CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 25, 2011

CITY COMMISSION CHAMBERS @ 5:30 P.M.

AGENDA

- **CALL TO ORDER:**
- **PRAYER:**
- **PLEDGE OF ALLEGIANCE:**
- **ROLL CALL:**
- **HONORS AND AWARDS:**
- **INTRODUCTIONS/PRESENTATION:**
- **CONSENT AGENDA:**

    A. **Approval of Minutes.** CITY CLERK

    B. **Change in the Income Guidelines for CDBG Emergency Repair and HOME Weatherization.** COMMUNITY & NEIGHBORHOOD SERVICES

    C. **To Impose an Upfront Fee for the CDBG Emergency Repair Program.** COMMUNITY & NEIGHBORHOOD SERVICES

    D. **Moratorium on Fees for 2012 Vacant Buildings.** PLANNING & ECONOMIC DEVELOPMENT

    E. **Donation Programs for 2011 Individual Income Tax Returns.** INCOME TAX

    F. **Extension of Temporary Employment Services Agreement.** CITY MANAGER

    G. **Payrolling Services Agreement.** CITY MANAGER

- **PUBLIC HEARINGS:**
- **COMMUNICATIONS:**
- **CITY MANAGER'S REPORT:**
- **UNFINISHED BUSINESS:**
- **NEW BUSINESS:**

    A. **Approval of Sale of City-Owned Home at 1201 Ransom.** COMMUNITY &

NEIGHBORHOOD SERVICES

B. **<u>Approval of Sale of City Owned Home at 1581 Division.</u>** COMMUNITY & NEIGHBORHOOD SERVICES

C. **<u>Vacant Building Registration Ordinance Amendment.</u>** PLANNING & ECONOMIC DEVELOPMENT

D. **<u>Transmittal of 6/30/11 *Comprehensive Annual Financial Report.*</u>** FINANCE

E. **<u>First Quarter 2011-12 Budget Reforecast.</u>** FINANCE

F. **<u>Consideration of 2012 COLA for Retirees.</u>** FINANCE

- **ANY OTHER BUSINESS:**
- **PUBLIC PARTICIPATION:**

- ***Reminder: Individuals who would like to address the City Commission shall do the following:***
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission.
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

- **CLOSED SESSION:**
- **ADJOURNMENT:**

ADA POLICY: The City of Muskegon will provide necessary auxiliary aids and services to individuals who want to attend the meeting upon twenty four hour notice to the City of Muskegon. Please contact Ann Marie Cummings, City Clerk, 933 Terrace Street, Muskegon, MI 49440 or by calling (231) 724-6705 or TTY/TDD: dial 7-1-1 and request a representative to dial (231) 724-6705.

Date: October 25, 2011

To: Honorable Mayor and City Commissioners

From: Ann Marie Cummings, City Clerk

RE: Approval of Minutes

SUMMARY OF REQUEST: To approve minutes of the October 10th Commission Worksession Meeting and the October 11th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

CITY OF MUSKEGON
CITY COMMISSION WORKSESSION
October 10, 2011
5:30 p.m.

MINUTES

2001-72
Meeting was called to order at 5:30pm.
Present: Mayor Warmington, Vice-Mayor Gawron; Commissioners Spataro, Shepherd, Wierengo, Wisneski.
Excused: Commissioner Carter

1. Vacant Building Ordinance, Fees, and Conditional Fee Moratorium Extension.

The Commission discussed revisiting the Vacant Building Ordinance at a later date after the Planning Commission has reviewed and recommended appropriate changes.

2. Approval of Contractor for Construction of House at 1543 Hoyt.

Staff's recommended choice for the Contractor for construction of house at 1543 Hoyt was discussed and approved.

3. 2011 Parking Fine Adjustments.

Staff's recommended increase in parking violation fines for Level I, II, and III was discussed and approved.

4. Five-Year Contract for Copiers/Printers.

Staff's recommended choice for copiers was discussed and approved.

The meeting adjourned at 6:15pm.

Ann Marie Cummings, MMC
City Clerk

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 11, 2011

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, October 11, 2011.

Mayor Warmington opened the meeting with a prayer from Pastor Josh Dear from the Lakeside Baptist Church after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioners Lawrence Spataro, Sue Wierengo, Steve Wisneski, Chris Carter, and Clara Shepherd, City Manager Bryon Mazade, City Attorney John Schrier, and Deputy City Clerk Linda Potter.

2011-73 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the City Commission Meeting that was held on Tuesday, September 27, 2011.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of minutes.

B. Approval of Contractor for Construction of House at 1543 Hoyt. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the contract with Jerry Kramer, 123 Fruitport Road, Spring Lake, for the construction of the new home to be located at 1543 Hoyt for the cost of $117,075.

This new construction is being financed with Neighborhood Stabilization funds from the Michigan State Housing Development Authority. After the new construction is completed, the home will be marketed to sell to an eligible homebuyer with an annual income less than 120 percent of the area median income. The City obtained and demolished the original house at 1543 Hoyt with

Neighborhood Stabilization Program funds. The City received six bids as listed on the spreadsheet.

FINANCIAL IMPACT: Complete funding for the project will be covered from the Neighborhood Stabilization Program funds.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval for the Community and Neighborhood Services office to develop a contract with Jerry Kramer and direct the Mayor and Clerk to sign the contract.

C. **West Michigan Metropolitan Transportation Plan (WestPlan) Dues, FY 2012 (October 1, 2011 – September 30, 2012).** CITY MANAGER

SUMMARY OF REQUEST: To approve the City of Muskegon's portion of the WestPlan dues, payable to West Michigan Shoreline Regional Development Commission. This agency determines projects and distributes federal transportation funds.

FINANCIAL IMPACT: $16,040.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve this request.

D. **Liquor License Request from Muskegon Liquors, Inc., 860 W. Sherman.** CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Muskegon Liquors, Inc. to transfer ownership of 2011 SDD and SDM Licensed Business located at 860 W. Sherman from Lighthouse Beverages, L.L.C.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

E. **Consideration of Bids for the Reconstruction of Dale Avenue, Peck to Clinton.** ENGINEERING

SUMMARY OF REQUEST: Award the project to McCormick Sand Inc. out of Twin Lake, MI. McCormick Sand Inc. submitted the lowest responsible bid of $72,911.50.

FINANCIAL IMPACT: The construction cost of $72,911.50 plus engineering cost which is estimated at an additional 15%.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Award the contract to McCormick Sand Inc.

F. **2011 Parking Fine Adjustments.** FINANCE

SUMMARY OF REQUEST: Parking violation fines were last adjusted in 2006. Staff proposes increasing base fines (for Level I, II, III parking violations) by $2.50 to bring us in line with other communities in the area and move all fines to whole dollar amounts.

FINANCIAL IMPACT: Staff anticipates the revised parking fine structure will generate $15,000 in revenue.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Approval of the recommended increases in parking fines effective immediately.

G. <u>Five-Year Contract for Copiers/Printers.</u> FINANCE

SUMMARY OF REQUEST: The City's current contract for copiers/printers expires in December. Staff recently conducted a review process to identify the company best suited to meet the City's document management needs for the next five-years. This process included in-depth interviews with six companies conducted by a panel of City staff. Companies were ranked by the panel <u>prior</u> to the opening of price proposals. Rather than simply focusing on replacing the current equipment fleet at the lowest cost, we focused instead on finding the company that could provide the *best overall value* to the City in terms of analyzing our needs and recommending cost-effective and flexible document management solutions for our rapidly changing organization.

Following is a summary of the results of this process, including comparative pricing *for replacement of the current equipment fleet.* Staff is recommending that **Applied Imaging** be selected and that staff be authorized to work with them to modify and optimize the copier and printer equipment placed at the City.

Company	Presentation Ranking	Per Copy B&W	Per Copy Color	Est. Annual Cost B&W 1,100,000	Est. Annual Cost Color 100,000	TOTAL
Applied Imaging	**1***	**$0.03540**	**$0.05900**	**$38,940**	**$5,900**	**$44,840**
Adams Remco	2**	$0.02950	$0.08600	$32,450	$8,600	$41,050
Canon	3***	$0.03403	$0.04900	$37,433	$4,900	$42,333
Office Machines	Not in Top 3	$0.05000	$0.06000	$55,000	$6,000	$61,000
CopyTech	Not in Top 3	$0.03659	$0.05000	$40,249	$5,000	$45,249
MOS	Not in Top 3	$0.02890	$0.05500	$31,790	$5,500	$37,290

*5 – 1st place votes; 2 – 2nd place votes; 2 – 3rd place votes
**2 – 1st place votes; 4 – 2nd place votes; 1 – 3rd place votes
***2 – 1st place votes; 2 – 2nd place votes; 3 – 3rd place votes

FINANCIAL IMPACT: Staff anticipates the new contract will save $40,000 per year over current costs. In large part this is due to lower copy/printing volumes and reduced equipment needs as staff has downsized and technology has made document scanning/distribution more pervasive.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Authorize staff to enter into a five-year agreement with Applied Imaging.

H. **<u>Selection of Vinyl Siding Supplier for Fiscal Year 2011 – 2012.</u>** COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the Community and Neighborhood Services department's selection of the Vinyl Siding Supplier for 2011-2012 fiscal year. After reviewing all bids, the department selected the bid from Keene Lumber, located at 346 W. Laketon Avenue, Muskegon, MI, for the price of $48 per building square for white and $51.50 per square for color. The City received four bids.

FINANCIAL IMPACT: Funding will be disbursed from the 2011 – 2012 Community Development Block Grant Vinyl Siding fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request.

I. **<u>Selection of Vinyl Siding Installer for Fiscal Year 2011 – 2012.</u>** COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve Community and Neighborhood Services to sign a contract with Mark Tucker Construction, 9121 Holton Road, Holton, MI to install vinyl siding at an agreed price of $42 per building square for Vinyl Siding Program's 2011-2012 fiscal year. Last year's price was $50 per building square. The City received three bids.

FINANCIAL IMPACT: Funding will be disbursed from the 2011 – 2012 Community Development Block Grant Vinyl Siding fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request.

Motion by Commissioner Carter, second by Commissioner Wierengo to approve the Consent Agenda as read.

ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: None

MOTION PASSES

2011-74 PUBLIC HEARINGS:

A. **<u>Request for an Industrial Facilities Exemption Certificate for Fleet Engineers.</u>** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, Fleet Engineers, 1981 Port City Blvd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The company plans on making investments of $1,416,550 in personal property improvements and $650,500 in real property improvements. Under the City's IFT policy, they are eligible for a 12-year abatement on real property and a 7-year abatement on personal property.

FINANCIAL IMPACT: The City will capture certain additional property taxes generated by the expansion.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years on real property and 7 years on personal property.

The Public Hearing opened to hear and consider any comments from the public. Comments were heard from Mr. Wes Eklund, 41 Seminole Road, President of Fleet Engineers.

Motion by Vice Mayor Gawron, second by Commissioner Spataro to close the Public Hearing and approve the request for an Industrial Facilities Exemption Certificate for a term of 12 years on real property and 7 years on personal property for Fleet Engineers.

ROLL VOTE: Ayes: Wierengo, Wisneski, Carter, Gawron, Shepherd, Spataro, and Warmington

Nays: None

MOTION PASSES

2011-75 NEW BUSINESS:

A. <u>Youth Basketball League and Open Gym Proposal – Muskegon Public Schools.</u> PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The City of Muskegon contracted with the Muskegon Public Schools for the 2010-2011 school year to provide management of the Youth Basketball League and Open Gym & Swim (formerly supervised by the City Leisure Services Department). The program was successful and the Schools would like to manage the program for the 2011-2012 school year. In fact, they are prepared to start the program this October. The Commission is requested to approve the proposal and authorize staff to enter into an agreement with the Schools for oversight of the basketball program and the Open Gym program.

FINANCIAL IMPACT: The actual program cost was greater than expected in 2010-2011, particularly due to the costs of keeping the pool available for Open Swim (due to State requirements for a pool custodian, cleaning locker rooms, and lifeguards). However, the Schools can maintain the 2010-2011 costs of $18,500, if there is no Open Swim.

BUDGET ACTION REQUIRED: Funds are available through the Leisure Services budget.

STAFF RECOMMENDATION: To approve the "Youth Basketball League and Open Gym Proposal" and authorize staff to enter into a formal agreement with the Schools.

Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the Youth Basketball League and Open Gym Proposal as outlined between City of Muskegon and Muskegon Public Schools.

ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo

Nays: None

MOTION PASSES

ANY OTHER BUSINESS: Various comments were heard from the Commission.

2011-76 CLOSED SESSION: To Discuss Pending Litigation.

Motion by Commissioner Carter, second by Commissioner Shepherd to go into Closed Session to discuss pending litigation.

ROLL VOTE: Ayes: Carter, Gawron, Shepherd, Spataro, Warmington, Wierengo, and Wisneski

Nays: None

MOTION PASSES

Motion by Commissioner Shepherd, second by Commissioner Carter to come out of Closed Session.

VOTE: All Ayes.

ADJOURNMENT: The City Commission Meeting adjourned at 6:10 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk

Commission Meeting Date: **October 25, 2011**

Date: **October 6, 2011**

To: **Honorable Mayor and City Commission**

From: **Community and Neighborhood Services Department**

Re: **Change in the Income Guidelines for CDBG Emergency Repair and HOME Weatherization**

SUMMARY OF REQUEST: To approve Community and Neighborhood Services to change the Income Guidelines for all CDBG programs and HOME Weatherization programs to 60% Area Median Income (AMI).

CDBG and HOME Weatherization programs are similar in regard to repairs provided with grant funds. It will benefit if staff provides a uniform income calculation range for each of our programs: Emergency Repair, Weatherization and Vinyl Siding.

FINANCIAL IMPACT: We have moved all senior head of households to the Weatherization program in order to accommodate any additional families between 50 – 60% AMI.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve request.

COMMITTEE RECOMMENDATION: The proposal has already been approved by the Citizen's District Council at their October 4, 2011 meeting.

Muskegon-Norton Shores - FY 2011 Income Limits
As of August 2011

MFI $54,200

		1	2	3	4	5	6	7	8
NA Extremely Low	20%	$7,860	$8,980	$10,100	$11,220	$12,120	$13,020	$13,920	$14,820
NA Very Low	30%	$11,800	$13,500	$15,200	$16,850	$18,200	$19,550	$20,900	$22,250
NA Very Low	40%	$15,720	$17,960	$20,200	$22,440	$24,240	$26,040	$27,840	$29,640
Emergency Very Low	50%	$19,650	$22,450	$25,250	$28,050	$30,300	$32,550	$34,800	$37,050
Vinyl Siding Low	60%	$23,580	$26,940	$30,300	$33,660	$36,360	$39,060	$41,760	$44,460
NA Low	70%	$27,510	$31,430	$35,350	$39,270	$42,400	$45,570	$48,720	$51,870
HOME Low	80%	$31,450	$35,950	$40,450	$44,900	$48,500	$52,100	$55,700	$59,300
NA	100%	$39,300	$44,900	$50,500	$56,100	$60,600	$65,100	$69,600	$74,100
NSP*	120%	$47,160	$53,880	$60,600	$67,320	$72,720	$78,120	$83,520	$88,920

*Muskegon and Muskegon Heights only

O:\CNS\COMMON\INCOME LIMITS\2011 income limits 8-2011

Commission Meeting Date: **October 25, 2011**

Date: **October 6, 2011**

To: **Honorable Mayor and City Commission**

From: **Community and Neighborhood Services Department**

Re: **To Impose an Upfront Fee for the CDBG Emergency Repair Program**

SUMMARY OF REQUEST: To approve Community and Neighborhood Services to charge an upfront fee of $250 for all Emergency Repair Program recipients who's Area Median Income (AMI) is above 50% up to and including 60% AMI.

We can assist our underserved families in need of assistance if we increase the income requirement to 60% AMI. The additional number of families that we service between 50 – 60% AMI will contribute to our funding pot by $250 per family.

FINANCIAL IMPACT: This will produce program income for the CDBG Emergency Repair program.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve request.

COMMITTEE RECOMMENDATION: The proposal has already been approved by the Citizen's District Council at their October 4, 2011 meeting.

Commission Meeting Date: October 25, 2011

Date: October 14, 2011

To: Honorable Mayor & City Commission

From: Planning & Economic Development Department

RE: Moratorium on fees for 2012 Vacant Buildings

SUMMARY OF REQUEST: Request to approve a moratorium on fees charged to owners of vacant buildings that are entering their fourth year billing cycle in 2012. Eligibility requirements for the moratorium of fees charged are proposed with some minor changes to criteria three, but intended to apply only to buildings in their fourth year billing cycle. Waivers would be determined based on the criteria included on the attached staff memo.

FINANCIAL IMPACT: Exact amount unknown but should be minimal.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Staff recommends approval of a fee moratorium for vacant building invoices meeting the approved criteria.

COMMITTEE RECOMMENDATION: None

Vacant Building Registration Moratorium on 4th year fees.

A proposed billing moratorium could be initiated for the year of 2012, impacting all structures that are about to enter their fourth vacant building billing cycle. This moratorium would apply only to structures that meet certain criteria to insure that the structure is being properly maintained and the owners are current on all their responsibilities to the various city departments.

The criteria staff feels a vacant building would have to meet to qualify for a moratorium of fee are:

1. All taxes & fees, such as mowing charges, vacant building registration, landlord registrations, business registrations and any other applicable fees, must be fully paid and current.
2. All city supplied utilities for the property must be fully paid.
3. There were no ***more than 2*** environmental letters sent to the address ***with no*** ~~or~~ work ***being*** performed at the address in the vacancy years in question.
4. The building owner can demonstrate that they have made recent investments in the vacant building during the vacancy period or in the case of a building in good condition, they have continued to provide the necessary financial support for the building to be in usable and move-in condition.
5. The property has been listed during the vacancy period and is still currently listed for sale with a professional realty firm.

Due to the complexities of the overall program, city staff would utilize our current appeal process to administer the moratorium and the owners that feel they qualify would be required to apply for the moratorium after being billed. To make the public aware of this opportunity, we would have to mail a notice to each qualified owner informing them of the moratorium and its requirements to qualify. If the owner felt they could meet the criteria, they would apply with supporting documentation, if they do not meet the criteria we would hope they would not apply for it and consume staff time with the reviews.

Because of the criteria that must be met and the large number of structures that we will be billing, staff would not be able to review all the invoices prior to billing. We simply do not know if all of the structures can meet the criteria and we do not have the staff to make those determinations in advance.

Using the appeal process, staff can make the determination by requiring the owner to provide some of the above listed information and this will cut down on staff time spent. Even so, this will substantially increase the amount of time staff must spend processing paperwork for this program.

AGENDA ITEM NO.____________

CITY COMMISSION MEETING____________

TO: HONORABLE MAYOR AND CITY COMMISSIONERS

FROM: Kenneth D. Grant, Income Tax Administrator

DATE: October 17, 2011

RE: Donation programs for 2011 Individual Income Tax Returns

SUMMARY OF REQUEST:

Approval of multiple donations programs for the 2011 income tax returns. Every year our goal is to increase the number of refunds donated to our designated programs. Last year, 480 taxpayers donated their refunds to our donation programs for a grand total of $2,696.00.

For the 2010 the three donation programs are Lakeshore Trail Improvements, Muskegon Recreational Center, & the Downtown Main Street.

FINANCIAL IMPACT:

The average amount collected each year is $2,100.00. Each donated refund saves the city approximately $1.25 in checks fees and postage.

