

SPECIAL MEETING OF THE DOWAGIAC CITY COUNCIL

Municipal Building, 241 S. Front Street, Dowagiac, Michigan

Monday, June 1, 2015, 6:30 p.m.

AGENDA

CALL TO ORDER

-Mayor Donald D. Lyons

ROLL CALL

-Mayor Donald D. Lyons
-Mayor Pro-Tem Leon Laylin
-Councilmember Charles Burling
-Councilmember James Dodd
-Councilmember Lori Hunt
-Councilmember Danielle Lucas
-Councilmember Bob Schuur

PUBLIC HEARING –

1. City Council will hold a budget hearing to receive public input on the Fiscal Year 2015-2016 Budget.

RESOLUTIONS –

1. Resolution to approve a budget for Fiscal Year 2015- 2016 that will begin on October 1, 2015 and end on September 30, 2016.

ADJOURNMENT –

Kevin P. Anderson
City Manager

Attachments

DOWAGIAC CITY COUNCIL SPECIAL MEETING

Thursday, May 21, 2015

A special meeting of the Dowagiac City Council was called to order by Mayor Pro Tem Laylin at 12:00 p.m.

Mayor Pro Tem Laylin deferred on the Pledge of Allegiance to the flag.

PRESENT: Mayor Pro-Tem Leon D. Laylin; Councilmembers Charles K. Burling, James B. Dodd, Danielle E. Lucas, Bob B. Schuur and City Clerk Jane Wilson.

ABSENT: Mayor Donald D. Lyons and Councilmember Lori A. Hunt

STAFF: City Manager Kevin P. Anderson, City Manager; Rozanne H. Scherr, Assistant City Manager.

Councilmember Dodd moved and Councilmember Burling seconded that the minutes of the May 11, 2015 regular meeting be approved.

Approved unanimously.

RESOLUTIONS

1. Resolution authorizing a Blight Elimination Grant application with the State of Michigan for the demolition of the building at 200 East Division Street.

Councilmember Laylin offered and moved to table the following resolution; seconded by Councilmember Dodd.

WHEREAS, the City of Dowagiac desires to improve its employment, tax base and the overall quality of lives of its residents; and,

WHEREAS, the City of Dowagiac recognizes that blighted, abandoned buildings negatively impacts the tax base and quality of life for its residents; and,

WHEREAS, competitive grant funding is available through the 2015 Michigan Blight Elimination Program; and,

WHEREAS, the City of Dowagiac is committed to eliminating blight and needs additional resources to deal with a large, abandoned warehouse on a commercial corridor at the gateway to Downtown Dowagiac; and,

WHEREAS, the City of Dowagiac has determined that the removal of the structure at 200 E. Division is necessary and will commit financial resources to cover all costs associated with the demolition that are ineligible for the grant or are in excess of the grant; and,

DOWAGIAC CITY COUNCIL SPECIAL MEETING

Thursday, May 21, 2015

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NOW, THEREFORE, BE IT RESOLVED that the City of Dowagiac, by the affirmative vote of its City Council, does hereby designate Kevin P. Anderson, City Manager, to make a grant application on behalf of the City of Dowagiac to the 2015 Michigan Blight Elimination Program up to \$250,000.

BE IT FURTHER RESOLVED that City of Dowagiac does hereby commit to reserving capital improvement funds to pay all costs associated with the demolition that are ineligible for the grant or are in excess of the grant.

ADOPTED unanimously.

ADJOURNMENT

Upon motion by Councilmember Burling and seconded by Councilmember Dodd, the Dowagiac City Council adjourned at 12:13 PM.

Leon Laylin, Mayor Pro Tempore

Jane P. Wilson, City Clerk

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: May 29, 2015

SUBJECT: Public Hearing and Resolution – FY 2014-15 Budget

A Truth in Taxation public hearing has been scheduled for the June 1, 2015 Council meeting on the proposed FY 2015-16 budget. Truth in Taxation does not apply to the City this year because the City is levying less than the maximum.

The City of Dowagiac, as a taxing unit, has complete authority to establish the number of mills to be levied from within its authorized millage rate.

A resolution to approve the FY 2015-16 Budget is also on the agenda after the public hearing has been held. A full copy of the budget is included for your review.

RECOMMENDATION

Hold the Truth in Taxation public hearing and approve the FY 2015-16 Budget as presented.

Support Documents:

Cover Memo-City Mgr.
Resolution

CITY OF DOWAGIAC

MEMO TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

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RECOMMENDATION

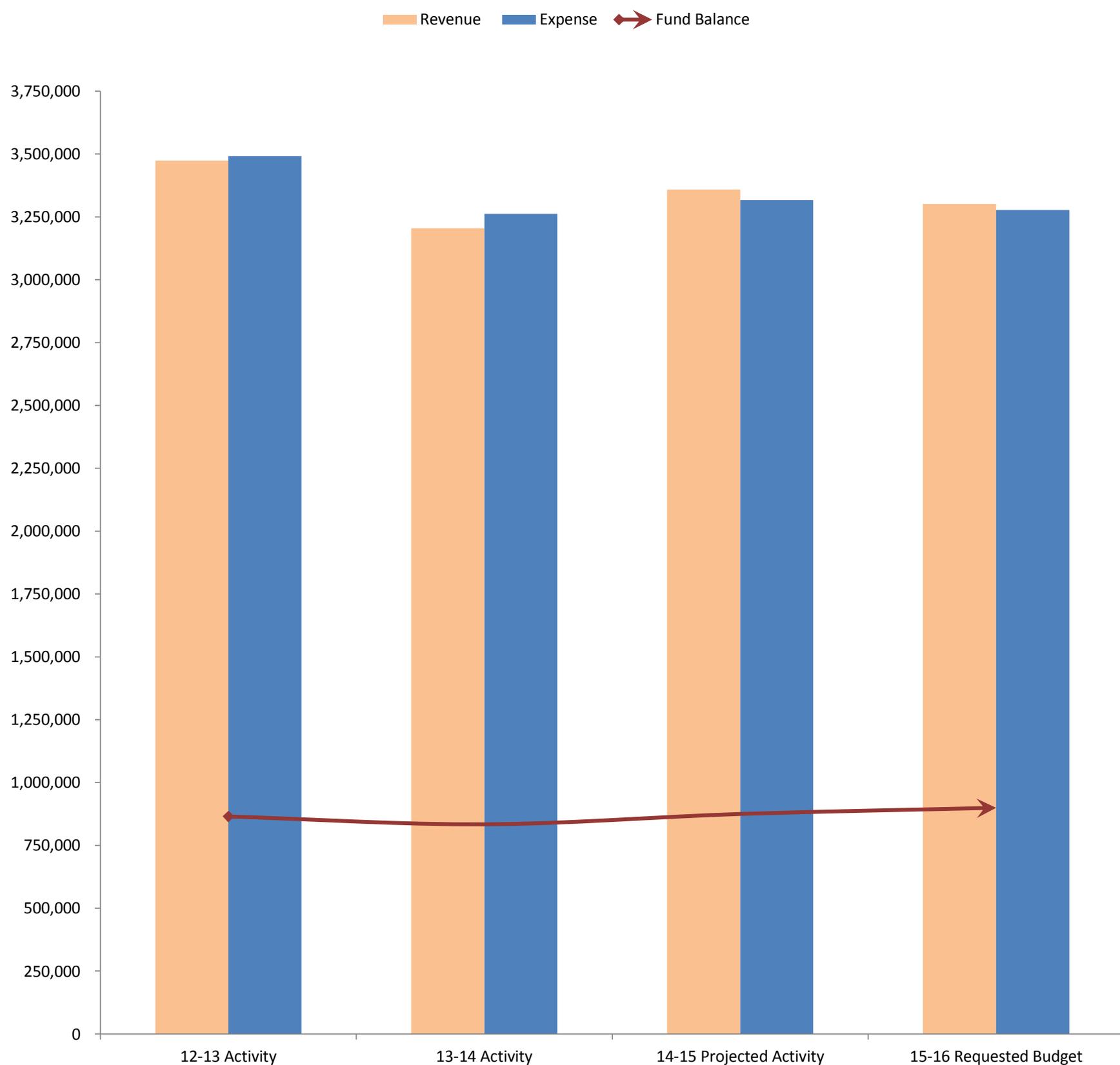
Hold the Truth in Taxation public hearing and approve the FY 2015-16 Budget as presented.

Support Documents:
Cover Memo-City Mgr.
Resolution

GENERAL FUND

The General Fund accounts for resources traditionally associated with governments that are not required to be accounted for in another fund. In the City of Dowagiac the functions of the General Fund include Legislative, General Administration, Grounds, Police, Fire Development and Public Services activities not recorded in Special Revenue or Enterprise Funds. The General Fund is the designated repository per Michigan law for ad valorem property taxes. Other revenue sources for the General Fund are state-shared revenues and transfers from other funds. Detailed line item information is available after the itemized activity page.

101 - GENERAL FUND



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
Fund 101 - GENERAL FUND					
ESTIMATED REVENUES					
Dept 191-ELECTIONS		0	0	0	0
Dept 192-ELECTIONS (CONSOLIDATED)		970	0	0	0
Dept 212-TAXES/ADMINISTRATIVE FEES		1,616,684	1,603,859	1,634,750	1,625,600
Dept 213-INTEREST/MISCELLANEOUS		5,708	5,970	4,800	5,000
Dept 214-CITY HALL OPERATIONAL OVERHEAD		74,633	74,688	74,700	75,200
Dept 216-LICENSES & PERMITS		59,086	59,972	59,230	59,300
Dept 265-GROUNDS MAINTENANCE		37,230	30,831	37,000	37,000
Dept 276-CEMETERY		42,651	31,827	41,500	42,500
Dept 299-LOCAL REVENUE SHARING		4,709	25,253	35,000	38,000
Dept 299-STATE REVENUE SHARING		625,277	644,036	663,000	680,000
Dept 301-POLICE		369,573	96,855	121,900	123,300
Dept 302-CASS COUNTY DRUG ENFORCEMENT TEAM		0	245,896	302,000	291,000
Dept 316-SCHOOL CROSSING GUARD		1,857	1,880	2,000	2,000
Dept 336-FIRE		104,815	106,713	108,700	77,500
Dept 371-BUILDING/PLANNING/CUSTOMER SERVICE		76,663	94,836	75,300	89,000
Dept 448-PARKING LOTS/SIDEWALK/BIKE PATH		0	450	0	0
Dept 537-AIRPORT		53,316	65,981	55,700	68,200
Dept 804-MUSEUM		171,377	115,247	143,000	87,900
Dept 985-TRANSFERS		230,000	0	0	0
TOTAL ESTIMATED REVENUES		3,474,549	3,204,294	3,358,580	3,301,500
APPROPRIATIONS					
Dept 100-		68	(30)	10	0
Dept 101-MAYOR CITY COUNCIL		23,451	8,757	15,560	15,510
Dept 172-CITY MANAGER		100,532	60,912	66,175	59,590
Dept 191-ELECTIONS		6,249	9,703	9,000	10,300
Dept 192-ELECTIONS (CONSOLIDATED)		758	162	0	0
Dept 201-FINANCE		58,247	64,960	73,170	90,920
Dept 209-ASSESSOR		29,726	29,078	29,375	29,790
Dept 210-CITY ATTORNEY		6,332	5,260	15,000	15,000
Dept 215-CITY CLERK		50,434	46,962	50,990	26,350
Dept 263-MUNICIPAL BUILDING		142,942	136,720	213,100	114,100
Dept 265-GROUNDS RECREATION FEES/MAINTENANCE		235,020	225,739	224,960	231,320
Dept 301-POLICE		1,106,908	1,103,879	1,136,235	1,229,880
Dept 302-CASS COUNTY DRUG ENFORCEMENT TEAM		228,607	239,445	300,210	291,890
Dept 303-PART-TIME POLICE		49,859	18,288	16,650	22,400
Dept 316-SCHOOL CROSSING GUARD		7,544	6,939	7,605	7,600
Dept 336-FIRE		524,047	521,208	589,850	579,690
Dept 371-BUILDING/PLANNING/CUSTOMER SERVICE		88,023	109,931	131,700	122,390
Dept 448-PARKING LOTS/SIDEWALKS		7,760	10,949	17,300	15,460
Dept 487-BOND PAYMENTS		117,619	121,587	120,000	120,000
Dept 537-AIRPORT		70,293	81,814	58,750	62,710
Dept 804-MUSEUM		530,135	102,124	102,915	99,680
Dept 941-CONTINGENCY		1,998	0	60,000	60,000
Dept 953-UNEMPLOYMENT REIMBURSEMENT		17,274	8,070	15,000	15,000
Dept 954-INSURANCE		14,161	3,935	16,800	34,450
Dept 985-TRANSFERS		73,725	345,354	47,000	23,000
TOTAL APPROPRIATIONS		3,491,712	3,261,746	3,317,355	3,277,030

NET OF REVENUES/APPROPRIATIONS - FUND 101	(17,163)	(57,452)	41,225	24,470
BEGINNING FUND BALANCE	882,120	865,032	833,809	875,034
FUNDING BALANCE ADJUSTMENTS	75	26,229	0	0
ENDING FUND BALANCE	<u>865,032</u>	<u>833,809</u>	<u>875,034</u>	<u>899,504</u>

GENERAL FUND REVENUES BY TYPE

The City of Dowagiac's General Fund revenue comes from a variety of sources, the largest of which comes from property taxes. Approximately 49 percent of all General Fund revenue comes from tax on real property, personal property and payment in lieu of taxes. Due to state legislation, the tax on real property remains quite steady each year. The General Fund revenue mix continues to rely on payment in lieu of taxes from all of the City's Enterprise Funds. Payment in lieu of taxes are budgeted in the amount of 12.63 percent of all General Fund revenues. State Shared Revenue are projected to increase for FY 2013-14 but the exact amount has yet to be determined by the legislature.

TAXES/ADMINISTRATIVE FEES

Taxes and Administrative Fees account for real and personal property tax revenues collected as well as Payments in Lieu of Taxes, the collection of penalties and interest for late payments and tax administration fees incurred.

INTEREST/MISCELLANEOUS

Interest on investments is the primary source of income in these accounts.

CITY HALL OPERATIONAL OVERHEAD

In previous years this was titled Interfund Transfer. Now that labor costs are directly allocated to funds, this amount reflects the shared cost of paper, copiers, utilities, etc. at City Hall that supports the operations of other funds.

LICENSES AND PERMITS

Licenses and Permits account for revenues received from local liquor licenses, cable TV franchise fees, dog licenses and City licenses, such as yard/rummage sale permits.

GROUNDS/RECREATION FEES/MAINTENANCE

Grounds/Recreation Fees account primarily for revenues received for the use of various City parks. Revenue from park related grants are also shown in these accounts.

CEMETERY

Cemetery revenues account for the sale of cemetery lots, the collection of grave fees and tent rental during services, charges for foundations, and miscellaneous fees incurred for funeral services.

STATE REVENUE SHARING

The City of Dowagiac receives revenue sharing payments from the State of Michigan. The Michigan Constitution allocates a portion of the state sales tax to be distributed to local units on a per capita basis, using the last decennial census to determine population. The Legislature has allocated an additional portion, known as the Statutory portion, of the sales tax to be distributed to the local units, in lieu of the income and single business taxes no longer being collected.

POLICE

Police revenue accounts for activities associated with traffic enforcement, ordinance violations, and district and local fines. Grants, service fees and donations are accounted for in this category as well as reimbursements from the Cass County Drug Enforcement Team for wage and fringe benefit costs to the City.

SCHOOL CROSSING GUARDS

Reimbursements received from the Dowagiac Union School District for their portion of the cost of wages for School Crossing Guards.

FIRE

Fire revenue accounts for activities associated with Fire I and II Training class fees and for fire agreements between the City and surrounding townships.

