



**CITY MANAGER'S OFFICE**  
**CITY OF ISHPERING, MICHIGAN**  
**100 EAST DIVISION STREET**  
**ISHPEMING, MICHIGAN 49849**

Telephone: (906) 485-1091 ext. 210

September 30, 2024

Residents of Ishpeming, Staff, and City Council

**RE: 2025 Budget Proposals**

Spend enough time at City Hall and you'll be able to pick up on a clear and seemingly universal message. It's more of a lament than a complaint. "Things here are not like they used to be." Both the energy behind and the creative ways these messages reach us feel more like loss than an actionable charge. I am here to tell you we can never go back, only forward. If we cannot accept where we are and what it is we can realistically do as a City, things will never improve with any sort of regularity.

There is a very real pressure working for local government to put a good face forward, explain all the positive things about the City, to focus on what is going right and spend little time discussing what isn't working. I wholeheartedly believe giving into this is a mistake. It is a mistake to think residents and neighboring communities can't see our dirty laundry. If you are a resident, your day-to-day will shape your opinion of the City more than any narrative you might be subject to hearing. From an organizational standpoint a failure to acknowledge opportunities for growth portrays an insecurity and a lack of confidence. It erodes trust. What I am proposing instead will require some buy-in from the public: An atmosphere where we can productively discuss the challenges the City is facing with realistic expectations of outcomes. A two-sided conversation – the only real kind.

When you are done reading this message, take a drive around the City. What do you see? What do you feel as your vehicle drives down the road? How far do you have to drive to find an abandoned house? How far do you have to drive to find a cut in the pavement where a water main break was repaired? How many vacant and underutilized buildings stand downtown. With those answers in mind I would like to now ask the question how long does it take for a road to degrade? How long does a house sit vacant and neglected before the structure begins to collapse? How long has it been since the Anderson Building on Main and Pearl was occupied? The Butler Theater? I am told when our crews respond to water main breaks they often times find boulders used for fill the last time they were replaced. The rocks against the main slowly chisel against the pipe every time the mine blasts just after noon. All this to say, like many other small towns, we are today tasked with addressing the sins and neglect of the past and at the same time reinventing ourselves.

We are a city grappling with its own transition, finding its own middle ground. We are drenched in the dichotomy between rural and urban space. Our eyes are trained on two opposing abstracts, namely the future and on the past. It's not just the contrast between our mining history and newer economic drivers like recreational trail use. We see both past and future when we make a \$400k yearly bond payment just to cover a portion of the benefits of people long since retired from the City while trying to take care of our current employees. We see both past and future when we find creative ways to pave streets because no replacement or repair funds were ever set aside. We see both past and

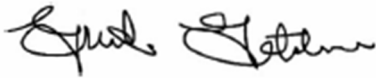
future when we bond to pay for unfunded water and sewer infrastructure projects and start maintenance and replacement savings on the infrastructure upgrades we can do. We see both past and the future when we partner with organizations who can provide social programming we cannot ourselves afford to do. We see both past and future when these organizations turn vacant lots into gardens, farms, and educational spaces.

If someone, anyone, started planning for these issues twenty years ago... ten years ago... we would be in a significantly better position. No one successfully did. So, we now are tasked with playing the hand we are dealt and attempting to stack the deck for our predecessors. In order to be successful, we need only ask ourselves three questions before every decision.

1. How can we make the biggest impact in the lives of our residents?
2. Is what we are about to do sustainable?
3. Is it the business of a City?

Thank you for taking the time to consider my proposed 2025 budget. I am asking for your support and help planning for our future. May none of us be afraid to plant a tree just because we ourselves may never have the opportunity to enjoy its shade.

