

STATE OF THE CITY

City of Marysville, Michigan

Mayor Daniel A. Damman

March 26, 2018

6:15 p.m.

Our City Council

Mayor

Daniel A. Damman

Mayor Pro-Tem

Kathy Hayman

Council Members

Greg Badley

David C. Barber

Rita Hendricks

Daniel Shirkey

Paul A. Wessel

Our Mission

Mayor, Council and all City Employees are committed to providing exemplary services by responding to the needs of our residents and businesses in a pleasant, timely and fiscally responsible manner.

Our Vision

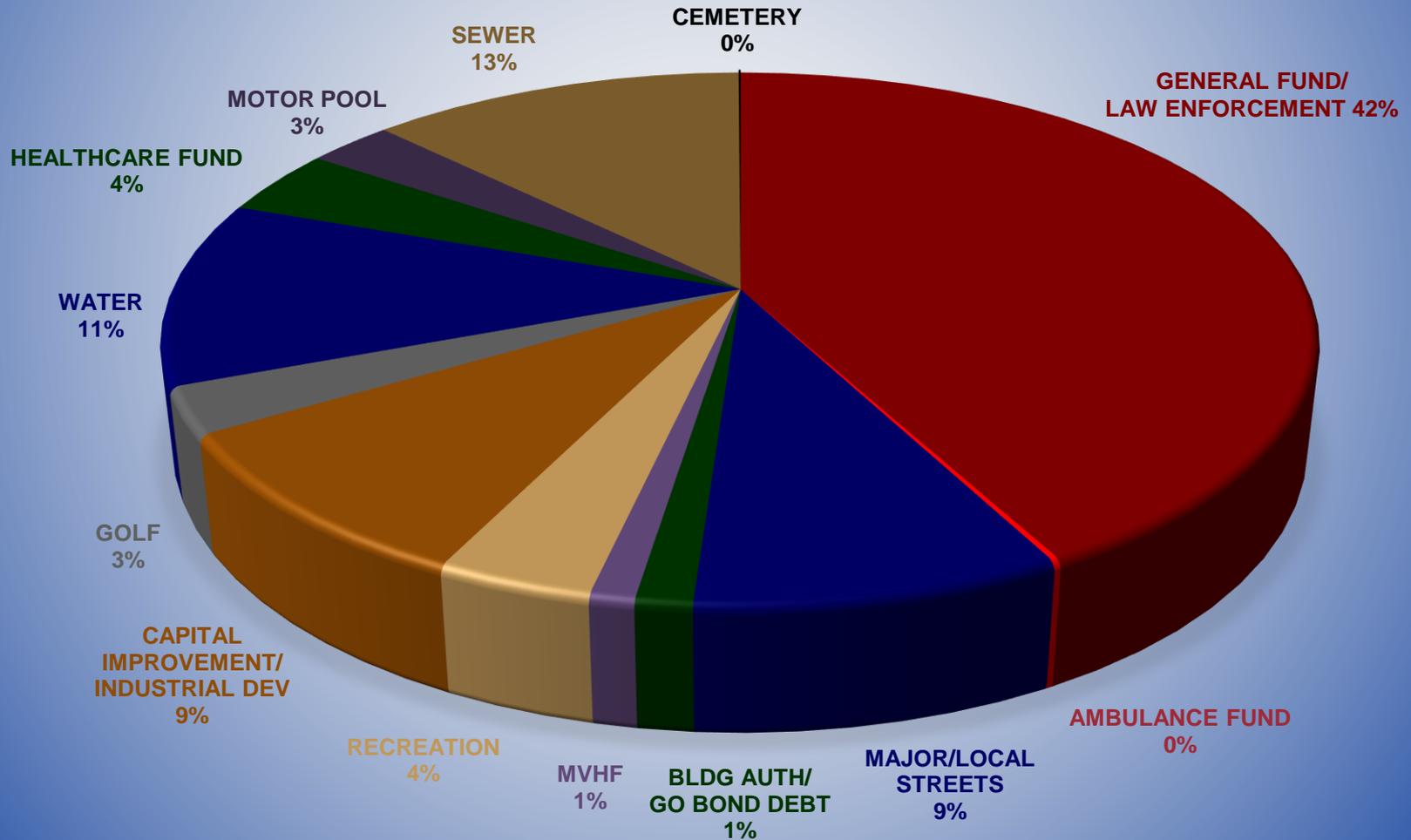
The City of Marysville will be a fiscally sound, family-oriented community with a full range of business, cultural and recreational opportunities provided in a safe and aesthetically-pleasing environment for residents and visitors.

