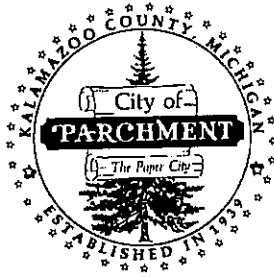


# ANNUAL BUDGET

2008-2009

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## MEMORANDUM

To: Mayor Heasley, Vice-Mayor Britigan and City Commissioners

From: Dennis Durham, City Manager

Date: April 4, 2008

Subject: 2008-09 Proposed Budget

The City of Parchment has faced many challenges in recent years as a result of the Crown Vantage closing with significant job losses and a decline of the local tax base. These negative economic events have required a very cautious approach to budget planning during a time of uncertainty relative to where Parchment goes from here.

As part of this cautious approach, capital investments for equipment and facilities have been deferred, annual increases in employee compensation have been held in check (lagging behind increases in the annual cost of living) and new initiatives aimed at improving the quality of life in Parchment were put on hold due to the potential expense involved. This was prudent considering the financial uncertainty surrounding the loss of the community's largest employer. Obviously, redevelopment of the Crown Vantage property remains the highest economic development priority of the City; however, the day-to-day operation of the City must also be a top priority as we work to deliver high quality municipal services to the residents and business owners of the community.

As a result, the budget plan being proposed to the City Commission for fiscal year 2008-09 includes investment in facilities, equipment, roadway infrastructure and the public servants who serve the community while maintaining the current tax rate of 16.6772 mills. It will also focus resources on quality of life services such as code enforcement, park maintenance, street sweeping, the environment and economic development. These focus areas have been derived from work done by the City Commission earlier this year with the development of the community's Goals & Objectives for 2008-09.

## Proposed Budget Highlights

Police Department Vehicle Replacement - The Parchment Police Department vehicle fleet includes two traditional police vehicles. These vehicles have been maintained over the years and their useful lives extended as much as possible due to budget constraints. One of these vehicles, a 2003 Crown Victoria with 109,844 miles, has been in need of replacement as it is requiring more regular maintenance and is an unreliable tool for police work in our community. It is proposed that a new hybrid gas-electric vehicle be purchased in 2008-09 that will provide significantly better fuel efficiency minimizing current expense for fuel and offering a better environmental alternative. It is also proposed that the City invest in the construction of a carport to protect police vehicles from weather thus extending the useful life of this important investment in law enforcement.

Code Enforcement Activities – The City took the initiative in past years to implement new code enforcement regulations in an effort to address blight issues in the community. Additional focus is called for in the Commission’s Goals & Objectives for 2008-09 in this area. Stepped up enforcement activities will be initiated in 2008 with more resources budgeted in the area of part-time police personnel.

Street Sweeping – The City currently utilizes the services of an independent contractor to perform street sweeping activities. This affords budget savings eliminating the need to purchase and maintain sweeping equipment on a regular basis or hire additional personnel to perform this activity. The 2008-09 budget proposal includes an increase in sweeping events to better protect the City’s storm drain system and keep City streets cleaner – relatively providing additional environmental protections of our river and aquifer resources.

City Hall Facilities – Because of a scarcity of budget resources in past years, regular maintenance of City Hall has been deferred. In 2008-09, it is proposed that a number of projects be undertaken including carpet replacement, exterior building improvements and upgrade of the telephone system. A properly managed and maintained public facility contributes to reduced maintenance costs in the long-run and raises the quality of the community to prospective citizens, business investors, public employees and visitors.

Public Works Equipment – The Parchment Public Works Department utilizes work trucks to perform snow plowing, road maintenance, and other public property maintenance functions. The vehicle to be replaced is a 1995 GMC Sierra One-Ton Pickup.

Local Streets – The City typically addresses a group of local streets for repaving annually based upon the funds available. The condition of our roadways are monitored and scheduled for repaving based upon time between paving projects and drivability. Rules set out by the State of Michigan governing the use of state road funds allow the City to transfer up to 50 percent of major street funding to address local street paving needs. The 2008-09 proposed budget is planning for an expenditure of \$70,000 for projects on five local streets. Parchment neighborhoods already have a good reputation derived from the

quality of the homes and the condition of community assets (schools, public services, etc...). It is important to continue this reputation of quality through properly maintained infrastructure.

Utility Services – The City’s utility services (water and sewer) are dependent upon revenue derived from utility rates. The water division has not incurred an increase in rates in past years and is in need of capital improvement investments. The City Rate Committee convened in February and March to review the financial needs of the water division, and is proposing increases to water rates to accommodate these needs, which include replacement of a 1995 GMC Sierra One-Ton Pickup Truck, rebuild the pump at Well #1, rebuild high service pump #1 and undertake meter upgrades as available.

The City of Kalamazoo wastewater facility serves the region and charges fees to Parchment for wastewater processing services. City of Parchment sewer rates are determined mainly from these charges. In 2008-09 the City of Kalamazoo will be increasing service fees by an estimated 20 percent. This increase, in turn, is passed on to Parchment wastewater customers.

Employee Cost of Living Adjustment – Increases to City employee compensation in recent years has been constrained by limited financial resources. In fiscal year 2007-08, no increase to employee compensation was provided, and in previous years such increases have lagged behind national cost of living adjustments. The 2008-09 proposed budget includes an increase in employee compensation of 3.5 percent – in line with the projected increase in the national cost of living. Compensation is one element to maintaining a good working environment for the 13 full-time employees serving the citizens of Parchment and the organization’s ability to attract quality employees.