Sincerely,



Grant Getschow  
Interim City Manager, Finance Director  
City of Ishpeming

## Capital Improvement Plan Overview

2025-2029

Department	Description	Cost	Funding Source	Funding Year	Department Rank
DDA	Skate Park	300,000.00	DDA/PIF/GRANT	2025	1
Fire	Bunker Gear / Boots	13,200.00	PIF	2025	1
Fire	Safety Equipment	2,000.00	PIF	2025	1
Fire	SCBA Bottles	6,000.00	PIF	2025	1
Fire	Hose	3,000.00	PIF	2025	1
Library	Children's Room Renovation	15,000.00	Contributions	2025	1
Library	Heating System Replacement	250,000.00	PIF/Grant	2025	1
Major Streets	MDOT Small Urban	481,250.00	Grant/MS	2025	1
Parks	Tennis Court Upgrades	800,000.00	PIF/School/Grant	2025	1
Police	Rifles	5,037.42	PIF	2025	1
Sewer	CWSRF Project (ongoing into 25)	16,050,000.00	Grant/Bond	2024	1
Storm Sewer	Storm sewer Repairs	600,000.00	PIF	2025	1
Water	DWSRF Project	23,445,000.00	Grant/Bond	2025	1
Water/Sewer	Vactor Truck	560,000.00	Water/Sewer Rev	2025	1
Cemetery	GIS Improvements	30,000.00	PIF	2025	2
Library	Media	28,500.00	PIF	2025	2
Motor Pool	Pickup Truck 1	70,000.00	Rental Revenues	2025	2
Motor Pool	Pickup Truck 2	70,000.00	Rental Revenues	2025	2
Police	Computer	4,000.00	PIF	2025	2
Library	3 new computers	3,000.00	PIF	2025	3
Police	PBT's	1,654.00	PIF	2025	3
		<b><u>42,737,641.42</u></b>			
Motor Pool	Snow Blower - Loader Attachment	200,000.00	Rental Revenues	2026	1
Motor Pool	Pickup Truck	70,000.00	Rental Revenues	2026	1
Library	Library Pillars	30,000.00	PIF	2026	1
Buildings and Grounds	Handicap Ramp Replacement	100,000.00	PIF	2026	2
Police	Guns, Holsters, Supplies	11,920.00	PIF	2026	2
Library	Children's Room Rennovations	200,000.00	Donations	2026	2
Library	3 New Computers	3,000.00	PIF	2026	3
		<b><u>614,920.00</u></b>			
Police	Body Armor	11,520.00	GF/Grant	2027	1
Police	Patrol Vehicle	85,000.00	PIF	2027	2
Library	3 new computers	3,000.00	PIF	2027	3
Library	Flooring replacements	11,000.00		2027	5
		<b><u>110,520.00</u></b>			
Police	Tasers	20,000.00	PIF	2028	1
Library	3 New Computers	3,000.00	PIF	2028	3
		<b><u>23,000.00</u></b>			
Police	Building Renovations	1,000,000.00	PIF/Bond	2029	3
Library	3 New Computers	3,000.00	PIF	2029	3
		<b><u>1,003,000.00</u></b>			

## General Fund

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Contributions	9,008.40	6,200.00	1,067.10	1,600.81	1,600.00
Fees	1,413,503.99	361,485.00	247,042.03	344,569.19	345,955.00
Interest	25,555.95	12,900.00	9,465.60	14,199.82	30,000.00
Lease income	1,496.52	2,000.00	1,519.53	2,279.52	1,600.00
Marijuana Tax	118,172.70	-	-	60,000.00	60,000.00
Misc.	15,895.00	18,000.00	1,929.80	3,119.98	3,300.00
PILT	34,432.23	33,100.00	-	39,023.90	40,000.00
Property Tax	1,640,215.19	1,699,940.00	1,688,035.49	1,688,035.49	1,797,727.65
Reimbursements	147,544.95	170,900.00	66,735.77	121,843.58	126,000.00
Scrap Revenue		-	45.50	68.26	70.00
State Revenue	1,872,616.75	1,043,900.00	622,169.11	1,144,950.91	1,129,877.00
Transfer In	121,700.00	181,503.00	-	176,807.83	35,000.00
	<b>\$ 5,400,141.68</b>	<b>\$ 3,529,928.00</b>	<b>\$ 2,638,009.93</b>	<b>\$ 3,596,499.28</b>	<b>\$ 3,571,129.65</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Al Quaal	128,641.56	118,530.00	86,418.86	121,496.59	122,214.51
Alleys & Sidewalks	134,501.42	99,165.00	94,051.96	135,971.53	138,437.87
Board of Review	1,931.28	4,600.00	2,673.71	4,010.97	4,131.30
Cemetery	179,648.00	196,741.00	146,308.53	207,595.77	209,249.20
City Assessor	76,807.33	52,206.00	25,237.93	55,356.93	42,857.64
City Attorney	30,894.80	21,442.00	7,218.63	20,440.64	20,849.45
City Clerk	46,313.23	43,650.00	27,236.30	40,858.54	40,104.86
City Council	16,584.95	33,000.00	23,371.62	32,909.65	29,584.19
City Hall and Grounds	72,680.57	59,815.00	47,610.39	71,422.73	55,637.74
City Manager	142,081.24	120,081.00	113,437.66	134,828.73	132,862.11
DDA Admin	1,553.23	2,028.00	1,212.45	1,660.89	2,175.89
Debt Service	348,807.00	351,500.00	298,085.00	351,000.00	350,000.00
DPW Admin	124,376.84	88,532.00	52,981.38	75,672.32	76,742.45
Economic Development	58,335.69	24,250.00	10,916.67	16,375.17	16,866.42
Elections	8,322.07	28,000.00	22,466.69	33,703.41	34,128.90
Finance Department	136,831.84	119,548.00	77,120.30	115,692.02	115,976.54
Fire	154,617.52	157,418.00	108,347.25	153,803.58	155,044.30
Library	277,548.47	265,383.00	186,870.33	259,953.62	286,149.64
Neighborhood Improvement	5,882.27	11,800.00	-	-	11,800.00
Non-Departmental	2,328,940.36	518,856.00	523,248.70	692,404.84	548,070.53
Park Maintenance	87,990.53	92,598.00	69,315.66	98,381.05	99,171.23
Planning Commission	839.10	3,500.00	2,253.20	3,379.83	3,447.43
Police	1,009,254.12	970,369.00	655,663.81	911,173.72	913,702.42
Rental Inspection	27,079.18	27,762.00	16,256.47	24,384.95	24,872.65
Storm Sewer		15,000.00	4,009.14	6,013.77	6,194.18
Street Lighting	171,573.57	100,066.00	47,145.13	70,632.16	72,723.89
Transfer Out	6,000.00	3,000.00	-	-	
Tube Slide	259.50	11,490.00	300.00	410.96	11,490.00
Zoning Admin	40,785.81	52,967.00	31,519.67	43,548.88	43,634.46
	<b>\$ 5,619,081.48</b>	<b>\$ 3,593,297.00</b>	<b>\$ 2,681,277.44</b>	<b>\$ 3,683,083.23</b>	<b>\$ 3,568,119.79</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>(218,939.80)</b>	<b>(63,369.00)</b>	<b>(43,267.51)</b>	<b>(86,583.94)</b>	<b>3,009.86</b>