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Approval recommended

COMMITTTEE RECOMMENDATION:

AGENDA ITEM NO. ____________________

CITY COMMISSION MEETING ____________________

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: October 19, 2011

RE: Extension of Temporary Employment Services Agreement

SUMMARY OF REQUEST:
To approve a one-year contract extension with Beacon Services, Inc. for temporary employment services. The current agreement expires at the end of the year and has an option for a one-year extension.

FINANCIAL IMPACT:
Costs for services are budgeted by individual departments.

BUDGET ACTION REQUIRED:
None.

STAFF RECOMMENDATION:
To approve the agreement with Beacon Services, Inc. and authorize the City Manager and City Clerk to execute it.

COMMITTEE RECOMMENDATION:
None.

CITY OF MUSKEGON
ONE YEAR EXTENSION CONTRACT FOR TEMPORARY EMPLOYMENT SERVICES

This Agreement is effective on this _28_th day of September, 2011, between City of Muskegon, a Michigan municipal corporation, of 933 Terrace Street, Muskegon, MI 49443 ("City"), and, Beacon Services, Inc., of 4595 Broadmoor, SE Suite 180, Grand Rapids, MI 49512 ("Contractor"), with reference to the following facts:

Background

A. City requested sealed bid proposals from temporary staffing service providers to provide temporary employees to City within the Public Works Division, Parks, Cemetery and Highway Departments, the Leisure Services Department as well as to provide general office and clerical services, and other areas within the City as deemed necessary by City.

B. Contractor submitted a bid proposal to provide contract help for temporary work for the City, on an as needed basis, in the named departments, general office and clerical services, and other areas as deemed necessary by City.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. **Inclusion of Additional Agreements.** This Agreement includes, but may not be limited to the following:

a. Invitations to bid and instructions to bidders;

b. All descriptions of services not included in this Agreement but used in connection with the bidding process;

c. The bid proposal and any requirement included with or attached to the bid documents and this Agreement; and

d. Any specifications used in connection with this Agreement.

This Agreement, together with the documents described above, constitutes the Agreement between the parties and shall be considered as part of the Agreement as if attached or repeated herein.

In the event that there are inconsistencies within the Agreement, the Contractor shall immediately notify the City, in writing, for a determination, interpretation, clarification and/or prioritization of the inconsistencies.

2. **Services.** Contractor shall provide the following services relating to providing temporary employees for any city department.

a. **Pre-employment Selection.** Subsequent to City identifying a position for temporary employment, Contractor to review the credentials of each employee assigned to the City to confirm employee's ability to accomplish the essential functions of the position for which they will be assigned. City shall also have the right to review each employee's credentials and verify the employee's suitability for the assigned position. The City shall have the right to reject use of an employee in the event City finds the employee unfit for the position assigned.

b. **Background Screening.** Contractor shall perform an initial background check on each employee assigned to the City. The City may perform additional background checks as necessary.

c. **Drug Screening Program.** Contractor shall perform 5-panel urine drug screens on all employees.

3. **Equipment.** The City shall supply all safety equipment mandated for its employees while on assignment with the City.

4. **Expenses.** Contractor shall be responsible to pay for all expenses incurred by Contractor related to the performance of its duties under this Agreement and for all compensation owed to its workers.

5. **Contract Price.** City agrees to pay Contractor, in full consideration for the complete performance of Contractor's obligations under this Agreement, the amount set forth in the Contractor's bid proposal and as follows:

Mark-up for Playground Leaders, Assistant Park Supervisor,
Laborers, and Park Rangers…………………………………38.13%

Mark-up for Lifeguards and Beach Maintenance Worker…..45.10%

Office and Professional Temporaries……………………….36.60%

Fire Fighters…………………………………………………50.0%

Discount to City for ACH payment per contractor's terms… 1%

The City agrees to accept the cost of any increase in statutory tax or insurance, i.e., FICA, Medicare, FUI/FUTA, SUI/SUTA and Workers' Compensation costs. Similarly, any savings resulting from any decrease in cost of the specified statutory tax or insurance will be credited to the City should any of those taxes or insurance costs go down.

The above rates are modified by the Payrolling Services Agreement.

6. **Assignments.** Work assignments are determined on an as-needed basis.

7. **Work Orders.** City shall submit work orders on an as-needed basis.

8. **Payment.** Requests for payment shall be submitted on a detailed invoice to the City on a weekly basis.

9. **Specific Reservations.** City reserves the right to discontinue its use of temporary employees as it determines appropriate.

10. **Terms and Termination.** This Agreement shall be effective beginning January 1, 2012, and shall remain in full force and effect through December 31, 2012, with an option to renew for an additional term of one year, if mutually agreed upon by both parties as memorialized in a written and signed agreement.

11. **Commencement and Damages.**

a. **Commencement.** Contractor shall commence performance under this Agreement upon its execution.

Contractor's failure to fill available positions for lifeguards and park rangers needed on or after Memorial Day will be considered a violation and breach of this agreement. In addition, if the City submits a work order indicating that a position absolutely must be filled by a specific date and said work order is submitted seven (7) days in advance of the specified date, the Contractor's failure to fill said position is a violation and breach of this Agreement. In the event of such a default of the Agreement, Contractor shall pay to the City the sum of $200 for each and every calendar day that the Contractor is in default. The amount of damages shall not be construed as a penalty, but to ensure the City's ability to provide substituted services and costs associated with that default. City shall determine its damages after conducting an investigation.

b. The full amount of damages incurred shall be deducted from payment to Contractor.

The City shall notify Contractor of each violation of the Agreement reported to City. It shall be the duty of Contractor to remedy the cause of the complaint. Failure of Contractor to take remedial measures shall be considered a breach of the Agreement, and for the purpose of computing damages under the provisions of this section, it is agreed that City may deduct from payments due or to become due to Contractor the City's cost to remedy or substitute performance.

Failure to perform pursuant to this Agreement for a period in excess of three (3) consecutive, scheduled, working days, or failure for a similar period, to perform in the manner required, and provided such failure is not a result of war, insurrection, riots, or acts of God, the City may, at its option and after written notice to Contractor, utilize any or all of Contractor's equipment used in performance of this Agreement until such time the matter is resolved and the Contractor is performing under the terms of the Agreement.

Any and all expenses incurred by City during such time may be deducted from payments due or to become due to Contractor.

Should Contractor be unable to resume performance at the close of ten (10) calendar days, all liability of the City under this Agreement shall cease and City shall be free to negotiate with other contractors for the performance of work. Any contract thereby entered into with another contractor shall not release Contractor from liability to City for breach of this Agreement.

c. **Appeal.** The City's determination regarding damages shall be final and binding on both parties, unless appealed, in writing to the City Manager or his designee within ten (10) working days after notice. The City Manager or his designee shall grant Contractor an informal hearing upon such request. The decision of the City Manager shall be final and binding.

d. **Waiver.** City may waive all or any portion of damages without prejudicing its rights under this Agreement.

12. **Insurance and Indemnity.**

a. **Hold Harmless Agreements.** To the fullest extent permitted by law, Contractor agrees to defend, pay on behalf of, indemnify, and hold harmless the City, its elected and appointed officials, employees, volunteers, and others working on behalf of the City against any and all claims, demands, suits, or losses, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City, its elected and appointed officials, employees, volunteers, or others working on behalf of the City, arising out of or is any way connected or associated with this contract. The obligation to defend and hold harmless extends to City's employees, agents, subcontractors, assigns and successors.

b. **City Insurance Requirement.** Contractor shall not commence work under this contract until obtaining the insurance required under this paragraph. All coverages shall be with insurance companies licensed and admitted to do business in the State of Michigan and Best Rated A VIII. All coverage shall be with insurance carriers acceptable to City.

c. **Workers' Compensation Insurance.** During the life of this contract Contractor shall procure and maintain Workers' Compensation Insurance in an amount not less than $1,000,000, including Employers Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

d. **Vehicle Liability Insurance.** During the life of this contract, Contractor shall procure and maintain vehicle liability insurance in accordance with all applicable statutes of the State of Michigan.

e. **Commercial General Liability Insurance.** During the life of this contract, Contractor shall procure and maintain commercial general liability insurance on an "Occurrence Basis" with limits of liability not less than $1,000,000 per occurrence and/or aggregate combined single limit, Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent; (E) Deletion of all Explosion, Collapse and Underground (SCU) exclusions, if applicable.

f. **Additional Insured.** Commercial General Liability Insurance, as described above, shall include an endorsement stating the following shall be "Additional Insureds": The City, all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof. The endorsement adding City as additional insured shall read exactly as follows: "The City of Muskegon is hereby added as an additional insured…"

g. **Cancellation Notice.** Workers' Compensation Insurance and Commercial General Liability Insurance, as described above, shall include an endorsement stating the following: "It is understood and agreed that Thirty (30) days' Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Change shall be sent to: CITY OF MUSKEGON CITY MANAGER.

h. **Proof of Insurance Coverage.** Contractor shall provide the City at the time the contracts are returned for execution, certificates and policies endorsing the City as additional insured as listed below:

i. Two (2) copies of Certificate of Insurance for Workers' Compensation Insurance, if applicable;

ii. Two (2) copies of Certificate of Insurance for Commercial General Liability Insurance; and

iii. If so requested, Certified Copies of all policies mentioned above will be furnished.

i. If any of the above coverages expire during the term of this contract, Contractor shall deliver renewal certificates and/or policies to City at least ten (10) days prior to the expiration date.

13. **Income Tax Withholding.** Contractor shall withhold income taxes from each employee who is subject to such withholding, and pay such tax in accordance with the City of Muskegon Income Tax Ordinance and all applicable laws associated with that ordinance. Contractor shall require the same from each subcontractor, consultant or vendor used in the performance of his duties and obligations in this Agreement. City reserves the right to withhold payments otherwise due to Contractor to assure compliance with this Agreement or to cure such noncompliance.

14. **General Provisions.**

a. **Notices.** Any notice that either party may give or is required to give under this Agreement shall be in writing, and, if mailed, shall be effective on the day it is delivered to the other party at the other party's address set forth in this Agreement or at any other address that the other party provides in writing. Notices given in person are effective on the day they are given.

b. **Governing Law.** This Agreement is executed in accordance with, shall be governed by, and construed and interpreted in accordance with, the laws of the State of Michigan.

c. **Assignment or Delegation.** Neither party shall assign all nor any portion of its rights and obligations contained in this Agreement without the express prior written approval of the other party, which approval may be withheld in the other party's sole discretion.

d. **Entire Agreement.** This Agreement shall constitute the entire agreement, and shall supersede any other Agreements, written or oral, that may have been made or entered into, by, and between the parties with respect to the subject matter of this Agreement, and shall not be modified or amended except in a subsequent writing signed by the party against whom enforcement is sought.

e. **Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of, and be enforceable by, the parties and their respective legal representatives, permitted successors, and assigns.

f. **Non-Waiver.** No waiver by any party of any provision of this Agreement shall constitute a waiver by such party of such provision on any other occasion or a waiver by such party of any other provision of this Agreement.

g. **Severability.** Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not in any way be impaired or affected.

h. **Venue.** The parties agree that, for purposes of any dispute in connection with this Agreement, the Muskegon County Circuit Court shall have exclusive personal and subject matter jurisdiction and venue.

i. **Survival.** All representations, warranties, and covenants in this Agreement shall survive the signing of this Agreement.

City and Contractor have executed this Agreement on the date written next to their signatures to be effective according to the term(s) stated in this document.

City –

Date: ___________, 2011

CITY OF MUSKEGON

By:________________________________
Bryon L. Mazade
City Manager

And:_______________________________
Ann Marie Cummings, MMC
City Clerk

Contractor –

Date: ___________, 2011

By:__________________________________
Mark D, Zacha

Its: President

AGENDA ITEM NO. ____________________

CITY COMMISSION MEETING ____________________

TO: Honorable Mayor and City Commissioners

FROM: Bryon L. Mazade, City Manager

DATE: October 19, 2011, 2011

RE: Payrolling Services Agreement

SUMMARY OF REQUEST:
To approve an agreement for Beacon Services, Inc. to provide payrolling services to the City. This enables Beacon to be the employer of record for employees assigned to the City.

FINANCIAL IMPACT:
Costs are budgeted by individual departments.

BUDGET ACTION REQUIRED:
None.

STAFF RECOMMENDATION:
To approve the attached agreement with Beacon Services, Inc. and authorize the City Manager to execute it.

COMMITTEE RECOMMENDATION:
None.

BEACON SERVICES, INC.

CLIENT PAYROLLING SERVICES AGREEMENT

This Payrolling Services Agreement is made by and entered this day _30th[h]_ of, September 2011 between Beacon Services, Inc., (herein called "Beacon") with its headquarters located at 4595 Broadmoor, SE, Suite 180, Grand Rapids, MI 49512 and the City of Muskegon (herein called "CLIENT") located at 933 Terrace, Muskegon, MI 49443.

Recitals

WHEREAS, Beacon is engaged to provide payrolling services as the employer of record for the Payrolled Employees sourced by CLIENT.

WHEREAS, CLIENT desires to engage Beacon to provide such services:

NOW, THEREFORE, in consideration of the promises, and of the mutual covenants hereinafter set forth, and intending to legally bound hereby, the parties hereto agree as follows:

1. Beacon Services, Inc., Responsibilities

1.1 Employer of Record Service

Beacon agrees to assume full responsibility for paying, withholding, transmitting payroll taxes; making unemployment contributions; and handling unemployment and worker's compensation claims involving assigned employees.

1.2 Insurance

Certificate of Insurance is available upon Client's request.

- Statutory Worker's Compensation Insurance
- Commercial Liability Insurance
- Professional Liability
- Crime insurance in amounts deemed sufficient

2. Client Responsibilities

2.1 Timecard Authorization Terms and Conditions

By approving employee timecards, the following certifications are made:

- CLIENT understands that the employee is the general employee of Beacon on assignment with CLIENT, and performed services at CLIENT's direction.
- The hours worked by the employee are correct.
- The work was performed in a satisfactory manner.
- CLIENT did not entrust Beacon employee with cash, negotiable instruments, or other valuables, or unintended premises. (waived in writing for certain positions)
- CLIENT did not permit Beacon employee to operate machinery (except standard office equipment) or motor vehicles without prior written consent of Beacon.
- CLIENT acknowledges that insurance carried by Beacon does not cover loss or damage caused by employees operating client's owned or leased motor vehicles and that client shall be fully liable and responsible for any claims involving any damage including but not limited to bodily injury, property damage, fire, theft, collision, cargo damage, or public

liability arising from the use by a Beacon employee of such vehicle including the defense of any such claims.

2.2 Limitations on Employee Activities

Unless *CLIENT* has obtained prior written consent from Beacon, the client shall not allow employee to perform any of the following job related activities listed below:

- Driving an automobile or other motor vehicle;
- Operating machinery other than office equipment;
- Handling cash, securities or other valuables;
- Working on boats near or on the water;
- International Travel

If prior written consent is not obtained, *CLIENT* agrees to waive all rights to make a claim against Beacon, and to relieve Beacon from all liability and responsibility for any damage, loss, or expense which CLIENT incurs as a result of the employee engaging in such activities.

2.3 Safety

Safety regulations are as follows:

- CLIENT will notify Beacon should an employee's job classification change
- CLIENT shall not expose any Beacon employees to hazardous conditions and not violate any OSHA or safety law, rule or regulation whether federal, state or local.
- CLIENT will provide safety, hazardous communication and operational instructions in the same manner as all employees located at your site are required to receive.
- Employee use of alcoholic beverages or drugs is strictly forbidden. CLIENT will notify Beacon immediately if an employee appears intoxicated or impaired.
- CLIENT will provide Beacon employees with all appropriate safety equipment if required.
- CLIENT will notify Beacon immediately in the event of an accident or injury and will complete the Beacon Accident Investigation forms as requested.

3. Billing

3.1 Rates

CLIENT designates the pay rate to the employee on the *Payroll Staffing Request* form. The mark up above the pay rate includes applicable payroll taxes, FICA, Medicare, FUTA, and SUTA taxes and insurances including workers' compensation insurance.

- Mark up %: 34% for clerical positions/management positions
- Drug screening: $25
- Background checks: $69

These rates are effective through 01/01/13 and may be adjusted, as Worker's Compensation and SUTA rates may change at the first of the year.

3.2 Establishing Your Account

- A completed credit application is required prior to the start of service.
- Beacon will run a credit report for verification of your company's sound credit history.
- Beacon's preferred method of payment is electronically. We will assist in setting this process up for weekly payments.

3.3 Invoicing

Weekly Beacon will invoice CLIENT via email for the total hours on the employee's timecard in accordance with price and payment terms set forth in this agreement.

3.4 Payment

- Payment terms are Due Upon Receipt. Beacon offers a discount of 1% on all invoices paid the same week by electronic ACH.
- Electronic and ACH payments should be scheduled for the same week as Beacon's employee is paid for the prior week(s).
- Service charge of 1½% per month is charged on past due amounts.

5. General Provisions

This agreement shall be governed by Michigan law. If suit is brought on any claim relating to this agreement, such suit shall be filed and prosecuted in Muskegon, Michigan.

If any party commences an action or proceeding to enforce or interpret any of the provisions of this agreement, the prevailing party shall be awarded costs and reasonable attorneys' fees incurred in such action or proceeding.

This agreement constitutes the entire agreement between the parties pertaining to the subject matter herein and supersedes any and all prior or contemporaneous agreements and representations. This agreement may be modified only in a writing signed by the parties.

6. Term of Agreement

The term of this agreement will commence on the date signed by both *CLIENT* and Beacon. *CLIENT* may end an employee assignment with adequate notice for Beacon to prepare final paychecks. Beacon reserves the right to terminate the contract immediately in cases of non-payment.

Beacon requests you treat these terms as confidential.

Agreed and Accepted:

CLIENT	Beacon Services, Inc.
Name:____________________________	Name:_______________________
Title_______________________________	Title:_________________________
Date:______________________________	Date:_________________________

Commission Meeting Date: October 25, 2011

Date: October 14, 2011

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

RE: Approval of Sale of City-owned home at 1201 Ransom

SUMMARY OF REQUEST: To approve the attached resolution and instruct the Community and Neighborhood Services department to complete the sales transaction between Mr. Andre Coffee for the totally rehabilitated home at 1201 Ransom Street, which is part of the City's Neighborhood Stabilization Program (NSP) through the Michigan State Housing Development Authority Office of Community Development. Mr. Coffee's purchase price is $61,000.

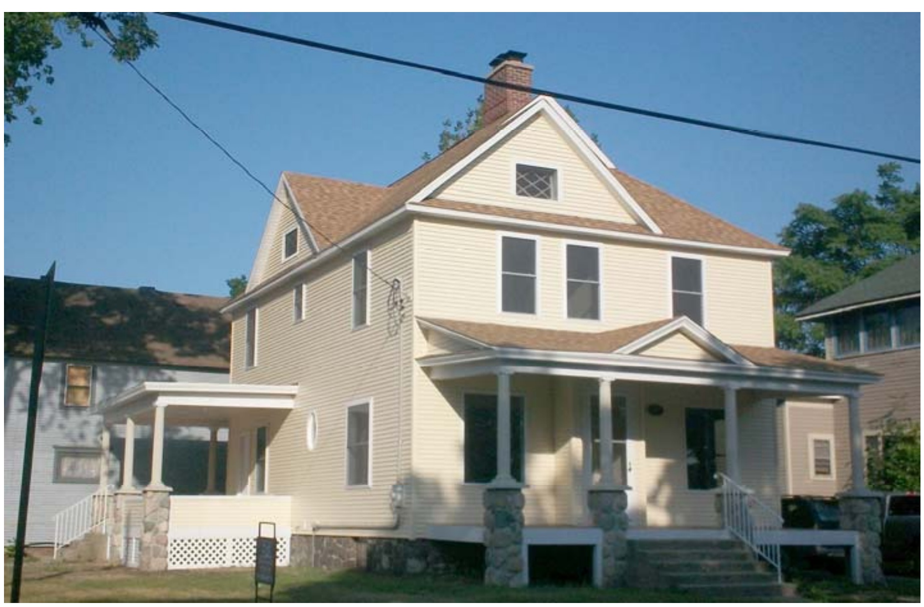
This historic three-bedroom, 2-1/2 bath home was previously foreclosed.