BUILDING/PLANNING

Building/Planning revenue accounts for activities associated with code enforcement, as well as permit fees incurred for building, electrical, mechanical, plumbing permits and other fees.

AIRPORT

Airport revenue accounts for activities associated with federal and state grants, aviation fuel sales and rent/lease payments for hangar space.

MUSEUM

Museum revenue accounts for activities associated with the museum, artifact revenue, fellowship income, book sales, membership fees, donations, etc. This fund also is being reimbursed yearly by Southwestern Michigan College for their the cost of wages for the Museum Curator.

FUND BALANCE ALLOCATION

If retained earnings are proposed to be used, the amount being used will show up in this account.

GENERAL FUND EXPENDITURES (Appropriations) BY TYPE

The largest single General Fund expenditures consist of wages and benefits. These wages support the following operations: City Council, City Manager's office, Elections, Municipal Building/General Services, Finance office, Assessing, City Clerk, City Treasurer, Grounds Maintenance, Police, Fire, Building Department, Planning and Development, Airport, Major and Local Streets, Parking Lots and Sidewalks, and the Museum. The City contracts for legal services, assessing, and accounting services. Other expenditures include charges for utility costs and repairs and maintenance of equipment and buildings. Other services and charges include several miscellaneous charges, including travel and training, subscriptions and memberships and publication. Transfers out include transfers to pay the General Fund's share of debt payments and contributions to capital funds for building improvements.

GENERAL FUND – REVENUES AND EXPENDITURES – FUND 101

The General Fund accounts for revenues and expenditures that are not required to be accounted for in another fund. In the City of Dowagiac the functions of the General Fund include Legislative, General Administration, Grounds Maintenance, Police, Fire, Planning and Development, and Public Service activities not recorded in Special Revenue or Enterprise Funds. The General Fund is the designated repository per Michigan law for ad valorem property taxes. Other revenue sources for the General Fund are state shared revenues, local revenue sharing, transfers from other funds, fees and interest.

MAYOR AND CITY COUNCIL – DEPARTMENT 101

The Mayor and Council make policy decisions regarding city services and other governmental responsibilities of the city. Most policy decisions occur through the adoption of the annual budget, capital improvement projects and other ordinances and resolutions. The Council also:

- Amends and adopts policies that govern the health, safety and welfare of the City;
- Hires the City Manager to oversee the day-to-day operations of the City;
- Adopts a budget and establishes utility rates;
- Appoints members to various Advisory Boards and Commissions, Task Forces and Committees;
- Appoints members to Dowagiac District Library Board and Cass-Van Buren Emergency Services Authority;
- Enters into agreements with other governments as needed.

The Mayor is elected to a four-year term, Council members are elected to four-year staggered terms from three wards.

CITY MANAGER – DEPARTMENT 172

The City Manager is responsible for day-to-day operations of all city services. The Manager implements the policies and directions of City Council by working with and directing Department Heads and staff. The City Manager is also responsible for communication and coordination of services among residents, municipal officials, employees and other governmental and social agencies.

ELECTIONS – DEPARTMENT 191

The activities within Elections are coordinated by the City Clerk who is responsible for all local, special, state, county and federal elections held with the wards of Dowagiac. Maintaining the Qualified Voter File is also the responsibility of the City Clerk. Annual expenditures for election activity are determined, in part, by the number of elections held each year.

ELECTIONS (CONSOLIDATED) – DEPARTMENT 192

Consolidated elections, per state law, may be held in February, May (school), August and November. Annual expenditures for election activity are determined, in part, by the number of elections held each year.

FINANCE – DEPARTMENT 201

The Finance Department is responsible for developing and maintaining sound financial management information systems by developing policies and practices that preserve and protect the city's financial resources. The Finance Department provides the City Council and City administration with timely, accurate financial information to facilitate daily operations and decision making. The City Treasurer is an elected position in the Finance Department. The City Treasurer is responsible for the custody of all public monies of the City. Additionally, the Treasurer shall oversee the billing and collection of City taxes.

ASSESSOR – DEPARTMENT 209

The City Assessor has the responsibility for distributing the property tax burden in a fair and equitable manner, administering the Board of Review and maintaining ownership records for the City's real and personal property.

CITY ATTORNEY – DEPARTMENT 210

The City contracts with a law firm to provide legal services to the City Council and other departments regarding municipal matters, which include general municipal matters and prosecuting attorney services for ordinance violations, traffic citations, etc.

CITY CLERK – DEPARTMENT 215

The City Clerk coordinates all local, special, state, county and federal elections. Additionally, the City Clerk is the custodian of city records and maintains a complete and permanent history of actions taken by the City Council while taking accurate minutes and indexing meetings and related documents in a logical and systematic manner.

MUNICIPAL BUILDING – DEPARTMENT 263

The Municipal Building Fund accounts for activities relating to the day-to-day business operations of the City including postage, cleaning and maintenance activities and utilities.

GROUNDS DEPARTMENT – DEPARTMENT 265

The Grounds Department accounts for the costs associated with the maintenance of city parks, the Central Business District, as well as other properties within the City of Dowagiac. General upkeep as well as landscaping and restroom maintenance is included in this activity. Operation and maintenance of Riverside Cemetery falls within this department. The expense of operating the cemetery is partially offset by the charges for services.

POLICE – DEPARTMENT 301

The Police Department is responsible for promoting the health, safety and welfare of the citizens and businesses of the community in order to assure a high quality of life. Around the clock police coverage is provided to the City.

CASS COUNTY DRUG ENFORCEMENT TEAM – DEPARTMENT 302

The Cass County Drug Enforcement Team is responsible for special drug enforcement activities throughout the City of Dowagiac and Cass County. A county-wide millage funds 100% of the activities of the CCDET. City of Dowagiac officers are assigned to this task force.

SCHOOL CROSSING GUARD – DEPARTMENT 316

The School Crossing Guard program is cooperatively funded between the school district and the City to provide safety for elementary school children crossing specific intersections on their way to school.

FIRE – DEPARTMENT 336

The Fire Department is responsible for providing fire suppression services for residents and businesses of the City of Dowagiac. Additionally, the Fire Department is responsible for coordinating Emergency Management activities with the Cass County Emergency Management Director.

BUILDING – DEPARTMENT 371

The Building Department provides for public protection, safety, health and well-being by performing all inspection and enforcement functions necessary to ensure compliance with appropriate building, zoning and related codes. Responsibilities include all plan reviews, Planning Commission, Zoning Board of Appeals, Construction Board of Appeals and electrical, building, plumbing, and mechanical inspection services for the city.

PARKING LOTS/SIDEWALKS – DEPARTMENT 448

The Parking Lots/Sidewalk area of the budget provides for maintenance and repair activities of parking lots and sidewalks in the city. During the 2013/2014 FYE there was a consolidation of the Sidewalk Fund (218) into GF, (Fund Balance of \$26,229).

AIRPORT – DEPARTMENT 537

The Airport Department provides for the operation of the Dowagiac Municipal Airport.

MUSEUM – DEPARTMENT 804

The Museum Department provides for the operation of the Dowagiac Area History Museum.

CONTINGENCY – DEPARTMENT 941

Contingency funds are provided to address unforeseen items that may arise without impacting service levels in other departments of the city.

HEALTH INSURANCE – DEPARTMENT 951

Previously all General Fund health insurance costs were accounted for in this department. Now that these costs are being directly allocated to departments, this fund will be eliminated in future budgets.

UNEMPLOYMENT INSURANCE – DEPARTMENT 953

The City self funds unemployment insurance.

TRANSFERS – DEPARTMENT 985

The Transfers department provides for the general funds portion of various expenses which occur in other funds.

SPECIAL REVENUE FUNDS

The Major and Local Street Funds account for the operations of street maintenance and capital improvements. Financing is provided primarily from the City share of State collected gasoline and other vehicular taxes and from grants, per Public Act 51.

The Parks Fund accounts for the operations of park maintenance and capital improvements.

The Solid Waste Fund accounts for the revenues and expenses associated with the operation of the City's Compost site including the tax levy that is solely designated for this purpose. The current millage rate for this tax is 1.9750 mills with the rate expected to increase to 2.8000 mills during the 2015 fiscal yearend.

The Industrial/Economic Development Fund accounts for revenues and expenses associated with all Phases of the Industrial Park.

The Local Development Finance Authority Fund accounts for revenues and expenditures associated with infrastructure improvements in the Industrial Park.

The DDA TIF Project Fund accounts for revenues and expenses associated with the Downtown Development Authority District.

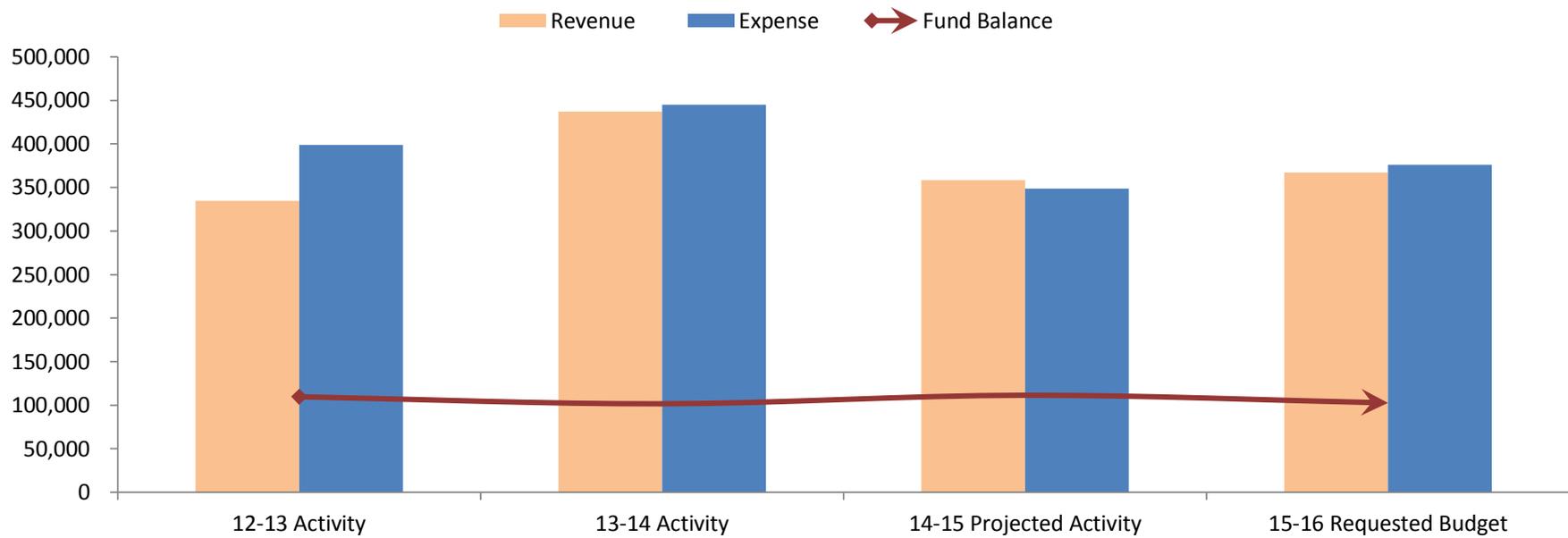
The Rehab Loan Payments Fund accounts for the revenues and expenses associated with the City's Design Review Incentive Program.

The Rental Rehab Fund accounts for the revenues and expenses associated with the Downtown Rental Rehab Program.

The Municipal Facilities/Improvements Fund accounts for the revenues and expenses associated with building improvements.

The City and Federal Drug Forfeiture Funds account for property seized through appropriate court order.

202 - MAJOR



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 202 - MAJOR STREETS

ESTIMATED REVENUES

Dept 476-STREET REVENUES	334,465	437,008	358,350	367,000
TOTAL ESTIMATED REVENUES	334,465	437,008	358,350	367,000

Estimated Revenues: The Major Streets Fund accounts for the revenues related to “major” streets within the City. The fund’s revenues come from the State Act 51 gas and weight tax distributions and transfers from other funds.

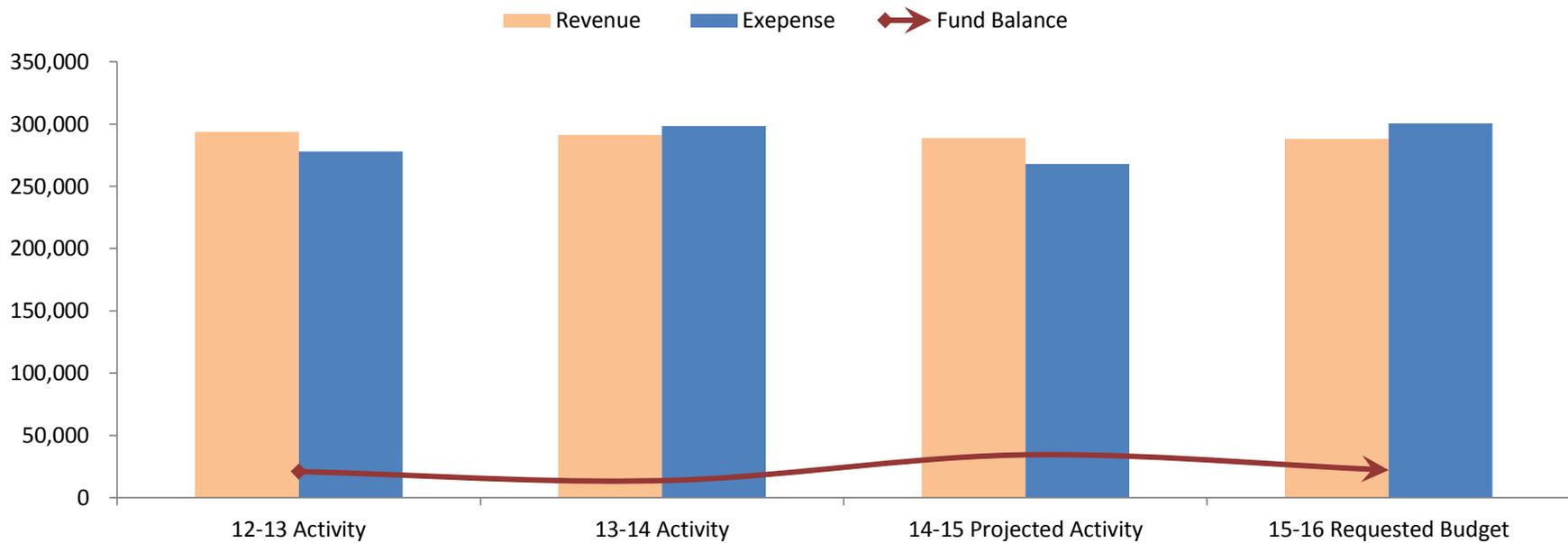
APPROPRIATIONS

Dept 448-PARKING LOTS/SIDEWALKS/BIKE PATHS	19,161	127,973	5,000	0
Dept 463-PAVED STREET PRESERVATION	113,098	73,721	106,680	102,060
Dept 468-ROUNTINE MAINT CURB/GUTTER	0	0	300	300
Dept 469-ROUNTINE MAINT CATCH BASINS	8,190	3,103	5,730	5,150
Dept 473-ROUNTINE MAINT BRIDGES	35,603	15,841	6,700	15,300
Dept 475-TRAFFIC SERVICES	19,481	16,469	21,000	21,500
Dept 479-SNOW & ICE	28,400	66,904	65,160	71,050
Dept 483-ADMINISTRATIVE	32,437	34,023	31,930	35,720
Dept 485-FUND TRANSFERS	123,475	69,161	64,000	78,000
Dept 486-MAINT OF STATE TRUNKLINE	18,833	37,933	42,000	46,750
TOTAL APPROPRIATIONS	398,678	445,128	348,500	375,830

Appropriations: The Major Streets Fund accounts for the expenditures associated with the operations of street maintenance and capital improvements. Financing is provided primarily from the City’s share of State collected gasoline and other vehicular taxes and from grants, per Public Act 51. Act 51 allows for the transfer of funds to the Local Streets Fund.