## CEMETERY TRUST FUND

Revenues					
Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Interest Earned	8,228.23	2,000.00	550.00	825.08	1,000.00
Perpetual Care Fees	20,400.00	22,000.00	16,225.00	24,337.74	25,000.00
Unrealized Gain/Loss	4,855.92	2,000.00	-	6,000.00	6,000.00
	<b>\$ 33,484.15</b>	<b>\$ 26,000.00</b>	<b>\$ 16,775.00</b>	<b>\$ 31,162.83</b>	<b>\$ 32,000.00</b>

Expenditures					
Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Transfers Out- GF	15,000.00	15,000.00	-	15,000.00	15,000.00
	<b>\$ 15,000.00</b>	<b>\$ 15,000.00</b>	<b>\$ -</b>	<b>\$ 15,000.00</b>	<b>\$ 15,000.00</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>18,484.15</b>	<b>11,000.00</b>	<b>16,775.00</b>	<b>16,162.83</b>	<b>17,000.00</b>

## CEMETERY CARE FUND

Revenues					
Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Interest Earned	1,436.14	400.00	-	1,600.00	1,800.00
Unrealized Gain/Loss	420.30	200.00	-	500.00	600.00
	<b>\$ 1,856.44</b>	<b>\$ 600.00</b>	<b>\$ -</b>	<b>\$ 2,100.00</b>	<b>\$ 2,400.00</b>

Expenditures					
Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Transfers Out- GF	700.00	-	-	-	-
	<b>\$ 700.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>1,156.44</b>	<b>600.00</b>	<b>-</b>	<b>2,100.00</b>	<b>2,400.00</b>

## Major Streets

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Act 51 Revenue	669,358.88	668,567.00	390,318.62	668,567.00	684,528.00
Interest	121.03		6,538.08	9,808.10	
M-28 Revenue	32,900.50	48,000.00	37,569.04	48,000.00	48,000.00
MTF Transfers	34,556.30		36,498.51	37,000.00	
Snow Payments	45,939.72	99,000.00	99,965.53	99,965.53	100,000.00
State Grants	-	250,000.00	-		385,000.00
	<b>\$ 782,876.43</b>	<b>\$ 1,065,567.00</b>	<b>\$ 570,889.78</b>	<b>\$ 863,340.63</b>	<b>\$ 1,217,528.00</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Administration	57,880.64	60,960.00	39,912.57	59,874.84	61,671.09
Debt Service	31,859.00	32,100.00	27,227.00	31,984.00	32,600.00
Drainage/Backslopes	68,001.58	50,490.00	20,262.49	30,955.20	31,883.86
M-28 Drainage & Backslopes	2,647.00	4,352.00	-	-	-
M-28 Field Supervision	2,760.73	4,000.00	2,095.28	3,143.23	3,237.53
M-28 Maintenance	-	1,406.00	-	-	-
M-28 Pavement Marking	-	893.00	-	-	-
M-28 Shoulder	47.37	2,341.00	349.94	547.70	564.13
M-28 Sweep/Flush	-	1,700.00	415.47	623.27	641.97
M-28 Trees & Shrubs	158.79	2,425.00	1,122.21	1,683.48	1,733.99
M-28 Winter Maintenance	37,675.42	40,000.00	22,936.13	34,407.64	35,439.86
MDOT Construction	42,023.34	273,000.00	20,571.10	2,601.91	483,878.46
Other Construction	10,802.67	17,500.00	-	-	-
Routine Maintenance	71,855.76	80,714.00	64,371.86	96,567.45	99,464.47
Storm Sewer	-	-	3,039.13	6,078.26	6,260.61
Traffic Services	38,456.82	41,258.00	36,624.05	55,674.29	57,344.52
Traffic Signs	240.51	692.00	-	-	-
Transfer out	-	100,000.00	-	100,000.00	100,000.00
Winter Maintenance	419,530.10	268,160.00	184,421.48	280,873.02	289,299.21
	<b>\$ 783,939.73</b>	<b>\$ 981,991.00</b>	<b>\$ 423,348.71</b>	<b>\$ 705,014.29</b>	<b>\$ 1,204,019.70</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>(1,063.30)</b>	<b>83,576.00</b>	<b>147,541.07</b>	<b>158,326.34</b>	<b>13,508.30</b>