FINANCIAL IMPACT: The proceeds from the sale will be used to continue the rehabilitation of vacant houses through NSP to sustain our current investments to stabilize and revitalize neighborhoods.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution and direct the CNS staff to complete the sale.

COMMITTEE RECOMMENDATION: None.



MUSKEGON CITY COMMISSION

RESOLUTION TO APPROVE THE PURCHASE OF
CURRENTLY CITY-OWNED PROPERTY AT 1201 RANSOM STREET

WHEREAS, the City of Muskegon is dedicated to the redevelopment of its neighborhoods and;

WHEREAS, the City of Muskegon is dedicated to promoting high quality affordable single-family housing in the community and;

WHEREAS, the City of Muskegon is dedicated to promoting homeownership throughout its neighborhoods;

NOW THEREFORE, BE IT RESOLVED that the City Commission hereby approves the sale of 1201 Ransom Street to Andre L. Coffee of 605 Glen Oaks Drive, Muskegon. Mr. Coffee will purchase the house as an owner-occupied structure.

Adopted this 25th day of October, 2011.

Ayes:

Nays:

By ________________________________
Stephen J. Warmington, Mayor

By ________________________________
Ann Marie Cummings, MMC City Clerk

AM_Resolution

Commission Meeting Date: October 25, 2011

Date: October 18, 2011

To: Honorable Mayor & City Commission

From: Community and Neighborhood Services Department

RE: Approval of Sale of City-owned home at 1581 Division

SUMMARY OF REQUEST: To approve the attached resolution and instruct the Community and Neighborhood Services department to complete the sales transaction between Mr. Robert A. Mathis for the totally rehabilitated home at 1581 Division Street, which is part of the City's HOME Infill Program through the U. S. Department of Housing and Urban Development. Mr. Mathis' purchase price is $62,700.

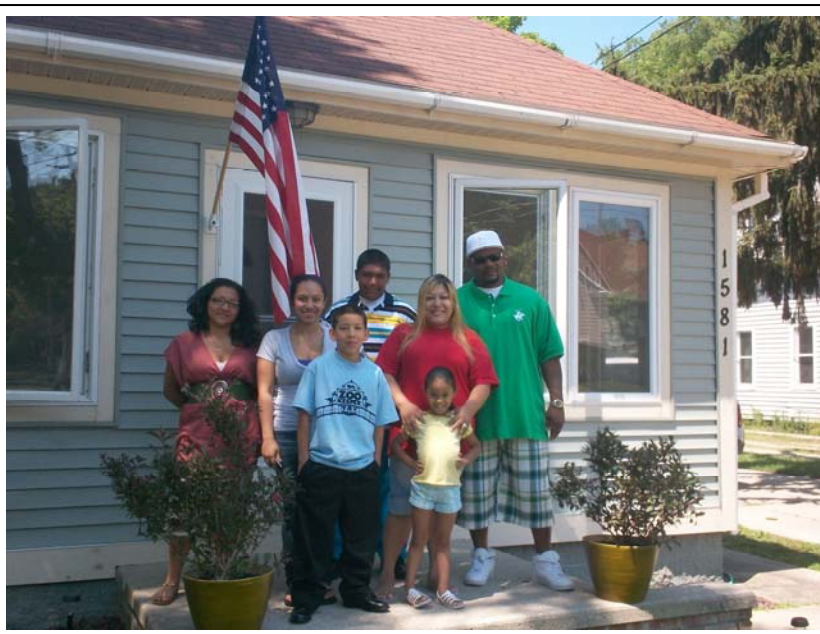
This beautiful four-bedroom, 3-bath home was bought through HUD's $1 program.

FINANCIAL IMPACT: The proceeds from the sale will be used to continue the rehabilitation of vacant houses through the HOME program to sustain our current investments to stabilize and revitalize neighborhoods.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the resolution and direct the CNS staff to complete the sale.

COMMITTEE RECOMMENDATION: None.



MUSKEGON CITY COMMISSION

RESOLUTION TO APPROVE THE PURCHASE OF
CURRENTLY CITY-OWNED PROPERTY AT 1581 DIVISION STREET

WHEREAS, the City of Muskegon is dedicated to the redevelopment of its neighborhoods and;

WHEREAS, the City of Muskegon is dedicated to promoting high quality affordable single-family housing in the community and;

WHEREAS, the City of Muskegon is dedicated to promoting homeownership throughout its neighborhoods;

NOW THEREFORE, BE IT RESOLVED that the City Commission hereby approves the sale of 1581 Division Street to Robert A. Mathis of 1581 Division Street, Muskegon. Mr. Mathis will purchase the house as an owner-occupied structure.

Adopted this 25th day of October, 2011.

Ayes:

Nays:

By ______________________________
Stephen J. Warmington, Mayor

By ______________________________
Ann Marie Cummings, MMC City Clerk

AM_Resolution

Commission Meeting Date: October 25, 2011

Date: October 14, 2011

To: Honorable Mayor and City Commissioners

From: Planning & Economic Development

RE: Vacant Building Registration Ordinance Amendment

SUMMARY OF REQUEST:

Request to amend the Code of Ordinances Chapter 10, Section 107, Annual Registration of Vacant Buildings and Registration Fees, for the purposes of adding a two-year waiver for properties that are in probate, being actively rehabbed so it may be occupied, or while a home appears to be occupied but is vacant by definition with proof of each being supplied by the property owner and the property may not be cited by any city department and all fees owed to the city are paid.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

None

STAFF RECOMMENDATION:

Staff recommends amendment of Chapter 10, Section 107, Annual Registration of Vacant Buildings and Registration Fees, for the purposes stated.

COMMITTEE RECOMMENDATION:

None

Vacant Building Ordinance changes

1. (6) *Two-year waiver.*

(iii.) Upon application by the homeowner(s) or a legal representative(s), the committee may grant a renewable two-year waiver of the registration fee. To be eligible for a two-year waiver of fee, satisfactory proof that the structure will only be temporarily vacant due to property being in probate court, being actively rehabbed to city code so it may become occupied or the structure is in good repair and has the presence that the structure is not vacant (per zoning code for allowable uses), and free of any enforcement actions by city departments. Should the structure or property not be properly maintained or in violation of city code, the waiver may be revoked by the appeal committee.

Sec. 10-107. Annual registration of vacant buildings and registration fees.

(a) *Purpose.* The purpose of this section requiring the registration of all vacant buildings, including dwellings that are subject to Chapter 10 as referenced below, and the payment of registration fees is to assist the city government, particularly the Department of Public Safety (DPS) and Planning Departments in protecting the public health, safety and welfare, to monitor the number of vacant buildings in the city, to assess the effects of the condition of those buildings on nearby businesses and the neighborhoods in which they are located, particularly in light of fire safety hazards and unlawful, temporary occupancy by transients, including illicit drug users and traffickers, and to require of the owners of such vacant buildings their registration and the payment of related fees, and to promote substantial efforts to rehabilitate such vacant buildings. The provisions of this section are applicable to the owners of such vacant buildings as set forth herein and are in addition to and not in lieu of any and all other applicable provisions of this chapter, the health and sanitation code, and any other applicable provisions of the Muskegon City Code.

(b) *Definitions and applicability; registration statement and fees.*

(1) *Definitions.* For purposes of this section, the following words and phrases shall have the meanings respectively ascribed to them as follows:

(A) *Boarded:* A building or structure subject to the provisions of this section shall be deemed to be "boarded" if in place of one or more exterior doors, other than a storm door, or of one or more windows, there is a sheet or sheets of plywood or similar material covering the space for such door or window.

(B) *Exterior maintenance and major systems:* The phrase "exterior maintenance and major systems" shall mean the safe and lawful maintenance of the façade, windows, doors, roof, and other parts of the exterior of the building and the maintenance of its major systems consisting of the roof, the electrical and plumbing systems, the water supply system, the sewer system, and the sidewalk, drive-way, if any, area of the lot, as applicable and as enforced by the DPS, particularly in connection with subsection 10-82 (inspection of unoccupied building) and 10-101 (abatement of dangerous buildings) of this section of this code.

(C) *Occupied:* Any building or structure shall be deemed to be occupied if one or more persons actually conducts a lawful business or resides in all or any part of the building as the licensed business-occupant, or as the legal or equitable owner/occupant(s) or tenant(s) on a permanent, nontransient basis, or any combination of the same. For purposes of this section, evidence offered to prove that a building is so occupied may include, but shall not be limited to, the regular receipt of delivery of regular mail through the U.S. Postal Service; proof of continual telephone, electric, gas, heating, water and sewer services; a valid city business license, or the most recent, federal, state, or city income tax statements indicating that the subject property is the official business or residence address of the person or business claiming occupancy; or proof of pre-rental inspection.

(D) *Open:* A building or structure subject to the provisions of this section shall be deemed to be "open" if any one or more exterior doors other than a storm door is broken, open and, or closed but, without a properly functioning lock to secure it, or if one or more windows is broken or not capable of being locked and secured from intrusion, or any combination of the same.

(E) *Owner:* An owner of the freehold of the premises or any lesser estate therein, a mortgagee, a vendee-in-possession, assignee of rents, receiver, executor, trustee, lessee, agent or any other person, firm or corporation that is directly or indirectly in control of a building subject to the provisions of this section, and as set forth below.

(F) *Seasonal Residence:* A legal residential structure that has been used as a residence by the owner for a period of at least three consecutive months within the previous nine months and the same owner intends to resume residing at the property. A non-owner occupied home does not qualify as a Seasonal Residence.

(G) *Vacation Home:* A secondary legal residential dwelling used by the owner or one or more immediate member of the owner's family, such as a son or daughter, for a period less than three consecutive months out of the previous nine months but still has verifiable occupancy periods spread throughout the year. If the home is rented or leased it does not qualify as a Vacation Home.

(H) *Vacant:* A building or structure shall be deemed to be vacant if no person or persons actually, currently conducts a lawfully licensed business, or lawfully resides or lives in any part of the building as the legal or equitable owner(s) or tenant-occupant(s), or owner-occupants, or tenant(s) on a permanent, nontransient basis, unless the structure is legally being used for storage purposes. Such storage use must be a legally allowed principal use of the zoning district where the structure is located and the use must be in compliance with all appropriate provisions of city ordinances, building and fire codes pertaining to the storage use.

(2) *Applicability.* The requirements of this section shall be applicable to each owner of any building that is not a dwelling that shall have been vacant for more than 90 consecutive days and to each owner of residential property consisting of one or more vacant dwellings that shall have been vacant for more than 90 consecutive days. Each such owner shall cause to be filed a registration statement, which shall include the street address and parcel number of each such vacant building, the names and addresses of all owners, as hereinafter described, and any other information deemed necessary by the city. The registration fee(s) as required by subsection (b)(3) of this section shall be billed annually by the city and shall be paid within 30 days of the invoice-date. For purposes of this section, the following shall also be applicable:

(A) If the owner is a corporation or a limited liability corporation, the registration statement shall provide the names and residence addresses of all officers, directors and/or members and shall be accompanied by a copy of the most recent annual tax report filed with the State of Michigan;

(B) If an estate, the name and business address of the executor of the estate;

(C) If a trust, the name and address of all trustees, grantors, and beneficiaries;

(D) If a partnership, the names and residence addresses of all partners with an interest of ten percent or greater;

(E) If any other form of unincorporated association, the names and residence addresses of all principals with an interest of ten percent or greater;

(F) If an individual person, the name and residence address of that individual person.

(3) *Registration statement and fees; local agent.* If none of the persons listed, as above, is shown at an address within the state or the home is a qualified vacation home or seasonal residence, the registration statement also shall provide the name and address of a person who resides within the state and who is authorized to accept service of process on behalf of the owners and who shall be designated as a responsible, local party or agent, both for purposes of notification in the event of an emergency affecting the public health, safety or welfare and for purposes of service of any and all notices or registration statements as herein authorized and in connection herewith. Registration shall be required for all vacant buildings, whether vacant and secure, vacant and open or vacant and boarded, and shall be required whenever any building has remained vacant for 90 consecutive days or more. In no instance shall the registration of a vacant building and the payment of registration fees be construed to exonerate the owner, agent or responsible party from responsibility for compliance with any other building code or housing code requirement. The owner of the vacant property at the time of billing shall be responsible for the payment of the non-refundable registration fee. Said fee shall be billed annually by the city and based on the duration of the vacancy as determined by the master fee resolution.

(4) *Appeal rights.* The owner shall have the right to appeal the imposition of the registration fees to a committee appointed by the City Manager, upon filing an application in writing with the applicable $50 non-refundable filing fee to the City Manager's Office no later than 30 calendar days after the date of the billing statement. On appeal, the owner shall bear the burden of providing satisfactory objective proof of occupancy.

(5) *One time waiver of registration fee.* A one-time waiver of the registration fee may be granted by the committee appointed by the City Manager upon application of the owner, if all taxes and fees, such as, but not limited to, property taxes, mowing charges, past vacant building registration fees, landlord registrations, business registrations, utilities

and any other applicable charges have been paid prior to application for the waiver. If the owner:

(i.) Demonstrate with satisfactory proof that he/she is in the process of demolition, rehabilitation, or other substantial repair of the vacant building; and

(ii.) Objectively demonstrates the anticipated length of time for the demolition, rehabilitation, or other substantial repair of the vacant building; or

(iii.) Provides satisfactory proof that he/she was actively attempting to sell or lease the property during the vacancy period.

(6) *Two-year waiver.*

(i.) Upon application by the owner and satisfaction of subsection (b)(5) above, the committee appointed by the City Manager may grant a two-year waiver of the registration fee if the owner meets the criteria for non-profit organizations as defined by Section 501(c)(3) of the Internal Revenue Code; or

(ii.) Upon application by the homeowner(s) who are temporarily residing in a medical care facility, or a legal representative of the homeowner(s), the committee may grant a renewable two-year waiver of the registration fee. To be eligible for a two-year waiver of fee, satisfactory proof that the structure will only be temporarily vacant and the property and structures must remain in good repair and free of any enforcement actions by city departments. Should the structure or property not be properly maintained or in violation of city code, the waiver may be revoked by the appeal committee.

(iii.) ***Upon application by the homeowner(s) or a legal representative(s), the committee may grant a renewable two-year waiver of the registration fee. To be eligible for a two-year waiver of fee, satisfactory proof that the structure will only be temporarily vacant due to property being in probate court, being actively rehabbed to city code so it may become occupied or the structure is in good repair and has the presence that the structure is not vacant (per zoning code for allowable uses), and free of any enforcement actions by city departments. Should the structure or property not be properly maintained or in violation of city code, the waiver may be revoked by the appeal committee.***

(7) *Delinquent registration fees as a lien.* After the owner is given notice of the amount of the registration fee due, except for those owners that have properly perfected an appeal pursuant to subsection (b)(4) above, and the owner fails to pay the amount due, said amount shall constitute a debt

due and owing to the city, and the city may commence a civil action to collect such the unpaid debt.

(c) *Duty to amend registration statement.* If the status of the registration information changes during the course of any calendar year, it is the responsibility of the owner, responsible party or agent for the same to contact the Planning Department within 30 days of the occurrence of such change and advise the department in writing of those changes. Except that valid seasonal residence or vacation home, as defined by the ordinance, are not required to notify the city of changes in occupancy status.

(d) *Exceptions.* The fees imposed by this section shall not apply to any legitimate vacation or seasonal residence, as defined by this ordinance, or any building owned by the United States, the state, the city, nor to any of their respective agencies or political subdivisions but registration of all structures outlined in this section is still required.

(e) *Violations; penalties.* The failure or refusal for any reason of any owner, or agent of an owner acting on behalf of the owner, to register a vacant building or to pay any fees required to be paid pursuant to the provisions of this section, within 30 days after they become due, shall constitute a violation punishable upon conviction thereof by a fine in the amount of not less than $100 nor more than $500 for each failure or refusal to register, or for each failure or refusal to pay a required vacant building fee, as applicable. In such cases, whenever the minimum fine of $100 is imposed, it shall not be subject to suspension or reduction for any reason.

(Ord. No. 2240, 1-8-2008; Ord. No. 2256, 12-9-2008; Ord. No. 2260, 7-14-2009; Ord. No. 2276, 4-27-2010)

Secs. 10-108 --10-130. Reserved.

Date: October 25, 2011

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Transmittal of 6/30/11 *Comprehensive Annual Financial Report*

SUMMARY OF REQUEST: The City's *June 30, 2011 Comprehensive Annual Financial Report* (CAFR) has previously been distributed to City Commissioners via both email and hard copy. The CAFR is also available on the City's website at www.shorelinecity.com. This audit covers the first full twelve-month fiscal period since the City changed its fiscal year from a 12/31 to a 6/30 end date. At this time the CAFR is being formally transmitted to the Commission in accordance with state law. The CAFR has been prepared in accordance with GASB accounting standards. The CAFR also includes the single-audit of federal grants received by the City.

FINANCIAL IMPACT: The CAFR report summarizes the City's financial activities for the year and includes the independent auditor's unqualified opinion on the City's financial statements.

BUDGET ACTION REQUIRED: None

STAFF RECOMMENDATION: Acceptance of the CAFR for the period ended 6/30/11.

COMMITTEE RECOMMENDATION: None.

Date: October 25, 2011

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: First Quarter 2011-12 Budget Reforecast

SUMMARY OF REQUEST: At this time staff is transmitting the ***First Quarter 2011-12 Budget Reforecast*** which outlines proposed changes to the original budget that have come about as result of changes in revenue projections, policy priorities, labor contracts, updated economic conditions, or other factors.

FINANCIAL IMPACT: Specific proposed changes to the budget include:

- The beginning fund balance for the General Fund is $4,511,382 (as audited) up from $4,187,864 estimated at the time the budget was prepared;
- Overall the general fund revenue reforecast is 2% higher than originally budgeted. The increase is mostly attributable to the following changes:
  - Increase in estimated income tax revenues from $6.5 to $6.6 million based on recent collection figures and trends;
  - Increase in state shared revenue estimate from $3.05 million to $3.425 million based on the City's expected compliance with the EVIP program and the most current revenue projection data available from the state;
- Expenditures at this point are generally on target with original budget projections. However, two notable changes are proposed:
  - The Assessing Services budget is recommended to increase $50,000 to cover costs for outside expertise and assistance with complex, high value tax appeals;
  - An unbudgeted transfer of $75,000 to the engineering Services fund is recommended to erase a fund deficit that has now persisted for several years.

BUDGET ACTION REQUIRED: Self-explanatory.

STAFF RECOMMENDATION: Approval.

COMMITTEE RECOMMENDATION: None.