City Departments

Finance

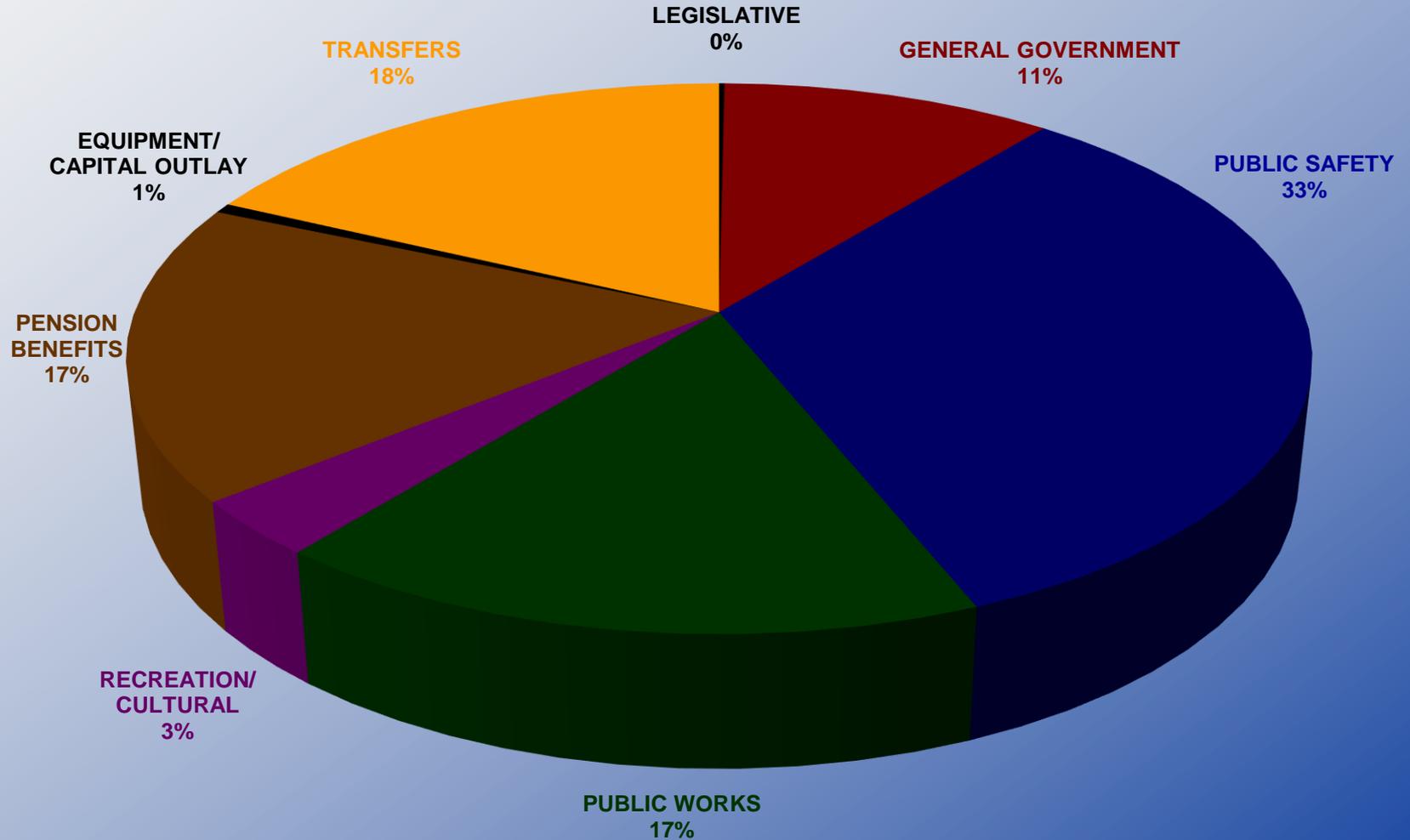
Total Budget – All Funds FY 18

\$23,378,126



Finance

General Fund Budget FY 18 - \$9,837,348



FY 17 & FY 18 General Fund Budget Comparison

REVENUES AND OTHER SOURCES OF FUNDS:	FY17 (Amended)	FY18	% Change
PROPERTY TAXES	\$6,434,000	\$6,314,250	
LICENSE AND PERMITS	\$290,000	\$294,800	
INTERGOVERNMENTAL – STATE	\$1,821,300	\$1,481,000	
CHARGES FOR SERVICES	\$225,850	\$264,800	
FINES AND FORFEITS	\$10,500	\$9,000	
INTERESTS AND RENTS	\$37,800	\$55,408	
OTHER	\$81,500	\$20,000	
DRAW FROM FUND BALANCE	(\$183,911)	\$1,398,090	
TOTAL REVENUES AND OTHER SOURCES OF FUNDS:	\$8,717,039	\$9,837,348	12.85%
EXPENDITURES AND OTHER USES OF FUNDS:	FY17 (Amended)	FY18	% Change
LEGISLATIVE	\$17,289	\$17,291	
GENERAL GOVERNMENT	\$799,868	\$791,801	
PUBLIC SAFETY	\$3,139,951	\$3,259,099	
PUBLIC WORKS	\$1,400,985	\$1,456,949	
RECREATIONAL AND CULTURAL	\$313,467	\$324,581	
PENSION	\$1,033,437	\$1,718,798	
EQUIPMENT/CAPITAL OUTLAY	\$57,200	\$56,200	
TRANSFERS	\$1,954,842	\$2,212,629	
TOTAL EXPENDITURES AND OTHER USES OF FUNDS:	8,717,039	\$9,837,348	12.85%

Finance

FY 15 / FY 16 / FY 17 Annual Financial Report