Mowing Services – The City experimented with utilizing private contracting services to mow public properties in 2007. After conducting an analysis, this experiment resulted in minimal cost savings, and added capacity to address other service needs during the year. Instead of continuing this practice, however, it is proposed to perform mowing activities with existing city resources and reprioritize service needs during the summer months utilizing existing work capacity without the need to hire seasonal employees or outside contractors.

Police Department Personnel – The City of Parchment operates a small full-time police force augmented by part-time officers currently working in other careers or with other law enforcement organizations. The current management structure of a police chief as the only ranking officer is deficient as it provides no chain of command for managing the multiple shift work schedule currently in place. The 2008-09 proposed budget calls for the modification of one full-time officer position into a sergeant grade position to act as second-in-command of the department.

Economic Development – With the ongoing effort to redevelop the former Crown Vantage property now entering a more active phase, additional resources must be earmarked to address property acquisition, demolition, infrastructure construction, legal review, grant

application development and a number of other tasks. In addition, economic development and redevelopment opportunities will arise during the year which may require the City to purchase vacant properties in order to work with developers to attract new business investment. As such, the 2008-09 proposed budget includes a property development line item in the legislative budget for this purpose.

In summary, the proposed budget document for fiscal year 2008-09 will address the focus areas identified by the City Commission earlier this year without increasing taxes. While many communities and the State of Michigan are seriously considering tax increases to support current service levels, the City of Parchment is in a position to provide service enhancements, continue existing programs and plan for the future of the community without sacrificing the current quality of life of the community. As efforts in economic development begin to payoff, new opportunities to lower taxes, introduce new initiatives or enhance existing services will become available further improving the Parchment community for years to come.

Special recognition should be given to City Treasurer John Frakes for his work in developing this budget proposal, as well as to all city employees for their efforts to deliver services in the most cost-effective manner possible.

**CITY OF PARCHMENT**  
**2008/2009 ADOPTED BUDGET**

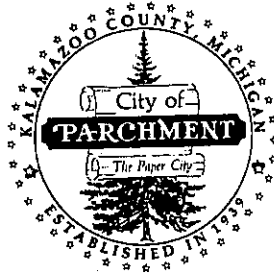
All Funds

**RESOURCES:**

	2006/07 Actual	2007/08 Adopted	2007/08 Amended	2007/08 Projected	2008/09 Requested	2008/2009 Adopted	Variance
General Fund	1,257,797	1,403,823	1,435,494	1,340,726	1,448,016	2,185,506	52.25%
Major Streets Fund	105,657	108,786	108,786	108,286	103,781	103,781	-4.60%
Local Streets Fund	64,733	63,334	63,334	62,834	121,338	121,338	91.58%
Sewer Fund	288,778	248,000	248,000	258,882	281,182	281,182	13.38%
Water Fund	254,775	251,440	251,440	275,506	438,740	438,740	74.49%
Internal Services Fund	<u>85,115</u>	<u>76,300</u>	<u>76,300</u>	<u>60,300</u>	<u>114,400</u>	<u>114,400</u>	<u>49.93%</u>
Grand Total All Funds	<u>2,056,855</u>	<u>2,151,683</u>	<u>2,183,354</u>	<u>2,106,534</u>	<u>2,507,457</u>	<u>3,244,947</u>	<u>48.62%</u>

**EXPENDITURES:**

	2006/07 Actual	2007/08 Adopted	2007/08 Amended	2007/08 Projected	2008/09 Requested	2008/2009 Adopted	Variance
General Fund	1,189,182	1,402,093	1,473,543	1,382,299	2,185,506	2,185,506	48.32%
Major Streets Fund	65,071	71,307	71,307	78,587	115,218	115,218	61.58%
Local Streets Fund	74,512	64,865	64,865	85,257	118,567	118,567	82.79%
Sewer Fund	229,672	216,347	216,347	261,309	279,708	279,708	29.29%
Water Fund	469,353	328,984	329,129	363,235	399,935	399,935	21.51%
Internal Services fund	<u>54,953</u>	<u>62,548</u>	<u>62,606</u>	<u>64,195</u>	<u>126,010</u>	<u>126,010</u>	<u>101.27%</u>
Grand Total All Funds	<u>2,082,743</u>	<u>2,146,144</u>	<u>2,217,797</u>	<u>2,234,882</u>	<u>3,224,944</u>	<u>3,224,944</u>	<u>45.41%</u>



**City of Parchment, Michigan  
Community Goals & Objectives  
March 3, 2008**

**LOCAL ECONOMY**

Goal: Pursue high-quality business development and redevelopment focused upon job creation and reuse of vacant industrial property.

Objectives:

- Aggressively pursue redevelopment of the former Crown Vantage property.
- Work with area developers to create interest in locating businesses in Parchment and market the community for business location.
- Meet regularly with existing business owners to identify and address issues facing the local business community.
- Pursue the acquisition of property for the purposes of economic development.

**RECREATION**

Goal: Maximize use of community recreation facilities and amenities to offer a broad range of opportunities to maintain a healthy Parchment citizenry.

Objectives:

- Invest in the maintenance and improvement of Kindleberger Park.
- Develop a partnership with the Parchment Schools to expand youth activities.

- Build on the success of the Kindleberger Festival and Stage events and increase marketing activities as appropriate.
- Investigate opportunities to utilize the Kalamazoo River amenity.
- Continue to pursue the addition of trailway facilities throughout the community.

## **FINANCIAL STABILITY**

Goal: Implement sound fiscal planning and management practices in support of a broad range municipal service responsibilities.

### Objectives:

- Achieve the highest audit report
- Investigate modifications to existing tax abatement policies of the City.
- Take action to expand the local tax base.
- Plan for future capital expenses in a proactive manner.