## Local Streets

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Act 51 Revenue	289,980.25	339,000.00	169,235.08	289,000.00	297,000.00
Grants	-	250,000.00	-	-	-
Interest	126.56	300.00	5,445.98	9,000.00	12,000.00
Metro Payments	-	29,000.00	-	-	-
Snow Payments	22,502.32	69,000.00	69,424.72	69,000.00	73,000.00
Transfer In	-	400,000.00	-	100,000.00	100,000.00
	<b>\$ 312,609.13</b>	<b>\$ 1,087,300.00</b>	<b>\$ 244,105.78</b>	<b>\$ 467,000.00</b>	<b>\$ 482,000.00</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Administration	22,770.70	26,655.00	15,043.29	22,567.19	23,244.21
Debt Service	39,777.00	40,000.00	33,993.00	39,946.00	39,946.00
Drainage/Backslopes	62,508.94	58,405.00	22,339.78	33,513.02	34,518.41
M-28 Drainage & Backslopes	11,031.81	250,000.00	-	-	-
M-28 Field Supervision	96,372.46	387,455.00	85,214.68	127,834.80	131,669.85
M-28 Maintenance	36,656.35	53,000.00	48,340.85	72,518.53	74,694.08
M-28 Pavement Marking	270,895.20	246,650.00	104,447.55	156,686.99	161,387.60
	<b>\$ 540,012.46</b>	<b>\$ 1,062,165.00</b>	<b>\$ 309,379.15</b>	<b>\$ 453,066.53</b>	<b>\$ 465,460.15</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>(227,403.33)</b>	<b>25,135.00</b>	<b>(65,273.37)</b>	<b>13,933.47</b>	<b>16,539.85</b>

## Fire Fund

Revenues					
Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Interest Earned	29.31	40.00	1,914.37	2,871.84	4,300.00
Property Taxes	117,441.73	113,549.00	121,629.75	121,629.75	126,465.64
	<b>\$ 117,471.04</b>	<b>\$ 113,589.00</b>	<b>\$ 123,544.12</b>	<b>\$ 124,501.59</b>	<b>\$ 130,765.64</b>

Expenditures					
Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Debt Service	84,800.00	84,800.00	76,875.00	84,800.00	84,500.00
	<b>\$ 84,800.00</b>	<b>\$ 84,800.00</b>	<b>\$ 76,875.00</b>	<b>\$ 84,800.00</b>	<b>\$ 84,500.00</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>32,671.04</b>	<b>28,789.00</b>	<b>46,669.12</b>	<b>39,701.59</b>	<b>46,265.64</b>

## Firefighter Longevity

Revenues					
Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Interest Earned	38.77	100.00	1,996.10	2,997.15	3,087.06
	<b>\$ 38.77</b>	<b>\$ 100.00</b>	<b>\$ 1,996.10</b>	<b>\$ 2,997.15</b>	<b>\$ 3,087.06</b>

Expenditures					
Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Longevity Pay	-	-	4,306.00	4,306.00	-
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,306.00</b>	<b>\$ 4,306.00</b>	<b>\$ -</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>38.77</b>	<b>100.00</b>	<b>(2,309.90)</b>	<b>(1,308.85)</b>	<b>3,087.06</b>



# DDA

## Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Contributions	1,200.00	1,500.00	250.00	375.38	
Interest	773.87	200.00	1,114.50	1,673.42	3,000.00
Property Taxes	260,609.37	287,891.00	331,607.11	331,607.00	299,500.00
	<b>\$ 262,583.24</b>	<b>\$ 289,591.00</b>	<b>\$ 332,971.61</b>	<b>\$ 333,655.80</b>	<b>\$ 302,500.00</b>

## Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Admin	10,040.03	31,650.00	12,502.54	18,772.58	19,550.00
Beautification	17,019.84	36,250.00	23,941.46	35,948.14	45,505.00
Capital Outlay	500.00	570.00			-
Debt Service	144,331.79	144,340.00	142,071.00	142,071.00	143,000.00
Development	11,650.00	110,000.00	6,760.14	120,150.36	15,400.00
Façade Improvements	20,000.00	40,000.00	7,500.00	40,000.00	30,000.00
Playlots	5,000.00				
Promotion	-	11,500.00			-
	<b>\$ 208,541.66</b>	<b>\$ 374,310.00</b>	<b>\$ 192,775.14</b>	<b>\$ 356,942.08</b>	<b>\$ 253,455.00</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>54,041.58</b>	<b>(84,719.00)</b>	<b>140,196.47</b>	<b>(23,286.28)</b>	<b>49,045.00</b>