INCREASE IN FUND BALANCE				
	FY 15	FY 16	FY 17	% Increase
REVENUES:				
PROPERTY TAXES	\$6,153,596	\$6,890,341	\$6,580,663	
LICENSES AND PERMITS	\$405,151	\$284,605	\$306,241	
INTERGOVERNMENTAL - STATE	\$1,008,862	\$991,099	\$1,837,955	
CHARGES FOR SERVICES	\$380,563	\$229,382	\$223,055	
FINES AND FORFEITS	\$9,780	\$10,134	\$9,076	
INTERESTS AND RENTS	\$112,631	\$313,731	\$9,375	
OTHER	\$57,425	\$76,210	\$67,239	
TOTAL REVENUES	\$8,128,008	\$8,795,502	\$9,033,604	11%
EXPENDITURES:				
GENERAL GOVERNMENT	\$817,873	\$886,238	\$950,774	
PUBLIC SAFETY	\$2,964,734	\$2,864,456	\$3,040,382	
PUBLIC WORKS	\$1,336,477	\$1,336,531	\$1,252,842	
RECREATIONAL AND CULTURAL	\$240,384	\$298,145	\$297,142	
PENSION/RETIREE HEALTHCARE	\$1,524,957	\$1,595,254	\$1,667,831	
EQUIPMENT/CAPITAL OUTLAY	\$96,402	\$116,822	\$46,327	
DEBT SERVICE	\$100,130	\$102,439	\$88,367	
TRANSFERS	\$599,790	\$971,571	\$1,224,153	
TOTAL EXPENDITURES	\$7,680,747	\$8,171,456	\$8,567,818	12%
NET CHANGE IN FUND BALANCE	\$447,261	\$624,046	\$465,786	
FUND BALANCE AT BEG OF YEAR	\$6,010,291	\$6,457,552	\$7,081,598	
FUND BALANCE AT END OF YEAR	\$6,457,552	\$7,081,598	\$7,547,384	17%