## **QUALITY OF LIFE**

Goal: Develop Parchment as a preferred community for living, working and raising a family.

### Objectives:

- Enforce city ordinances relative to blight and code compliance.
- Implement a Parchment beautification plan that may include establishing a “city center.”
- Enact legislation establishing minimum standards for the condition of rental housing properties.
- Implement a consistent program of community relations and communication with all Parchment citizens utilizing a variety of technologies and media.
- Continue to build relationships with the Parchment business community.
- Serve as a leader in promoting arts and culture opportunities.

## **TRANSPORTATION**

Goal: Maintain the highest quality transportation infrastructure and services in support of Parchment's business, education and public safety needs.

### Objectives:

- Perform quality and timely road maintenance where necessary.
- Implement and enforce all traffic safety measures according to accepted traffic engineering practices.
- Continue to pursue transportation improvements at the U.S. 131 business route interchange.

## **ENVIRONMENT**

Goal: Pursue new and innovative programs to create Parchment as a healthy and "walkable community."

### Objectives:

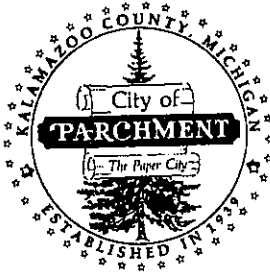
- Investigate opportunities to purchase alternative fuel vehicles whenever financially feasible.
- Develop a walkable community plan.
- Work to achieve mandated air and water quality standards.

## **PUBLIC SAFETY**

Goal: Commit to making Parchment the safest community to live in Kalamazoo County.

### Objectives:

- Ensure the appropriate level of police and fire protection is available to minimize impacts on personal safety or personal property.
- Investigate opportunities for cooperation with other area police and fire agencies including the creation of a fire authority, shared recruitment programs and more expansive mutual aid agreements.
- Work to improve training programs for Parchment police and fire personnel.
- Investigate policing practices that will improve the level of community relations.



## MEMORANDUM

To: Mayor Heasley, Vice-Mayor Britigan and City Commissioners

From: Dennis Durham, City Manager

Date: April 4, 2008

Subject: Recommendations of City Utility Rate Committee

The City of Parchment Utility Rate Committee\* met on a number of occasions during February and March to review the financial elements of the water division in conjunction with the capital investment needs going forward. As a result of this review, the Committee recommends the following changes to water rates for 2008-09:

- Increase the commodity rate 10% across the board for water customers in Parchment and Cooper Township.
- Increase in ready-to-serve charges ranging from \$2 to \$8.25 for customers in Parchment and Cooper Township.

The recommended changes in water rates will accommodate needed investments in the following infrastructure projects:

Ford F350  
Rebuild Pump at Well #1  
Rebuild High Service Pump #1  
Meter Upgrades

Attachments: Proposed Water Rates for Fiscal Year 2008-09  
Water Fund Summary

*\*Committee members – Vice-Mayor Rob Britigan, Commissioner Brian Sell, City Manager Dennis Durham and City Treasurer John Frakes.*

City of Parchment  
Water Fund - Rate Study  
2008

Revenue Required \$ 286,900

Cash on Hand 6/30/07(Estimated) \$ 225,000

2008/2009 Estimated Expenses	\$ 269,900
Capital Expenses	\$ 73,000
6/30/2009 Target Cash Balance	<u>\$ 169,000</u>
Total	\$ 511,900

{	Truck	\$ 37,000
	Rebuild Pump @ Well #1	\$ 17,000
	Rebuild High Service Pump #1	\$ 14,000
	Meter Upgrades	\$ 5,000
		<u>\$ 73,000</u>

**Future Capital Expenditures**

2009/2010 Paint Exterior of Water Tower	\$ 150,000
2010/2011 Replace Haymac 6" Water Main	\$ 200,000
2011/2012 Extend Eunice Main to G Avenue	\$ 82,000
2012/2013 Install Water Main - Riverview Collingwood to McKinley	\$ 580,000
<b>Total</b>	<u><u>\$ 1,012,000</u></u>

City of Parchment  
Water Rate Review 2008  
Proposed

Meter Size	Number of Customers	Parchment		2006/07 Water Usage	Commodity Charge
		Ready to Serve Charge	Calculated		
5/8"	455	\$ 15.00	\$ 27,300.00	8,468,807	\$111,788.25
3/4"	118	\$ 15.00	\$ 7,080.00		
1"	81	\$ 16.00	\$ 5,184.00		
1.5"	22	\$ 25.00	\$ 2,200.00		
2"	16	\$ 37.00	\$ 2,368.00		
3"	4	\$ 52.00	\$ 832.00		
4"	3	\$ 100.00	\$ 1,200.00		
6"	2	\$ 150.00	\$ 1,200.00		
8"	2	\$ 150.00	\$ 1,200.00	890360	\$17,629.13
Non Taxed Entities*					
TOTAL	703		48,564		\$129,417.38

Meter Size	Number of Customers	Cooper		2006/07 Water Usage	Commodity Charge
		Ready to Serve Charge	Calculated		
5/8"	446	\$22.50	40,140.00	3,327,400	\$65,882.52
3/4"	14	\$22.50	1,260.00		
1"	5	\$24.00	480.00		
1.5"	0	\$37.50	0.00		
2"	2	\$55.50	444.00		
3"	0	\$78.00	0.00		
4"	1	\$150.00	600.00		
6"	0	\$225.00	0.00		
8"	0	\$225.00	0.00		
	468		42,924.00		65,882.52

Total Demand Charge \$91,488.00  
 Total Commodity Charge \$195,299.90  
 Penalties & Interest: \$3,207.00  
 Hydrant Rental: \$5,840.00  
 \$295,834.90