## Carnegie Library Fund

Revenues					
Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Interest Earned	10.82	-	590.79	887.07	900.00
Contributions	9,472.12	20,000.00	15,366.52	20,000.00	20,000.00
	<b>\$ 9,482.94</b>	<b>\$ 20,000.00</b>	<b>\$ 15,957.31</b>	<b>\$ 20,887.07</b>	<b>\$ 20,900.00</b>

Expenditures					
Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Carnegie Library	5,331.09	17,700.00	12,357.33	17,700.00	20,000.00
	<b>\$ 5,331.09</b>	<b>\$ 17,700.00</b>	<b>\$ 12,357.33</b>	<b>\$ 17,700.00</b>	<b>\$ 20,000.00</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>4,151.85</b>	<b>2,300.00</b>	<b>3,599.98</b>	<b>3,187.07</b>	<b>900.00</b>

## Library State Aid Fund

Revenues					
Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
State Aid Payments	13,938.70	14,000.00	20,073.98	20,073.98	11,600.00
Transfer In	6,000.00	3,000.00	-	3,000.00	-
Interest Earned	-	-	17.64	17.64	20.00
	<b>\$ 19,938.70</b>	<b>\$ 17,000.00</b>	<b>\$ 20,091.62</b>	<b>\$ 23,091.62</b>	<b>\$ 11,620.00</b>

Expenditures					
Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Library Operating	18,751.61	18,850.00	16,218.69	18,850.00	18,850.00
	<b>\$ 18,751.61</b>	<b>\$ 18,850.00</b>	<b>\$ 16,218.69</b>	<b>\$ 18,850.00</b>	<b>\$ 18,850.00</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>1,187.09</b>	<b>(1,850.00)</b>	<b>3,872.93</b>	<b>4,241.62</b>	<b>(7,230.00)</b>

## Building Authority Fund (debt service)

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Transfer In - Public Improvement	144,403.37	145,000.00	-	145,000.00	145,000.00
	\$ 144,403.37	\$ 145,000.00	\$ -	\$ 145,000.00	\$ 145,000.00

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Debt Service	144,403.37	145,000.00	80,776.00	145,000.00	145,000.00
	\$ 144,403.37	\$ 145,000.00	\$ 80,776.00	\$ 145,000.00	\$ 145,000.00

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	-	-	(80,776.00)	-	-

## Public Improvement Fund

Description	Revenues				
	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Contributions	137,617.27	-	-	-	15,000.00
Grants		132,050.00	147,976.40	147,976.40	-
Interest	172.57	-	10,028.95	10,028.95	15,500.00
Insurance Recoveries	10,383.25				
Property Tax	546,917.80	565,626.00	564,517.12	564,516.50	599,010.85
	<b>\$ 695,090.89</b>	<b>\$ 697,676.00</b>	<b>\$ 722,522.47</b>	<b>\$ 722,521.85</b>	<b>\$ 629,510.85</b>

Department	Expenditures				
	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Administration					14,000.00
Al Quaal	193,904.12	223,000.00	-	-	405,000.00
Cemetery	16,155.85	122,500.00	17,289.41	77,289.41	33,000.00
City Clerk	1,759.89	6,000.00	4,445.50	4,445.50	-
City Hall and Grounds	1,765.90	200,000.00	-	100,000.00	-
Debt Service	63,146.93	45,600.00	44,091.00	44,091.00	45,500.00
Fire	26,892.55	165,000.00	159,390.67	159,390.67	24,200.00
Library	22,065.41	24,000.00	19,596.71	24,243.14	31,200.00
Neighborhood Improvement	70,191.53	115,000.00	91,700.00	91,700.00	400,000.00
Police	84,701.22	19,500.00	12,012.27	108,016.29	18,500.00
Teal Lake	439.83				
Transfer Out	150,403.37	436,000.00	5,999.28	355,999.28	451,000.00
	<b>\$ 631,426.60</b>	<b>\$ 1,356,600.00</b>	<b>\$ 354,524.84</b>	<b>\$ 965,175.29</b>	<b>\$ 1,422,400.00</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>63,664.29</b>	<b>(658,924.00)</b>	<b>367,997.63</b>	<b>(242,653.44)</b>	<b>(792,889.15)</b>

## Teal Lake Water Trail

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Contributions	34,025.00	-	-	5,000.00	-
State Grants	-	114,000.00	-	-	114,000.00
Interest Earned	0.10	-	223.13	221.13	-
	<b>\$ 34,025.10</b>	<b>\$ 114,000.00</b>	<b>\$ 223.13</b>	<b>\$ 5,221.13</b>	<b>\$ 114,000.00</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Land Improvements	947.85	100,000.00	4,232.12	129,453.25	20,000.00
	<b>\$ 947.85</b>	<b>\$ 100,000.00</b>	<b>\$ 4,232.12</b>	<b>\$ 129,453.25</b>	<b>\$ 20,000.00</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>33,077.25</b>	<b>14,000.00</b>	<b>(4,008.99)</b>	<b>(124,232.12)</b>	<b>94,000.00</b>

