 253,905	\$ (8,078)
1986	\$ 147,590	\$ (106,315)
1987	\$ 227,944	\$ 80,354
1988	\$ 113,117	\$ (114,827)
1989	\$ 84,508	\$ (28,609)
1990	\$ 108,814	\$ 24,306
1991	\$ 189,768	\$ 80,954
1992	\$ 281,768	\$ 92,000
1993	\$ 252,763	\$ (29,005)
1994	\$ 289,859	\$ 37,096
1995	\$ 253,721	\$ (36,138)
1996	\$ 258,724	\$ 5,003
1997	\$ 309,869	\$ 51,145
1998	\$ 345,869	\$ 36,000
1999	\$ 502,871	\$ 157,002
2000	\$ 766,962	\$ 264,091
2001	\$ 728,008	\$ (38,954)
2002	\$ 1,197,158	\$ 469,150
2003	\$ 1,233,804	\$ 36,646
2004	\$ 1,214,416	\$ (19,388)
2005	\$ 1,256,500	\$ 42,084
2006	\$ 1,206,658	\$ (49,842)
Est 2007	\$ 1,016,658	\$ (190,000)
Bud 2008	\$ 995,658	\$ -



Appendix

Grants Received

**City of Manistee Grants**

Year	Name	Project	Amount
2002	MSHDA Rental Rehab	Rehab Apts.	\$ 350,000
2003	Michigan Rural Health	Rescue 5	\$ 40,000
2003	MDEQ Abandoned Well Mgt.	Plug old wells	\$ 35,000
2004	MSHDA Neighborhood	Infrastructure	\$ 829,000
2004	MSHDA New Homes	Grove St. Homes	\$ 430,000
2004	EPA Brownfield Pilot	Assessment	\$ 200,000
2005	MDOT	Memorial Dr. Paving	\$ 30,000
2005	EPA Brownfield #2	Inventory	\$ 195,000
2005	Cool Cities	Peninsula Plan	\$ 300,000
2005	Corps of Engineers	Wave Study	\$ 35,000
2005	MEDC	5th Ave Paving	\$ 250,000
2005	MSHDA CBD	Downtown Apts.	\$ 465,000
2006	MEDC	Wash St. Paving	\$ 292,000
2006	State of Michigan	Voting Machines	\$ 37,000
2006	State of Michigan	Voting Access	\$ 13,000
2006	Waterways Commission	Marina Docks	\$ 69,000
2006	Waterways Commission	1 <sup>st</sup> St Launch	\$ 37,000
2007	MDOT Category F	Old US 31 Truck Route	\$ 232,000
2007	MDOT Small Urban	Old US 31 Truck Route	\$ 350,000
2007	Federal Appropriation	Maple Street Bridge	\$ 341,500
2008	MDOT Local Bridge Fund	Maple Street Bridge	\$ 500,000
	Local Revenue Sharing	Variety of Items	\$ 585,000
	<b>Total</b>		<b>\$ 5,615,500</b>