Operating Expenditures 2008/2009 \$ 269,900.00  
 Net Gain \$ 25,934.90

\*Pay a 50% Surcharge  
 \* Parchment Schools Sprinkling Removed

## GENERAL FUND BUDGET HIGHLIGHTS

### Capital Investments

- City Commission Furniture
- City Hall Facility Upgrades
- Hybrid Police Cruiser
- Car Port
- Fire Truck Refurbishment

### Service Enhancements

- Communication Programs (Newsletter and Website)
- Street Sweeping
- Mowing Public Properties
- Increased Code Enforcement

### Personnel

- 3.5 percent cost of living compensation adjustments
- Create police sergeant position

**CITY OF PARCHMENT**  
**2008/2009 ADOPTED BUDGET**  
**GENERAL FUND**

**REVENUES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2008/2009 Adopted	Budget Change
TAXES	761,098	800,473	800,473	792,011	822,236	822,236	2.72%
FEES AND PERMITS	101,128	99,000	99,000	88,800	89,600	89,600	-9.49%
STATE GRANTS	196,776	195,850	227,521	193,100	193,100	193,100	-15.13%
CHARGES FOR SERVICES	1,897	13,900	13,900	13,900	13,900	13,900	0.00%
FINES AND FORFEITS	14,189	14,600	14,600	6,400	8,800	8,800	-39.73%
INTEREST AND RENTS	63,308	45,000	45,000	42,000	35,000	35,000	-22.22%
OTHER REVENUE	40,085	0	0	9,588	0	0	
TRANSFERS	65,000	235,000	235,000	170,000	170,880	170,880	-27.29%
REFUNDS AND REBATES	14,316	0	0	24,927	0	0	
USE OF FUND BALANCE	0	0	0	0	114,500	851,990	0.00%
<b>Total Revenues</b>	<b>1,257,797</b>	<b>1,403,823</b>	<b>1,435,494</b>	<b>1,340,726</b>	<b>1,448,016</b>	<b>2,185,506</b>	<b>52.25%</b>

General Fund revenues support Legislation, Administration, Police, Fire, Public Works and Parks.

**FUND BALANCE PROJECTION:**

<b>ESTIMATED FUND BALANCE</b>	<b>6/30/2008</b>	<b>880,931</b>
REVENUES		2,185,506
EXPENDITURES		2,185,506
<b>PROJECTED FUND BALANCE</b>	<b>6/30/2009</b>	<b>880,931</b> *

\*CASH MINUS LIABILITIES



**GENERAL FUND**

**DEPARTMENT:        ADMINISTRATION**

**DESCRIPTION:**

The City Commission shall appoint a city manager. The manager shall be the chief administrative officer of the City, and be responsible to the city commission for the efficient administration of all city departments and utilities. The administrative staff supports the work of the city commission and all committees and boards appointed by the commission. The staff also administers the electoral process according to all applicable state and federal laws. They are also responsible for the accounting, payroll and accounts payable operations of the city, maintenance of the assessment and tax rolls and billing and collections of real and personal property taxes and investment of the city surplus funds.

**EXPENDITURES:**

Administration	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2008/2009 Adopted	Variance
PERSONNEL SERVICES	152,007	152,200	152,200	164,083	176,400	176,400	15.90%
FRINGE BENEFITS	81,769	69,850	69,850	72,879	69,890	69,890	0.06%
OPERATING SUPPLIES	9,422	9,600	9,600	6,847	8,500	8,500	-11.46%
OTHER SERVICES AND CHARGES	13,123	18,000	18,000	11,270	16,500	16,500	-8.33%
PROFESSIONAL & CONTRACTUAL SERV.	4,819	9,500	9,500	9,500	9,500	9,500	0.00%
LIABILITY INSURANCE	10,023	10,200	10,200	9,966	11,000	11,000	7.84%
UTILITIES	3,716	4,000	4,000	3,600	4,000	4,000	0.00%
REPAIRS	6,196	5,000	5,000	4,000	5,000	5,000	0.00%
MISCELLANEOUS	26	100	100	100	100	100	0.00%
CAPITAL OUTLAY	6,054	9,600	9,600	9,799	22,500	22,500	134.38%
<b>Total Administration</b>	<b>287,155</b>	<b>288,050</b>	<b>288,050</b>	<b>292,044</b>	<b>323,390</b>	<b>323,390</b>	<b>12.27%</b>

**CAPITAL OUTLAY:**

Final payment of copier lease	3,500.00
City Hall carpet and fixture upgrades	7,000.00
Information Sign	5,000.00
Phone System	7,000.00
	<u>22,500.00</u>

**GENERAL FUND**

**DEPARTMENT: POLICE SERVICES**

**DESCRIPTION:**

The goal of the Parchment Police Department is to provide for the welfare of all citizens and visitors to the City of Parchment and to protect them from the loss of life and property. The police are charged with the maintenance of order, the investigations of crimes and recovery of property. The police department also operates as the code enforcement arm of the City. The promotion of goodwill, community respect and confidence in the police department are the highest priority of all public safety employees.