NET OF REVENUES/APPROPRIATIONS - FUND 202	(64,213)	(8,120)	9,850	(8,830)
BEGINNING FUND BALANCE	173,979	109,766	101,646	111,496
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	109,766	101,646	111,496	102,666

203 - LOCAL



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 203 - LOCAL STREETS

ESTIMATED REVENUES

Dept 476-STREET REVENUES	293,789	291,104	288,600	288,100
TOTAL ESTIMATED REVENUES	293,789	291,104	288,600	288,100

Estimated Revenues: The Local Streets Fund accounts for the revenues related to “local” streets within the City. The fund’s revenues come from the State Act 51 gas and weight tax distributions and transfers from the Major Streets Fund.

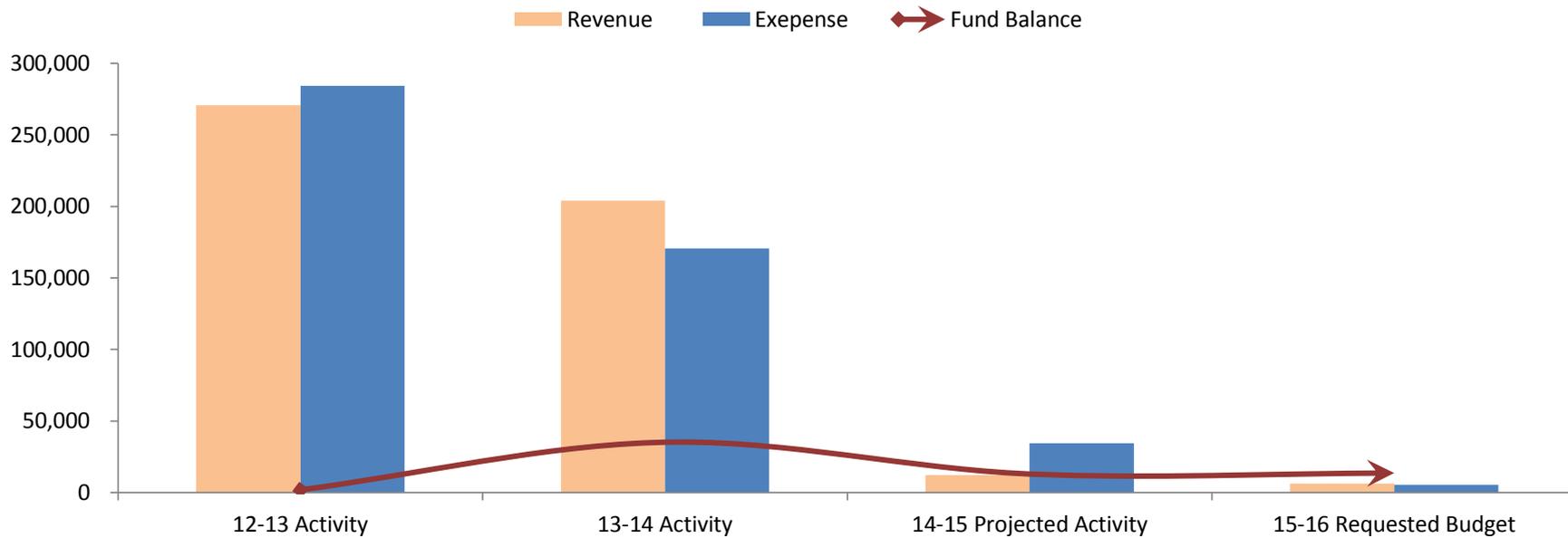
APPROPRIATIONS

Dept 463-PAVED STREET PRESERVATION	162,266	137,017	124,900	152,700
Dept 464-ROUTING MAINT UNPAVED STREET	761	495	1,810	1,100
Dept 465-ROUTINE MAINT ALLEY	3,399	5,877	4,290	5,000
Dept 468-ROUTINE MAINT CURB/GUTTER	351	0	500	500
Dept 469-ROUTINE MAINT CATCH BASINS	28,379	19,489	25,860	19,200
Dept 473-ROUTINE MAINT BRIDGES	0	0	200	200
Dept 475-TRAFFIC SERVICES	5,691	5,716	5,100	5,950
Dept 479-SNOW & ICE	42,018	93,882	72,140	77,250
Dept 483-ADMINISTRATIVE	34,966	35,978	33,030	38,500
TOTAL APPROPRIATIONS	277,831	298,454	267,830	300,400

Appropriations: The Local Streets Fund accounts for the expenditures associated with the operations of street maintenance and capital improvements. Financing is provided primarily from the City share of State collected gasoline and other vehicular taxes and from grants, per Public Act 51, as well as transfers from various City funds.

NET OF REVENUES/APPROPRIATIONS - FUND 203	15,958	(7,350)	20,770	(12,300)
BEGINNING FUND BALANCE	5,078	21,036	13,686	34,456
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	21,036	13,686	34,456	22,156

208 - PARKS



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 208 - PARKS

ESTIMATED REVENUES

Dept 718-INFRASTRUCTURE	270,651	204,043	12,250	6,250
TOTAL ESTIMATED REVENUES	270,651	204,043	12,250	6,250

Estimated Revenues: The Parks Fund accounts for revenues related to grants, interest earned on reserves, and Park donations as well as transfers from various City funds.

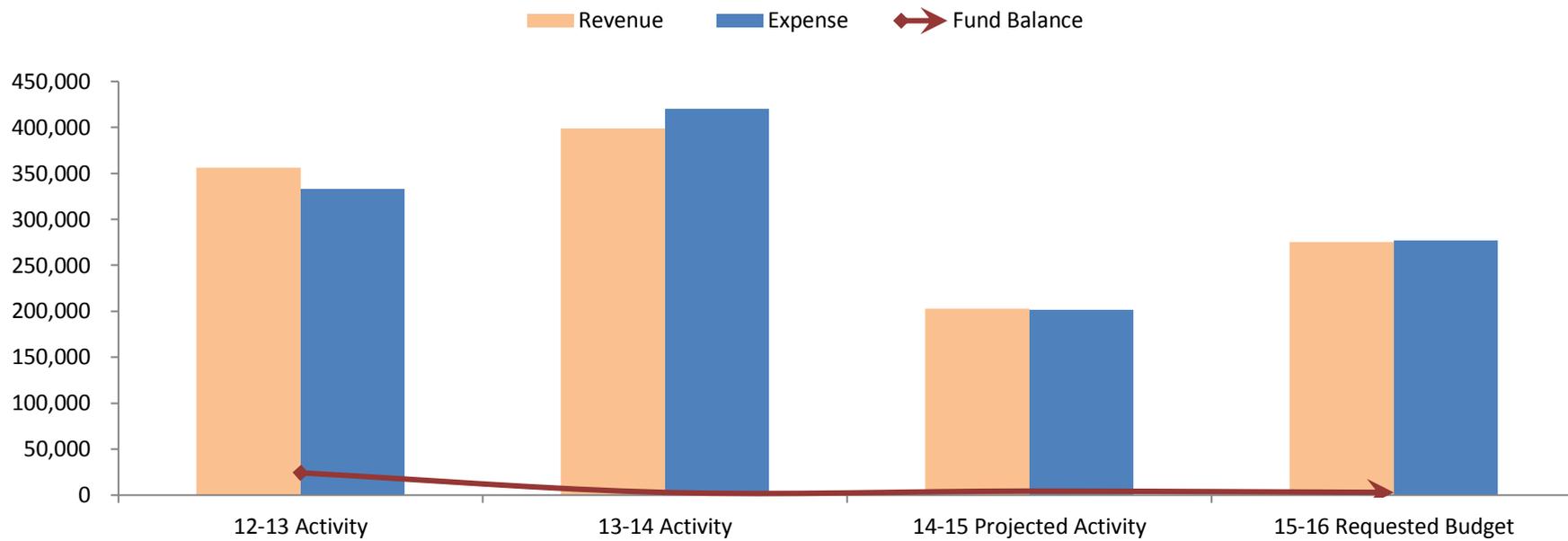
APPROPRIATIONS

Dept 718-INFRASTRUCTURE	284,235	170,713	34,500	5,500
TOTAL APPROPRIATIONS	284,235	170,713	34,500	5,500

Appropriations: The Parks Fund accounts for the expenditures associated with contractual and professional services rendered, site maintenance and improvements as well as miscellaneous and capital items.

NET OF REVENUES/APPROPRIATIONS - FUND 208	(13,584)	33,330	(22,250)	750
BEGINNING FUND BALANCE	15,503	1,919	35,249	12,999
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	1,919	35,249	12,999	13,749

226 - SOLID WASTE



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 226 - SOLID WASTE

ESTIMATED REVENUES

Dept 523-REFUSE REMOVAL	356,018	398,781	203,000	275,400
TOTAL ESTIMATED REVENUES	356,018	398,781	203,000	275,400

Estimated Revenues: The Solid Waste Fund accounts for the revenues received from the tax levy that is solely designated for this purpose. The current millage rate for this tax is 1.9750 mills, with an expected increase to 2.6000 mills.

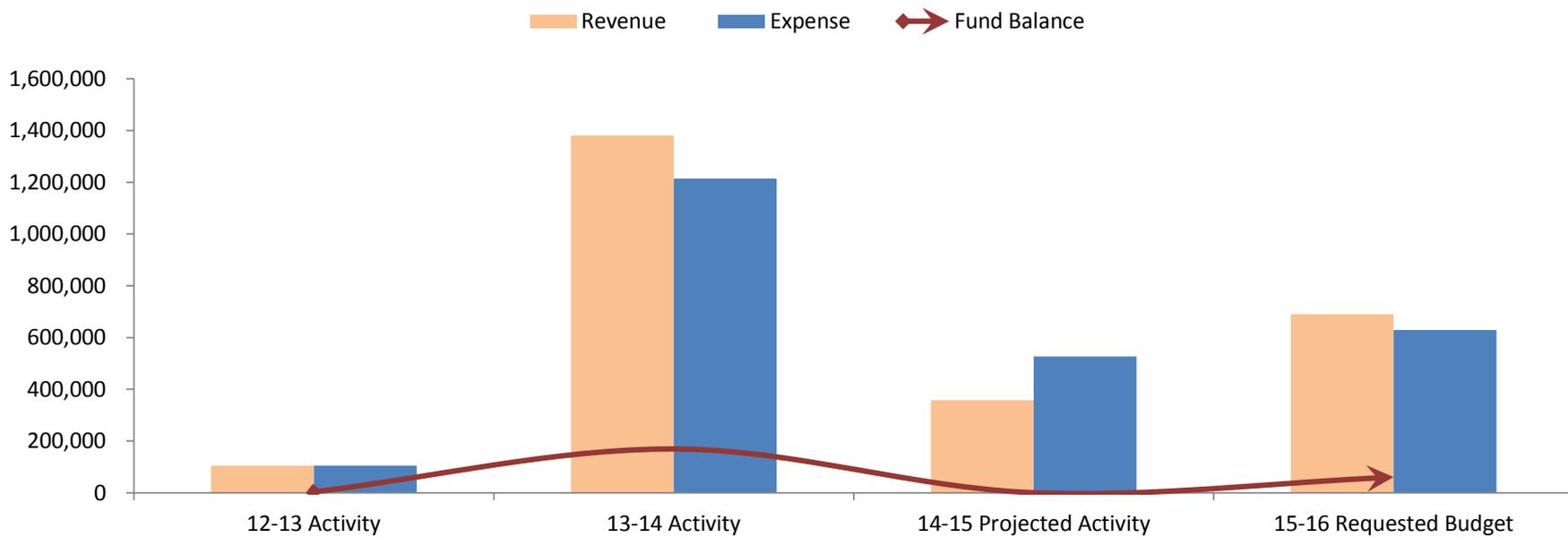
APPROPRIATIONS

Dept 523-REFUSE REMOVAL	333,296	420,066	201,560	276,850
TOTAL APPROPRIATIONS	333,296	420,066	201,560	276,850

Appropriations: The Solid Waste Fund accounts for the expenditures related to the operation and administrative costs, as well as fringe benefit costs associated with the operation of the compost site.

NET OF REVENUES/APPROPRIATIONS - FUND 226	22,722	(21,285)	1,440	(1,450)
BEGINNING FUND BALANCE	1,569	24,291	3,006	4,446
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	24,291	3,006	4,446	2,996

240 - Industrial/Economic Development



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 240 - INDUSTRIAL/ECONOMIC DEVELOPMENT

ESTIMATED REVENUES

Dept 261-ECONOMIC DEVELOPMENT	105,000	1,380,800	357,000	690,500
TOTAL ESTIMATED REVENUES	105,000	1,380,800	357,000	690,500

Estimated Revenues: The Industrial/Economic Development Fund accounts for the revenues received from grants, interest earned, loan repayments and transfers from other City funds.

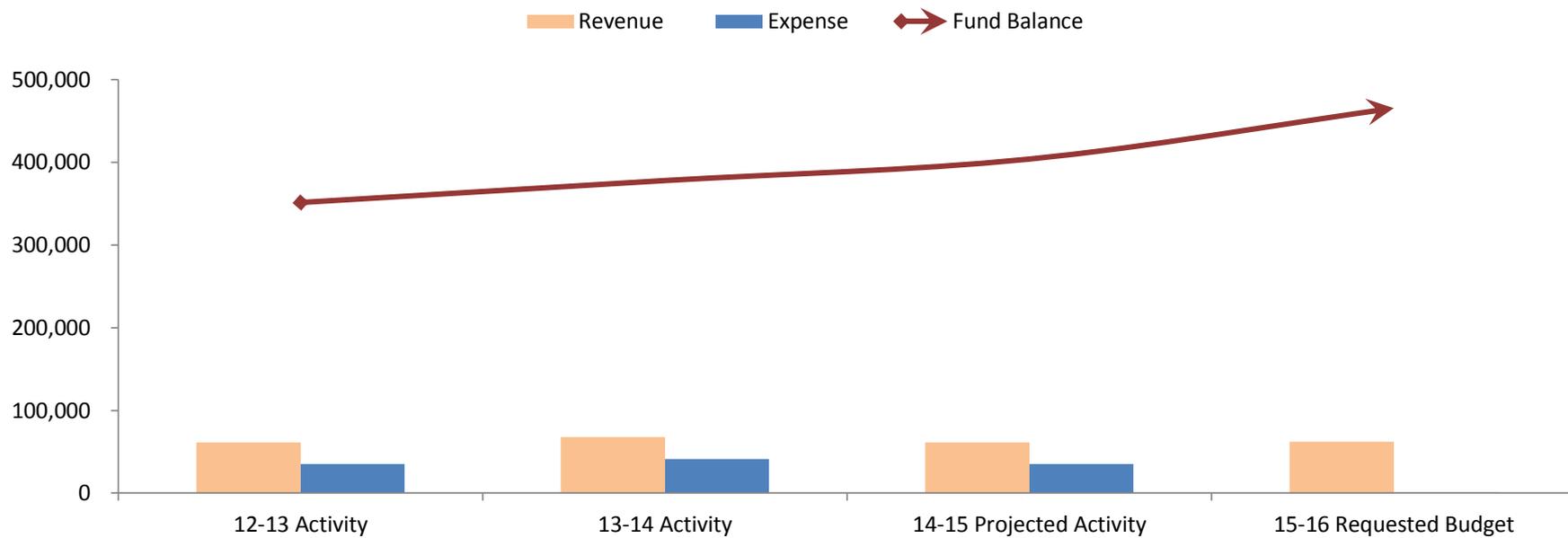
APPROPRIATIONS

Dept 261-ECONOMIC DEVELOPMENT	104,619	1,214,721	526,480	629,850
TOTAL APPROPRIATIONS	104,619	1,214,721	526,480	629,850

Appropriations: The Industrial/Economic Development Fund accounts for the expenditures associated with Debt Service payments on Phase IV of the Industrial Park, Debt Service on Phase II of the Industrial Park and miscellaneous operational costs related to industrial and economic development.