## Partridge Creek Compost Fund

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Grant Revenue	74,561.52	155,200.00	79,381.29	155,800.00	70,238.48
	\$ 74,561.52	\$ 155,200.00	\$ 79,381.29	\$ 155,800.00	\$ 70,238.48

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Contractual Services	40,000.00	6,600.00	6,600.00	6,600.00	-
Personnel Costs	38,330.75	134,200.00	71,623.24	134,200.00	51,869.25
Transfers Out- Admin Fees	14,000.00	15,000.00		15,000.00	-
	\$ 92,330.75	\$ 155,800.00	\$ 78,223.24	\$ 155,800.00	\$ 51,869.25

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	(17,769.23)	(600.00)	1,158.05	-	18,369.23

## Brasswire Campground

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Camping Fees	3,864.80	61,000.00	12,225.00	14,900.00	25,000.00
	<b>\$ 3,864.80</b>	<b>\$ 61,000.00</b>	<b>\$ 12,225.00</b>	<b>\$ 14,900.00</b>	<b>\$ 25,000.00</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Brasswire Operating	28,445.40	25,800.00	6,918.68	10,379.06	14,530.68
Depreciation	-	6,000.00	-	6,000.00	6,000.00
Transfer Out	-	29,000.00	-	-	-
	<b>\$ 28,445.40</b>	<b>\$ 60,800.00</b>	<b>\$ 6,918.68</b>	<b>\$ 16,379.06</b>	<b>\$ 20,530.68</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>(24,580.60)</b>	<b>200.00</b>	<b>5,306.32</b>	<b>(1,479.06)</b>	<b>4,469.32</b>

## Sewer Fund

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
CWSRF Proceeds	-	14,025,000.00	-	14,342,500.00	1,707,500.00
Investment Interest	1,882.14	-	13,831.17	20,748.83	35,000.00
Metered Sales	1,705,862.00	1,650,100.00	1,227,733.57	1,841,784.53	1,841,784.53
Penalties	26,770.25	28,000.00	19,172.53	28,761.67	30,000.00
	<b>\$ 1,734,514.39</b>	<b>\$ 15,703,100.00</b>	<b>\$ 1,260,737.27</b>	<b>\$ 16,233,795.03</b>	<b>\$ 3,614,284.53</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Admin	106,779.00	172,020.00	76,268.88	114,414.76	117,847.20
Customer Accounts	66,227.52	139,150.00	81,899.50	122,861.54	138,937.14
CWSRF	92,147.95	14,027,000.00	1,149,043.68	13,642,500.00	1,707,500.00
Debt Service	27,403.00	90,200.00	76,701.00	115,063.01	93,000.00
Depreciation	452,499.07	-	-	460,000.00	500,000.00
Sewer Line Maintenance	121,337.57	337,410.00	93,964.24	140,960.46	145,189.27
Transfer out	-	80,000.00	-	80,000.00	-
Treatment Plant	730,276.84	730,500.00	447,787.36	671,748.21	792,000.00
	<b>\$ 1,596,670.95</b>	<b>\$ 15,576,280.00</b>	<b>\$ 1,925,664.66</b>	<b>\$ 15,347,547.98</b>	<b>\$ 3,494,473.61</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>137,843.44</b>	<b>126,820.00</b>	<b>(664,927.39)</b>	<b>886,247.05</b>	<b>119,810.92</b>



## Water Fund

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
DWSRF Proceeds				1,233,000.00	11,106,000.00
Metered Sales	2,452,351.30	2,329,825.00	1,742,310.64	2,613,727.33	2,613,727.33
Penalties and Fees	82,753.37	86,452.00	57,634.17	86,459.90	86,459.90
Transfer In		80,000.00			-
State Grants	128,196.80				-
Investment Interest	393.20	496.00	10,897.16	20,000.00	20,000.00
	<b>\$ 2,663,694.67</b>	<b>\$ 2,496,773.00</b>	<b>\$ 1,810,841.97</b>	<b>\$ 3,953,187.23</b>	<b>\$ 13,826,187.23</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Admin	129,948.44	166,171.00	94,596.05	141,908.27	146,165.51
Cap. Impv.	560,703.53	559,000.00	80,640.00	559,000.00	575,770.00
Customer Accounts	82,474.40	140,777.00	83,607.39	125,423.63	129,186.34
DWSRF	122,103.84		834,952.96	1,233,000.00	11,106,000.00
Meter Repair	37,614.00	123,600.00	44,999.91	67,506.62	69,531.81
Meter Replacement Project	18,648.70	888,000.00	800,939.68	834,478.52	20,600.00
Operating Expense	543,232.70	20,000.00	15,694.13	23,543.55	24,249.86
Water Plant	36,000.00	550,000.00	298,097.15	474,097.15	488,320.06
Transmission and Dist.	320,301.13	525,728.00	360,497.80	540,800.78	557,024.80
	<b>\$ 1,851,026.74</b>	<b>\$ 2,973,276.00</b>	<b>\$ 2,614,025.07</b>	<b>\$ 3,999,758.52</b>	<b>\$ 13,116,848.38</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>812,667.93</b>	<b>(476,503.00)</b>	<b>(803,183.10)</b>	<b>(46,571.29)</b>	<b>709,338.85</b>