**EXPENDITURES:**

Police	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2008/2009 Adopted	Variance
PERSONNEL SERVICES	215,811	215,645	215,645	214,685	240,780	240,780	11.66%
FRINGE BENEFITS	93,666	106,910	106,910	75,706	74,330	74,330	-30.47%
OPERATING SUPPLIES	18,849	21,000	21,000	21,000	18,500	18,500	-11.90%
OTHER SERVICES AND CHARGES	6,672	8,050	8,050	4,497	8,766	8,766	8.89%
PROFESSIONAL & CONTRACTUAL SERV.	10,336	7,500	7,500	9,400	9,000	9,000	20.00%
LIABILITY INSURANCE	17,016	18,000	18,000	16,941	18,000	18,000	0.00%
UTILITIES	773	800	800	730	850	850	6.25%
REPAIRS	6,442	10,000	10,000	10,000	5,000	5,000	-50.00%
MISCELLANEOUS	0	150	150	0	0	0	-100.00%
CAPITAL OUTLAY	1,461	1,188	1,188	1,200	36,000	36,000	2930.30%
<b>Total Expenditures</b>	<b>371,026</b>	<b>389,243</b>	<b>389,243</b>	<b>354,159</b>	<b>411,226</b>	<b>411,226</b>	<b>5.65%</b>

**CAPITAL OUTLAY:**

Hybrid Police Cruiser	30,000.00
On Board Computer	3,200.00
Patrol Car Video & Camera	2,800.00
	<hr/>
	36,000.00

**GENERAL FUND**

**DEPARTMENT: FIRE DEPARTMENT**

**DESCRIPTION:**

The Parchment Fire Department is a volunteer department. Their mission is to protect the citizens and visitors to the City of Parchment from medical emergencies and fire. The fire department operates as first responders for all medical emergencies as well as fire fighters.

**EXPENDITURES:**

Fire	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2008/2009 Adopted	Variance
PERSONNEL SERVICES	34,266	44,000	44,000	48,120	51,750	51,750	17.61%
FRINGE BENEFITS	4,550	7,640	7,640	5,396	5,835	5,835	-23.63%
OPERATING SUPPLIES	5,120	11,750	16,300	11,864	11,900	11,900	-26.99%
OTHER SERVICES AND CHARGES	4,426	6,200	6,200	5,250	6,200	6,200	0.00%
PROFESSIONAL & CONTRACTURAL SERV.	2,623	5,700	5,700	2,500	5,700	5,700	0.00%
LIABILITY INSURANCE	8,936	9,000	9,000	8,903	9,000	9,000	0.00%
UTILITIES	2,146	1,900	1,900	2,100	2,200	2,200	15.79%
REPAIRS	2,795	7,000	7,000	7,000	7,500	7,500	7.14%
RENTAL	5,840	5,840	5,840	5,840	5,840	5,840	0.00%
MISCELLANEOUS	59	0	0	0	0	0	0.00%
CAPITAL OUTLAY	9,800	3,400	64,300	64,300	50,000	50,000	-22.24%
DEBT SERVICE	35,068	35,100	35,100	35,100	35,100	35,100	0.00%
Total Expenditures	115,570	137,530	202,980	196,373	191,025	191,025	-5.89%

**CAPITAL OUTLAY:**

Refurbishment of 1989 Pierce Pumper 50,000.00

**GENERAL FUND**

**DEPARTMENT: PUBLIC WORKS DEPARTMENT**

**DESCRIPTION:**

The public works department provides a variety of General Fund services, which include sidewalk cleaning and replacement, brush pickup, leaf cleanup and trash pick up through contracted services.

**EXPENDITURES:**

Public Works	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2008/2009 Adopted	Variance
PERSONNEL SERVICES	69,818	75,000	75,000	75,000	63,200	63,200	-15.73%
FRINGE BENEFITS	37,866	37,440	37,440	42,001	35,870	35,870	-4.19%
OPERATING SUPPLIES	3,200	4,300	4,300	2,500	3,800	3,800	-11.63%
OTHER SERVICES AND CHARGES	73,256	73,820	73,820	66,920	73,720	73,720	-0.14%
PROFESSIONAL & CONTRACTURAL SERV.	1,494	1,500	1,500	1,713	1,500	1,500	0.00%
TRANSPORTATION	4,149	8,000	8,000	8,000	0	0	-100.00%
COMMUNITY PROMOTION	651	500	500	600	600	600	20.00%
LIABILITY INSURANCE	2,501	3,000	9,000	2,487	3,000	3,000	-66.67%
UTILITIES	37,944	36,000	36,000	38,000	39,000	39,000	8.33%
REPAIRS	4,457	5,000	5,000	6,300	5,500	5,500	10.00%
RENTAL	20,508	23,000	23,000	23,000	23,000	23,000	0.00%
Total Expenditures	255,844	267,560	273,560	266,521	249,190	249,190	-8.91%

**GENERAL FUND**

**DEPARTMENT:        PARKS, RECREATION AND CULTURE**

**DESCRIPTION:**

The City of Parchment is blessed with Kindleberger Park. The public services staff oversees the maintenance and operation of Kindleberger Park and Devon Park. They also maintain the green space at City Hall and the Parchment Community Library.

**EXPENDITURES:**

Parks, Recreation & Culture	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2008/2009 Adopted	Variance
PERSONNEL SERVICES	40,879	15,000	15,000	25,000	40,400	40,400	169.33%
FRINGE BENEFITS	21,607	7,673	7,673	14,081	22,740	22,740	196.36%
OPERATING SUPPLIES	6,409	5,500	5,500	5,000	5,800	5,800	5.45%
OTHER SERVICES AND CHARGES	812	1,000	1,000	4,611	1,000	1,000	0.00%
PROFESSIONAL & CONTRACT SERV.	3,750	0	0	0	0	0	0.00%
LIABILITY INSURANCE	2,458	2,500	2,500	2,444	2,500	2,500	0.00%
UTILITIES	3,840	3,500	3,500	5,200	5,700	5,700	62.86%
REPAIRS	16,031	29,000	29,000	29,000	15,000	15,000	-48.28%
RENTAL	15,990	10,000	10,000	4,200	16,000	16,000	60.00%
CAPTIAL OUTLAY	0	0	0	0	4,136	4,136	100.00%
<b>Total Expenditures</b>	<b>111,776</b>	<b>74,173</b>	<b>74,173</b>	<b>89,536</b>	<b>113,276</b>	<b>113,276</b>	<b>52.72%</b>