NET OF REVENUES/APPROPRIATIONS - FUND 240	381	166,079	(169,480)	60,650
BEGINNING FUND BALANCE	2,934	3,315	169,394	(86)
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	3,315	169,394	(86)	60,564

243 - LDFA PROJECT



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 243 - LDFA PROJECT

ESTIMATED REVENUES

Dept 729-ECONOMIC DEVELOPMENT-INDUSTRIAL	60,979	67,590	61,000	62,000
TOTAL ESTIMATED REVENUES	60,979	67,590	61,000	62,000

Estimated Revenues: The Local Development Finance Authority (LDFA) Fund accounts for the revenues received through Tax Increment Financing capture in the Industrial Park. Under this Development and Tax Increment Plan, the public infrastructure needed to support economic growth in the Industrial Park will be financed from the tax base resulting from industrial plants constructed in the district.

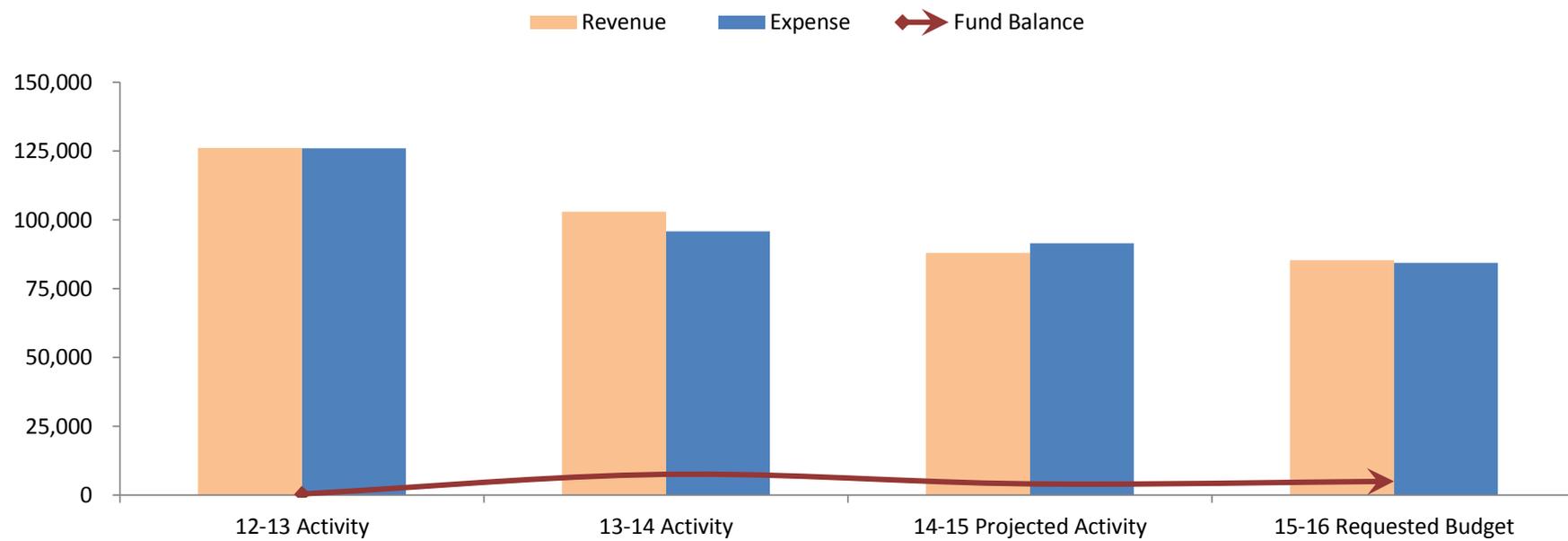
APPROPRIATIONS

Dept 729-ECONOMIC DEVELOPMENT-INDUSTRIAL	35,006	41,057	35,010	410
TOTAL APPROPRIATIONS	35,006	41,057	35,010	410

Appropriations: The Local Development Finance Authority (LDFA) Fund accounts for the expenditures associated with Debt Service payment on Electric Fund Loan (7/9/01 \$190,000 @ 3.75% over 11 years with payments of \$2000/yr beginning 7/9/04, \$3000/yr on 4/9/05, \$4000 on 7/9/06 and \$34,599 on each July 10th through 7/10/15).

NET OF REVENUES/APPROPRIATIONS - FUND 243	25,973	26,533	25,990	61,590
BEGINNING FUND BALANCE	325,371	351,344	377,877	403,867
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	351,344	377,877	403,867	465,457

245 - DDA TIF PROJECT



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 245 - DDA TIF PROJECT

ESTIMATED REVENUES

Dept 850-ECONOMIC DEVELOPMENT	126,165	102,971	88,000	85,300
TOTAL ESTIMATED REVENUES	126,165	102,971	88,000	85,300

Estimated Revenues: The Downtown Development Authority (DDA) TIF Fund accounts for the tax revenues received through Tax Increment Financing capture in the DDA District. Under this Development and Tax Increment Plan, the public infrastructure needed to support economic growth in the Central Business District will be financed from a portion of the tax base in the district. Additional revenues received from interest earned, transfer from electric utility, and grants.

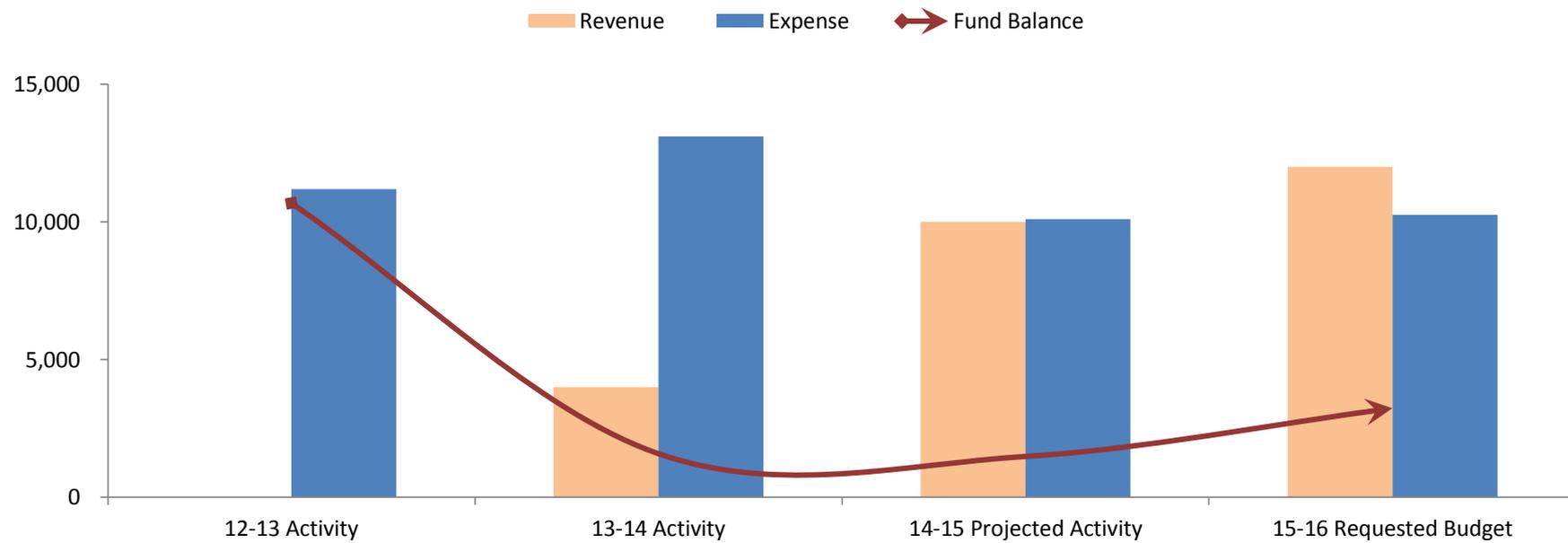
APPROPRIATIONS

Dept 850-ECONOMIC DEVELOPMENT	125,957	95,814	91,490	84,360
TOTAL APPROPRIATIONS	125,957	95,814	91,490	84,360

Appropriations: The Downtown Development Authority (DDA) TIF Fund accounts for expenditures associated with administrative and operational costs, as well as Debt Service payments to Electric Fund through 2013.

NET OF REVENUES/APPROPRIATIONS - FUND 245	208	7,157	(3,490)	940
BEGINNING FUND BALANCE	248	456	7,613	4,123
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	456	7,613	4,123	5,063

252 - REHAB LOAN PAYMENTS



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 252 - REHAB LOAN PAYMENTS

ESTIMATED REVENUES

Dept 821-REDEVELOPMENT & HOUSING	0	4,000	10,000	12,000
TOTAL ESTIMATED REVENUES	0	4,000	10,000	12,000

Estimated Revenues: The Rehab Loan Payments Fund accounts for revenue received on revolving loan payments made to the fund from recipients of low interest loans approved to eligible homeowners for rehabilitation work on their homes. Loan funds originate from federal and state grants and the proceeds of this fund.

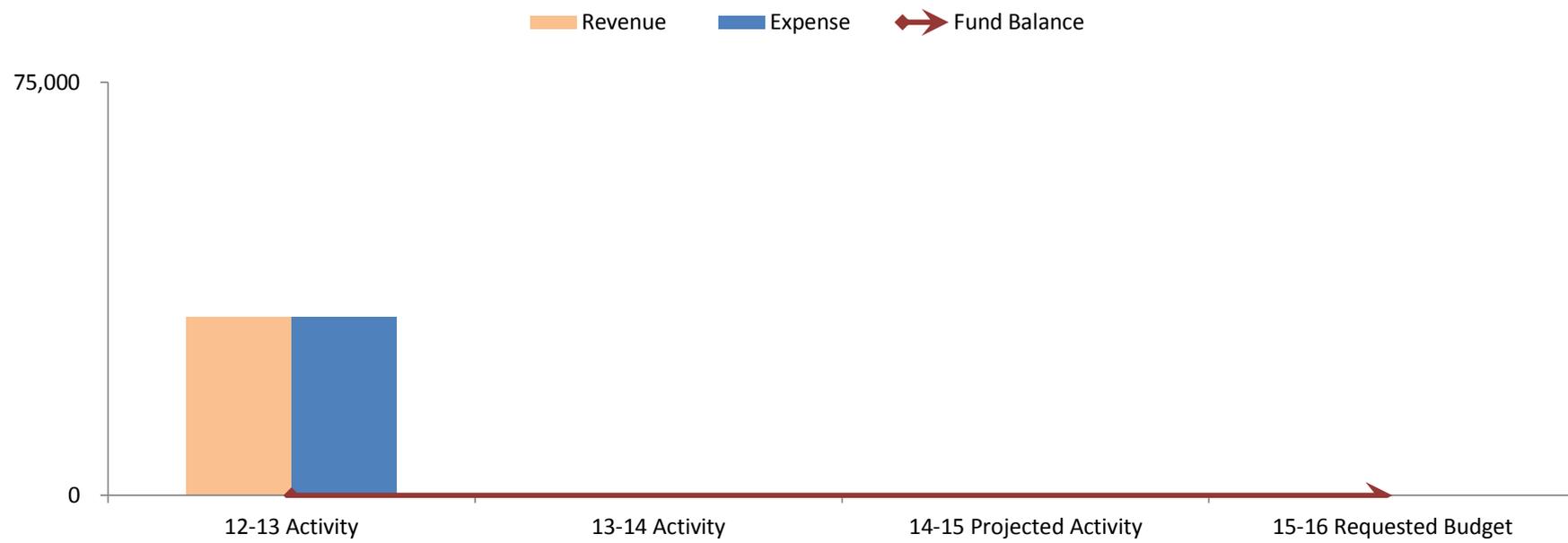
APPROPRIATIONS

Dept 821-REDEVELOPMENT & HOUSING	11,193	13,097	10,100	10,250
TOTAL APPROPRIATIONS	11,193	13,097	10,100	10,250

Appropriations: The Rehab Loan Payments Fund accounts for expenditures related to the Design Review Incentive Program, operational overhead, and administrative costs.

NET OF REVENUES/APPROPRIATIONS - FUND 252	(11,193)	(9,097)	(100)	1,750
BEGINNING FUND BALANCE	21,875	10,682	1,585	1,485
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	10,682	1,585	1,485	3,235

255 - RENTAL REHAB



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 255 - RENTAL REHAB

ESTIMATED REVENUES

Dept 821-REDEVELOPMENT & HOUSING	32,450	0	0	0
TOTAL ESTIMATED REVENUES	32,450	0	0	0

Estimated Revenues: The Rental Rehab Fund accounts for revenue received from state MSHDA grants and the owner's share of costs to participate in the program. Grant funds are to be used to rehab rental units in the downtown area. These are non-Federal funds, at least 51% of units must be rented to low to moderate income households during a 5-year affordability period. Owners are responsible for 25% of costs for a maximum grant eligible project of \$25,000.

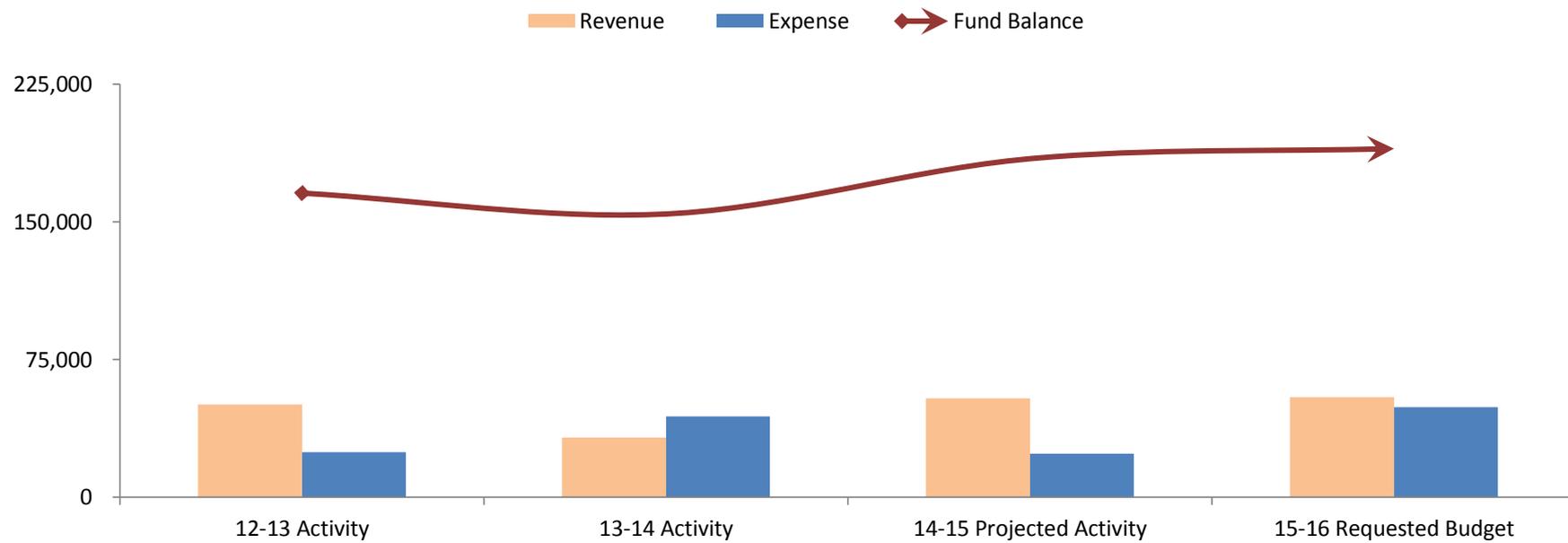
APPROPRIATIONS

Dept 821-REDEVELOPMENT & HOUSING	32,450	0	0	0
TOTAL APPROPRIATIONS	32,450	0	0	0

Appropriations: The Rental Rehab Fund accounts for expenditures related to the contractual/professional costs incurred for oversight of the grant and payments for construction costs in the rehab of downtown rental units.