CITY OF MUSKEGON
GENERAL FUND

HISTORICAL SUMMARY

Year		Revenues & Transfers In		Expenditures & Transfers Out		Fund Balance at Year-End
2000	$	23,685,516	$	22,232,657	$	2,951,734
2001		23,446,611		23,235,978		3,162,367
2002		23,617,163		23,971,534		2,807,996
2003		23,328,756		23,705,334		2,431,418
2004		23,401,793		23,388,019		2,445,192
2005		23,732,641		23,658,227		2,519,606
2006		24,669,210		24,498,776		2,690,040
2007		25,031,403		24,800,810		2,920,633
2008		25,563,632		26,100,539		2,383,726
2009		24,105,019		24,850,082		1,638,663
2010*		16,142,764		11,742,973		6,038,454
2010-11		24,029,686		25,556,758		4,511,382

Fiscal 2011-12 Budget Summary

FUND BALANCE AT START OF YEAR		$ 4,511,382	
MEANS OF FINANCING:			
	Taxes	14,757,645	63.6%
	Licenses and Permits	1,119,000	4.8%
	Federal Grants	169,889	0.7%
	State Grants	20,000	0.1%
	State Shared Revenue	3,425,000	14.8%
	Other Charges	2,313,058	10.0%
	Interest & Rentals	354,761	1.5%
	Fines and Fees	472,000	2.0%
	Other Revenue	455,470	2.0%
	Other Financing Sources	100,000	0.4%
		23,186,823	100.0%
ESTIMATED REQUIREMENTS:			
	Customer Value Added Activities	18,079,526	76.3%
	Business Value Added Activities	4,063,756	17.1%
	Fixed Budget Items	1,562,191	6.6%
		23,705,473	100.0%
ESTIMATED FUND BALANCE AT END OF YEAR		$ 3,992,732	
	OPERATING DEFICIT (USE OF FUND BALANCE)	$ (518,650)	

**** Six-month transition period to new fiscal year***

City of Muskegon
Annual Budget & Quarterly Budget Reforecast - General Fund

	Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	% Change From Original
Available Fund Balance - BOY	$ 1,638,663	$ 6,038,454	$ 4,187,864		$ 4,511,382	
Taxes						
City income tax	$ 3,368,057	$ 6,599,753	**$ 6,500,000**	$ 1,723,601	**$ 6,600,000**	2%
Property taxes - general	6,438,439	6,626,276	**6,307,985**	-	**6,307,985**	0%
Property taxes - sanitation	1,489,136	1,731,364	**1,660,197**	-	**1,660,197**	0%
Industrial facilities taxes	468,369	93,618	**93,463**	-	**93,463**	0%
Payments in lieu of taxes	91,181	95,402	**91,000**	-	**91,000**	0%
Delinquent chargeback collected	-	17	**5,000**	3	**5,000**	0%
	$ 11,855,182	$ 15,146,430	**$ 14,657,645**	$ 1,723,604	**$ 14,757,645**	1%
Licenses and permits						
Business licenses	$ 25,934	$ 31,110	**$ 28,000**	$ 5,217	**$ 28,000**	0%
Liquor licenses	9,945	52,085	**46,000**	-	**46,000**	0%
Temporary Liquor licenses	12,794	9,870	**15,000**	1,825	**15,000**	0%
Cable TV franchise fees	178,239	362,103	**340,000**	-	**360,000**	6%
Rental property registration	47,367	115,598	**120,000**	35,535	**120,000**	0%
Burial permits	39,624	93,483	**110,000**	20,129	**110,000**	0%
Building permits	135,155	255,906	**200,000**	55,306	**200,000**	0%
Electrical permits	43,576	78,852	**75,000**	24,794	**75,000**	0%
Plumbing permits	20,254	29,961	**30,000**	6,473	**30,000**	0%
Mechanical permits	26,204	61,611	**60,000**	12,465	**60,000**	0%
Vacant building	45,070	89,060	**75,000**	18,318	**75,000**	0%
	$ 584,162	$ 1,179,639	**$ 1,099,000**	$ 180,062	**$ 1,119,000**	2%
Federal grants						
Federal operational grant	$ 122,965	$ 192,842	**$ 169,889**	$ 39,178	**$ 169,889**	0%
	$ 122,965	$ 192,842	**$ 169,889**	$ 39,178	**$ 169,889**	0%
State grants						
Act 302 police training grant	$ 7,805	$ 42,458	**$ 20,000**	$ -	**$ 20,000**	0%
State operational grant	-	-	**-**	-	**-**	-
	$ 7,805	$ 42,458	**$ 20,000**	$ -	**$ 20,000**	0%

City of Muskegon
Annual Budget & Quarterly Budget Reforecast - General Fund

	Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	% Change From Original
State shared revenue						
State sales tax - Constitutional	$ 1,189,635	$ 2,454,851	**$ 2,300,000**	$ -	**$ 2,450,000**	7%
State sales tax - Statutory	642,431	1,392,008	**750,000**	-	**975,000**	30%
	$ 1,832,066	$ 3,846,859	**$ 3,050,000**	$ -	**$ 3,425,000**	12%
Other charges for sales and services						
Tax administration fees	$ 194,131	$ 297,326	**$ 289,500**	$ 41,126	**$ 289,500**	0%
Utility administration fees	110,000	225,000	**225,000**	56,250	**225,000**	0%
Reimbursement for elections	79	12,672	**15,500**	364	**15,500**	0%
Reimbursement for school police officer	13,361	47,440	**19,000**	125	**19,000**	0%
Indirect cost reimbursement	582,084	1,144,020	**1,144,018**	286,005	**1,144,018**	0%
Site-plan review fee	1,500	2,800	**3,000**	1,400	**3,000**	0%
Sale of cemetery lots	11,744	29,740	**25,000**	5,651	**25,000**	0%
Sale of columbarium niches	1,170	2,550	**500**	78	**500**	0%
Police miscellaneous	17,930	37,113	**40,000**	9,869	**40,000**	0%
Police impound fees	23,300	39,100	**40,000**	11,750	**40,000**	0%
Landlord's alert fee	155	40	**40**	-	**40**	0%
Fire protection-state property	35,212	120,210	**80,000**	60,163	**80,000**	0%
Zoning fees	3,290	6,158	**8,000**	4,380	**8,000**	0%
Clerk fees	197	2,039	**3,500**	190	**3,500**	0%
Clerk - passport fees	3,555	4,115	**5,000**	495	**3,000**	-40%
Tax abatement application fees	-	810	**2,000**	417	**2,000**	0%
Lien Look-ups	12,920	14,455	**15,000**	3,280	**15,000**	0%
Treasurer fees	49,603	45,903	**50,000**	1,927	**50,000**	0%
False alarm fees	6,125	12,960	**13,000**	4,290	**13,000**	0%
Miscellaneous cemetery income	6,571	20,398	**18,000**	49,319	**63,000**	250%
Senior transit program fees	5,082	10,401	**9,000**	2,852	**11,000**	22%
Fire miscellaneous	560	4,985	**2,000**	313	**2,000**	0%
Sanitation stickers	38,809	79,762	**80,000**	16,187	**80,000**	0%
Lot cleanup fees (trash)	18,348	29,493	**50,000**	6,233	**30,000**	-40%
Reimbursements for mowing and demolitions	20,102	49,760	**50,000**	13,570	**50,000**	0%
Special events reimbursements	30,546	104,937	**100,000**	94,382	**100,000**	0%
Recreation program fees	19,753	20,831	**-**	691	**1,000**	-
	$ 1,206,127	$ 2,365,018	**$ 2,287,058**	$ 671,307	**$ 2,313,058**	1%

City of Muskegon
Annual Budget & Quarterly Budget Reforecast - General Fund

	Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	% Change From Original
Interest and rental income						
Interest	$ (2,349)	$ 85,120	**$ 50,000**	$ 62,774	**$ 100,000**	100%
Procurement Card Rebate	-	33,668	**45,000**	-	**45,000**	0%
Fire Station Lease - Central Dispatch	20,879	47,895	**42,000**	8,514	**42,000**	0%
Naval Musem Property Rental	-	2,500	**5,000**	3,750	**5,000**	0%
Flea market	11,346	27,233	**29,000**	14,809	**29,000**	0%
Farmers market	18,484	43,471	**35,000**	26,121	**35,000**	0%
City hall rental	1,200	7,200	**7,200**	1,200	**7,200**	0%
City right of way rental	6,800	6,800	**8,561**	-	**8,561**	0%
McGraft park rentals	13,844	52,475	**45,000**	1,215	**45,000**	0%
Other park rentals	22,133	49,525	**38,000**	5,443	**38,000**	0%
	$ 92,337	$ 355,887	**$ 304,761**	$ 123,826	**$ 354,761**	16%
Fines and fees						
Income tax - penalty and interest	$ 109,441	$ 156,339	**$ 180,000**	$ 44,570	**$ 180,000**	0%
Late fees on current taxes	42,766	30,875	**40,000**	-	**40,000**	0%
Interest on late invoices	247	2,011	**2,000**	225	**2,000**	0%
Parking fines	71,160	100,885	**125,000**	18,027	**110,000**	-12%
Court fines	72,929	142,764	**170,000**	20,216	**140,000**	-18%
	$ 296,543	$ 432,874	**$ 517,000**	$ 83,038	**$ 472,000**	-9%
Other revenue						
Sale of land and assets	$ 500	$ -	**$ 1,000**	$ -	**$ 1,000**	0%
Police sale and auction proceeds	1,823	-	**-**	4,010	**4,100**	-
CDBG program reimbursements	48,030	324,393	**382,870**	3,019	**382,870**	0%
Sanitation reimbursements	43,030	-	**-**	-	**-**	-
Contributions	19,740	12,455	**11,000**	617	**11,000**	0%
Contributions - Veteran's Park Maintenance	-	19,402	**19,500**	1,234	**19,500**	0%
Fisherman's Landing Repayment	-	16,106	**14,500**	-	**14,500**	0%
Darl & Kathleen Staley Trust	-	-	**-**	-	**-**	-
Muskegon County Community Foundation	2,394	12,005	**1,500**	-	**1,500**	0%
Miscellaneous reimbursements	-	-	**1,000**	-	**1,000**	0%
Miscellaneous and sundry	2,873	5,961	**25,000**	16,144	**20,000**	-20%
	$ 118,390	$ 390,322	**$ 456,370**	$ 25,024	**$ 455,470**	0%

City of Muskegon
Annual Budget & Quarterly Budget Reforecast - General Fund

	Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	% Change From Original
Other financing sources						
Operating transfers in						
Cemetery Perpetual Care	$ 2,187	$ 2,357	**$ 50,000**	$ 121	**$ 50,000**	0%
General Insurance Fund	-	-	**-**	-	**-**	-
LDFA Fund	-	-	**-**	-	**-**	-
Budget Stabilization Fund	-	-	**-**	-	**-**	-
TIFA Fund (Arena Operations)	25,000	75,000	**50,000**	12,500	**50,000**	0%
	$ 27,187	$ 77,357	**$ 100,000**	$ 12,621	**$ 100,000**	0%
Total general fund revenues and other sources	$ 16,142,764	$ 24,029,686	**$ 22,661,723**	$ 2,858,660	**$ 23,186,823**	2%

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
	I. Customer Value Added Activities							
40301	**Police Department**							
5100	Salaries & Benefits	$ 3,770,931	$ 7,675,922	**$ 7,836,965**	$ 2,011,225	**$ 7,836,965**	26%	0%
5200	Operating Supplies	28,819	70,082	**90,000**	15,153	**90,000**	17%	0%
5300	Contractual Services	465,614	897,777	**820,024**	185,122	**820,024**	23%	0%
5400	Other Expenses	4,773	15,826	**16,000**	5,215	**16,000**	33%	0%
5700	Capital Outlays	19,632	31,331	**15,000**	-	**15,000**	0%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 4,289,769	$ 8,690,938	**$ 8,777,989**	$ 2,216,715	**$ 8,777,989**	25%	0%
		$ 4,289,769	$ 8,690,938	**$ 8,777,989**	$ 2,216,715	**$ 8,777,989**	25%	0%
50336	**Fire Department**							
5100	Salaries & Benefits	$ 1,687,648	$ 3,355,077	**$ 3,191,899**	$ 908,690	**$ 3,191,899**	28%	0%
5200	Operating Supplies	37,904	85,462	**116,500**	14,669	**116,500**	13%	0%
5300	Contractual Services	95,652	173,320	**149,861**	28,587	**149,861**	19%	0%
5400	Other Expenses	1,751	1,597	**4,000**	-	**4,000**	0%	0%
5700	Capital Outlays	37,389	95,925	**60,000**	9,087	**60,000**	15%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 1,860,344	$ 3,711,381	**$ 3,522,260**	$ 961,033	**$ 3,522,260**	27%	0%
50387	**Fire Safety Inspections**							
5100	Salaries & Benefits	$ 319,970	$ 535,750	**$ 464,680**	$ 118,476	**$ 464,680**	25%	0%
5200	Operating Supplies	5,391	11,469	**10,000**	723	**10,000**	7%	0%
5300	Contractual Services	44,782	103,147	**108,040**	5,443	**108,040**	5%	0%
5400	Other Expenses	1,867	6,042	**10,000**	1,074	**10,000**	11%	0%
5700	Capital Outlays	-	-	**2,000**	1,708	**2,000**	85%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 372,010	$ 656,408	**$ 594,720**	$ 127,424	**$ 594,720**	21%	0%
		$ 2,232,354	$ 4,367,789	**$ 4,116,980**	$ 1,088,457	**$ 4,116,980**	26%	0%
60523	**General Sanitation**							
5100	Salaries & Benefits	$ 15,240	$ 67,009	**$ 30,000**	$ 5,552	**$ 30,000**	19%	0%
5200	Operating Supplies	-	16	**-**	-	**-**	N/A	-
5300	Contractual Services	774,346	1,542,755	**1,650,000**	265,195	**1,650,000**	16%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	100,000	200,000	**200,000**	50,000	**200,000**	25%	0%
		$ 889,586	$ 1,809,780	**$ 1,880,000**	$ 320,747	**$ 1,880,000**	17%	0%

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
60528	**Recycling**							
5100	Salaries & Benefits	$ -	$ -	**$ -**	$ -	**$ -**	N/A	-
5200	Operating Supplies	-	-	**-**	-	**-**	N/A	-
5300	Contractual Services	-	-	**-**	-	**-**	N/A	-
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ -	$ -	**$ -**	$ -	**$ -**	N/A	0%
60550	**Stormwater Management**							
5100	Salaries & Benefits	$ -	$ -	**$ -**	$ -	**$ -**	N/A	-
5200	Operating Supplies	-	-	**-**	-	**-**	N/A	-
5300	Contractual Services	4,000	17,029	**17,786**	-	**17,786**	0%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 4,000	$ 17,029	**$ 17,786**	$ -	**$ 17,786**	0%	0%
60448	**Streetlighting**							
5100	Salaries & Benefits	$ -	$ 224	**$ -**	$ -	**$ -**	N/A	-
5200	Operating Supplies	-	-	**-**	-	**-**	N/A	-
5300	Contractual Services	395,257	784,081	**750,000**	129,493	**775,000**	17%	3%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**10,000**	-	**10,000**	0%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 395,257	$ 784,305	**$ 760,000**	$ 129,493	**$ 785,000**	16%	3%
60707	**Senior Citizen Transit**							
5100	Salaries & Benefits	$ 26,539	$ 57,941	**$ 58,678**	$ 17,398	**$ 66,700**	26%	14%
5200	Operating Supplies	-	-	**-**	-	**-**	N/A	-
5300	Contractual Services	5,360	10,400	**10,400**	1,600	**10,400**	15%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 31,899	$ 68,341	**$ 69,078**	$ 18,998	**$ 77,100**	25%	12%
60446	**Community Event Support**							
5100	Salaries & Benefits	$ 9,362	$ 11,381	**$ 10,000**	$ 8,830	**$ 10,000**	88%	0%
5200	Operating Supplies	190	644	**1,100**	58	**1,100**	5%	0%
5300	Contractual Services	5,008	8,180	**12,500**	1,516	**12,500**	12%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 14,560	$ 20,205	**$ 23,600**	$ 10,404	**$ 23,600**	44%	0%

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
70751	**Parks Maintenance**							
5100	Salaries & Benefits	$ 191,755	$ 357,563	**$ 387,222**	$ 95,796	**$ 387,222**	25%	0%
5200	Operating Supplies	23,213	53,777	**93,850**	23,490	**93,850**	25%	0%
5300	Contractual Services	279,987	556,578	**646,785**	196,812	**646,785**	30%	0%
5400	Other Expenses	175	20	**-**	21	**-**	N/A	-
5700	Capital Outlays	-	11,090	**11,000**	40	**11,000**	0%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 495,130	$ 979,028	**$ 1,138,857**	$ 316,159	**$ 1,138,857**	28%	0%
70757	**Mc Graft Park Maintenance**							
5100	Salaries & Benefits	$ 4,674	$ 6,412	**$ 6,551**	$ 2,229	**$ 6,551**	34%	0%
5200	Operating Supplies	1,130	3,547	**1,400**	1,335	**1,400**	95%	0%
5300	Contractual Services	8,593	37,173	**35,700**	5,598	**35,700**	16%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 14,397	$ 47,132	**$ 43,651**	$ 9,162	**$ 43,651**	21%	0%
70276	**Cemeteries Maintenance**							
5100	Salaries & Benefits	$ 87,040	$ 112,101	**$ 108,948**	$ 22,206	**$ 108,948**	20%	0%
5200	Operating Supplies	569	4,882	**6,750**	1,476	**6,750**	22%	0%
5300	Contractual Services	96,313	210,640	**244,824**	79,427	**244,824**	32%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	72	8,383	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 183,994	$ 336,006	**$ 360,522**	$ 103,109	**$ 360,522**	29%	0%
70585	**Parking Operations**							
5100	Salaries & Benefits	$ 501	$ 1,748	**$ -**	$ 133	**$ -**	N/A	-
5200	Operating Supplies	-	274	**-**	-	**-**	N/A	-
5300	Contractual Services	1,944	5,182	**3,000**	513	**3,000**	17%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 2,445	$ 7,204	**$ 3,000**	$ 646	**$ 3,000**	22%	0%
70357	**Graffiti Removal**							
5100	Salaries & Benefits	$ 1,445	$ 2,659	**$ -**	$ 988	**$ -**	N/A	-
5200	Operating Supplies	618	465	**-**	-	**-**	N/A	-
5300	Contractual Services	391	123	**4,861**	43	**4,861**	1%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 2,454	$ 3,247	**$ 4,861**	$ 1,031	**$ 4,861**	21%	0%