## Storm Sewer Fund (Proposed New Fund)

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Storm water flat charge	-	-	-	-	324,000.00
Interest Earned	-	-	-	-	4,860.00
Transfer in - Public Improvement	-	-	-	-	300,000.00
	\$ -	\$ -	\$ -	\$ -	\$ 628,860.00

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Storm Sewer Repairs	-	-	-	-	600,000.00
	\$ -	\$ -	\$ -	\$ -	\$ 600,000.00

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	-	-	-	-	28,860.00

## Garbage & Recycle Fund

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Fees	264,865.20	284,900.00	143,739.25	215,630.44	215,630.44
Interest Earned	66.63	100.00	4,196.84	6,295.89	6,295.89
Landfill Charge	642,920.39	577,000.00	427,906.89	641,924.53	641,924.53
	<b>\$ 907,852.22</b>	<b>\$ 862,000.00</b>	<b>\$ 575,842.98</b>	<b>\$ 863,850.86</b>	<b>\$ 863,850.86</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Garbage/Recycle	813,481.77	846,601.00	511,173.63	766,837.13	789,842.24
	<b>\$ 813,481.77</b>	<b>\$ 846,601.00</b>	<b>\$ 511,173.63</b>	<b>\$ 766,837.13</b>	<b>\$ 789,842.24</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	94,370.45	15,399.00	64,669.35	97,013.73	74,008.61

## Motor Pool Fund

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Interest	116.00	500.00	2,677.35	4,016.07	4,000.00
Sale of Assets	24,971.05	35,000.00	1,500.00	2,250.02	3,000.00
Vehicle Rental Revenue	782,187.64	830,000.00	571,997.87	858,005.39	883,745.55
	<b>\$ 807,274.69</b>	<b>\$ 865,500.00</b>	<b>\$ 576,175.22</b>	<b>\$ 864,271.48</b>	<b>\$ 890,745.55</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Debt Service	20,626.10	22,000.00	11,432.19	17,148.46	17,662.91
Fleet Maintenance	708,313.47	982,249.00	602,740.46	1,021,119.46	866,055.68
Transfer Out	70,000.00	166,503.00		166,000.00	-
	<b>\$ 798,939.57</b>	<b>\$ 1,170,752.00</b>	<b>\$ 614,172.65</b>	<b>\$ 1,204,267.92</b>	<b>\$ 883,718.59</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	8,335.12	(305,252.00)	(37,997.43)	(339,996.44)	7,026.96

## Police and Fire Retirement Fund

### Revenues

Description	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Contributions	35,787.72	33,000.00	21,157.27	36,269.63	35,000.00
Interest	167,523.06	70,000.00	39,175.43	67,157.92	65,000.00
Market Appreciation	558,956.34	180,000.00	378,526.47	400,000.00	250,000.00
Property Taxes	359,903.66	341,000.00	342,934.98	342,934.98	303,000.00
	<b>\$ 1,122,170.78</b>	<b>\$ 624,000.00</b>	<b>\$ 781,794.15</b>	<b>\$ 846,362.52</b>	<b>\$ 653,000.00</b>

### Expenditures

Department	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
Fees and Services	31,476.74	45,000.00	23,727.82	40,676.29	45,000.00
Pension Benefits Paid	483,843.21	488,000.00	303,566.91	520,400.71	530,000.00
	<b>\$ 515,319.95</b>	<b>\$ 533,000.00</b>	<b>\$ 327,294.73</b>	<b>\$ 561,077.00</b>	<b>\$ 575,000.00</b>

Net Revenues/(Expenditures)	2023 Actual	2024 Budget	YTD 8/31/24	2024 FYE Projection	2025 Proposal
	<b>606,850.83</b>	<b>91,000.00</b>	<b>454,499.42</b>	<b>285,285.52</b>	<b>78,000.00</b>

# City of Ishpeming

## 2025 Budget Narrative

### **The General Fund**

The general fund is the main hub for governmental activities of the city such as, police, fire, administrative and library operations. The bulk of inflows the general fund realizes come from two sources, property taxes and state revenue sharing.

In 2024, the city as a whole is on path to spend \$750k to provide health insurance to 31 employees. In the general fund we have spent 28% of the city's general operating millage insuring the equivalent 21 of employees. We are in a string of deficit budgets year after year and at the current rate our health insurance costs will bankrupt the general fund within 4 years if we do nothing. The 2025 budget sets a number, \$550k, that the city can responsibly afford to spend on health insurance and leaves it up to staff, including the insurance committee, to seek the best available option within that budget, unless other cuts are made.