NET OF REVENUES/APPROPRIATIONS - FUND 255	0	0	0	0
BEGINNING FUND BALANCE	0	0	0	0
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	0	0	0	0

265 - MUNICIPAL FACILITIES / IMPROVEMENTS



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 265 - MUNICIPAL FACILITIES/IMPROVEMENTS

ESTIMATED REVENUES

Dept 264-BUILDING IMPROVEMENTS	50,649	32,631	53,800	54,500
TOTAL ESTIMATED REVENUES	50,649	32,631	53,800	54,500

Estimated Revenues: The Municipal Facilities/Improvements Fund accounts for the revenue received from grants, interest earned, rental income, loan repayments and transfers from other City funds.

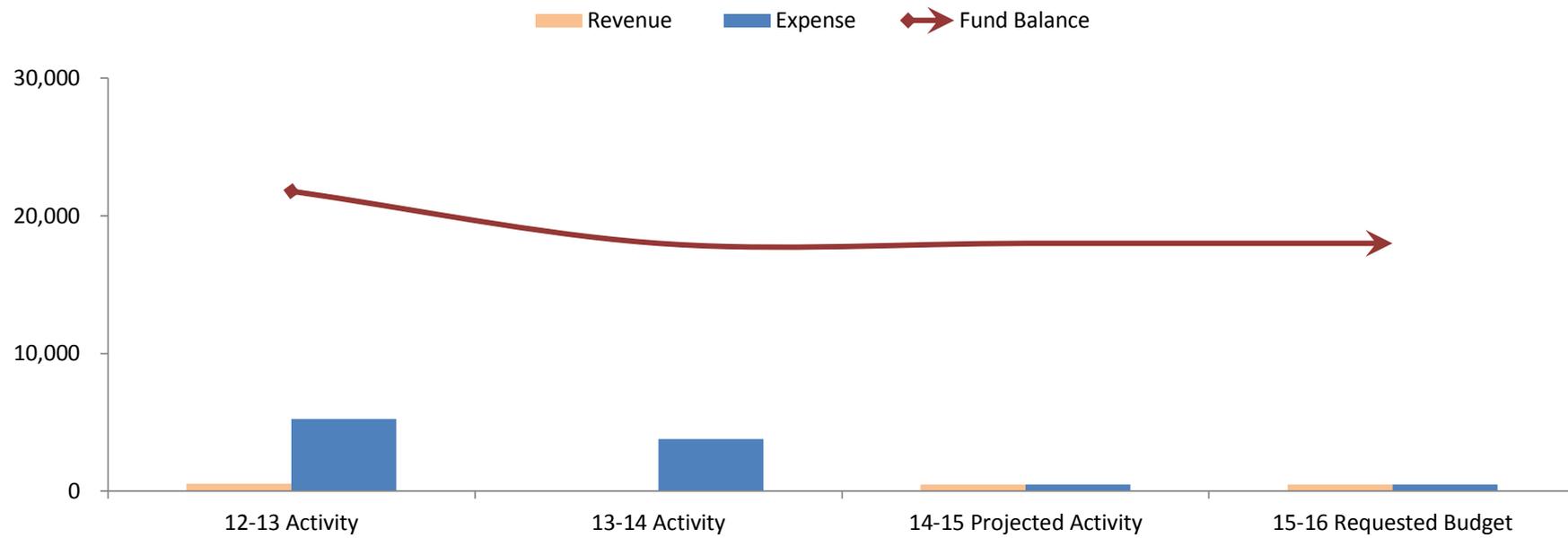
APPROPRIATIONS

Dept 264-BUILDING IMPROVEMENTS	23,723	43,145	22,810	48,050
Dept 483-ADMINISTRATIVE	859	864	860	1,000
TOTAL APPROPRIATIONS	24,582	44,009	23,670	49,050

Appropriations: The Municipal Facilities/Improvements Fund accounts for the expenditures associated with administrative costs and miscellaneous operational costs related to building overhead and improvements.

NET OF REVENUES/APPROPRIATIONS - FUND 265	26,067	(11,378)	30,130	5,450
BEGINNING FUND BALANCE	139,588	165,655	154,277	184,407
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	165,655	154,277	184,407	189,857

266 - CITY DRUG FORFEITURE



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 266 - CITY DRUG FORFEITURE

ESTIMATED REVENUES

Dept 765-DRUG ENFORCEMENT	552	0	500	500
TOTAL ESTIMATED REVENUES	552	0	500	500

Estimated Revenues: If revenues are received through appropriate court orders for property seized during drug related arrests, budget amendments will be made to use funds according to applicable uses within the enabling legislation.

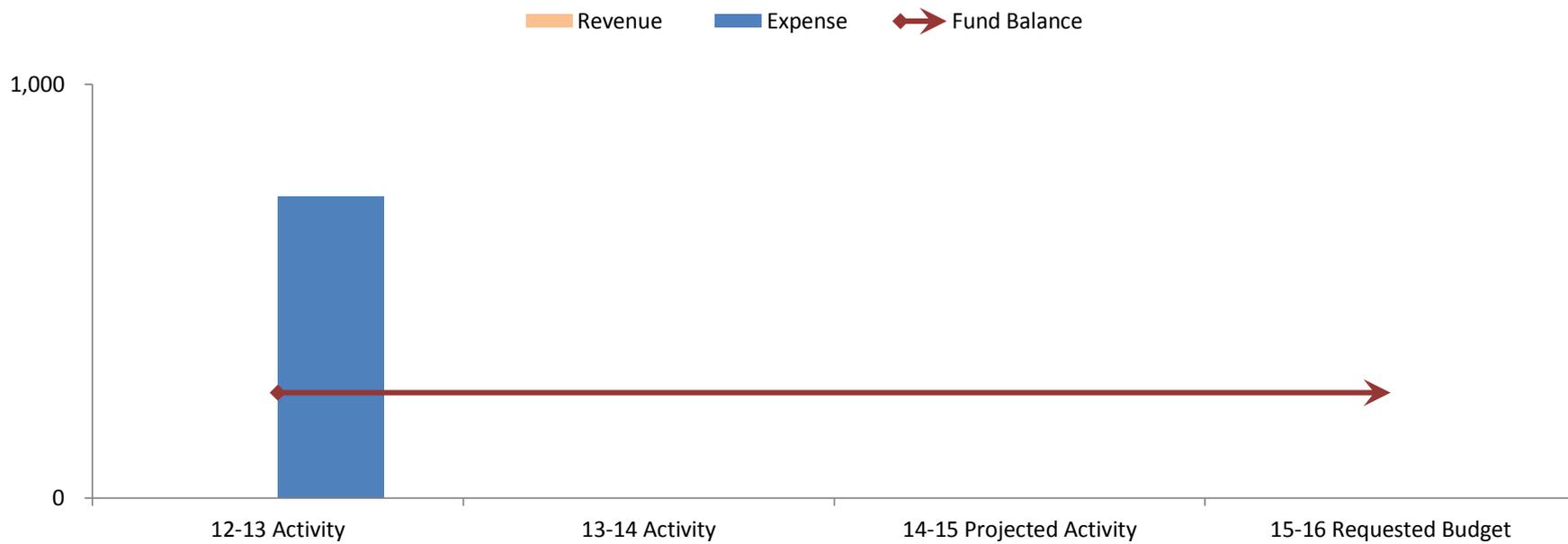
APPROPRIATIONS

Dept 765-DRUG ENFORCEMENT	5,226	3,787	500	500
TOTAL APPROPRIATIONS	5,226	3,787	500	500

Appropriations: Are reported as they are incurred. Typical expenses include equipment for the police department.

NET OF REVENUES/APPROPRIATIONS - FUND 266	(4,674)	(3,787)	0	0
BEGINNING FUND BALANCE	26,457	21,783	17,996	17,996
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	21,783	17,996	17,996	17,996

268 - FEDERAL DRUG FORFEITURE



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 268 - FEDERAL DRUG FORFEITURE

ESTIMATED REVENUES

Dept 765-DRUG ENFORCEMENT	0	0	0	0
TOTAL ESTIMATED REVENUES	0	0	0	0

Estimated Revenues: If revenues are received through appropriate court orders for property seized during drug related arrests, budget amendments will be made to use funds according to applicable uses within the enabling legislation.

APPROPRIATIONS

Dept 765-DRUG ENFORCEMENT	729	0	0	0
TOTAL APPROPRIATIONS	729	0	0	0

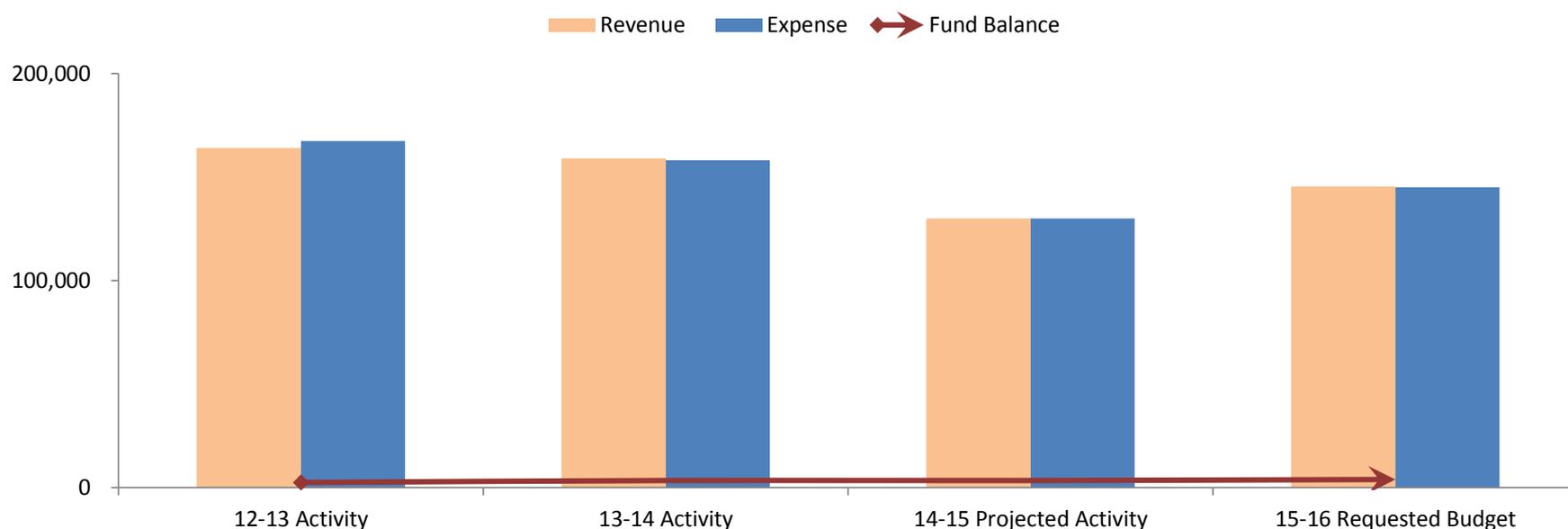
Appropriations: Are reported as they are incurred. Typical expenses include equipment for the police department.

NET OF REVENUES/APPROPRIATIONS - FUND 268	(729)	0	0	0
BEGINNING FUND BALANCE	984	255	255	255
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	255	255	255	255

PROJECT FUNDS

The Capital Projects fund encompasses many projects around the town including local paving.

499 - CAPITAL PROJECTS FUND



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 499 - CAPITAL PROJECTS FUND

ESTIMATED REVENUES

Dept 446-INFRASTRUCTURE ACTIVITIES	164,016	159,002	130,000	145,500
TOTAL ESTIMATED REVENUES	164,016	159,002	130,000	145,500

Estimated Revenues: The Capital Projects Fund accounts for revenue received from payments-in-lieu-of-taxes earmarked for capital project use and payments for wireless antenna lease space on water towers.

APPROPRIATIONS

Dept 446-INFRASTRUCTURE ACTIVITIES	167,411	158,055	130,000	145,000
Dept 850-ECONOMIC DEVELOPMENT	0	0	0	0
TOTAL APPROPRIATIONS	167,411	158,055	130,000	145,000

Appropriations: The Capital Projects Fund accounts for expenditures related to construction expenses on capital projects.

NET OF REVENUES/APPROPRIATIONS - FUND 499	(3,395)	947	0	500
BEGINNING FUND BALANCE	5,937	2,542	3,489	3,489
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	2,542	3,489	3,489	3,989

ENTERPRISE FUNDS

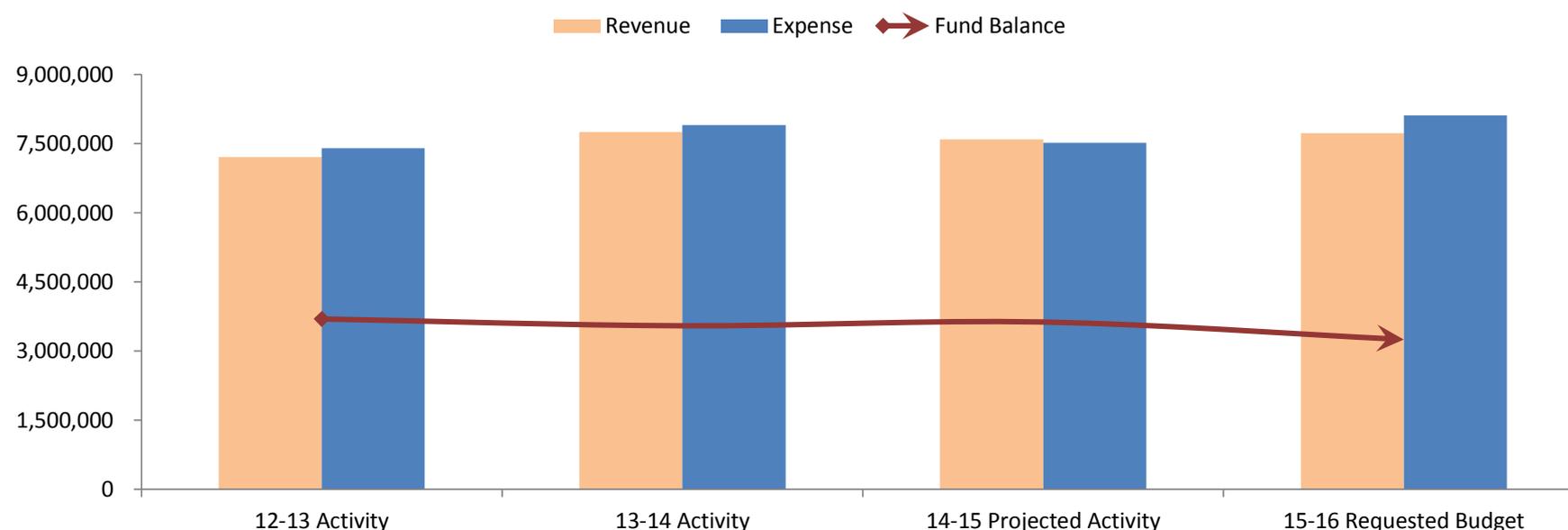
The Electric Utility is a municipal utility serving the City of Dowagiac. The City does not generate electricity. The City purchases wholesale electricity from Indiana Michigan Power through a cooperative formed with other municipal electric utilities. Activities necessary to provide such services accounted for in these funds include, but are not limited to administration, operations, maintenance and construction.