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
70863	**Farmers' Market & Flea Market**							
5100	Salaries & Benefits	$ 7,850	$ 17,869	**$ 22,240**	$ 8,162	**$ 22,240**	37%	0%
5200	Operating Supplies	2,085	1,802	**1,800**	520	**1,800**	29%	0%
5300	Contractual Services	8,181	31,538	**29,950**	10,726	**29,950**	36%	0%
5400	Other Expenses	50	-	**100**	-	**100**	0%	0%
5700	Capital Outlays	1,326	-	**6,000**	117	**6,000**	2%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 19,492	$ 51,209	**$ 60,090**	$ 19,525	**$ 60,090**	32%	0%
		$ 2,053,214	$ 4,123,486	**$ 4,361,445**	$ 929,274	**$ 4,394,467**	21%	1%
70775	**General Recreation**							
5100	Salaries & Benefits	$ 57,201	$ 21,202	**$ -**	$ -	**$ -**	N/A	-
5200	Operating Supplies	4,816	633	**-**	-	**-**	N/A	-
5300	Contractual Services	26,070	61,387	**96,000**	42,062	**96,000**	44%	0%
5400	Other Expenses	708	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 88,795	$ 83,222	**$ 96,000**	$ 42,062	**$ 96,000**	44%	0%
80387	**Environmental Services**							
5100	Salaries & Benefits	$ 69,234	$ 218,388	**$ 335,466**	$ 86,103	**$ 335,466**	26%	0%
5200	Operating Supplies	4,905	6,529	**7,300**	2,135	**7,300**	29%	0%
5300	Contractual Services	89,930	185,550	**185,000**	96,988	**185,000**	52%	0%
5400	Other Expenses	-	35	**1,000**	145	**1,000**	15%	0%
5700	Capital Outlays	2,051	1,281	**3,500**	61	**3,500**	2%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 166,120	$ 411,783	**$ 532,266**	$ 185,432	**$ 532,266**	35%	0%
		$ 254,915	$ 495,005	**$ 628,266**	$ 227,494	**$ 628,266**	36%	0%
10875	**Other - Contributions to Outside Agencies**							
	Muskegon Area Transit (MATS)	$ 40,082	$ 80,164	**$ 80,164**	$ 20,041	**$ 80,164**	25%	0%
	Neighborhood Association Grants	20,803	20,272	**21,000**	-	**21,000**	0%	0%
	Muskegon Area First	17,784	45,660	**45,660**	11,392	**45,660**	25%	0%
	Veterans Memorial Day Costs	7,357	7,000	**7,000**	-	**7,000**	0%	0%
	Mainstreet	5,000	-	**-**	-	**-**	N/A	-
	Lakeside Business District	2,500	2,500	**2,500**	-	**2,500**	0%	0%
	211 Service	2,500	2,500	**2,500**	-	**2,500**	0%	0%
	Gypsy Moth Program	-	-	**-**	-	**-**	N/A	-
	Consolidation Feasibility Study	-	1,000	**1,000**	-	**1,000**	0%	0%
	MERS Supplemental Contribution	-	1,000,000	**-**	-	**-**	N/A	-
	MLK Diversity Program	1,000	1,000	**1,000**	-	**1,000**	0%	0%
	Muskegon Area Labor Management (MALMC)	1,000	1,000	**1,000**	-	**1,000**	0%	0%
	Muskegon County and Humane Society - Feral Cats	-	6,200	**-**	-	**-**	N/A	-

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
	Other	-	-	**-**	-	**-**	N/A	-
	Contributions To Outside Agencies	$ 98,026	$ 1,167,296	**$ 161,824**	$ 31,433	**$ 161,824**	19%	0%
		$ 98,026	$ 1,167,296	**$ 161,824**	$ 31,433	**$ 161,824**	19%	0%
	Total Customer Value Added Activities	$ 8,928,278	$ 18,844,514	**$ 18,046,504**	$ 4,493,373	**$ 18,079,526**	25%	0%
	As a Percent of Total General Fund Expenditures	**76.0%**	**73.7%**	**76.6%**	**76.9%**	**76.3%**		
	II. Business Value Added Activities							
10101	**City Commission**							
5100	Salaries & Benefits	$ 33,837	$ 64,864	**$ 67,652**	$ 17,695	**$ 67,652**	26%	0%
5200	Operating Supplies	8,205	15,142	**12,300**	3,000	**12,300**	24%	0%
5300	Contractual Services	1,407	1,594	**1,800**	1,029	**1,800**	57%	0%
5400	Other Expenses	675	1,347	**2,000**	66	**2,000**	3%	0%
5700	Capital Outlays	600	1,199	**1,200**	300	**1,200**	25%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 44,724	$ 84,146	**$ 84,952**	$ 22,090	**$ 84,952**	26%	0%
10102	**City Promotions & Public Relations**							
5100	Salaries & Benefits	$ -	$ -	**$ -**	$ -	**$ -**	N/A	-
5200	Operating Supplies	163	411	**-**	116	**-**	N/A	-
5300	Contractual Services	2,881	3,780	**11,350**	514	**11,350**	5%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 3,044	$ 4,191	**$ 11,350**	$ 630	**$ 11,350**	6%	0%
10172	**City Manager**							
5100	Salaries & Benefits	$ 136,667	$ 253,954	**$ 257,366**	$ 65,922	**$ 257,366**	26%	0%
5200	Operating Supplies	1,086	1,338	**2,000**	6	**2,000**	0%	0%
5300	Contractual Services	4,873	8,174	**7,750**	198	**7,750**	3%	0%
5400	Other Expenses	252	944	**2,000**	70	**2,000**	4%	0%
5700	Capital Outlays	-	-	**1,000**	-	**1,000**	0%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 142,878	$ 264,410	**$ 270,116**	$ 66,196	**$ 270,116**	25%	0%
10145	**City Attorney**							
5100	Salaries & Benefits	$ -	$ -	**$ -**	$ -	**$ -**	N/A	-
5200	Operating Supplies	808	808	**2,000**	-	**2,000**	0%	0%
5300	Contractual Services	159,223	331,067	**320,508**	78,790	**320,508**	25%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 160,031	$ 331,875	**$ 322,508**	$ 78,790	**$ 322,508**	24%	0%
		$ 350,677	$ 684,622	**$ 688,926**	$ 167,706	**$ 688,926**	24%	0%
20228	**Affirmative Action**							
5100	Salaries & Benefits	$ 39,129	$ 78,270	**$ 80,535**	$ 21,478	**$ 80,535**	27%	0%
5200	Operating Supplies	169	324	**750**	23	**750**	3%	0%
5300	Contractual Services	660	1,587	**2,027**	117	**2,027**	6%	0%
5400	Other Expenses	-	50	**1,000**	61	**1,000**	6%	0%
5700	Capital Outlays	-	-	**500**	-	**500**	0%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 39,958	$ 80,231	**$ 84,812**	$ 21,679	**$ 84,812**	26%	0%
20744	**Julia Hackley Internships**							
5100	Salaries & Benefits	$ -	$ -	**$ -**	$ -	**$ -**	N/A	-
5200	Operating Supplies	-	-	**-**	-	**-**	N/A	-
5300	Contractual Services	-	-	**-**	-	**-**	N/A	-
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ -	$ -	**$ -**	$ -	**$ -**	N/A	0%
20215	**City Clerk & Elections**							
5100	Salaries & Benefits	$ 103,016	$ 244,239	**$ 237,997**	$ 57,343	**$ 237,997**	24%	0%
5200	Operating Supplies	8,815	18,702	**34,934**	1,209	**34,934**	3%	0%
5300	Contractual Services	9,938	16,625	**14,750**	995	**14,750**	7%	0%
5400	Other Expenses	1,113	473	**1,500**	24	**1,500**	2%	0%
5700	Capital Outlays	866	6,011	**1,000**	-	**1,000**	0%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 123,748	$ 286,050	**$ 290,181**	$ 59,571	**$ 290,181**	21%	0%
20220	**Civil Service**							
5100	Salaries & Benefits	$ 85,667	$ 107,949	**$ -**	$ 5,961	**$ -**	N/A	-
5200	Operating Supplies	1,099	1,626	**-**	50	**-**	N/A	-
5300	Contractual Services	3,425	12,707	**90,000**	3,857	**90,000**	4%	0%
5400	Other Expenses	697	3,768	**-**	-	**-**	N/A	-
5700	Capital Outlays	572	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 91,460	$ 126,050	**$ 90,000**	$ 9,868	**$ 90,000**	11%	0%
		$ 255,166	$ 492,331	**$ 464,993**	$ 91,118	**$ 464,993**	20%	0%
30202	**Finance Administration**							
5100	Salaries & Benefits	$ 172,829	$ 333,061	**$ 342,702**	$ 86,053	**$ 342,702**	25%	0%
5200	Operating Supplies	1,392	3,571	**4,700**	2,075	**4,700**	44%	0%
5300	Contractual Services	59,515	73,010	**66,275**	10,425	**66,275**	16%	0%

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
5400	Other Expenses	65	1,193	**1,000**	616	**1,000**	62%	0%
5700	Capital Outlays	51	1,716	**3,000**	-	**3,000**	0%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 233,852	$ 412,551	**$ 417,677**	$ 99,169	**$ 417,677**	24%	0%
30209	**Assessing Services**							
5100	Salaries & Benefits	$ 2,423	$ 3,367	**$ 7,308**	$ 507	**$ 7,308**	7%	0%
5200	Operating Supplies	-	-	**-**	-	**-**	N/A	-
5300	Contractual Services	237,713	416,781	**344,367**	125,092	**394,367**	32%	15%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	-	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 240,136	$ 420,148	**$ 351,675**	$ 125,599	**$ 401,675**	31%	14%
30805	**Arena Administration**							
5100	Salaries & Benefits	$ -	$ -	**$ -**	$ -	**$ -**	N/A	-
5200	Operating Supplies	-	-	**-**	-	**-**	N/A	-
5300	Contractual Services	101,867	241,263	**235,000**	117,500	**235,000**	50%	0%
5400	Other Expenses	-	-	**-**	-	**-**	N/A	-
5700	Capital Outlays	-	1,661	**-**	-	**-**	N/A	-
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 101,867	$ 242,924	**$ 235,000**	$ 117,500	**$ 235,000**	50%	0%
30205	**Income Tax Administration**							
5100	Salaries & Benefits	$ 167,338	$ 321,985	**$ 331,478**	$ 87,489	**$ 331,478**	26%	0%
5200	Operating Supplies	9,250	12,486	**12,160**	1,464	**12,160**	12%	0%
5300	Contractual Services	41,158	65,773	**77,550**	8,965	**77,550**	12%	0%
5400	Other Expenses	75	488	**800**	-	**800**	0%	0%
5700	Capital Outlays	-	7,175	**2,500**	57	**2,500**	2%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 217,821	$ 407,907	**$ 424,488**	$ 97,975	**$ 424,488**	23%	0%

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
30253	**City Treasurer**							
5100	Salaries & Benefits	$ 160,099	$ 312,621	**$ 323,707**	$ 83,474	**$ 323,707**	26%	0%
5200	Operating Supplies	32,047	65,024	**50,000**	10,760	**50,000**	22%	0%
5300	Contractual Services	58,329	108,627	**85,000**	18,611	**85,000**	22%	0%
5400	Other Expenses	462	715	**1,500**	7	**1,500**	0%	0%
5700	Capital Outlays	-	5,198	**2,921**	20	**2,921**	1%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 250,937	$ 492,185	**$ 463,128**	$ 112,872	**$ 463,128**	24%	0%
30248	**Information Systems Administration**							
5100	Salaries & Benefits	$ 148,629	$ 286,590	**$ 294,686**	$ 74,899	**$ 294,686**	25%	0%
5200	Operating Supplies	-	143	**1,788**	-	**1,788**	0%	0%
5300	Contractual Services	35,595	46,281	**54,992**	1,706	**54,992**	3%	0%
5400	Other Expenses	149	5,356	**8,000**	-	**8,000**	0%	0%
5700	Capital Outlays	12,443	38,626	**32,250**	761	**32,250**	2%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 196,816	$ 376,996	**$ 391,716**	$ 77,366	**$ 391,716**	20%	0%
		$ 1,241,429	$ 2,352,711	**$ 2,283,684**	$ 630,481	**$ 2,333,684**	27%	2%
60265	**City Hall Maintenance**							
5100	Salaries & Benefits	$ 37,746	$ 39,749	**$ 35,777**	$ 9,081	**$ 35,777**	25%	0%
5200	Operating Supplies	5,110	9,285	**15,525**	1,878	**15,525**	12%	0%
5300	Contractual Services	93,479	186,687	**222,000**	34,141	**222,000**	15%	0%
5400	Other Expenses	-	13	**-**	148	**-**	N/A	-
5700	Capital Outlays	100	7,848	**3,590**	2,955	**3,590**	82%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 136,435	$ 243,582	**$ 276,892**	$ 48,203	**$ 276,892**	17%	0%
		$ 136,435	$ 243,582	**$ 276,892**	$ 48,203	**$ 276,892**	17%	0%
80400	**Planning, Zoning and Economic Development**							
5100	Salaries & Benefits	$ 183,633	$ 334,910	**$ 268,361**	$ 69,569	**$ 268,361**	26%	0%
5200	Operating Supplies	1,525	3,766	**4,600**	555	**4,600**	12%	0%
5300	Contractual Services	17,389	(6,463)	**20,300**	2,472	**20,300**	12%	0%
5400	Other Expenses	867	958	**4,000**	354	**4,000**	9%	0%
5700	Capital Outlays	-	439	**2,000**	-	**2,000**	0%	0%
5900	Other Financing Uses	-	-	**-**	-	**-**	N/A	-
		$ 203,414	$ 333,610	**$ 299,261**	$ 72,950	**$ 299,261**	24%	0%
		$ 203,414	$ 333,610	**$ 299,261**	$ 72,950	**$ 299,261**	24%	0%
	Total Business Value Added Activities	$ 2,187,121	$ 4,106,856	**$ 4,013,756**	$ 1,010,458	**$ 4,063,756**	25%	1%
	As a Percent of Total General Fund Expenditures	**18.6%**	**16.1%**	**17.0%**	**17.3%**	**17.1%**		**0.6%**

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
	III. Fixed Budget Items							
30999	**Transfers To Other Funds**							
	Major Street Fund	$ -	$ -	**$ -**	$ -	**$ -**	N/A	-
	Local Street Fund	140,000	280,000	**280,000**	70,000	**280,000**	25%	0%
	Engineering	-	-	**-**	-	**75,000**	0%	#DIV/0!
	Sidewalk	-	100,000	**-**	-	**-**	N/A	-
	Arena Maintenance	-	6,000	**-**	-	**-**	N/A	-
	State Grants	-	34,675	**-**	-	**-**	N/A	-
	LDFA Debt Service Fund (Smartzone)	50,000	100,000	**100,000**	25,000	**100,000**	25%	0%
	General Insurance	14,023	28,046	**28,046**	7,011.50	**28,046**	25%	0%
		$ 204,023	$ 548,721	**$ 408,046**	$ 102,012	**$ 483,046**	21%	18%
								-
30851	**General Insurance**	$ 133,527	$ 259,907	**$ 275,000**	$ -	**$ 275,000**	0%	0%
30906	**Debt Retirement**	109,174	1,252,795	**281,145**	176,473	**281,145**	63%	0%
10891	**Contingency and Bad Debt Expense**	68,471	515,238	**250,000**	-	**250,000**	0%	0%
90000	**Major Capital Improvements**	112,379	28,727	**273,000**	59,679	**273,000**	22%	0%
	Total Fixed-Budget Items	$ 627,574	$ 2,605,388	**$ 1,487,191**	$ 338,164	**$ 1,562,191**	22%	5%
	As a Percent of Total General Fund Expenditures	**5.3%**	**10.2%**	**6.3%**	**5.8%**	**6.6%**		
	Total General Fund	$ 11,742,973	$ 25,556,758	**$ 23,547,451**	$ 5,841,995	**$ 23,705,473**	25%	1%

Annual Budget & Quarterly Budget Reforecast - General Fund
General Fund Expenditure Summary By Function

		Actual FY2010 (Stub Year)	Actual FY2011	Original Budget Estimate FY2012	Actual to Date FY2012	1Q Reforecast FY2012	Actual As % of Revised	% Change From Original
	Recap: Total General Fund By Expenditure Object							
5100	Salaries & Benefits	$ 7,520,403	$ 14,822,805	$ 14,700,218	$ 3,865,259	$ 14,708,240	26%	0%
5200	Operating Supplies	179,309	372,208	469,457	80,695	469,457	17%	0%
5300	Contractual Services	3,428,904	8,074,794	7,005,224	1,484,970	7,080,224	21%	1%
5400	Other Expenses	13,679	38,825	52,900	7,801	52,900	15%	0%
5700	Capital Outlays	187,481	246,610	430,461	74,785	430,461	17%	0%
5900	All Other Financing Uses	413,197	2,001,516	889,191	328,485	964,191	34%	8%
	Total General Fund	$ 11,742,973	$ 25,556,758	**$ 23,547,451**	$ 5,841,995	**$ 23,705,473**	25%	1%

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
202	**Major Streets and State Trunklines Fund**								
	Available Fund Balance - BOY	$ 284,912	$ 272,846	$ 359,157	**$ 481,059**	**$ 566,001**		**$ 566,001**	
	Means of Financing								
	Special assessments	$ 233,007	$ 10,818	$ 172,302	**$ 175,000**	**$ -**		**$ 175,000**	
	Federal & state grants	1,593,425	9,443	1,457,137	**2,131,000**	**-**		**1,936,000**	
	State shared revenue	2,558,600	1,280,364	2,704,187	**2,481,364**	**300,206**		**2,481,364**	
	Interest income	50,177	44,302	36,626	**25,000**	**1,099**		**25,000**	
	Operating transfers in	200,000	-	-	**-**	**-**		**-**	
	Other	45,384	8,353	415,620	**2,040,000**	**2,000,780**		**2,000,000**	PROPOSED BOND FOR GRANT MATCHE
		$ 4,680,593	$ 1,353,280	$ 4,785,872	**$ 6,852,364**	**$ 2,302,085**		**$ 6,617,364**	
60900	**Operating Expenditures**								
5100	Salaries & Benefits	$ 629,511	$ 278,560	$ 622,597	**$ 839,936**	**$ 130,715**	16%	**$ 839,936**	
5200	Operating Supplies	225,883	196,491	231,295	**240,600**	**15,110**	6%	**240,600**	
5300	Contractual Services	946,059	533,999	957,051	**1,039,946**	**145,651**	14%	**1,039,946**	
5400	Other Expenses	3,354	995	37,904	**1,000**	**-**	0%	**1,000**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	100,000	400,000	**40,000**	**-**	0%	**28,000**	
		$ 1,804,807	$ 1,110,045	$ 2,248,847	**$ 2,161,482**	**$ 291,476**	14%	**$ 2,149,482**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	2,887,852	156,924	2,330,181	**3,915,000**	**237,639**	6%	**4,107,000**	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
		$ 2,887,852	$ 156,924	$ 2,330,181	**$ 3,915,000**	**$ 237,639**	6%	**$ 4,107,000**	
		$ 4,692,659	$ 1,266,969	$ 4,579,028	**$ 6,076,482**	**$ 529,115**	8%	**$ 6,256,482**	
	Available Fund Balance - EOY	$ 272,846	$ 359,157	$ 566,001	**$ 1,256,941**	**$ 2,338,971**		**$ 926,883**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
203	**Local Streets Fund**								
	Available Fund Balance - BOY	$ 396,406	$ 134,437	$ 180,480	**$ 387,904**	**$ 663,340**		**$ 663,340**	
	Means of Financing								
	Special assessments	$ 92,657	$ 31,887	$ 138,025	**$ 75,000**	**$ -**		**$ 75,000**	
	Federal & state grants	215,000	-	-	**-**	**-**		**-**	
	Metro act fees	145,169	148,668	136,731	**145,000**	**-**		**145,000**	
	State shared revenue	619,263	312,201	624,694	**585,998**	**60,166**		**585,998**	
	Interest income	20,955	22,171	29,411	**20,000**	**433**		**20,000**	
	Operating transfers in	512,624	340,000	880,000	**480,000**	**120,000**		**480,000**	FROM GENERAL FUND
	Other	2,667	41,285	197,011	**15,000**	**-**		**15,000**	
		$ 1,608,335	$ 896,212	$ 2,005,872	**$ 1,320,998**	**$ 180,599**		**$ 1,320,998**	
60900	**Operating Expenditures**								
5100	Salaries & Benefits	$ 661,735	$ 321,827	$ 516,349	**$ 478,203**	**$ 100,954**	21%	**$ 478,203**	
5200	Operating Supplies	135,883	41,694	115,192	**118,000**	**13,520**	11%	**118,000**	
5300	Contractual Services	773,321	437,800	704,173	**879,687**	**136,499**	16%	**879,687**	
5400	Other Expenses	242	2,198	2,669	**100**	**-**	0%	**100**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
		$ 1,571,181	$ 803,519	$ 1,338,383	**$ 1,475,990**	**$ 250,973**	17%	**$ 1,475,990**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	299,123	46,650	184,629	**55,000**	**16,566**	30%	**55,000**	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
		$ 299,123	$ 46,650	$ 184,629	**$ 55,000**	**$ 16,566**	30%	**$ 55,000**	
		$ 1,870,304	$ 850,169	$ 1,523,012	**$ 1,530,990**	**$ 267,539**	17%	**$ 1,530,990**	
	Available Fund Balance - EOY	$ 134,437	$ 180,480	$ 663,340	**$ 177,912**	**$ 576,400**		**$ 453,348**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