Finance

Retirement and Post Employment Investment Information Different Methods for Determining Funded Ratio

General City Employees Retirement System							
	Valuation Assets (Smoothed)	Liability	Funded Ratio	Unfunded Liabilities	City Contribution %	Valuation Assets (Actual)	Funded Ratio
2015	\$18,366,503	\$24,567,768	74.76%	\$6,201,265	20.78%	\$17,210,646	70.05%
2016	\$17,718,804	\$24,589,791	72.06%	\$6,870,987	23.09%	\$15,156,689	61.64%
2017	\$17,470,657	\$26,286,823	66.46%	\$8,816,166	27.90%	\$15,501,114	58.97%

Finance

Retirement and Post Employment Investment Information Different Methods for Determining Funded Ratio

Police Officers and Firefighters Retirement System							
	Valuation Assets (Smoothed)	Liability	Funded Ratio	Unfunded Liabilities	City Contribution %	Valuation Assets (Actual)	Funded Ratio
2015	\$15,388,502	\$23,216,650	66.28%	\$7,828,148	32.42%	\$14,397,475	62.01%
2016	\$14,874,871	\$23,370,787	63.65%	\$8,495,916	34.11%	\$12,585,051	53.85%
2017	\$14,620,289	\$24,937,767	58.63%	\$10,317,478	40.65%	\$12,771,017	51.21%

Retiree Health Care Fund - Valuation Completed Bi-annually					
	Valuation Assets (Actual)	Liability	Funded Ratio	Unfunded Liabilities	City Contribution %
2015	\$12,893,773	\$23,490,927	54.89%	\$10,597,154	23.39%
2017	\$14,099,552	\$23,945,569	58.88%* ^	\$9,846,017	32.44%

*40% of all cities in Michigan have no healthcare funds.

^60% of all cities have 10% or less in healthcare funds.

Finance

Changes made by Pension Boards in 2017 to more accurately reflect pension plan expectations:

- Assumed rate of investment return lowered from 7.75% to 7.5% on both pension plans and retiree healthcare.
- Mortality table was changed from RP 2000 Combined Healthy Mortality Table to the RP 2000 Combined Healthy Mortality Table Projected to 2014.
- Normal city contribution into the Retiree Healthcare Fund of \$826,250 will instead be split between the General City and Police Officers and Firefighters Retirement Systems for FY 18. Being done to help increase the funded ratios of both pension plans.
- FY 17 rate of return for the City Employees Retirement System was 9.22% net of investment expenses. Pension Board hired Wells Fargo Advisors to invest the plan's assets in March 2016.
- FY 17 rate of return for the Police Officers and Firefighters Retirement System was 8.49% net of investment expenses. P & F Pension Board hired AndCo Consulting to invest the plan's assets in March 2016.
- FY 17 rate of return for the Retiree Healthcare Investment was 9.49% net of investment expenses. Pension Board hired Wells Fargo Advisors to invest the plan's assets in April 2014.

Millage & Utility Rates

City Operating Millage Rate

16.11 Mills (same rate since 2006)

Water/Sewer/Refuse Rates - Billed Semi-Annually

<u>2016 Rates</u>	<u>2017 Rates</u>
▪ Water – \$135.17	▪ Water – \$151.84
▪ Sewer – \$206.14	▪ Sewer – \$206.14
▪ Refuse – <u>\$ 20.04</u> \$361.35	▪ Refuse – <u>\$ 25.04</u> \$383.02

2017 Rate Changes

6% total increase  (\$43.34 annually)

*Water/sewer rates are expected to increase 4.8% for FY 19 (\$34.50/year).
*Senior discount annual income qualification raised from \$20,000 to \$25,000.**

Finance

2017 Accomplishments

Cemetery Perpetual Care Fund invested with Community Foundation.

- Public Act 422 of 2017 allows a municipality to establish an endowment and perpetual care fund.
- Provides for a greater return on investment.
 - First return on investment \$1872.00 for partial quarter.