Dial-A-Ride Transit provides public transportation to residents of the City and portions of the surrounding townships. The majority of funding comes from State and Federal grants, as well as a local millage and fares paid to ride.

The Sewer Utility is a municipal sewer service provider to the City of Dowagiac and surrounding communities. The City owns and operates a treatment plant, lift stations and the collection system located within the city limits. Activities necessary to provide such services accounted for in these funds include, but are not limited to administration, operations, maintenance and construction. Additionally, the City contracts with an adjoining township to maintain their lift stations and distribution system.

The Water Utility is a municipal supplier of water to the city. The City owns and operates a water filtration plant, two water towers, one standpipe and the distribution system located within the City limits. Activities necessary to provide such services accounted for in these funds include, but are not limited to administration, operations, maintenance and construction.

582 - ELECTRIC UTILITY



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 582 - ELECTRIC UTILITY

ESTIMATED REVENUES

Dept 440-OPERATING & NON-OPERATING INCOME	7,206,766	7,750,525	7,594,500	7,727,500
TOTAL ESTIMATED REVENUES	7,206,766	7,750,525	7,594,500	7,727,500

Estimated Revenues: The Electric Utility Fund accounts for the revenue received from the sale of electricity, investment interest, and interdepartmental loan payments.

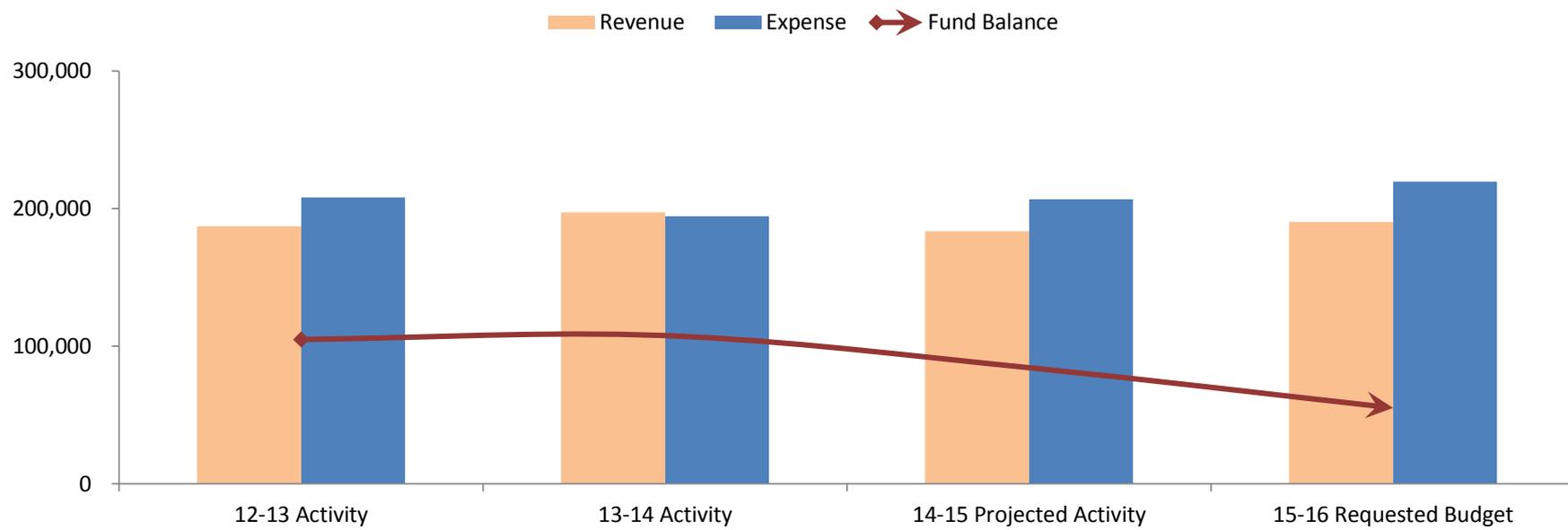
APPROPRIATIONS

Dept 441-GENERATION FACILITIES	4,559,513	4,632,368	4,785,000	4,835,000
Dept 442-DISTRIBUTION/COLLECTION	722,891	575,295	756,780	756,990
Dept 483-ADMINISTRATIVE	1,868,112	2,390,989	1,602,545	2,130,560
Dept 487-BOND PAYMENTS	53,871	53,631	54,000	54,000
Dept 580-ENERGY OPTIMIZATION PROGRAM	130,104	149,112	164,130	164,280
Dept 850-ECONOMIC DEVELOPMENT	61,883	97,617	150,090	166,790
TOTAL APPROPRIATIONS	7,396,374	7,899,012	7,512,545	8,107,620

Appropriations: The Electric Utility Fund accounts for the expenditures related to purchased power, remediation costs for oil recovery system (15.0051.2), administrative and operational expenses, transfers to other funds, debt service, payment-in-lieu-of taxes, contractual/professional services and miscellaneous economic development expenses.

NET OF REVENUES/APPROPRIATIONS - FUND 582	(189,608)	(148,487)	81,955	(380,120)
BEGINNING FUND BALANCE	3,887,274	3,697,666	3,549,179	3,631,134
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	3,697,666	3,549,179	3,631,134	3,251,014

588 - DIAL-A-RIDE TRANSPORTATION



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 588 - DIAL-A-RIDE TRANSPORTATION

ESTIMATED REVENUES

Dept 959-TRANSPORTATION	187,059	197,104	183,330	190,150
TOTAL ESTIMATED REVENUES	187,059	197,104	183,330	190,150

Estimated Revenues: The Dial-a-Ride Transportation Fund accounts for the revenue received from the tax levy that is solely designated for this purpose. The current millage rate for this tax is .55 mils. Other revenue sources include Federal and State operating assistance, and fares for public transportation provided to residents of the city as well as to a portion of the surrounding townships. In 2015/2016 service for Dart is contracted using Cass County Transportation.

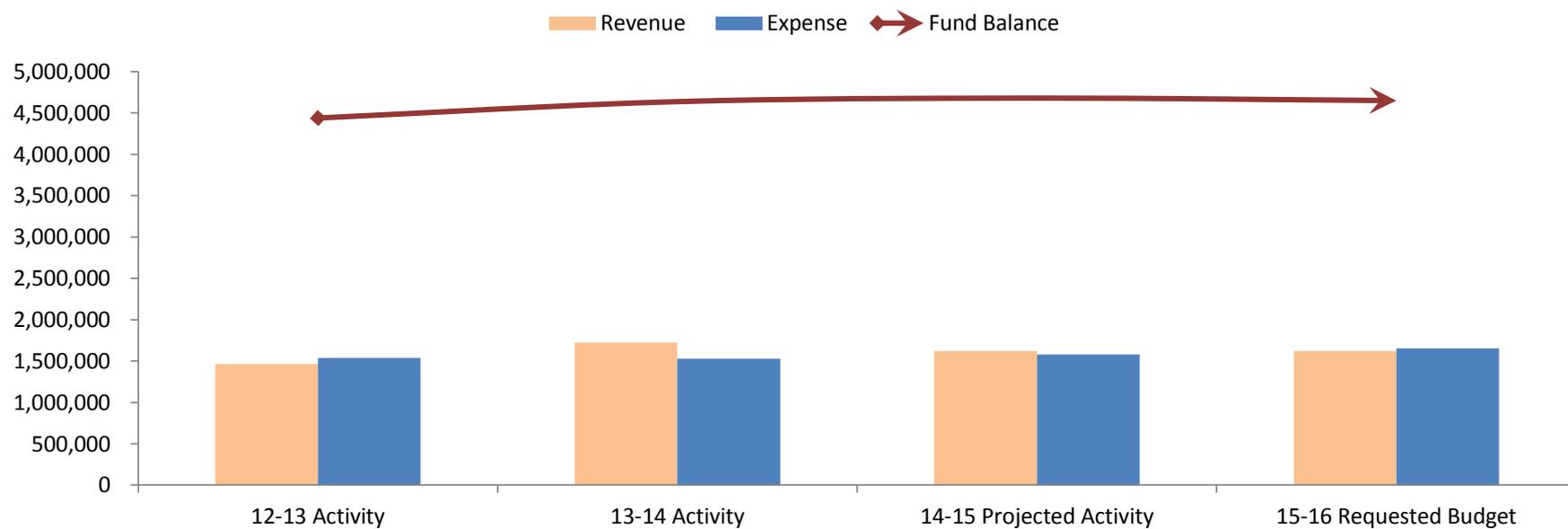
APPROPRIATIONS

Dept 959-TRANSPORTATION	207,901	194,221	206,727	219,350
TOTAL APPROPRIATIONS	207,901	194,221	206,727	219,350

Appropriations: The Dial-A-Ride Transportation Fund accounts for the expenditures associated with administrative costs, utilities, operating supplies, rent for office and garage space, and operations and maintenance costs.

NET OF REVENUES/APPROPRIATIONS - FUND 588	(20,842)	2,883	(23,397)	(29,200)
BEGINNING FUND BALANCE	125,730	104,814	107,697	84,300
FUNDING BALANCE ADJUSTMENTS	(74)	0	0	0
ENDING FUND BALANCE	104,814	107,697	84,300	55,100

590 - SEWER UTILITY



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 590 - SEWER UTILITY

ESTIMATED REVENUES

Dept 440-OPERATING & NON-OPERATING INCOME	1,412,427	1,645,809	1,561,450	1,542,900
Dept 536-CAUA	5,000	33,968	30,000	30,000
Dept 985-TRANSFERS	45,515	44,889	29,500	48,000
TOTAL ESTIMATED REVENUES	1,462,942	1,724,666	1,620,950	1,620,900

Estimated Revenues: The Sewer Utility Fund accounts for revenue received from Industrial Pretreatment surcharges as required by the Federal Water Pollution Control Act; billing, monitoring and O&M fees assessed to Silver Creek Township for sanitary sewer collection; utility sales; transfers from other funds; and other operational revenues. In August of 2013 the City entered into a management contract with CAUA.

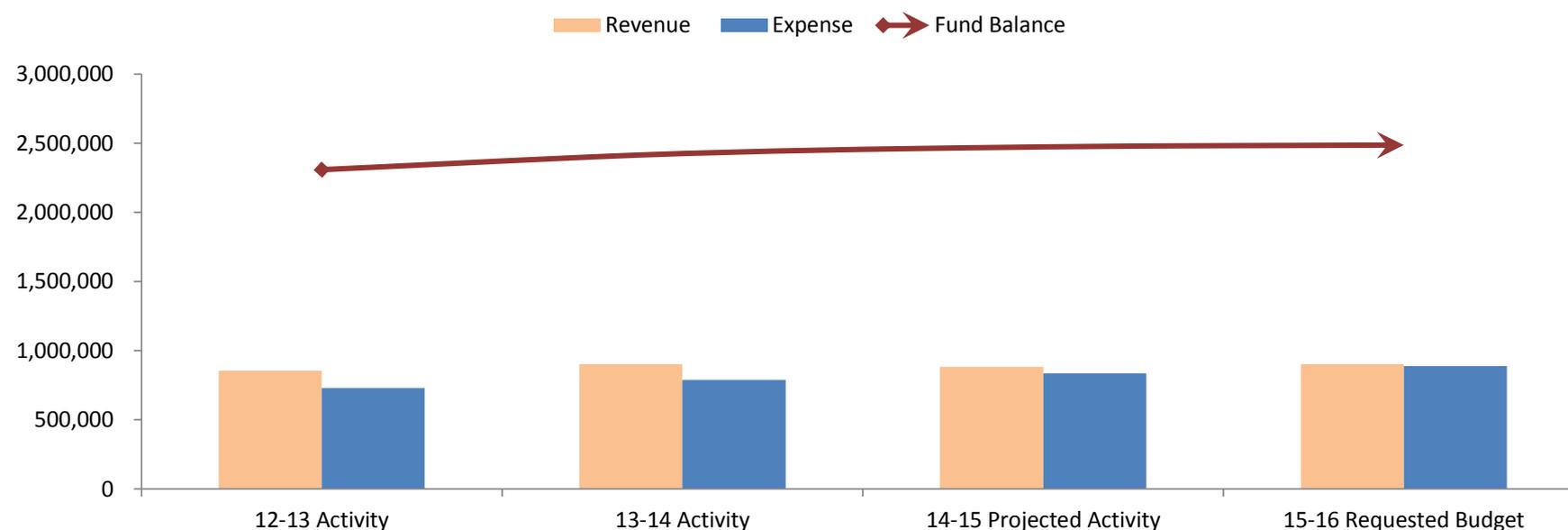
APPROPRIATIONS

Dept 442-DISTRIBUTION/COLLECTION	298,805	269,145	335,260	345,230
Dept 443-WASTEWATER TREATMENT	750,004	822,622	781,810	834,290
Dept 445-METER READ/SERVICE	18,627	18,956	21,920	23,100
Dept 483-ADMINISTRATIVE	340,801	276,280	282,295	292,150
Dept 487-BOND PAYMENTS	37,827	34,278	35,500	35,500
Dept 536-CAUA	1,313	19,643	23,340	25,990
Dept 538-COLLECTION INDIAN LAKE	25,901	32,525	32,600	27,850
Dept 539-COLLECTION SLAUA	64,080	52,732	65,580	67,530
Dept 550-S2 GRANT	0	0	0	0
TOTAL APPROPRIATIONS	1,537,358	1,526,181	1,578,305	1,651,640

Appropriations: The Sewer Utility Fund accounts for expenditures associated with collection, wastewater treatment, meter reading/service, and administrative expenses related to maintenance and operation of the utility.

NET OF REVENUES/APPROPRIATIONS - FUND 590	(74,416)	198,485	42,645	(30,740)
BEGINNING FUND BALANCE	4,513,037	4,438,719	4,637,204	4,679,849
FUNDING BALANCE ADJUSTMENTS	98	0	0	0
ENDING FUND BALANCE	4,438,719	4,637,204	4,679,849	4,649,109

591 - WATER UTILITY



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 591 - WATER UTILITY

ESTIMATED REVENUES

Dept 440-OPERATING & NON-OPERATING INCOME	690,572	711,798	706,050	718,250
Dept 536-CASS COUNTY WATER SYSTEM	165,017	191,118	177,500	184,500
TOTAL ESTIMATED REVENUES	855,589	902,916	883,550	902,750

Estimated Revenues: The Water Fund accounts for revenue received from water utility sales, service fees, and lease payments for wireless antenna space on the water towers, as well as revenue from the Cass County Water System.

APPROPRIATIONS

Dept 442-DISTRIBUTION/COLLECTION	297,588	327,386	317,390	356,960
Dept 444-WATER TREATMENT	62,479	72,432	81,000	83,000
Dept 483-ADMINISTRATIVE	236,664	240,971	258,855	283,090
Dept 487-BOND PAYMENTS	16,516	15,124	20,500	20,000
Dept 536-CASS COUNTY WATER SYSTEM	115,454	130,359	157,900	146,100
TOTAL APPROPRIATIONS	728,701	786,272	835,645	889,150

Appropriations: The Water Fund accounts for expenditures associated with distribution, water treatment, and administrative expenses related to maintenance and operation of the utility.