**CAPITAL OUTLAY:**

Reconfiguration of Parking & Access to Kindleberger Park 4,136

**CITY OF PARCHMENT**  
**2008/2009 ADOPTED BUDGET**  
**MAJOR STREETS**

**REVENUES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2008/2009 Adopted	Variance
STATE GRANTS	90,266	100,786	100,786	100,786	97,781	97,781	-2.98%
INTEREST AND RENTS	15,391	8,000	8,000	7,500	6,000	6,000	-25.00%
Total Revenues	105,657	108,786	108,786	108,286	103,781	103,781	-4.60%

**FUND BALANCE PROJECTION:**

<b>ESTIMATED FUND BALANCE</b>	<b>6/30/2008</b>	<b>344,956</b>
REVENUES		103,781
EXPENDITURES		115,218
<b>PROJECTED FUND BALANCE</b>	<b>6/30/2009</b>	<b>333,519</b>

**MAJOR STREETS FUND**

**DEPARTMENT: MAJOR STREETS**

**DESCRIPTION:**

Provide a variety of street repair and maintenance activities including paving, patching, striping, snow removal and street cleaning.

**EXPENDITURES:**

	2006	2007	2007	2007	2008	2008/2009	
Routine Maintenance	Actual	Adopted	Amended	Projected	Requested	Adopted	Variance
PERSONNEL SERVICES	894	1,000	1,000	1,000	1,040	1,040	4.00%
FRINGE BENEFITS	449	549	549	704	612	612	11.48%
OPERATING SUPPLIES	560	1,000	1,000	1,000	1,000	1,000	0.00%
REPAIRS	2,048	8,500	8,500	8,500	8,500	8,500	0.00%
RENTAL	318	1,000	1,000	1,000	1,000	1,000	0.00%
Totals	4,269	12,049	12,049	12,204	12,152	12,152	0.85%

	2006	2007	2007	2007	2008	2008/2009	
Traffic Services	Actual	Adopted	Amended	Projected	Requested	Adopted	Variance
PERSONNEL SERVICES	52	400	400	2,000	5,700	5,700	1325.00%
FRINGE BENEFITS	25	206	206	1,387	2,457	2,457	1092.72%
OPERATING SUPPLIES	515	500	500	900	1,000	1,000	100.00%
REPAIRS	9,713	6,000	6,000	6,000	13,500	13,500	125.00%
RENTAL	22	500	500	1,000	1,000	1,000	100.00%
Totals	10,327	7,606	7,606	11,287	23,657	23,657	211.03%

	2006	2007	2007	2007	2008	2008/2009	
Winter Maintenance	Actual	Adopted	Amended	Projected	Requested	Adopted	Variance
PERSONNEL SERVICES	5,945	5,000	5,000	4,800	6,900	6,900	38.00%
FRINGE BENEFITS	2,846	2,993	2,993	2,882	2,936	2,936	-1.90%
OPERATING SUPPLIES	5,565	4,000	4,000	6,245	6,000	6,000	50.00%
REPAIRS	0	0	0	0	0	0	0.00%
RENTAL	4,954	5,000	5,000	6,500	5,000	5,000	0.00%
Totals	19,310	16,993	16,993	20,427	20,836	20,836	22.62%

	2006	2007	2007	2007	2008	2008/2009	
Administration	Actual	Adopted	Amended	Projected	Requested	Adopted	Variance
PERSONNEL SERVICES	1,043	5,000	5,000	5,000	5,200	5,200	4.00%
FRINGE BENEFITS	1,622	2,463	2,463	2,473	2,273	2,273	-7.71%
ADMINISTRATIVE	2,000	2,000	2,000	2,000	2,300	2,300	15.00%
OVERHEAD							
TRANSFERS OUT	26,500			25,196	48,800	48,800	100.00%
Totals	31,165	9,463	9,463	34,669	58,573	58,573	518.97%
Total Major Streets	65,071	71,307	71,307	78,587	115,218	115,218	61.58%

**CITY OF PARCHMENT**  
**2008/2009 ADOPTED BUDGET**  
**LOCAL STREETS**

**REVENUES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
STATE GRANTS	36,101	36,638	36,638	36,638	35,538	35,538	-3.00%
INTEREST AND RENTS	2,132	1,500	1,500	1,000	800	800	-46.67%
TRANSFERS	26,500	25,196	25,196	25,196	85,000	85,000	237.36%
Total Revenues	64,733	63,334	63,334	62,834	121,338	121,338	91.58%

**FUND BALANCE PROJECTION:**

ESTIMATED FUND BALANCE	6/30/2008	23,172
REVENUES		121,338
EXPENDITURES		118,567
PROJECTED FUND BALANCE	6/30/2009	25,943

**LOCAL STREETS FUND**

**DEPARTMENT: LOCAL STREETS**

**DESCRIPTION:**

Provide a variety of street repair and maintenance activities including paving, patching, striping, snow removal and street cleaning.