Entered into licensing agreement with Munetrix Data Analytic Services.

- 50% reimbursement from Michigan Department of Treasury.
- Will assist with reporting requirements for State Revenue Sharing.

New voting precinct established at Marysville Assembly of God Church.

- Voter wait times reduced.

Election equipment purchased through state grant.

- Mandatory equipment upgrades.

Assessing

Property Value Comparison

Taxable Value (TV)	2016 TV	2017 TV	Change (16/17)
Real Commercial	\$ 38,643,000	\$ 36,593,000	5% decrease
Real Industrial	\$ 30,006,000	\$ 30,615,000	2% increase
Real Residential	<u>\$199,580,000</u>	<u>\$204,728,000</u>	<u>3% increase</u>
TOTAL REAL:	\$268,229,000	\$271,937,000	1% increase
Personal Property	<u>\$90,252,000</u>	\$ 85,976,000	5% decrease**
TOTAL REAL/PERSONAL	\$358,481,000	\$357,913,000	0%

**Personal property decrease due to the state's personal property tax reform bill.
Tax revenue moved to Intergovernmental – Local Community Stabilization Share.

Local Community Stabilization Share Revenue

FY 17	FY 18
\$800,866	\$1,020,939

Department of Public Works



Department of Public Works

2017 Major Projects

Roads Projects Completed (**\$60,000 under bid amount**)

- Connecticut (18th to Covington), Drawbridge, North St. James (*road & water main*)
- 18th Street (Connecticut to New Jersey) (*water main only*)
- Georgia (16th – 18th Streets), Colorado (Gratiot to Huron), 17th Street west of Georgia (road only)

Riverlawn Cemetery

- New columbarium (added 72 niches)



Department of Public Works

2017 Major Projects

Playground Equipment Installation

- Ella's Playground Phase II
- Train Playground

Baseball Field Renovation

225 Trees Planted (U.S. Forestry Grant)



Department of Public Works

2017 Equipment Purchases

- Ford 150 4x4 pick-up truck
- Ford 350 4x4 stake truck with plow
- John Deere 310SL backhoe
- Exmark zero turn mower
- Can-Am 5HD Defender utility vehicle
- Two ProForce debris blowers



Department of Public Works

Community Involvement

- Fishing clinic (*Marysville Lions Club*) Saturday, June 2, 2018; 9 a.m. – noon.
- Living shoreline and rain gardens (*Friends of the St. Clair River*)
- Antique locomotive repair and repainting (*Eagle Scout John Decator*)
- No Shave November food and monetary donation drive
 - Collected 1950 pounds of food for SOS Food Pantry; \$100 for BOSS



Fishing Clinic



Eagle Scout John Decator with newly painted locomotive

Department of Public Works

Upcoming 2018 Projects

Huron Blvd. Reconstruction (*Road Diet*)

- Phase I M-29 To Michigan
- Phase II Michigan to Connecticut

Department of Public Safety

Continued commitment toward the community to provide service with compassion and ability. Making adjustments and expanding programs to meet the needs of our changing community.



Department of Public Safety

Joint Projects

New Cadet Program Instituted

Two cadets provided increased station and community presence.

Public Safety Building Rehabilitated (\$345,455)

- Roof replaced.
- Roof top HVAC units replaced.
- Building waterproofed.



Police Department

- Statistics
 - Criminal complaints remained flat
 - Non-criminal complaints 31% increase
 - Traffic enforcement 33% increase
- Officer Golembiewski recertified in commercial vehicle enforcement.
- A.L.I.C.E. Program (*schools, businesses, churches, etc.*)
- School Resource Officer

Police Department

K9 Team

- 226 searches resulting in 69 arrests and \$43,000 in seized narcotics.
- 14 evidence searches, 6 suspect tracks, located 5 missing persons.
- 47 assists to other agencies.