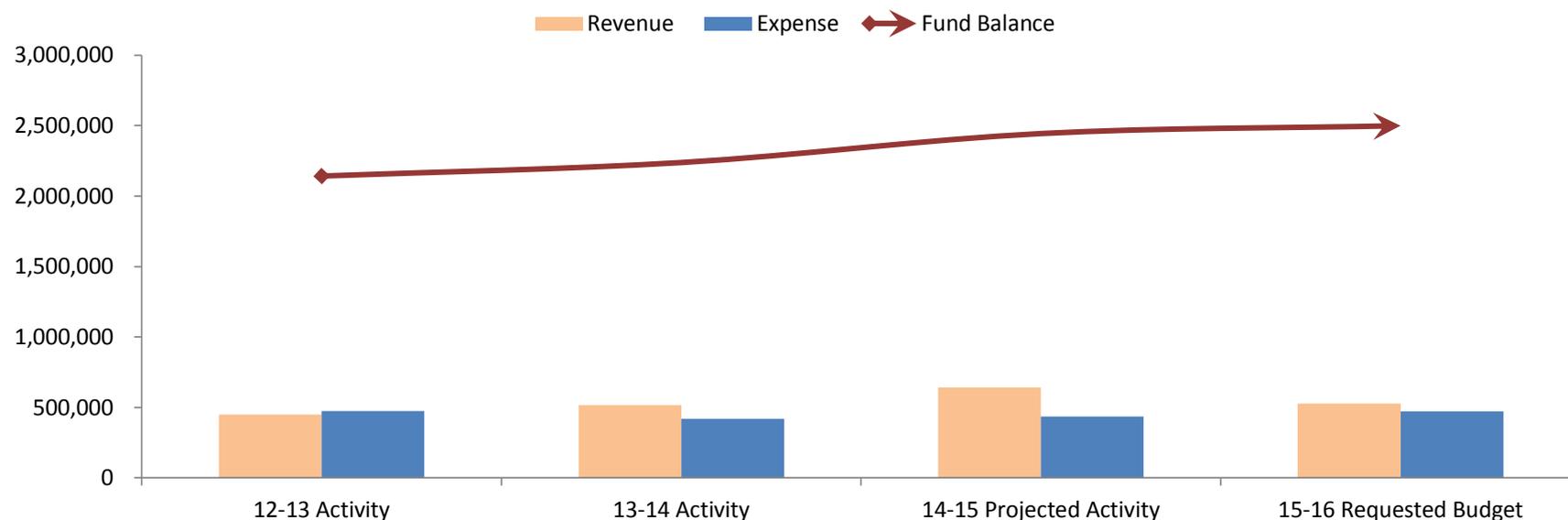
NET OF REVENUES/APPROPRIATIONS - FUND 591	126,888	116,644	47,905	13,600
BEGINNING FUND BALANCE	2,180,860	2,307,820	2,424,467	2,472,372
FUNDING BALANCE ADJUSTMENTS	72	3	0	0
ENDING FUND BALANCE	2,307,820	2,424,467	2,472,372	2,485,972

INTERNAL SERVICE FUNDS

The Motor Pool Fund accounts for the costs of purchasing, maintaining and operating vehicles and other equipment used by various City departments. Costs are billed to the user departments based on rental rates that are adjusted annually. Replacement costs are also transferred from other departments based on usage.

The Computer Replacement Fund provides computer and software support for City operations. Revenues for the fund come from service fees charged to other City funds. The Computer Replacement Fund accounts for the costs of purchasing and maintaining computer operations for the City. Costs for computer services are billed to the user departments based on rental rates adjusted annually.

661 - MOTOR POOL



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 661 - MOTOR POOL/EQUIPMENT

ESTIMATED REVENUES

Dept 932-INTERNAL REPAIR/MAINTENCE	450,231	515,069	639,700	527,125
TOTAL ESTIMATED REVENUES	450,231	515,069	639,700	527,125

Estimated Revenues: The Motor Pool Fund accounts for revenue received from interest, equipment rental charges for use of City vehicles/equipment by Major and Local Streets Funds as required by MDOT, trade-in allowances on vehicles/equipment scheduled for replacement, and retained earnings.

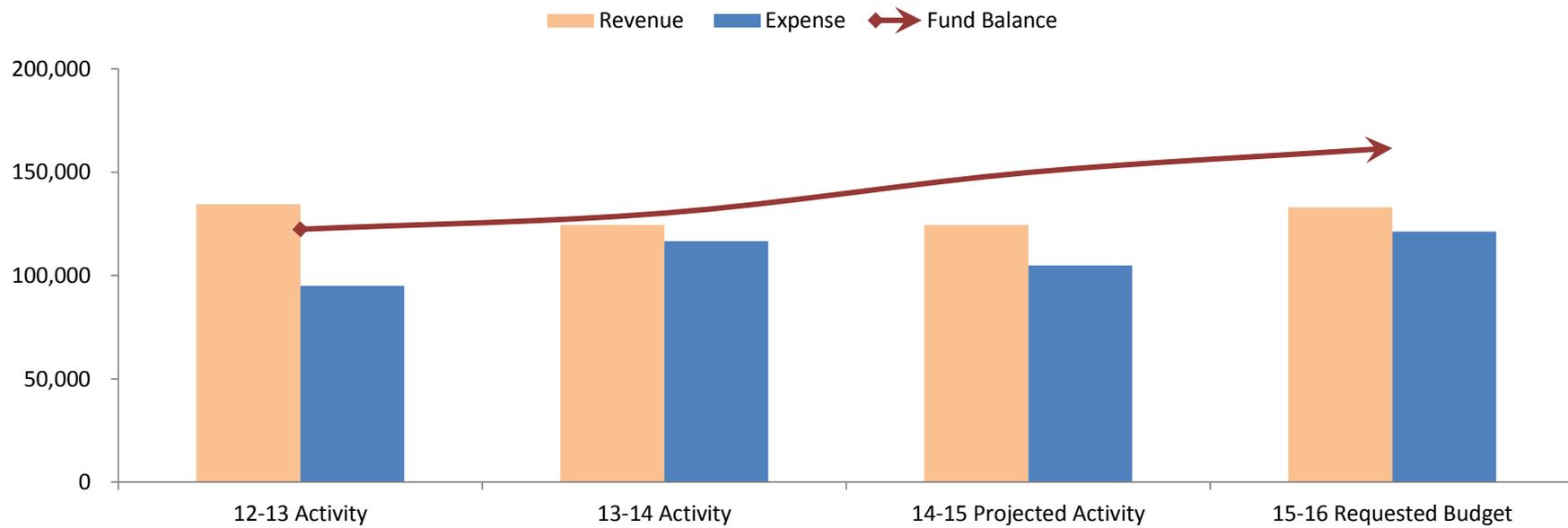
APPROPRIATIONS

Dept 932-INTERNAL REPAIR/MAINTENCE	473,232	419,248	433,900	471,250
TOTAL APPROPRIATIONS	473,232	419,248	433,900	471,250

Appropriations: The Motor Pool Fund accounts for expenditures associated with repair, maintenance and operational expenses related to upkeep of City vehicles and equipment.

NET OF REVENUES/APPROPRIATIONS - FUND 661	(23,001)	95,821	205,800	55,875
BEGINNING FUND BALANCE	2,164,874	2,141,873	2,237,694	2,443,494
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	2,141,873	2,237,694	2,443,494	2,499,369

662 - COMPUTER REPLACEMENT



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 662 - COMPUTER REPLACEMENT FUND

ESTIMATED REVENUES

Dept 932-INTERNAL REPAIR/MAINTENCE	134,385	124,364	124,500	133,000
TOTAL ESTIMATED REVENUES	134,385	124,364	124,500	133,000

Estimated Revenues: The Computer Replacement Fund accounts for revenue received from equipment rental charges for use of computer equipment by other City departments. The amount of revenue also includes funding future capital purchases based on useful life of current fixed assets.

APPROPRIATIONS

Dept 932-INTERNAL REPAIR/MAINTENCE	94,939	116,557	104,840	121,220
TOTAL APPROPRIATIONS	94,939	116,557	104,840	121,220

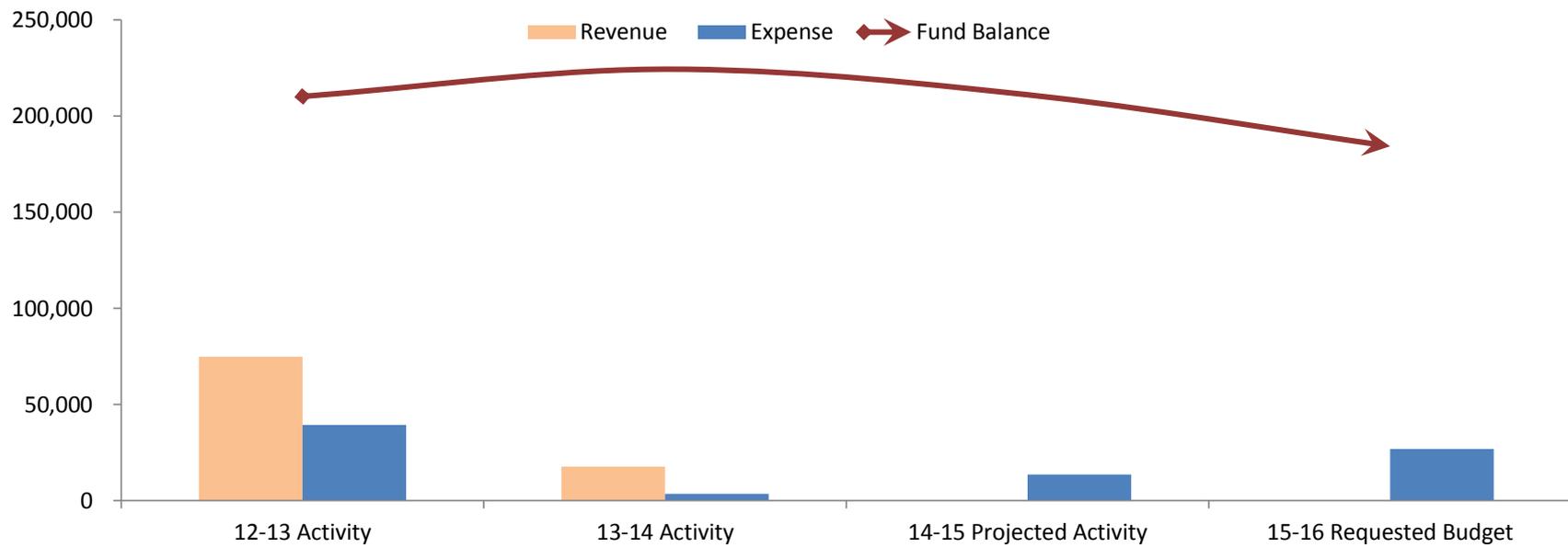
Appropriations: The Computer Replacement Fund accounts for expenditures associated with administrative, maintenance and operational expenses related to computer services and equipment for the City.

NET OF REVENUES/APPROPRIATIONS - FUND 662	39,446	7,807	19,660	11,780
BEGINNING FUND BALANCE	82,913	122,359	130,166	149,827
FUNDING BALANCE ADJUSTMENTS	0	0	1	2
ENDING FUND BALANCE	122,359	130,166	149,827	161,609

TRUST AND AGENCY FUNDS

The Self-Insurance Fund accounts for the cost of the City self-insured portions of employee health insurance and liability self insurance. The Self-Insurance Funds are administered by a third-party providers that makes direct payment to health care providers, and other insurance companies. Revenue to the fund is provided by charges to the various funds and activities.

667 - HEALTH/DENTAL SELF INSURANCE



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 677 - HEALTH/DENTAL SELF-INSURANCE FUND

ESTIMATED REVENUES

Dept 951-HEALTH INSURANCE	74,751	17,778	200	200
TOTAL ESTIMATED REVENUES	74,751	17,778	200	200

Estimated Revenues: Interest; a portion of this account has been placed into a CD to earn better interest rates.

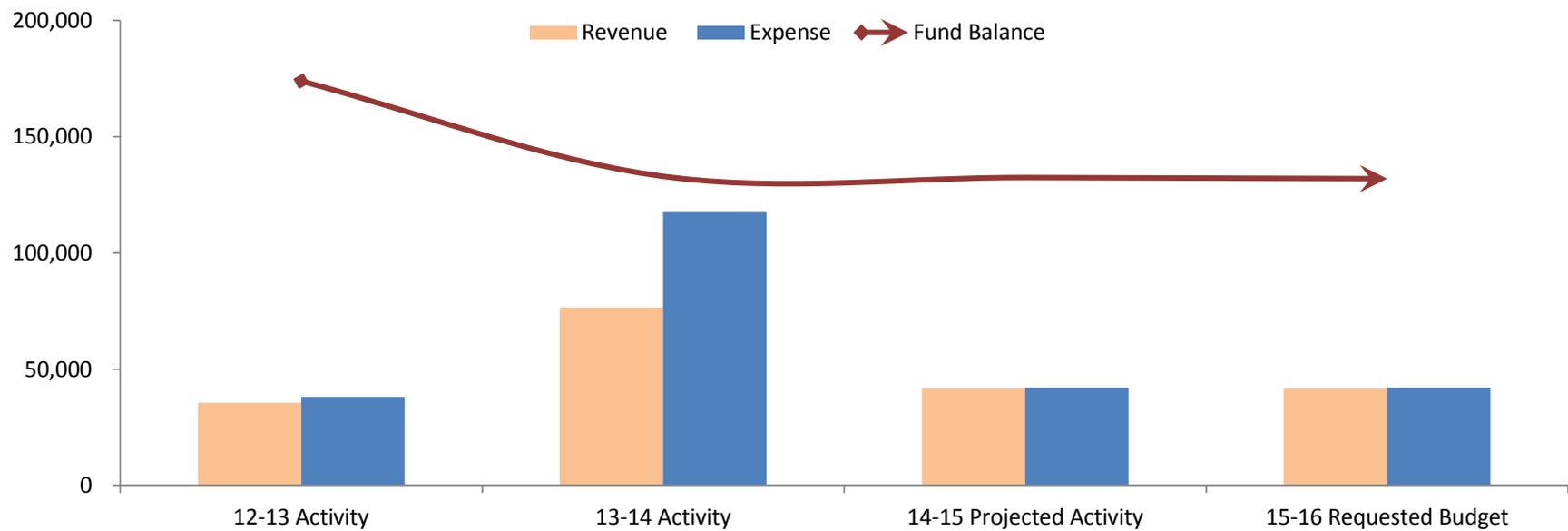
APPROPRIATIONS

Dept 951-HEALTH INSURANCE	39,299	3,595	13,500	27,000
TOTAL APPROPRIATIONS	39,299	3,595	13,500	27,000

Appropriations: The plan for this account is to retain fund balance for the time being with the recent health care changes. A portion of this account is now being paid to MERS on the UAL, this began in March of 2015. The plan is to continue to fund a portion of the UAL by using funds from this account.

NET OF REVENUES/APPROPRIATIONS - FUND 677	35,452	14,183	(13,300)	(26,800)
BEGINNING FUND BALANCE	174,751	210,203	224,386	211,086
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	210,203	224,386	211,086	184,286

678 - SELF INSURANCE



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 678 - SELF INSURANCE

ESTIMATED REVENUES

Dept 954-INSURANCE	35,601	76,577	41,500	41,500
TOTAL ESTIMATED REVENUES	35,601	76,577	41,500	41,500

Estimated Revenues: The Self Insurance Fund accounts for revenue received from transfers from the majority of operational funds. The transfer amount reflects funding for the self insurance plan administered by MMRMA. The City began recording the retention fund in the 2011/2012 audit and applicable accounts were given a fund balance adjustment to establish the account balance. Other sources of revenue include investment earnings and insurance recoveries .

APPROPRIATIONS

Dept 954-INSURANCE	38,096	117,587	42,000	42,000
TOTAL APPROPRIATIONS	38,096	117,587	42,000	42,000

Appropriations: The Self Insurance Fund accounts for insurance claims as they arise.