**EXPENDITURES:**

	2006	2007	2007	2007	2008	2007/2008	
Routine Maintenance	Actual	Adopted	Amended	Projected	Requested	Adopted	Variance
PERSONNEL SERVICES	2,582	2,000	2,000	5,180	5,200	5,200	160.00%
FRINGE BENEFITS	2,211	708	708	2,749	1,729	1,729	144.21%
OPERATING SUPPLIES	1,140	3,500	3,500	6,000	3,500	3,500	0.00%
REPAIRS	42,772	34,293	34,293	40,000	70,000	70,000	104.12%
RENTAL	1,172	2,000	2,000	2,000	2,000	2,000	0.00%
Totals	49,877	42,501	42,501	55,929	82,429	82,429	93.95%

	2006	2007	2007	2007	2008	2007/2008	
Traffic Services	Actual	Adopted	Amended	Projected	Requested	Adopted	Variance
PERSONNEL SERVICES	690	1,000	1,000	1,500	2,600	2,600	160.00%
FRINGE BENEFITS	338	526	526	1,598	1,150	1,150	118.63%
OPERATING SUPPLIES	789	1,000	1,000	1,000	1,000	1,000	0.00%
REPAIRS	60	600	600	600	9,600	9,600	1500.00%
RENTAL	261	300	300	800	800	800	166.67%
Totals	2,138	3,426	3,426	5,498	15,150	15,150	342.21%

	2006	2007	2007	2007	2008	2007/2008	
Winter Maintenance	Actual	Adopted	Amended	Projected	Requested	Adopted	Variance
PERSONNEL SERVICES	5,953	5,000	5,000	5,000	5,200	5,200	4.00%
FRINGE BENEFITS	2,847	2,913	2,913	3,018	2,728	2,728	-6.35%
OPERATING SUPPLIES	5,565	4,000	4,000	6,245	5,500	5,500	37.50%
REPAIRS	16			0	0	0	0.00%
RENTAL	4,959	4,000	4,000	6,400	4,000	4,000	0.00%
Totals	19,340	15,913	15,913	20,663	17,428	17,428	9.52%

	2006	2007	2007	2007	2008	2007/2008	
Administration	Actual	Adopted	Amended	Projected	Requested	Adopted	Variance
PERSONNEL SERVICES	1,084	1,050	1,050	1,050	1,100	1,100	4.76%
FRINGE BENEFITS	573	475	475	617	560	560	17.89%
ADMINISTRATIVE	1,500	1,500	1,500	1,500	1,900	1,900	26.67%
OVERHEAD							
Totals	3,157	3,025	3,025	3,167	3,560	3,560	17.69%
Total Local Streets	74,512	64,865	64,865	85,257	118,567	118,567	82.79%

**STREETS TO BE PAVED:**

Espanola - Sturgis to Dead End  
 Hamilton, Houston, Parkdale  
 Thomas - Wilson to Riverview

**CITY OF PARCHMENT**  
**2008/2009 ADOPTED BUDGET**

**SEWER FUND**

**REVENUES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
CHARGES FOR SERVICES	230,576	239,000	239,000	226,000	249,300	249,300	4.31%
FINES AND FORFEITS	3,104	3,000	3,000	4,000	4,500	4,500	50.00%
INTEREST AND RENTS	8,938	6,000	6,000	5,000	3,500	3,500	-41.67%
SPECIAL ASSESSMENTREVENUE	22,624	0	0	882	882	882	100.00%
USE OF CAPITAL	23,536			23,000	23,000	23,000	100.00%
Total Revenues	288,778	248,000	248,000	258,882	281,182	281,182	13.38%

**FUND BALANCE PROJECTION:**

<b>ESTIMATED FUND BALANCE</b>	<b>6/30/2008</b>	<b>112,523</b>
REVENUES		281,182
EXPENDITURES		279,708
<b>PROJECTED FUND BALANCE</b>	<b>6/30/2009</b>	<b>113,997</b>

**SEWER FUND**

**DEPARTMENT: SEWER**

**DESCRIPTION:**

To provide a safe and continuous sewer service to the residents and businesses of the City of Parchment. Service shall be at a reasonable cost, consistent with allowing for a fair return, giving sound value and responsive service within established ordinance, contracts and regulations.

**EXPENDITURES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
PERSONNEL SERVICES	42,008	36,000	36,000	40,000	41,400	41,400	15.00%
FRINGE BENEFITS	22,164	17,447	17,447	20,235	18,308	18,308	4.93%
OPERATING SUPPLIES	1,879	2,100	2,100	2,145	2,100	2,100	0.00%
OTHER SERVICES AND CHARGES	86,896	77,700	77,700	115,824	121,300	121,300	56.11%
LIABILITY INSURANCE	3,722	3,800	3,800	3,705	3,800	3,800	0.00%
UTILITIES	843	800	800	800	800	800	0.00%
REPAIRS	18,308	25,000	25,000	25,000	25,000	25,000	0.00%
RENTAL	316	500	500	600	600	600	20.00%
ADMINISTRATIVE OVERHEAD	30,000	30,000	30,000	30,000	43,400	43,400	44.67%
DEPRECIATION	23,536	23,000	23,000	23,000	23,000	23,000	0.00%
Total Expenditures	229,672	216,347	216,347	261,309	279,708	279,708	29.29%

**CITY OF PARCHMENT**  
**2008/2009 ADOPTED BUDGET**

**WATER FUND**

**REVENUES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
CHARGES FOR SERVICES	233,065	234,000	234,000	250,216	288,900	288,900	23.46%
FINES AND FORFEITS	3,207	3,200	3,200	5,000	6,000	6,000	87.50%
INTEREST AND RENTS	18,503	14,240	14,240	12,840	10,840	10,840	-23.88%
REFUNDS AND REBATES	0	0	0	7,450	0	0	0.00%
USE OF CAPITAL	0	0	0	0	133,000	133,000	0.00%
Total Revenues	254,775	251,440	251,440	275,506	438,740	438,740	74.49%

**FUND BALANCE PROJECTION:**

<b>ESTIMATED FUND BALANCE</b>	<b>6/30/2008</b>	<b>892,716</b>
REVENUES		438,740
EXPENDITURES		399,935
<b>PROJECTED FUND BALANCE</b>	<b>6/30/2009</b>	<b>931,521</b>

**WATER FUND**

**DEPARTMENT: WATER**

**DESCRIPTION:**

To provide a safe and continuous water supply service to the public within the Parchment Water Supply District. Service shall be at a reasonable cost, consistent with allowing for a fair return, making certain that the customers receive sound value and responsive service within established ordinance, contracts and regulations.