K-9 Team

Fire/EMS Department

- 32 reported structures fires
- 6% increase in call overall (51% of responses medical emergencies)
- Community CPR/First Aid classes educate 192 community members and all Marysville High School freshman students.
- Vehicle garage ventilation system replaced
- Patient stretcher replaced
- All terrain utility vehicle with water pump

Building/Community Development

New Businesses/Remodels/Retention

- A Clean Sweep
- BW's Dog Biscuits
- Cindarella
- Community Enterprises of St. Clair County
- Cricket Wireless
- Farm Bureau Insurance
- Fogelsong Automotive Services
- Infinity Hair Design
- Jump N Jam
- Mad About Balloons
- Sweets
- T & T Industrial Services
- Tough Weld Fabrication
- Triple CK, LLC
- Twice Is Nice
- Verizon
- Wild Country Aromas/
Pete's Sports Stop
- Big Boy (*remodel*)
- Campbell & Shaw Steel (*new bldg.*)
- Pier One Polymers (*IFT transfer*)

Building/Community Development

- Total* permits issued ↓ 13% from 2016

<u>2016 Permits Issued</u>	<u>2017 Permits Issued</u>
500	442

- Total permit revenue: \$123,992 ↑ 8% from 2016

<u>2016 New Single Family Dwellings</u>	<u>2017 New Single Family Dwellings</u>
6	9

**total permits include building, electrical, plumbing, mechanical, zoning & right-of-way.*



New Home on Washington Blvd.
Photo courtesy of The Keel.

Recreation

Offers multiple community events including:

- **Daddy/Daughter Dance** (*attendance 450*)
- **Farmers Market** (*May – October*)
- **Summer Programs**
- **Concerts in the Park** (*six concerts*)
- **Tent City** (*attendance 125*)
- **Lighted Christmas Parade** (*w/ Santa & Paw Patrol*)



Recreation

2017 Major Projects

Playground Equipment Installation

- Ella's Playground Phase II (added tightrope bridge, slide monkey bars)
- Train Playground (slide, climber, sandbox with two diggers)
- Pavilion 3 Playground (merry-go-round, slide)

Baseball Field Renovation (\$250,000) *May 5, 2018 opening day*

Marysville Community Center Renovation (\$275,000)



New Diggers



Ella's Playground

Water Plant

- Produced 636 million gallons of water in 2017.
- Replaced all 26 screen units on south traveling screen system with stainless mesh.
- Coordinated with DPW for a lead service removal plan and achieved a 50% reduction in our 2017 LCR reporting result of 6ppb.
- Began Water Plant Asset Management Plan to comply with MDEQ requirements for proper lifetime cycle costs of all plant equipment.



Screen System Replacement

Wastewater Plant

- Treated 888 million gallons of water in 2017.
- Replaced two primary solids removal pumps with drop-in equivalent units at approximately 40% under budget.
- Completed in-house raw influent screen tooth replacement program of approximately 2500 teeth.
- Continued with 30%+ volume reduction in solids handling for an \$18,000 savings in annual biosolids hauling (*farm land application*).



Marysville Golf Course



Attention to Detail – Quality Work

Marysville Golf Course

Revenue Summary

Season Pass Revenue

2015: \$ 98,440
2016: \$109,526 11% ↑
2017: \$ 96,475 12% ↓

Green Fee Revenue

2015: \$177,684
2016: \$189,911 7% ↑
2017: \$181,463 4% ↓

Alcohol Revenue

2015: \$18,266
2016: \$51,598 182% ↑
2017: \$53,160 3% ↑

Golf Cart Revenue

Gross Revenue

As of 6/30/2015 \$147,402
As of 6/30/2016 \$158,702 8% ↑
As of 6/30/2017 \$161,256 2% ↑