NET OF REVENUES/APPROPRIATIONS - FUND 677	(2,495)	(41,010)	(500)	(500)
BEGINNING FUND BALANCE	176,424	173,929	132,919	132,419
FUNDING BALANCE ADJUSTMENTS		0	0	0
ENDING FUND BALANCE	173,929	132,919	132,419	131,919

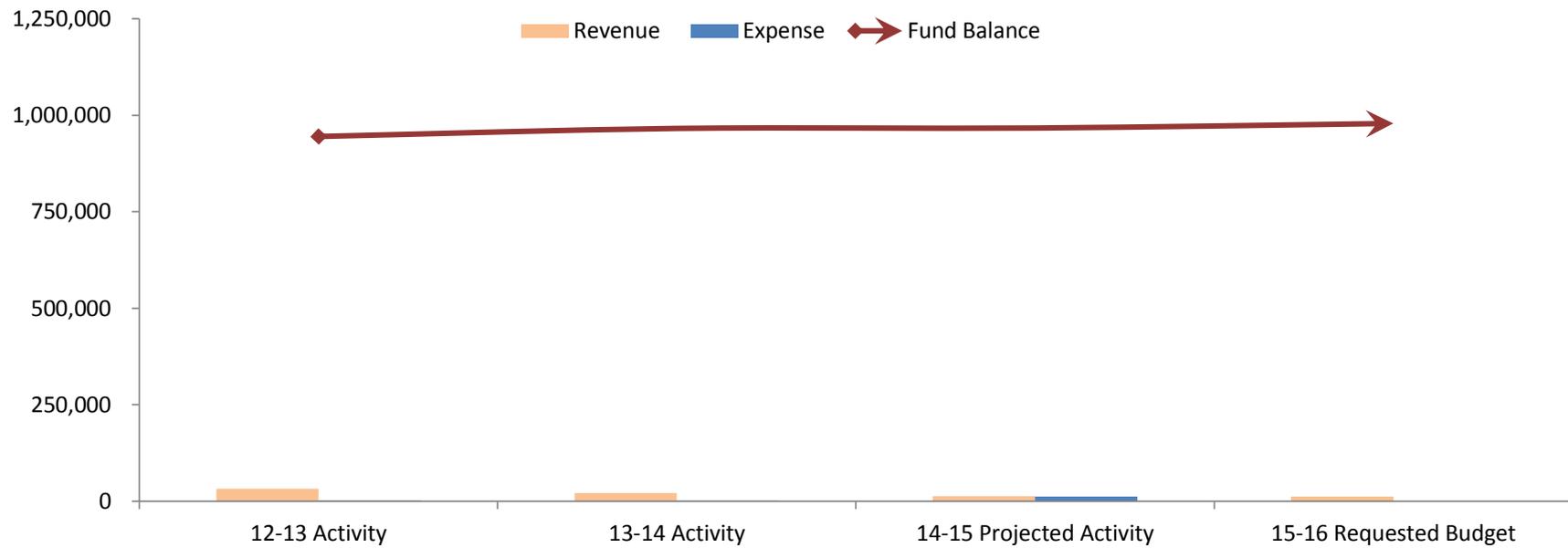
FIDUCIARY FUNDS

The Cemetery Trust Fund accounts for the revenue received when burial plots are sold. The principal in this fund must be maintained intact per state law. The interest earnings in this fund are being accumulated to provide for the upkeep of the cemetery after all plots have been sold.

The Retiree Health Insurance Fund accounts for retiree contributions to health insurance premiums and transfers from other funds.

The Public Art Non Reverting trust fund was established to record donations received for public art. The monies received can only be used towards the long-term care and maintenance of public art, and any interest earned must remain in the fund.

711 - CEMETERY TRUST



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 711 - CEMETERY TRUST

ESTIMATED REVENUES

Dept 276-CEMETERY	31,985	21,108	12,500	12,000
TOTAL ESTIMATED REVENUES	31,985	21,108	12,500	12,000

Estimated Revenues: Income is generated in the form of perpetual care fees and interest paid from the Electric Fund. The loan principal and interest repayment from the Electric fund will end in the 2015 Fiscal Year.

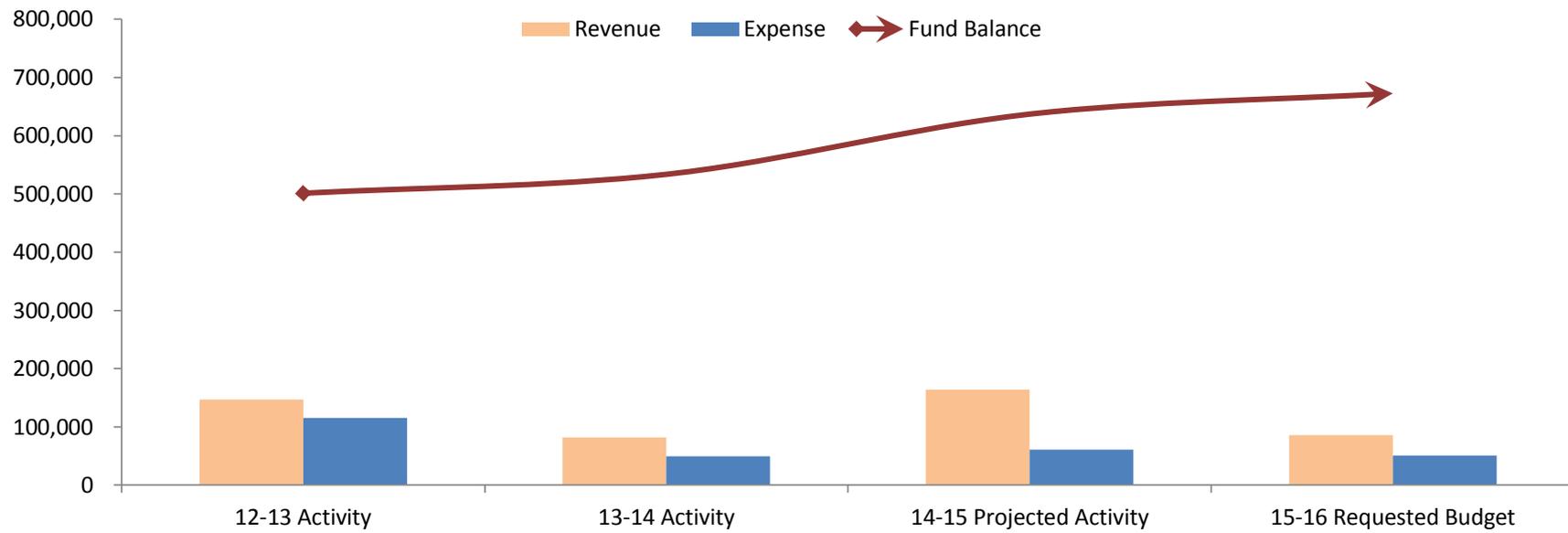
APPROPRIATIONS

Dept 276-CEMETERY	1,372	240	11,500	0
TOTAL APPROPRIATIONS	1,372	240	11,500	0

Appropriations: Miscellaneous minor repairs and maintenance expenses.

NET OF REVENUES/APPROPRIATIONS - FUND 711	30,613	20,868	1,000	12,000
BEGINNING FUND BALANCE	914,288	944,901	965,769	966,769
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	944,901	965,769	966,769	978,769

733 - RETIREE HEALTH INSURANCE



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 733 - RETIREE HEALTH INSURANCE

ESTIMATED REVENUES

Dept 861-RETIREE INSURANCE	146,707	81,730	164,000	86,000
TOTAL ESTIMATED REVENUES	146,707	81,730	164,000	86,000

Estimated Revenues: Revenue is composed of interest income, retiree contributions, and employer contributions based on the City's postemployment hospitalization insurance plan.

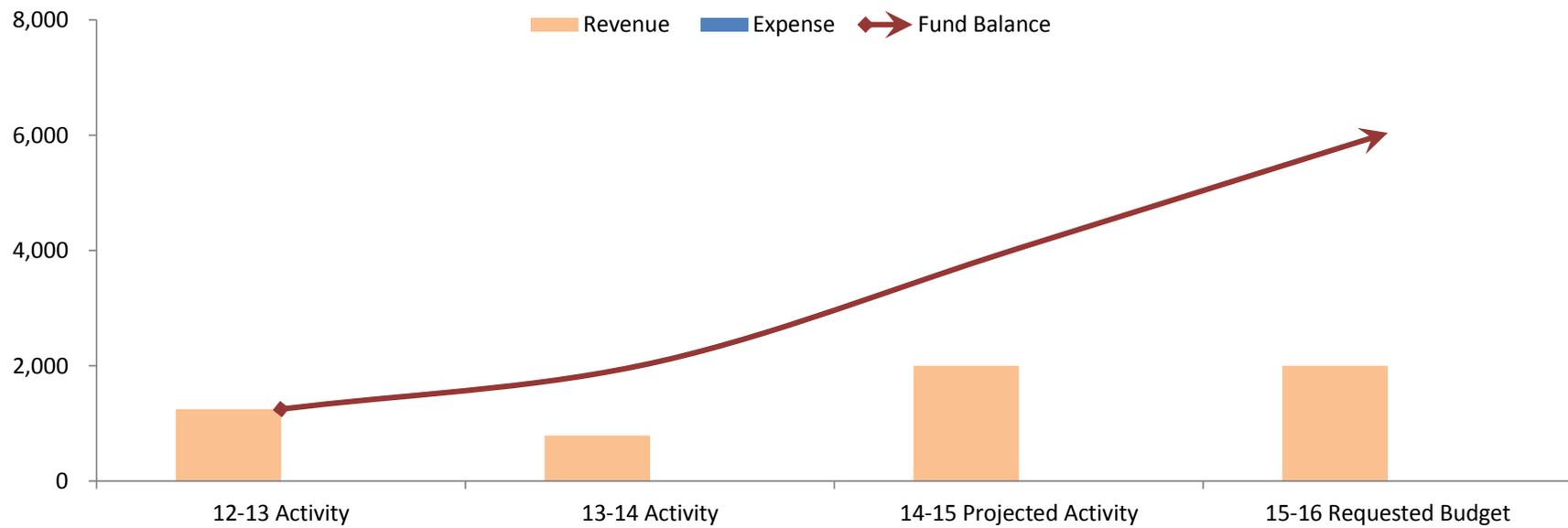
APPROPRIATIONS

Dept 861-RETIREE INSURANCE	115,048	49,282	60,550	50,500
TOTAL APPROPRIATIONS	115,048	49,282	60,550	50,500

Appropriations: Expenses of the City's postemployment hospitalization insurance plan. They are recorded as they incur.

NET OF REVENUES/APPROPRIATIONS - FUND 733	31,659	32,448	103,450	35,500
BEGINNING FUND BALANCE	469,536	501,195	533,643	637,093
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	501,195	533,643	637,093	672,593

753 - PUBLIC ARTS NON-REVERTING TRUST FUND



GL NUMBER	DESCRIPTION	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
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Fund 753 - PUBLIC ARTS NON-REVERTING TRUST FUND

ESTIMATED REVENUES

Dept 277-PUBLIC ART	1,250	790	2,000	2,000
TOTAL ESTIMATED REVENUES	1,250	790	2,000	2,000

Estimated Revenues: Designated Donations.

APPROPRIATIONS

Dept 277-PUBLIC ART	0	0	0	0
TOTAL APPROPRIATIONS	0	0	0	0

Appropriations: Long-term care and maintenance of public art.

NET OF REVENUES/APPROPRIATIONS - FUND 733	1,250	790	2,000	2,000
BEGINNING FUND BALANCE	0	1,250	2,040	4,040
FUNDING BALANCE ADJUSTMENTS	0	0	0	0
ENDING FUND BALANCE	1,250	2,040	4,040	6,040

	2012-13 ACTIVITY	2013-14 ACTIVITY	2014-15 PROJECTED ACTIVITY	2015-16 REQUESTED BUDGET
ESTIMATED REVENUES - ALL FUNDS	15,856,549	17,694,851	16,187,810	16,531,675
APPROPRIATIONS - ALL FUNDS	15,925,245	17,278,842	15,786,507	16,734,760
FUNDING BALANCE ADJUSTMENTS	171	26,232	0	0
NET OF REVENUES/APPROPRIATIONS - ALL FUNDS	(68,696)	416,009	401,303	(203,085)

CITY OF DOWAGIAC
MEMO

TO: Mayor Lyons and City Council Members

FROM: Kevin P. Anderson, City Manager

DATE: May 8, 2015

RE: FY 2015-16 Budget

Attached you will find the City Manager's recommended budget for the Fiscal Year 2015-16, which will begin October 1, 2015. The budget is presented by fund and you will see comparison years from two prior fiscal years, the current year's projected budget, and the recommended budget.

A public hearing is scheduled for June 1, 2015 and Council will be asked to consider adopting the budget on the same night.

General Budget Topics:

The revenue streams are expected to improve slightly. Although we will not have confirmation prior to deadlines to adopt a budget, constitutional State Shared Revenues are expected to rise slightly due to increases in state sales tax revenues, but legacy business tax credits will slow the growth of revenues available to municipalities for the next 4-7 years. Taxable valuation of real property within the City of Dowagiac will remain relatively constant.

In spite of this relatively positive news regarding revenue sources, the challenge that continues is to assess how services are delivered to the community and find new ways to deliver the service because revenues remain significantly lower than several years ago. Investment in infrastructure needs to continue and the current budget does allow for capital projects for roads and utilities at similar levels to the previous year.

The largest challenge for next year continues to be the Solid Waste Fund. It has become clear that, in spite of other cuts within solid waste, the current revenue stream will not support the monitoring obligations for the Nubour landfill any longer and the millage to support those increased costs is included in this budget.

Finally, the cost of purchased power is increasing so a small electric rate increase will be necessary to maintain current service levels. Also, sewer rates will be analyzed during the fiscal year so that improvements to the system can be continued.

General Fund

Michigan's overall economy has shown some improvement and sales tax revenues have increased. This means that the constitutional shared revenue will increase slightly, which will help with the inflationary cost from vendors. The outlook for General Fund revenues is for revenues to continue to remain at current levels or increase slightly, at least in the short-term.

The biggest revenue expenditure continues to be public safety (i.e. police and fire). Also within public safety is CCDET, which is a partnership with the Cass County Sheriff's Department to combat drug trafficking in and around Cass County. The City receives reimbursement from the County for direct costs in support of this program. The City also contracts with portions of Pokagon Township, Southwestern Michigan College, and the Pokagon Band for fire protection services. Over the past several years the Motor Pool Fund has been adequate to fund vehicle replacement programs throughout the City's operating funds.

Special Revenue Funds

The special revenue funds have a wide variety of operations, including major and local streets, sidewalk replacement, solid waste, LDFA and TIF projects, the MSHDA rental rehab program, and the municipal facilities improvement funds. The special revenue funds cover a wide variety of single purpose operations of the city.

Enterprise Funds

Combined enterprise funds are the largest revenues and expenditures for the City. The enterprise funds consist of the electric, water, sewer, as well as the DART operations. Costs to operate the wastewater treatment plant are shared with the Village of Cassopolis, Sister Lakes and Indian Lake utilities. Revenues and expenditures in these funds have stabilized. A significant Wastewater Treatment Plant capital project has been approved and construction will take place during FY 2015-16.

DART is the Dial-A-Ride Transit System that is available in and around the city limits with the bulk of the funding for this operation coming from State and Federal funds. However, there have been reductions in those levels of funding over the past several years and this fund operates at a deficit. The city is now contracting with Cass County Transit for many of the transportations services.

Trust and Agency Funds

These funds include the health/drug self insurance program, the cemetery trust fund, retiree health insurance and the fire insurance escrow fund. State law stipulates that interest from the Cemetery Perpetual Care Fund can be used to pay for ongoing upkeep of Riverside Cemetery. Additionally, all trust and agency funds are non-reverting funds, which means that balances in any of these funds carry forward from one year to the next to assure that funds are available when needed.

It is my hope that this budget document becomes an effective communication tool for the elected officials, management and citizens of the City of Dowagiac.