257 Budget Stabilization Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Fund Balance - BOY	$ 2,000,000	$ 1,500,000	$ 1,500,000	**$ 1,500,000**	**$ 1,500,000**		**$ 1,500,000**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	-	-	-	**-**	**-**		**-**	
	Interest income	-	-	-	**-**	**-**		**-**	
	Operating transfers in - General Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - TIFA Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - Insurance Fund	-	-	-	**-**	**-**		**-**	
	Other	-	-	-	**-**	**-**		**-**	
		$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	-	N/A	**-**	
5300	Contractual Services	-	-	-	**-**	-	N/A	**-**	
5400	Other Expenses	-	-	-	**-**	-	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	-	N/A	**-**	
5900	Other Financing Uses	500,000	-	-	**-**	-	N/A	**-**	
		$ 500,000	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	-	-	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 500,000	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
	Available Fund Balance - EOY	$ 1,500,000	$ 1,500,000	$ 1,500,000	**$ 1,500,000**	**$ 1,500,000**		**$ 1,500,000**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

264 Criminal Forfeitures Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Fund Balance - BOY	$ 81,856	$ 140,640	$ 134,116	**$ 104,716**	**$ 140,828**		**$ 140,828**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	-	-	-	**-**	**-**		**-**	
	Interest income	881	615	688	**500**	**171**		**500**	
	Operating transfers in - General Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - TIFA Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - Insurance Fund	-	-	-	**-**	**-**		**-**	
	Other	62,406	500	14,380	**10,000**	**13,656**		**10,000**	
		$ 63,287	$ 1,115	$ 15,068	**$ 10,500**	**$ 13,827**		**$ 10,500**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	-	-	-	**45,000**	**-**	0%	**45,000**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	4,503	7,639	8,356	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
		$ 4,503	$ 7,639	$ 8,356	**$ 45,000**	**$ -**	0%	**$ 45,000**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 4,503	$ 7,639	$ 8,356	**$ 45,000**	**$ -**	0%	**$ 45,000**	
	Available Fund Balance - EOY	$ 140,640	$ 134,116	$ 140,828	**$ 70,216**	**$ 154,655**		**$ 106,328**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
285	**Tree Replacement Fund**								
	Available Fund Balance - BOY	$ 10,043	$ 8,590	$ 5,436	**$ 3,486**	**$ 5,119**		**$ 5,119**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**2,000**	**-**		**2,000**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	-	-	-	**-**	**-**		**-**	
	Interest income	73	46	24	**50**	**6**		**50**	
	Operating transfers in - General Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - TIFA Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - Insurance Fund	-	-	-	**-**	**-**		**-**	
	Other	1,600	-	-	**-**	**-**		**-**	
		$ 1,673	$ 46	$ 24	**$ 2,050**	**$ 6**		**$ 2,050**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	3,126	3,200	341	**2,000**	**-**	0%	**2,000**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
		$ 3,126	$ 3,200	$ 341	**$ 2,000**	**$ -**	0%	**$ 2,000**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 3,126	$ 3,200	$ 341	**$ 2,000**	**$ -**	0%	**$ 2,000**	
	Available Fund Balance - EOY	$ 8,590	$ 5,436	$ 5,119	**$ 3,536**	**$ 5,125**		**$ 5,169**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

295 Brownfield Redevelopment Authority (Betten Project)

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Fund Balance - BOY	$ (17,862)	$ (10,214)	$ (9,217)	**$ 316**	**$ 65,349**		**$ 65,349**	
	Means of Financing								
	Property taxes	$ 9,951	$ 15,917	$ 74,483	**$ 142,409**	**$ -**		**$ 142,409**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	-	-	-	**-**	**-**		**-**	
	Interest income	-	-	83	**-**	**33**		**-**	
	Operating transfers in - General Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - TIFA Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - Insurance Fund	-	-	-	**-**	**-**		**-**	
	Other	-	-	-	**-**	**-**		**-**	
		$ 9,951	$ 15,917	$ 74,566	**$ 142,409**	**$ 33**		**$ 142,409**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	2,303	14,920	-	**100,000**	**29,605**	30%	**100,000**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	-	-	**33,424**	**-**	0%	**33,424**	BROWNFIELD LOAN PAYMENT
		$ 2,303	$ 14,920	$ -	**$ 133,424**	**$ 29,605**	22%	**$ 133,424**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 2,303	$ 14,920	$ -	**$ 133,424**	**$ 29,605**	22%	**$ 133,424**	
	Available Fund Balance - EOY	$ (10,214)	$ (9,217)	$ 65,349	**$ 9,301**	**$ 35,777**		**$ 74,334**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

290 Local Development Finance Authority III Fund - Edison Landing (Smartzone)

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Fund Balance - BOY	$ 8,752	$ 13,765	$ 36,834	**$ 20,994**	**$ 21,348**		**$ 21,348**	
	Means of Financing								
	Property taxes	$ 91,281	$ 71,360	$ 84,658	**$ 83,405**	**$ -**		**$ 83,405**	
	Federal & state grants	-	-	100,000	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	-	-	-	**-**	**-**		**-**	
	Interest income	180	133	153	**150**	**47**		**150**	
	Operating transfers in - General Fund	120,000	50,000	75,000	**100,000**	**25,000**		**100,000**	
	Other	75,000	-	-	**75,000**	**-**		**75,000**	COMMUNITY FOUNDATION CONTRIBUTION
		$ 286,461	$ 121,493	$ 259,811	**$ 258,555**	**$ 25,047**		**$ 258,555**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	1,700	-	-	**500**	**-**	0%	**500**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	279,748	98,424	275,297	**272,197**	**-**	0%	**272,197**	DEBT SERVICE SZ BONDS
		$ 281,448	$ 98,424	$ 275,297	**$ 272,697**	**$ -**	0%	**$ 272,697**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 281,448	$ 98,424	$ 275,297	**$ 272,697**	**$ -**	0%	**$ 272,697**	
	Available Fund Balance - EOY	$ 13,765	$ 36,834	$ 21,348	**$ 6,852**	**$ 46,395**		**$ 7,206**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
305	**Tax Increment Finance Authority Fund**								
	Available Fund Balance - BOY	$ 13,983	$ 21,789	$ 37,533	**$ 16,502**	**$ 16,445**		**$ 16,445**	
	Means of Financing								
	Property taxes	$ 67,664	$ 40,634	$ 53,769	**$ 53,042**	**$ -**		**$ 53,042**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	-	-	-	**-**	**-**		**-**	
	Interest income	142	110	143	**200**	**29**		**200**	
	Operating transfers in - General Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - TIFA Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - Insurance Fund	-	-	-	**-**	**-**		**-**	
	Other	-	-	-	**-**	**-**		**-**	
		$ 67,806	$ 40,744	$ 53,912	**$ 53,242**	**$ 29**		**$ 53,242**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	60,000	25,000	75,000	**50,000**	**12,500**	25%	**50,000**	TO GENERAL FUND FOR ARENA
		$ 60,000	$ 25,000	$ 75,000	**$ 50,000**	**$ 12,500**	25%	**$ 50,000**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 60,000	$ 25,000	$ 75,000	**$ 50,000**	**$ 12,500**	25%	**$ 50,000**	
	Available Fund Balance - EOY	$ 21,789	$ 37,533	$ 16,445	**$ 19,744**	**$ 3,974**		**$ 19,687**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
394	**Downtown Development Authority Fund**								
	Available Fund Balance - BOY	$ 14,618	$ 289,526	$ 329,585	**$ 261,431**	**$ 272,145**		**$ 272,145**	
	Means of Financing								
	Property taxes	$ 614,632	$ 327,373	$ 281,424	**$ 303,155**	**$ -**		**$ 303,155**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State proposal A reimbursement revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	-	-	-	**-**	**-**		**-**	
	Interest income	999	1,212	1,716	**500**	**375**		**500**	
	Operating transfers in - General Fund	-	-	-	**-**	**-**		**-**	
	Operating transfers in - PIF	-	-	-	**-**	**-**		**-**	
	Operating transfers in - Insurance Fund	-	-	-	**-**	**-**		**-**	
	Other	-	-	-	**-**	**-**		**-**	
		$ 615,631	$ 328,585	$ 283,140	**$ 303,655**	**$ 375**		**$ 303,655**	
70805	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	-	600	-	**250**	**-**	0%	**250**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	340,723	287,926	340,580	**329,462**	**571**	0%	**329,462**	DEBT SERVICE DDA BONDS
		$ 340,723	$ 288,526	$ 340,580	**$ 329,712**	**$ 571**	0%	**$ 329,712**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 340,723	$ 288,526	$ 340,580	**$ 329,712**	**$ 571**	0%	**$ 329,712**	
	Available Fund Balance - EOY	$ 289,526	$ 329,585	$ 272,145	**$ 235,374**	**$ 271,949**		**$ 246,088**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

408 Arena Improvement Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Fund Balance - BOY	$ 103,279	$ 71,024	$ 72,251	**$ 7,051**	**$ 779**		**$ 779**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	37,686	22,779	18,637	**25,000**	**85**		**25,000**	
	Interest income	734	446	217	**200**	**42**		**200**	
	Operating transfers in	-	-	-	**-**	**-**		**-**	
	Other	-	-	135,500	**-**	**23,400**		**-**	
		$ 38,420	$ 23,225	$ 154,354	**$ 25,200**	**$ 23,527**		**$ 25,200**	
30906	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-			N/A		
5300	Contractual Services	70,675	17,294	-	**-**	**-**	N/A	**-**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	225,826	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
		$ 70,675	$ 17,294	$ 225,826	**$ -**	**$ -**	N/A	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	4,704	-	**-**	**23,400**	N/A	**-**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ 4,704	$ -	**$ -**	**$ 23,400**	N/A	**$ -**	
		$ 70,675	$ 21,998	$ 225,826	**$ -**	**$ 23,400**	N/A	**$ -**	
	Available Fund Balance - EOY	$ 71,024	$ 72,251	$ 779	**$ 32,251**	**$ 906**		**$ 25,979**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

403 Sidewalk Improvement Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Fund Balance - BOY	$ 989,494	$ 819,083	$ 631,995	**$ 670,597**	**$ 665,541**		**$ 665,541**	
	Means of Financing								
	Special assessments	$ 109,431	$ 5,116	$ 75,715	**$ 75,000**	**$ -**		**$ 75,000**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	-	-	-	**-**	**-**		**-**	
	Interest income	27,514	19,395	13,597	**15,000**	**814**		**15,000**	
	Operating transfers in	-	-	-	**-**	**-**		**-**	
	Other	-	-	100,000	**-**	**-**		**-**	
		$ 136,945	$ 24,511	$ 189,312	**$ 90,000**	**$ 814**		**$ 90,000**	
30906	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	2,275	-	-	**-**	**-**	N/A	**-**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	303,684	209,303	155,766	**151,705**	**-**	0%	**151,705**	DEBT SERVICE ON SIDEWALK ASSESSMENT BONDS
		$ 305,959	$ 209,303	$ 155,766	**$ 151,705**	**$ -**	0%	**$ 151,705**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	1,397	2,296	-	**-**	**-**	N/A	**-**	
5400	Other Expenses	-	-	-	**-**		N/A	**-**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
		$ 1,397	$ 2,296	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 307,356	$ 211,599	$ 155,766	**$ 151,705**	**$ -**	0%	**$ 151,705**	
	Available Fund Balance - EOY	$ 819,083	$ 631,995	$ 665,541	**$ 608,892**	**$ 666,355**		**$ 603,836**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

404 Public Improvement Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Fund Balance - BOY	$ 1,985,126	$ 1,319,726	$ 696,631	**$ 449,277**	**$ 551,506**		**$ 551,506**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Property taxes	-	-	-	**-**	**-**		**-**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	Charges for services	100,075	48,211	94,428	**-**	**-**		**-**	
	Sales of Property	13,201	31	4,817	**5,000**	**-**		**5,000**	
	Interest income	16,140	8,556	6,974	**7,500**	**1,367**		**7,500**	
	Operating transfers in	14,216	-	-	**-**	**-**		**-**	
	Other	486	-	60,377	**-**	**37,535**		**-**	
		$ 144,118	$ 56,798	$ 166,596	**$ 12,500**	**$ 38,902**		**$ 12,500**	
30936	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	-	-	-	**5,000**	**-**	0%	**5,000**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	109,292	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	569,523	121,001	202,429		**-**	N/A		
		$ 569,523	$ 121,001	$ 311,721	**$ 5,000**	**$ -**	0%	**$ 5,000**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**22,116**	96%	**23,000**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	239,995	558,892	-	**-**	**16,204**	81%	**20,000**	
		$ 239,995	$ 558,892	$ -	**$ -**	**$ 38,320**	89%	**$ 43,000**	
		$ 809,518	$ 679,893	$ 311,721	**$ 5,000**	**$ 38,320**	80%	**$ 48,000**	
	Available Fund Balance - EOY	$ 1,319,726	$ 696,631	$ 551,506	**$ 456,777**	**$ 552,088**		**$ 516,006**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
482	**State Grants Fund**								
	Available Fund Balance - BOY	$ 649,547	$ 599,175	$ 500,140	**$ 294,369**	**$ 237,439**		**$ 237,439**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	175,689	217,405	462,517	**315,000**	**135,220**		**315,000**	
	Sales of Property	-	-	-	**-**	**-**		**-**	
	Interest income	-	38	613	**-**	**270**		**-**	
	Operating transfers in	-	-	-	**-**	**-**		**-**	FROM PUBLIC IMPROVEMENT FUND FOR SMITH RYERSON
	Other	6,307	-	237,104	**-**	**-**		**-**	
		$ 181,996	$ 217,443	$ 700,234	**$ 315,000**	**$ 135,490**		**$ 315,000**	
30936	**Operating Expenditures**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	634,622	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	16,840	-	328,313	**-**	**-**	N/A	**-**	
		$ 16,840	$ -	$ 962,935	**$ -**	**$ -**	N/A	**$ -**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	215,528	316,478	-	**315,000**	**642**	0%	**315,000**	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
		$ 215,528	$ 316,478	$ -	**$ 315,000**	**$ 642**	0%	**$ 315,000**	
		$ 232,368	$ 316,478	$ 962,935	**$ 315,000**	**$ 642**	0%	**$ 315,000**	
	Available Fund Balance - EOY	$ 599,175	$ 500,140	$ 237,439	**$ 294,369**	**$ 372,287**		**$ 237,439**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

594 Marina & Launch Ramp Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Cash Balance - BOY	$ 85,238	$ 149,996	$ 217,556	**$ 301,056**	**$ 243,852**		**$ 243,852**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	246,565	155,059	184,394	**260,000**	**48,496**		**260,000**	
	Interest income	763	745	-	**-**	**294**		**-**	
	Operating transfers in	-	3,760	-	**-**	**-**		**-**	
	Other	669	1,709	9,917	**-**	**1,655**		**-**	
		$ 247,997	$ 161,273	$ 194,311	**$ 260,000**	**$ 50,445**		**$ 260,000**	
70756	**Operating Expenditures - Marina**								
5100	Salaries & Benefits	$ 80,164	$ 33,715	$ 46,085	**$ 46,822**	**$ 251**	1%	**$ 46,822**	
5200	Operating Supplies	5,992	7,328	7,200	**10,600**	**705**	7%	**10,600**	
5300	Contractual Services	80,619	45,158	109,504	**124,354**	**47,302**	38%	**124,354**	
5400	Other Expenses	-	-	-	**100**	**-**	0%	**100**	
5700	Capital Outlays	12,217	-	5,806	**7,800**	**(13)**	0%	**7,800**	
5900	Other Financing Uses	-	-	4,345	**-**	**-**	N/A	**-**	
	Other Cash Uses (e.g. Debt Principal)	(5,820)	-	-	**-**	**-**	N/A	**-**	
		$ 173,172	$ 86,201	$ 172,940	**$ 189,676**	**$ 48,245**	25%	**$ 189,676**	
70759	**Operating Expenditures - Ramps**								
5100	Salaries & Benefits	$ 1,303	$ 190	$ -	**$ 2,500**	**$ -**	0%	**$ 2,500**	
5200	Operating Supplies	420	1,189	593	**500**	**-**	0%	**500**	
5300	Contractual Services	8,344	6,133	4,426	**9,580**	**2,209**	23%	**9,580**	
5400	Other Expenses	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
	Other Cash Uses (e.g. Debt Principal)	-	-	(9,944)	**-**	**-**	N/A	**-**	
		$ 10,067	$ 7,512	$ (4,925)	**$ 12,580**	**$ 2,209**	18%	**$ 12,580**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 183,239	$ 93,713	$ 168,015	**$ 202,256**	**$ 50,454**	25%	**$ 202,256**	
	Available Cash Balance - EOY	$ 149,996	$ 217,556	$ 243,852	**$ 358,800**	**$ 243,843**		**$ 301,596**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

661 Equipment Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Cash Balance - BOY	$ 2,472,676	$ 2,519,442	$ 2,755,881	**$ 2,468,665**	**$ 2,880,251**		**$ 2,880,251**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	2,178,851	1,204,803	2,211,835	**2,300,000**	**375,155**		**2,300,000**	INTERDEPARTMENTAL CHARGES
	Interest income	19,495	13,150	13,822	**25,000**	**3,422**		**25,000**	
	Operating transfers in	-	-	-	**-**	**-**		**-**	
	Other	151,690	67,112	96,411	**100,000**	**39,389**		**100,000**	
		$ 2,350,036	$ 1,285,065	$ 2,322,068	**$ 2,425,000**	**$ 417,966**		**$ 2,425,000**	
60932	**Operating Expenditures**								
5100	Salaries & Benefits	$ 591,154	$ 198,819	$ 392,338	**$ 412,262**	**$ 122,035**	30%	**$ 412,262**	
5200	Operating Supplies	746,316	352,010	833,310	**934,000**	**82,477**	9%	**934,000**	
5300	Contractual Services	474,054	368,421	643,677	**757,317**	**157,245**	21%	**757,317**	
5400	Other Expenses	1,013	37	352	**1,000**	**-**	0%	**1,000**	
5700	Capital Outlays	446,354	45,518	372,756	**607,400**	**431,825**	71%	**607,400**	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
	Other Cash Uses (e.g. Debt Principal)	44,379	83,821	(44,735)	**-**	**-**	N/A	**-**	
		$ 2,303,270	$ 1,048,626	$ 2,197,698	**$ 2,711,979**	**$ 793,582**	29%	**$ 2,711,979**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 2,303,270	$ 1,048,626	$ 2,197,698	**$ 2,711,979**	**$ 793,582**	29%	**$ 2,711,979**	
	Available Cash Balance - EOY	$ 2,519,442	$ 2,755,881	$ 2,880,251	**$ 2,181,686**	**$ 2,504,635**		**$ 2,593,272**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