Expenses

\$39,046
\$38,649 1% ↓
\$41,010 6% ↑

Net Revenue

\$108,356
\$120,053 11% ↑
\$120,246 0%

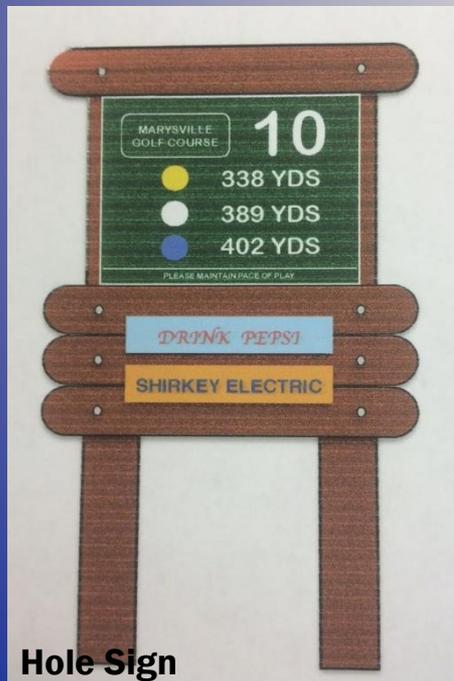
Rounds Played

2015 21,379
2016 24,465
2017 22,442

Marysville Golf Course

2017 Accomplishments

- Hole Sign program
- New banquet tent (*donated by SMR*)
- Fifteen new trees planted on 18th hole (*GLRI Initiative grant*)
- Golf Now online tee time reservations



Marysville Golf Course

2017 Projects

- #8 men's and forward tee (*will open late this summer*)
- #11 pro tee (*will open this spring*)
- #14 forward tee (*will open this summer*)
- #15 pro tee (*under construction*)
- #18 forward tee (*to be constructed*)
- #18 fairway extension (*under construction*)



#8 men's & forward tee

Marysville Golf Course

2017 Equipment Purchases



- 2006 CAT Front End Loader backhoe
- Ditch Witch trencher

Grant Money Received/to be Received

- \$100,000 U.S. Forestry Tree Grant (*will fund 450 – 500 trees*)
- \$ 11,000 Enbridge Safe Community & Community Investment Grant (*all-terrain utility vehicle*)
- \$ 10,000 AT & T Youth Law Enforcement Explorers Grant
- \$237,399 Bike Path Grant
- \$ 4,112 Community Foundation Ella's Playground Phase III
- \$362,511 **Total Grant Dollars**

Other

- Three Replacement Radios (*valued at \$4,500*) – UASI Law Enforcement Terrorism Prevention Grant



Awards

- Blue Water Area Chamber of Commerce
June Member of the Month
- City of Marysville Employee of the Quarter
 - Chris Berdan – 1st quarter
 - Stefanie DeNardin – 2nd quarter
 - Ann Ratliff – 3rd quarter
 - Jim Miekzstyn – 4th quarter



Boards and Commissions

Mayor, Council and City Manager

- Pension Board
- Recreation Board
- Planning Commission
- Marysville Business Council
- United Way of St. Clair County
- SEMCOG Transportation Committee
- SCC Blue Meets Green Leadership Council
- SCCOTS – St. Clair County Transportation Study
- Economic Development Alliance – Executive Board

Marysville Business Council

2nd Annual Hot Wheels Weekend August 25 & 26, 2017



Marysville Business Council

Christmas in the Park 2017

The Winners

- SMR – Mayor’s Award
- Rex Performance – Ella’s Award
- Thorpe Printing – City Manager’s Award
- PGS Dentistry – Council’s Award



Noteworthy City Events in the Past Year

- Chrysler Beach Fishing Pier Extension
- Bike Path HAWK Crossing
- 1515 Busha Highway sold by the City to Klingler Holdings
- Marysville Community Endowment Fund (now \$74,346)
- Market Square (new businesses occupying units)
- Community Center Renovation
- Upgraded Railroad Crossings at River Road and Huron Blvd.
- SummerFest Sponsored by Marysville Little League
- Recognized Miss Michigan Heather Kendrick
- Recognized 2018 Olympian Chad Billins USA Hockey

What to Expect during 2018

- Huron Blvd. Phases I, II (Road Diet)
- New City Hall Approved
- New Housing Development (Boddy Construction)
- New Little League Tournaments
 - Derek Kaufman Woodbat Tournament (May 25)
 - Boys Major District 7 Tournament (July 6-11)
- Movies in the Park (Wednesdays in August 2018)



Proposed
Marysville City Hall Building

12.10.17