For revenue calculations see supporting document A.

### **Major and Local Streets**

Both major and local streets are dependent on state revenue and grants for funding. The city maintains just over 13 miles of major streets and 32 miles of local streets. Estimated revenues for the fund see a small increase over the prior year which will hopefully keep pace with any inflation of expense. (see supporting document b) For 2025, the major street fund is slated to receive \$385k in MDOT small urban funding (see supporting document c) which will be used to repair sections of Washington, Greenwood, Saginaw, Pine, Division, and Hematite St.

### **DDA**

The DDA is beginning to see some real flexibility in its funding for the first time in quite a while. The budget requested here was discussed and approved by the DDA. It includes increased façade and start-up assistance grant funding for small businesses.

### **Public Improvement Fund**

The public improvement fund is sitting on large cash reserves after a several years of slow funding execution. There are some larger projects budgeted in 2024, including the Second Street storm sewer collapse (\$350k est.), which if executed will leave the fund with just shy of \$800k at fiscal year end 2024. For 2025, grant matches for the tennis courts and the skate park have earmarked a sizeable portion of funding. I am requesting \$300k be allocated to storm sewer repairs while we have roads torn up as part of the ongoing DWSRF and CWSRF projects. Other large expenditures anticipated include a new heating system for the library and a proposed \$140k in blight elimination funding to be used as a match with the

# City of Ishpeming

## 2025 Budget Narrative

land bank or directly applied to problem areas. The 2025 budget also reflects the CIP requests from the library, police department, and fire department. The fund will pair its \$595k in anticipated tax revenues (see supporting document a) along with the mentioned \$800k carryover to fund the proposed efforts.

### **Brasswire Campground**

Although the fund is relatively simple in how it functions, it's worth to outlining the Brasswire has made \$14.9k in 2024, which is almost break even with its operational expenses. For 2025 I am hopeful given the increased traction the campground has gained towards the end of its season that we will see \$25k in revenues, or 1k nights booked, versus the 596 nights we saw in 2024.

### **Sewer Fund**

The sewer fund is projected to finish out the year with metered sales just shy of \$200k above projections. This is likely the first fruits in our improvements to our metering equipment and billing procedures. The CWSRF project is expected to be 85% complete by 2024 fiscal year end and we will see the project wrap up in 2025.

### **Water Fund**

Like the sewer fund, the water fund is outperforming its metered sales projections. \$2.32M in sales were budgeted and if the fund continues on its trend it is expected to see \$2.6M by fiscal year end 2024. Also like the sewer fund this is likely a result of the work done on the meter infrastructure and in the billing department. The DWSRF project will add at least \$11M in revenues and expenditures to the normal operation of the fund in 2025 and more depending on how fast the project progresses. The project is slated to replace 51k feet of water main, 9.6 miles. Maps of the project scope, which are broken out into two sections are attached (see supporting documents d & e).

### **Storm Sewer Fund (proposed for 2025 & forward)**

Stormwater infrastructure in the city has no specific funding source and no real plans for replacement or repairs. As the collapse on Second Street in May of 2024 illustrated, stormwater infrastructure shouldn't be an afterthought for the city. I am proposing a 1-time waiver of the 5% scheduled rate increase in the water and sewer funds in lieu of a \$10 monthly flat-rate stormwater charge added to the fee schedule and billed with other city utilities. This is critical for 2025 as we already have existing infrastructure projects disturbing roadways we have a small unique window of time to replace and upgrade the storm sewer infrastructure in these areas. Going forward, this funding will provide stability and grant us the opportunity to address other problem areas in town where drainage and runoff have become a

# City of Ishpeming

## 2025 Budget Narrative

recurring issue. Another key goal of the fund would be to provide redundancy or fail safes in other areas of town where the failure of one aging pipe could cause backups in heavily populated areas.

### **Garbage and Recycle Fund**

The garbage and recycle fund is performing well in 2024 and the 2025 budget is mainly a straight inflationary increase of cost from 2024.

### **Motor Pool Fund**

Performance in the motor pool fund has been hamstrung by the general funds inability to pay vehicle rental revenues. Like all other city infrastructure, the regular and systematic maintenance and replacement of the city's motorized equipment is not a luxury but rather a responsible stewardship of taxpayer resources. There is no reason any city employee should be driving around town in a truck with the floorboards so rotted out you can see the road (which factually is where we were at). Replacing equipment at the right time is a cost savings effort. The motor pool will continue to replace pickup trucks into 2026 when it will be able to taper off and focus on heavier equipment. The motor pool fund will resume its assessing rental revenues for use of its equipment in 2025 to the general fund.

### **Police and Fire Retirement**

Market appreciation in 2024 has been significantly higher than budgeted. I have made a conservative increase in the 2025 projections to reflect the funds steady performance. Property tax revenue milled for the year will come in at \$298k (see supporting document A). Like other years, pension benefits paid out to retirees represent the bulk of the funds expenditures.