642 Public Service Building Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Cash Balance - BOY	$ 474,631	$ 513,578	$ 444,931	**$ 160,371**	**$ 268,058**		**$ 268,058**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	610,873	484,670	769,340	**969,340**	**242,335**		**969,340**	INTERDEPARTMENTAL CHARGES
	Interest income	3,804	2,570	2,214	**6,000**	**446**		**6,000**	
	Operating transfers in	-	-	-	**-**	**-**		**-**	
	Other	-	-	68	**-**	**-**		**-**	
		$ 614,677	$ 487,240	$ 771,622	**$ 975,340**	**$ 242,781**		**$ 975,340**	
60442	**Operating Expenditures**								
5100	Salaries & Benefits	$ 266,246	$ 429,395	$ 637,792	**$ 547,811**	**$ 150,425**	27%	**$ 547,811**	
5200	Operating Supplies	28,229	10,221	12,278	**26,400**	**1,369**	5%	**26,400**	
5300	Contractual Services	243,486	115,637	231,099	**301,101**	**32,183**	11%	**301,101**	
5400	Other Expenses	8,200	9,754	14,507	**500**	**6,853**	1371%	**500**	
5700	Capital Outlays	6,907	2,114	-	**19,500**	**65**	0%	**19,500**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	22,662	(14,248)	(20,346)	**-**	**-**	N/A	**-**	
		$ 575,730	$ 552,873	$ 875,330	**$ 895,312**	**$ 190,895**	21%	**$ 895,312**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	3,014	73,165	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ 3,014	$ 73,165	**$ -**	**$ -**	N/A	**$ -**	
		$ 575,730	$ 555,887	$ 948,495	**$ 895,312**	**$ 190,895**	21%	**$ 895,312**	
	Available Cash Balance - EOY	$ 513,578	$ 444,931	$ 268,058	**$ 240,399**	**$ 319,944**		**$ 348,086**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

643 Engineering Services Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Cash Balance - BOY	$ 132,074	$ (48,336)	$ (98,892)	**$ (14,992)**	**$ (93,420)**		**$ (93,420)**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	451,132	177,438	410,022	**459,506**	**119,992**		**459,506**	INTERDEPARTMENTAL CHARGES
	Interest income	606	103	-	**-**	**-**		**-**	
	Operating transfers in	-	-	-	**-**	**-**		**-**	
	Other	23,312	126	128,631	**25,000**	**6,806**		**25,000**	
		$ 475,050	$ 177,667	$ 538,653	**$ 484,506**	**$ 126,798**		**$ 484,506**	
60447	**Operating Expenditures**								
5100	Salaries & Benefits	$ 450,038	$ 140,911	$ 298,948	**$ 299,804**	**$ 84,650**	28%	**$ 299,804**	
5200	Operating Supplies	8,918	5,313	6,021	**11,230**	**701**	6%	**11,230**	
5300	Contractual Services	135,994	63,729	128,256	**138,320**	**27,047**	20%	**138,320**	
5400	Other Expenses	286	2,085	179	**1,000**	**-**	0%	**1,000**	
5700	Capital Outlays	7,973	3,994	5,406	**7,700**	**608**	8%	**7,700**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	16,159	9,979	61,714	**-**	**-**	N/A	**-**	
		$ 619,368	$ 226,011	$ 500,524	**$ 458,054**	**$ 113,006**	25%	**$ 458,054**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	36,092	2,212	32,657	**-**	**6,043**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
		$ 36,092	$ 2,212	$ 32,657	**$ -**	**$ 6,043**	N/A	**$ -**	
		$ 655,460	$ 228,223	$ 533,181	**$ 458,054**	**$ 119,049**	26%	**$ 458,054**	
	Available Cash Balance - EOY	$ (48,336)	$ (98,892)	$ (93,420)	**$ 11,460**	**$ (85,671)**		**$ (66,968)**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

677 General Insurance Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Cash Balance - BOY	$ 1,236,014	$ 1,339,236	$ 1,535,902	**$ 1,484,748**	**$ 1,420,174**		**$ 1,420,174**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	4,260,731	2,116,365	3,770,919	**2,864,118**	**815,766**		**2,864,118**	INTERDEPARTMENTAL CHARGES
	Interest income	5,257	4,577	6,057	**10,000**	**1,526**		**10,000**	
	MERS Retireee Health Reimbursement	-	-	-	**840,000**	**119,341**		**840,000**	
	Medicare Part D Rx Reimbursement	-	-	-	**35,000**	**-**		**35,000**	
	Repayment of DDA Advance	-	-	-	**-**	**-**		**-**	
	Operating transfers in	28,046	14,023	28,046	**28,046**	**7,011**		**28,046**	INTERFUND LOAN REPAYMENT - ARENA IMPROVEMENTS
	Other	4,863	6,038	11,081	**-**	**66,368**		**-**	
		$ 4,298,897	$ 2,141,003	$ 3,816,103	**$ 3,777,164**	**$ 1,010,012**		**$ 3,777,164**	
30851	**Operating Expenditures**								
5100	Salaries & Benefits	$ 43,957	$ -	$ -	**$ 32,502**	**$ 8,825**	27%	**$ 32,502**	
5200	Operating Supplies	1,154	-	-	**-**	**138**	N/A	**-**	
5300	Contractual Services	4,215,551	1,944,337	4,099,156	**3,704,118**	**808,792**	22%	**3,704,118**	
5400	Other Expenses	1,141	-	-	**1,500**	**-**	0%	**1,500**	
5700	Capital Outlays	1,915	-	-	**2,000**	**250**	13%	**2,000**	
5900	Other Financing Uses	77,744	-	-	**-**	**-**	N/A	**-**	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	(145,787)	-	(167,325)	**-**	**-**	N/A	**-**	
		$ 4,195,675	$ 1,944,337	$ 3,931,831	**$ 3,740,120**	**$ 818,005**	22%	**$ 3,740,120**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	-	-	-	**-**	**-**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
		$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
		$ 4,195,675	$ 1,944,337	$ 3,931,831	**$ 3,740,120**	**$ 818,005**	22%	**$ 3,740,120**	
	Available Cash Balance - EOY	$ 1,339,236	$ 1,535,902	$ 1,420,174	**$ 1,521,792**	**$ 1,612,181**		**$ 1,457,218**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

590 Sewer Fund

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
	Available Cash Balance - BOY	$ (249,387)	$ 521,480	$ 1,585,879	**$ 2,448,376**	**$ 3,320,219**		**$ 3,320,219**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**10,000**	**-**		**10,000**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services	5,584,293	3,369,596	6,499,376	**5,980,000**	**822,451**		**5,980,000**	
	Interest income	597	1,679	9,822	**15,000**	**2,960**		**15,000**	
	Repayment of DDA advance	-	-	-	**-**	**-**		**-**	
	Operating transfers in	-	-	-	**-**	**-**		**-**	
	Other	481,114	78,581	153,475	**150,000**	**8,936**		**150,000**	
		$ 6,066,004	$ 3,449,856	$ 6,662,673	**$ 6,155,000**	**$ 834,347**		**$ 6,155,000**	
30548	**Operating Expenditures Administration**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	-	-	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	363,113	188,402	332,732	**332,055**	**67,066**	20%	**332,055**	INSURANCE/INDIRECT COSTS/ADMINISTRATION FEE
5400	Other Expenses	5,087	6,254	2,158	**-**	**49**	N/A	**-**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	-	-	41,609	**-**	**-**	N/A	**-**	
	Other Cash Uses and Adjustments (e.g. Debt Principal)	-	(10,152)	(249,391)	**-**	**-**	N/A	**-**	
		$ 368,200	$ 184,504	$ 127,108	**$ 332,055**	**$ 67,115**	20%	**$ 332,055**	
60559	**Operating Expenditures Maintenance**								
5100	Salaries & Benefits	$ 728,753	$ 239,245	$ 472,593	**$ 647,726**	**$ 106,755**	16%	**$ 647,726**	
5200	Operating Supplies	37,583	29,401	30,123	**47,750**	**2,120**	4%	**47,750**	
5300	Contractual Services	3,863,907	1,866,171	4,011,555	**4,546,078**	**398,915**	9%	**4,546,078**	
5400	Other Expenses	-	600	500	**1,000**	**-**	0%	**1,000**	
5700	Capital Outlays	18,960	1,520	5,860	**17,760**	**-**	0%	**17,760**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
		$ 4,649,203	$ 2,136,937	$ 4,520,631	**$ 5,260,314**	**$ 507,790**	10%	**$ 5,260,314**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	277,734	64,016	280,594	**400,000**	**118,845**	30%	**400,000**	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
		$ 277,734	$ 64,016	$ 280,594	**$ 400,000**	**$ 118,845**	30%	**$ 400,000**	
		$ 5,295,137	$ 2,385,457	$ 4,928,333	**$ 5,992,369**	**$ 693,750**	12%	**$ 5,992,369**	
	Available Cash Balance - EOY	$ 521,480	$ 1,585,879	$ 3,320,219	**$ 2,611,007**	**$ 3,460,816**		**$ 3,482,850**	

City of Muskegon

Annual Budget & Quarterly Budget Reforecast - Other Funds

		Actual 2009	Actual 2010 (Stub Year)	Actual 2011	Original Budget FY2012	Actual to Date FY2012	Actual As % of Revised	Revised Budget Estimate FY2012	Comments
591	**Water Fund**								
	Available Cash Balance - BOY	$ 3,232,652	$ 2,301,294	$ 3,128,123	**$ 2,868,744**	**$ 3,585,169**		**$ 3,585,169**	
	Means of Financing								
	Special assessments	$ -	$ -	$ -	**$ -**	**$ -**		**$ -**	
	Federal & state grants	-	-	-	**-**	**-**		**-**	
	State shared revenue	-	-	-	**-**	**-**		**-**	
	Charges for services - City	2,967,961	1,564,652	3,025,327	**3,155,000**	**456,944**		**3,155,000**	
	Charges for services - Wholesale	2,281,977	989,519	1,906,772	**2,120,000**	**340,210**		**2,120,000**	
	Maintenance services - Township	162,300	88,858	178,393	**170,000**	**64,703**		**170,000**	
	Interest income	22,483	13,566	13,025	**20,000**	**2,948**		**20,000**	
	Lease of facilities	127,027	71,402	143,269	**127,000**	**36,978**		**127,000**	LEASE OF SPACE ON WATER TOWERS
	Repayment of DDA advance	-	-	-	**-**	**-**		**-**	
	Operating transfers in	-	-	-	**-**	**-**		**-**	
	Other	327,378	184,695	245,418	**-**	**30,103**		**-**	
		$ 5,889,126	$ 2,912,692	$ 5,512,204	**$ 5,592,000**	**$ 931,886**		**$ 5,592,000**	
30548	**Operating Expenditures Administration**								
5100	Salaries & Benefits	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5200	Operating Supplies	4,155	1,085	-	**-**	**-**	N/A	**-**	
5300	Contractual Services	512,150	258,076	541,950	**536,007**	**112,133**	21%	**536,007**	INSURANCE/INDIRECT COSTS/ADMINISTRATION FEE
5400	Other Expenses	5,295	7,960	-	**2,000**	**1**	0%	**2,000**	
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
5900	Other Financing Uses	567,463	-	415,395	**410,188**	**114,073**	28%	**410,188**	INTEREST ON WATER BONDS
	Other Cash Uses and Adjustments (e.g. Debt Principal)	1,110,000	317,141	1,061,133	**1,230,000**	**-**	0%	**1,230,000**	PRINCIPAL ON WATER BONDS
		$ 2,199,063	$ 584,262	$ 2,018,478	**$ 2,178,195**	**$ 226,207**	10%	**$ 2,178,195**	
60559	**Operating Expenditures Maintenance - City**								
5100	Salaries & Benefits	$ 972,743	$ 420,828	$ 816,927	**$ 768,795**	**$ 244,788**	32%	**$ 768,795**	
5200	Operating Supplies	1,361,098	48,567	190,809	**160,260**	**30,727**	19%	**160,260**	
5300	Contractual Services	368,258	149,061	299,637	**446,417**	**83,449**	19%	**446,417**	
5400	Other Expenses	35,364	29,769	66,107	**53,230**	**19,000**	36%	**53,230**	
5700	Capital Outlays	8,490	906	11,531	**16,500**	**835**	5%	**16,500**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
		$ 2,745,953	$ 649,131	$ 1,385,011	**$ 1,445,202**	**$ 378,799**	26%	**$ 1,445,202**	
60558	**Operating Expenditures Filtration**								
5100	Salaries & Benefits	$ 601,170	$ 299,682	$ 590,491	**$ 655,881**	**$ 149,403**	23%	**$ 655,881**	
5200	Operating Supplies	238,676	93,186	232,984	**275,095**	**45,375**	16%	**275,095**	
5300	Contractual Services	490,099	246,943	433,967	**615,970**	**108,164**	18%	**615,970**	
5400	Other Expenses	1,384	750	1,153	**2,600**	**460**	18%	**2,600**	
5700	Capital Outlays	126,309	26,130	108,567	**45,300**	**7,203**	16%	**45,300**	
5900	Other Financing Uses	-	-	-	**-**	**-**	N/A	**-**	
	Replacement Reserve - DWRF	-	-	-	**290,000**	**-**	0%	**290,000**	
		$ 1,457,638	$ 666,691	$ 1,367,162	**$ 1,884,846**	**$ 310,605**	16%	**$ 1,884,846**	
90000	**Project Expenditures**								
5200	Operating Supplies	$ -	$ -	$ -	**$ -**	**$ -**	N/A	**$ -**	
5300	Contractual Services	417,830	185,779	284,507	**1,340,000**	**355,180**	34%	**1,060,000**	SEE "BUDGETED CAPITAL IMPROVEMENTS" FOR DETAIL
5700	Capital Outlays	-	-	-	**-**	**-**	N/A	**-**	
		$ 417,830	$ 185,779	$ 284,507	**$ 1,340,000**	**$ 355,180**	34%	**$ 1,060,000**	
		$ 6,820,484	$ 2,085,863	$ 5,055,158	**$ 6,848,243**	**$ 1,270,791**	19%	**$ 6,568,243**	
	Available Cash Balance - EOY	$ 2,301,294	$ 3,128,123	$ 3,585,169	**$ 1,612,501**	**$ 3,246,264**		**$ 2,608,926**	

		Responsibility	2011-12 Budgeted Projects	2011-12 Estimated Project Grants	2011-12 1Q Reforecast	Comments
City of Muskegon						
Quarterly Budget Reforecast and 2011-12 Proposed Budget						
	2011-12 BUDGETED PROJECTS					
101	**General Fund**					
	Roof Replacement over Police Department	Al-Shatel	$ 39,000		$ 39,000	
	Irrigation Well & Pumps @ Lakeside Cemetery	Al-Shatel	29,000		29,000	
	VOIP Phone System	Maurer	90,000		90,000	One-Year Payback
	McGraft - Replace Roof/Surface Tennis Courts/Drainage& Ice Melt	Al-Shatel	35,000		35,000	
	ADA Compliance, various locations	Al-Shatel	25,000		25,000	Federal Agreement
	Irrigation at City Hall	Al-Shatel	15,000		15,000	Replace System
	City Hall Tuck Pointing & Sealing	Al-Shatel	40,000	-	40,000	
			273,000	-	273,000	
202	**Major Streets**					
	Laketon, Barclay to Henry	Al-Shatel	30,000		30,000	
	Laketon-Henry Intersection	Al-Shatel	20,000		20,000	
	Laketon Traffic Signals: Hoyt, Getty, Roberts & Wood	Al-Shatel	50,000		300,000	
	Traffic Signal replacement/Upgrade at Getty & Evanston	Al-Shatel	138,000	-	5,000	Design Only this Year
	Laketon, Henry to Park	Al-Shatel	700,000	560,000	765,000	STP Grant Funds
	Ryerson Creek Fish Passage (Muskegon Ave. @ Eastern)	Al-Shatel	40,000		40,000	
	Sherman, Lincoln to Estes	Al-Shatel	1,100,000	481,000	1,100,000	STP Grant Funds
	Port City, Latimer to Laketon	Al-Shatel	15,000		15,000	
	Getty Street, Keating to Laketon (STP)	Al-Shatel	575,000	300,000	575,000	STP Grant Funds
	Traffic Signals Warrants Evaluation, various locations	Al-Shatel	23,000	-	23,000	
	Speed Limits Evaluations	Al-Shatel	20,000		20,000	In-House engineering Costs

		Responsibility	2011-12 Budgeted Projects	2011-12 Estimated Project Grants	2011-12 1Q Reforecast	Comments
City of Muskegon						
Quarterly Budget Reforecast and 2011-12 Proposed Budget						
	2011-12 BUDGETED PROJECTS					
	Terrace, Apple to Western	Al-Shatel	230,000	160,000	240,000	Mill and Resurface - HPP Grant Funds
	M-120 Over North Branch of River	Al-Shatel	14,000		14,000	MDOT Project - 8.75% City Participation
	Getty St., Laketon to Evanston	Al-Shatel	960,000	435,000	960,000	TEDF and CDBG Grant Funds
			3,915,000	1,936,000	4,107,000	
203	**Local Streets**					
	Dale, Peck to Clinton	Al-Shatel	55,000	-	55,000	Reconstruct
			55,000	-	55,000	
404	**Public Improvement Fund**					
	No Budgeted Projects		-	-	-	
408	**Arena Maintenance Fund**					
	No Budgeted Projects		-	-	-	
			-	-	-	
482	**State Grants Fund**					
	EPA Grant	Brubaker-Clarke	40,000	40,000	40,000	
	Musketawa Trail Connection-phase IB (Keating to Black Creek)	Al-Shatel	275,000	275,000	275,000	
			315,000	315,000	315,000	
590	**Sewer**					
	Sewer Rehabilitation Project (various projects)	Al-Shatel	100,000	-	100,000	Lining of Manholes/Sewer Lines
	Isabella, Peck to Terrace	Al-Shatel	25,000		25,000	
	Getty, Laketon to Evanston	Al-Shatel	135,000	-	135,000	New Sewer Main and Services
	Terrace, Apple to Western	Al-Shatel	20,000	-	20,000	Sewer Repairs Associated With Street Project
	GIS Update and Maintenance	Al-Shatel	30,000		30,000	County Licensing, Map Maintenance
	Mason, Sixth to Fifth	Al-Shatel	90,000	-	90,000	Replace Main and Services
			400,000	-	400,000	