**EXPENDITURES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
PERSONNEL SERVICES	64,491	66,300	66,300	64,500	67,300	67,300	2%
FRINGE BENEFITS	35,196	29,034	29,034	33,393	30,405	30,405	5%
OPERATING SUPPLIES	20,666	23,750	23,895	30,950	26,750	26,750	12%
OTHER SERVICES AND CHARGES	20,535	17,400	17,400	12,092	16,600	16,600	-5%
LIABILITY INSURANCE	3,722	4,000	4,000	4,000	4,000	4,000	0%
UTILITIES	44,154	36,000	36,000	45,500	45,000	45,000	25%
REPAIRS	29,229	25,000	25,000	36,000	30,000	30,000	20%
RENTAL	1,535	1,000	1,000	500	1,000	1,000	0%
DEPRECIATION	59,815	50,000	50,000	50,000	60,000	60,000	20%
ADMINISTRATIVE OVERHEAD	30,000	30,000	30,000	30,000	45,880	45,880	53%
CAPITAL OUTLAY	160,000	46,500	46,500	46,500	73,000	73,000	57%
Total Expenditures	469,343	328,984	329,129	353,435	399,935	399,935	22%

**CAPITAL OUTLAY:**

Ford F350 4X4 with plow & utility box	37,000.00
Rebuild Pump @ Well # 1	17,000.00
Rebuild Highservice Pump #1	14,000.00
Water Meter Upgrades & Replacements	5,000.00
	<u>73,000.00</u>

**CITY OF PARCHMENT**  
**2008/2009 ADOPTED BUDGET**  
**INTERNAL SERVICES FUND**

**REVENUES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
SALE OF FIXED ASSETS	2,609	0	0	800	0	0	0
INTEREST AND RENTS	64,208	55,300	55,300	38,500	59,400	59,400	7.41%
REFUNDS AND REBATES	192	0	0	0	0	0	0
USE OF CAPITAL	18,106	21,000	21,000	21,000	55,000	55,000	161.90%
Total Revenues	85,115	76,300	76,300	60,300	114,400	114,400	49.93%

**FUND BALANCE PROJECTION:**

<b>ESTIMATED FUND BALANCE</b>	<b>6/30/2008</b>	<b>233,591</b>
REVENUES		114,400
EXPENDITURES		126,010
<b>PROJECTED FUND BALANCE</b>	<b>6/30/2009</b>	<b>221,981</b>

**INTERNAL SERVICES FUND**

**DEPARTMENT: INTERNAL SERVICES**

**DESCRIPTION:**

This budget is responsible for repair and maintenance of City vehicles and heavy equipment.

**EXPENDITURES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
PERSONNEL SERVICES	20,320	20,000	20,000	17,200	18,000	18,000	-10.00%
FRINGE BENEFITS	11,993	9,648	9,648	9,519	9,610	9,610	-0.39%
OPERATING SUPPLIES	12,338	17,000	17,058	21,700	17,500	17,500	2.59%
PRINTING & PUBLISHING	8,314	8,400	8,400	8,276	8,500	8,500	1.19%
REPAIRS	433	6,000	6,000	6,000	5,000	5,000	-16.67%
ADMINISTRATIVE OVERHEAD	1,500	1,500	1,500	1,500	12,400	12,400	726.67%
DEPRECIATION	18,106	21,000	21,000	18,000	18,000	18,000	-14.29%
CAPITAL OUTLAY	0	0	0	0	37,000	37,000	0.00%
Total Expenditures	73,004	83,548	83,606	82,195	126,010	126,010	50.72%

**CAPITAL OUTLAY:**

Ford F 350 4x4 with Plow and Dump Box

37,000

**DOWNTOWN DEVELOPMENT AUTHORITY**

**ADOPTED BUDGET 2008/2009**

**REVENUES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
TAX REVENUE	210,277	200,345	200,345	200,345	186,700	186,700	-6.81%
INTEREST AND RENTS	5,152	3,500	3,500	4,607	1,000	1,000	-71.43%
Total Revenues	215,429	203,845	203,845	204,952	187,700	187,700	-7.92%

**FUND BALANCE PROJECTION:**

<b>ESTIMATED FUND BALANCE</b>	<b>6/30/2008</b>	<b>135,517</b>
REVENUES		187,700
EXPENDITURES		186,705
<b>PROJECTED FUND BALANCE</b>	<b>6/30/2009</b>	<b>136,512</b>

**DOWNTOWN DEVELOPMENT AUTHORITY**

**DEPARTMENT:** DDA

**DESCRIPTION:**

This budget is responsible for making the bond payments on the DDA Bonds.

**EXPENDITURES:**

	2006 Actual	2007 Adopted	2007 Amended	2007 Projected	2008 Requested	2007/2008 Adopted	Variance
CONTRACTUAL SERV.	275	275	275	275	275	275	0.00%
DEBT RETIREMENT	160,000	160,000	160,000	160,000	155,000	155,000	-3.13%
INTEREST EXPENSE	48,550	40,070	40,070	40,070	31,430	31,430	-21.56%
Total Expenditures	208,825	200,345	200,345	200,345	186,705	186,705	-6.81%