City of Muskegon						
Quarterly Budget Reforecast and 2011-12 Proposed Budget						
		Responsibility	**2011-12 Budgeted Projects**	**2011-12 Estimated Project Grants**	**2011-12 1Q Reforecast**	**Comments**
	2011-12 BUDGETED PROJECTS					
591	**Water**					
	Elevated Tank - Marshall & Roberts, Interior Painting	Al-Shatel	290,000	-	185,000	Favorable Bids
	Water Main Replacement Project, various locations & 2" & 4" Mains replacem	Al-Shatel	100,000	-	100,000	Filtration Plant
	Laketon, Henry to Park	Al-Shatel	25,000		70,000	Water Repairs Associated With Street Project
	Getty Street, Keating to Laketon (STP)	Al-Shatel	135,000		135,000	Main and Services Replacement
	Getty St., Laketon to Evanston	Al-Shatel	225,000		225,000	Crossing Mains and Services Replacement
	Isabella, Peck to Terrace	Al-Shatel	40,000		40,000	Replace Main and Services
	High Service Switchgear Repairs & Upgrades	Al-Shatel	175,000		175,000	Filtration Plant
	Terrace, Apple to Western	Al-Shatel	230,000		10,000	Water Repairs Associated With Street Project
	GIS Update and Maintenance	Al-Shatel	30,000		30,000	County Licensing, Map Maintenance
	Mason, Sixth to Fifth	Al-Shatel	90,000	-	90,000	Replace Main and Services
			1,340,000	-	1,060,000	
642	**PSB**					
	No Budgeted Projects		-	-	-	
			-	-	-	
643	**Engineering Services**					
	Intergovernmental Engineering Work	Al-Shatel	20,000	-	20,000	
			20,000	-	20,000	
661	**Equipment Fund**					
5720/Quantity	*Non-Vehicular Equipment:*					
1	Diagnostic Equipment	Al-Shatel	25,000	-	25,000	
1	Snow Blower / Mower	Al-Shatel	103,000	-	103,000	
1	Concrete Saw	Al-Shatel	25,000	-	25,000	
			153,000	-	153,000	

		Responsibility	2011-12 Budgeted Projects	2011-12 Estimated Project Grants	2011-12 1Q Reforecast	Comments
City of Muskegon						
Quarterly Budget Reforecast and 2011-12 Proposed Budget						
			2011-12 BUDGETED PROJECTS			
5746	*Communications Equipment:*					
1	Video system	Al-Shatel	8,000	-	8,000	
5	Cruiser radios	Al-Shatel	8,000	-	8,000	
6	In-car radios	Al-Shatel	4,000	-	4,000	
3	Light bars	Al-Shatel	6,000	-	6,000	
			26,000	-	26,000	
5730	*Vehicles:*					
2	Small Pickup	Al-Shatel	32,800	-	32,800	
5	Patrol Cruisers	Al-Shatel	-	-	110,000	
1	Pickup Truck, 4X4	Al-Shatel	24,600	-	24,600	
1	I ton dump 4X4	Al-Shatel	31,000	-	31,000	New - For Plowing Alleys
1	Plow Truck	Al-Shatel	140,000	-	140,000	Replaces 1992 Vehicle
1	Vactor	Al-Shatel	-	-	322,165	Replaces 1992 Vehicle
1	Sewer Jet	Al-Shatel	200,000	-	200,000	Replaces 1999 Equipment
			428,400	-	860,565	
	Total Equipment Fund		607,400	-	1,039,565	
			$ 6,925,400	$ 2,251,000	$ 7,489,565	

Date: October 25, 2011

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Consideration of 2012 COLA for Retirees

SUMMARY OF REQUEST: It is time to consider whether an annual cost of living adjustment (COLA) should be awarded to city retirees. Under the City's COLA program, permanent cost of living increases are made to pensioners retired five years or more. COLA payments are capped at 75% of the CPI and are payable only when investment performance exceeds estimates and the COLA is deemed affordable. The last COLA increase was in 2009, when a 0.50% COLA was granted.

The actuary has computed the cost of a 1% COLA adjustment as follows:

Group	***Cost***
Eligible General Retirees	*$21,456*
Eligible P&F Retirees	*$53,280*

The City's retirement system remains financially sound but continues to feel the impact of the collapse of the financial markets in late 2008. The most recent annual actuarial valuation contains this important warning:

"The actuarial value of assets (funding value), used to determine both your funded status and your required employer contribution, is based on a 10-year smoothed value of assets. Only a portion (three-tenths, for 2008, 2009, and 2010) of the 2008 investment market losses were recognized in this actuarial valuation report. This reduces the volatility of the valuation results, which affects your required employer contribution and actuarial funded percentage.

As of December 31, 2010 the actuarial value of assets is 116% of market value (down from 125% in 2009). This means that meeting the actuarial assumption in the next few years will require average annual market returns that exceed the 8% investment return assumption. If the December 31, 2010 valuation results were based on market value on that date instead of 10-year smoothed funding value: i) the funded percent of your entire municipality would be 86% (instead of 100%); and ii) your total employer contribution requirement for the fiscal year starting July 1, 2012 would be $3,629,328 (instead of $1,012,440). If the investment markets do not fully make-up for the 2008 losses, employer contribution requirements may rise. "

Given the above and the numerous other financial challenges facing the City, staff does not believe it is prudent to commit to an additional long-term cost at this time. Therefore, it is recommended no retiree COLA be awarded for the year beginning January 1, 2012.

FINANCIAL IMPACT: None

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: Commission action affirming staff's recommendation that no retiree COLA increase be granted for 2012.

GRS

Gabriel Roeder Smith & Company
Consultants & Actuaries

One Towne Square
Suite 800
Southfield, MI 48076-3723

248.799.9000 phone
248.799.9020 fax
www.gabrielroeder.com

October 3, 2011

Ms. Anne Wagner
Chief Executive Officer
Municipal Employees Retirement
System of Michigan
1134 Municipal Way
Lansing, Michigan 48917

Subject: Supplemental Valuation for Muskegon, City of (6116), Division(s) 10, 20

Dear Anne:

Attached are the results of a supplemental valuation prepared for Muskegon, City of in order to determine the contributions necessary to support the following Benefit Program under the Municipal Employees Retirement System of Michigan, in accordance with Act. No. 427 of the Public Acts of 1984, as amended and the MERS' plan document as revised:

Division	Change in Benefit
General (10)	Flexible E (one time 1.0% increase for certain retirees)
PLC/Fire Ret (20)	Flexible E (one time 1.0% increase for certain retirees)

This report values a one-time 1.0% increase in retirement benefits, effective January 1, 2012, for members in these divisions who have been retired at least five years. The list of affected retirees has been provided by the City. The cost of a one-time increase of less than 1.0% for these members can be determined by prorating the results shown, for example the cost of a 0.5% one-time increase in retirement benefits is one-half the results of the 1.0% increase shown in the "Difference" column.

This report may be provided to other interested parties only in its entirety and only with the permission of MERS and the municipality.

Please see the Important Comments and the Comments on the Investment Markets, immediately following this cover letter, for important which is essential to understanding the results presented in this report. In addition, please review the Impact of Adopting the Benefits page(s) following the Employer Computed Contributions page(s).

Sincerely,

Shana M. Neeson

Shana M. Neeson
Senior Analyst

W. James Koss, ASA
Actuary

rpc_id : 44393

MERS Supplemental Valuations - Important Comments

1. As amended, effective March 10, 2011, Section 43C of the MERS Plan Document includes the following requirements, which are not modifiable (subsection (5)):
   a) At the time a supplemental actuarial valuation is requested, and at the time a new benefit provision is adopted, the employer must be current in the payment of all required employer and member contributions (subsection (1)).
   b) Both the requesting division and the participating municipality or court must be not less than 80% funded on an actuarial basis as of the last December 31 valuation date, based on the actual benefit provisions in effect when the supplemental valuation is requested or completed. The governing body may make a cash contribution, or transfer employer assets from a different division, or both, in order to meet the 80% requirement. If the requirement is not met, MERS and its actuary will not complete the requested supplemental valuation (subsection (2)).
   c) The proposed benefit provisions may not be adopted if the results of the supplemental valuation disclose there would be a funded percentage less than 80% on an actuarial basis (using the same valuation date as in requirement (b.)) for either the division or the entire municipality or court. The governing body may make a cash contribution, or transfer employer assets from a different division, or both, in order to meet the 80% requirement (subsection (3)).
   d) The 80% funded percentage requirements "shall not preclude a participating municipality or court whose actuarial funded level is below the required funded level from requesting a valuation, where the purpose of the valuation is to reduce actuarial liabilities by the proposed change in the existing benefit program," and shall not preclude adoption of the change where the valuation results indicate the change reduces such liabilities (last sentence of subsections (2) and (3)).
2. The reader of this report should keep in mind that actuarial calculations are by their nature imprecise, as they are mathematical estimates based on current data and assumptions of future events (which may or may not materialize).
3. Actuarial calculations can and do vary from one valuation year to the next, sometimes significantly if the group valued is very small (less than 30 lives). As a result, the cost impact of a benefit change may fluctuate over time, as the demographics of the group changes.
4. The calculations in this report were prepared based on December 31, 2010 demographic and financial information unless noted elsewhere in the report.
5. The valuation date is December 31, 2010.
6. The valuation methods and Retirement Board-approved assumptions are consistent with those used in the December 31, 2010 Annual Actuarial Valuation, unless noted elsewhere in the report.
7. In the event that more than one plan change is being considered, the user of this report should remember that the results of separate actuarial valuations cannot be added together. The total can be considerably greater than the sum of the parts due to the interaction of various plan provisions with each other and with the assumptions used.
8. Retirement benefits and employer contributions are based on a percentage of members' gross pays, including base pay, overtime pay, longevity pay, and several other miscellaneous items. If total gross payroll exceeds the reported salaries, the dollar contribution amounts shown in this report should be increased proportionately. The above percentages of payroll will not be affected, however.

9. For divisions that are closed to new hires, with the new hires, transfers (unless the Alternate Transfer Provision is adopted by the municipality) and rehires being covered by the MERS DC Plan, by any non-MERS DB or DC plan or by no plan, the Retirement Board has directed that the amortization period for positive unfunded liabilities is decreased annually by 2 years until the period reaches 5 years (Amended Amortization Policy for Closed Divisions Within Open Municipalities).
10. The results in this report were based on information provided to the actuary by the municipality and MERS. The actuary is unaware of any additional information that would impact these results. If the information in the “Request for Supplemental Valuation” is incorrect or incomplete, the actuary does not assume responsibility for the accuracy of that information, and the requester (or reader) of this valuation report may not rely on the results and should advise MERS promptly.
11. The results in this report do not show the potential impact that the adoption of the revised benefits may have on other post-employment benefits (such as retiree health care insurance) or ancillary benefits (such as life insurance).
12. If the user of this report is not sure how to interpret certain results in the report or how to read the report, they should contact the MERS Office of Marketing and Employer Services (800) 767-6377 or MERS’ actuary before relying on the results in this report.

Muskegon, City of (6116)

Comments on the Investment Markets

The dramatic price declines across the world financial markets in 2008 led to increased volatility unlike any experienced in decades. The following two years, 2009 and 2010, have been more stable and MERS' portfolio recovered with investment returns of over 17% and 14%, respectively. While economic worries continue to haunt investors world-wide, equity markets have rebounded, particularly in the United States. MERS maintains the 8% annual return assumption on investments in the belief that over the long term this is achievable.

The actuarial value of assets (funding value), used to determine both your funded status and your required employer contribution, is based on a 10-year smoothed value of assets. Only a portion (three-tenths, for 2008, 2009, and 2010) of the 2008 investment market losses were recognized in your December 31, 2010 actuarial valuation report and in this supplemental actuarial valuation report. This reduces the volatility of the valuation results, which affects your required employer contribution and your actuarial funded percentage.

As of December 31, 2010 the actuarial value of assets is 116% of market value (down from 125% in 2009). This means that meeting the actuarial assumption in the next few years will require average annual market returns that exceed the 8% investment return assumption.

If the December 31, 2010 valuation results were based on market value on that date instead of 10-year smoothed funding value: i) the funded percent of your entire municipality would be 86% (instead of 100%); and ii) your total employer contribution requirement for the fiscal year starting 1, 2012 would be $3,629,328 (instead of $1,012,440). If the investment markets do not fully make-up for the 2008 losses, employer contribution requirements may rise. MERS' investment strategy employs diversification using various asset categories (stocks, bonds, and to a smaller extent real estate and private equity) to capture as much of the upside return as possible while managing acceptable risk. If contribution increases do become necessary, MERS would work to impose them incrementally.

Remember that only three-tenths of the 2008 market losses are reflected in this supplemental actuarial valuation report and your December 31, 2010 valuation results. As was true for past market downturns, MERS expects the markets to continue to rebound. By the time the 2008 market losses would be fully recognized (over the following 7 years), future market gains are expected to partly or fully offset 2008 market losses. This smoothing method is a powerful tool for reducing the volatility of your required employer contributions. However, if the financial markets do not rebound, the result would be gradual increases in your employer contribution requirement over the next 7 years (as described above). These increases would be in addition to the contributions for Current Benefits or for Proposed Benefits shown in this report.

Comment on Actuarial Calculations - The estimate of your future employer contributions in this report are based on the current actuarial assumptions used in the December 31, 2010 actuarial valuation. As always, your required employer contribution rate changes every year, in response to demographic changes, financial experience, benefit provision changes, etc, within your specific plan. The results of future actuarial valuations will differ from the estimates, sometimes materially.

Muskegon, City of (6116) - General Ret (Division 10)
Employer Computed Contributions -- Based on 12/31/2010 Actuarial Valuation

	Current Benefits	Proposed Benefits	Difference
1. Benefits			
a) Benefit Formula	Old Plan Benefits	Old Plan Benefits	
b) Normal Retirement Age	-	-	
c) Vesting Provision	-	-	
d) F50 Ret Condition	-	-	
e) F55 Ret Condition	-	-	
f) F(N) Ret Condition	-	-	
g) Rule of X	-	-	
h) FAC Period	-	-	
i) RS50 Percent	-	-	
j) DROP+	-	-	
k) D-2	-	-	
l) Benefit E	0.5% (1/1/2009)	Flexible E 1.0% (1/1/12)	Flexible E 1.0% (1/1/12)
m) Benefit E-1	-	-	
n) Benefit E-2	-	-	
o) Load for Sick Leave in FAC	-	-	
p) Member Contribution Rate	-	-	
2. Member Counts			
a) Active	0	0	0
b) Retired	132	132	0
c) Vested Former Members	14	14	0
d) Total	146	146	0
3. Annual Payroll	$0	$0	$0
4. Actuarial Value of Assets	$12,252,589	$12,252,589	$0
5. Actuarial Accrued Liability			
a) Active	$0	$0	$0
b) Retired	11,719,870	11,806,016	86,146
c) Vested Former Members	994,393	994,393	0
d) Pending Refunds	32,563	32,563	0
e) Total	$12,746,826	$12,832,972	$86,146
6. Unfunded Accrued Liability (UAL) (5e - 4)	$494,237	$580,383	$86,146
7. Division Percent Funded (4 / 5e)	96.1%	95.5%	(0.6%)
8. Cost as an Annual Dollar Amount			
a) Employer Normal Cost	$0	$0	$0
b) Amort. of UAL (over 5 years)	94,272	115,728	21,456
c) Total Long Term Employer Contribution (8a + 8b)	94,272	115,728	21,456
d) Overfunding Credit	0	0	
e) Total Regular Employer Contribution $ (8c + 8d)	$94,272	$115,728	$21,456

The preceding Important Comments pages, Comments on the Investment Markets page, and concluding Impact of Adopting Benefits page are incorporated by reference herein.

This report may be provided to other interested parties only in its entirety and only with the prior permission of MERS and the municipality.

Muskegon, City of (6116) - General Ret (Division 10)
Impact of Adopting the Benefits

Results reported on the previous page show how the December 31, 2010 annual actuarial report would have been affected by a change in benefit provisions or member contributions. There are many ways to view the change in costs.

Measurements from the Annual Valuation Report	
1. Actuarial Accrued Liability	
a) Current Benefits	$12,746,826
b) Proposed Benefits	12,832,972
c) Difference	**$86,146**
2. Division Percent Funded	
a) Current Benefits	96.1%
b) Proposed Benefits	95.5%
c) Difference	**(0.6%)**
3. Long Term Employer Contribution	
a) Current Benefits	$94,272
b) Proposed Benefits	115,728
c) Difference	**$21,456**

The preceding Important Comments pages and Comments on the Investment Markets page are incorporated by reference herein.

This report may be provided to other interested parties only in its entirety and only with the prior permission of MERS and the municipality.

Muskegon, City of (6116) - PLC/Fire Ret (Division 20)
Employer Computed Contributions -- Based on 12/31/2010 Actuarial Valuation

	Current Benefits	Proposed Benefits	Difference
1. Benefits			
a) Benefit Formula	Old Plan Benefits	Old Plan Benefits	
b) Normal Retirement Age	-	-	
c) Vesting Provision	-	-	
d) F50 Ret Condition	-	-	
e) F55 Ret Condition	-	-	
f) F(N) Ret Condition	-	-	
g) Rule of X	-	-	
h) FAC Period	-	-	
i) RS50 Percent	-	-	
j) DROP+	-	-	
k) D-2	-	-	
l) Benefit E	0.5% (1/1/2009)	Flexible E 1.0% (1/1/12)	Flexible E 1.0% (1/1/12)
m) Benefit E-1	-	-	
n) Benefit E-2	-	-	
o) Load for Sick Leave in FAC	-	-	
p) Member Contribution Rate	-	-	
2. Member Counts			
a) Active	0	0	0
b) Retired	136	136	0
c) Vested Former Members	4	4	0
d) Total	140	140	0
3. Annual Payroll	$0	$0	$0
4. Actuarial Value of Assets	$22,494,971	$22,494,971	$0
5. Actuarial Accrued Liability			
a) Active	$0	$0	$0
b) Retired	24,724,944	24,938,918	213,974
c) Vested Former Members	268,846	268,846	0
d) Pending Refunds	0	0	0
e) Total	$24,993,790	$25,207,764	$213,974
6. Unfunded Accrued Liability (UAL) (5e - 4)	$2,498,819	$2,712,793	$213,974
7. Division Percent Funded (4 / 5e)	90.0%	89.2%	(0.8%)
8. Cost as an Annual Dollar Amount			
a) Employer Normal Cost	$0	$0	$0
b) Amort. of UAL (over 5 years)	536,676	589,956	53,280
c) Total Long Term Employer Contribution (8a + 8b)	536,676	589,956	53,280
d) Overfunding Credit	0	0	
e) Total Regular Employer Contribution $ (8c + 8d)	$536,676	$589,956	$53,280

The preceding Important Comments pages, Comments on the Investment Markets page, and concluding Impact of Adopting Benefits page are incorporated by reference herein.

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Muskegon, City of (6116) - PLC/Fire Ret (Division 20)
Impact of Adopting the Benefits

Results reported on the previous page show how the December 31, 2010 annual actuarial report would have been affected by a change in benefit provisions or member contributions. There are many ways to view the change in costs.

Measurements from the Annual Valuation Report	
1. Actuarial Accrued Liability	
a) Current Benefits	$24,993,790
b) Proposed Benefits	25,207,764
c) Difference	**$213,974**
2. Division Percent Funded	
a) Current Benefits	90.0%
b) Proposed Benefits	89.2%
c) Difference	**(0.8%)**
3. Long Term Employer Contribution	
a) Current Benefits	$536,676
b) Proposed Benefits	589,956
c) Difference	**$53,280**

The preceding Important Comments pages and Comments on the Investment Markets page are incorporated by reference herein.

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