

2023-2024

DOLLARS AND SENSE

How the City of Escanaba Spends Your Money

WEBSITE INFORMATION

The following detailed information can be found online:

- ◆ Property Tax Information
- ◆ Escanaba GIS Information
- ◆ City Codes and Charter
- ◆ Land Development Toolbox
- ◆ Budget Process Explanation
- ◆ 2016/17 - 2023/24 City Budgets
- ◆ 2016/17 - 2021/22 Audits
- ◆ Check Registers
- ◆ Collective Bargaining Agreements
- ◆ Webcast of Live Meetings
- ◆ City Council Meeting Agendas and Minutes
- ◆ All Board, Commission and Committee Meeting Agendas and Minutes
- ◆ City Meeting Calendar
- ◆ 2016 Community Master Plan
- ◆ City Department E-mail Access
- ◆ City Newsletters
- ◆ News Releases

www.escanaba.org

Dear Citizens of Escanaba:

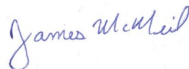
It is a pleasure to present the 2023 Citizens' Guide to "*How the City of Escanaba Spends Your Money.*" This report provides a look at the City of Escanaba's financial condition in a simple, easy to understand format.

This guide has been developed as a way for citizens to better understand the City's scope of activities, financial obligations, and fiscal health. Citizens are invited and encouraged to review the information, so that they can be aware of the facts surrounding the fiscal health of the City and make informed judgments about the proper fiscal direction of the City, in the context of prioritizing service delivery.

Much of the financial information in this report is based on material contained in the City of Escanaba's Comprehensive Annual Financial Report for year ending June 30, 2023, and in the current Fiscal Year Operating Budget, both of which can be found online at www.escanaba.org.

On behalf of Mayor Mark Ammel and the City of Escanaba City Council, I thank you for taking a moment to read this guide. Our staff is proud to serve the citizens of Escanaba, and we thank you for your support as we seek to provide further transparency and financial accountability to our taxpayers. Questions, comments and feedback on this report are welcomed and encouraged.

Sincerely,



James McNeil
City Manager
City of Escanaba
jmneil@escanaba.org

PERFORMANCE MATTERS

STANDARD AND POOR'S CREDIT RATING

On April 22, 2021, the City of Escanaba had their Standard and Poor's credit rating of AA- reaffirmed. Standard and Poor's is a credit rating agency that issues credit ratings for the debt of public and private corporations, on a scale from AAA to D. Under the AA- rating, as a community, we are viewed as a quality borrower that is reliable and stable. The stable outlook reflects Standard and Poor's expectation that the City will maintain its strong financial operations and strong reserves.

PERFORMANCE MATTERS K-12 EDUCATION



The Escanaba Area Public School District is an outstanding public school system serving more than 2100 students and their families. The District's academic standards are high, with highly qualified teachers providing a top-notch educational experience. Along with state

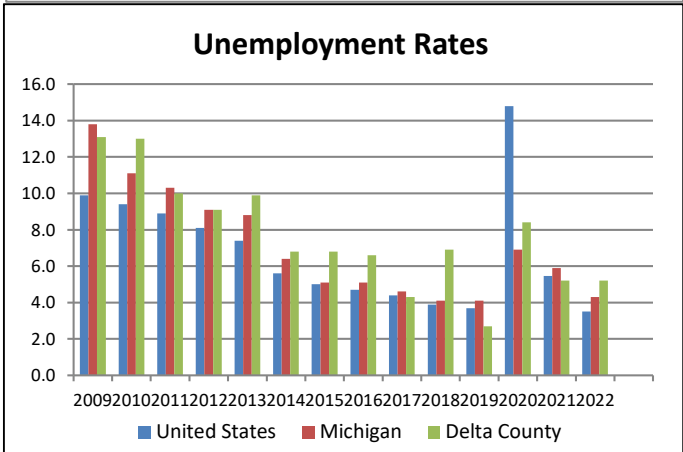
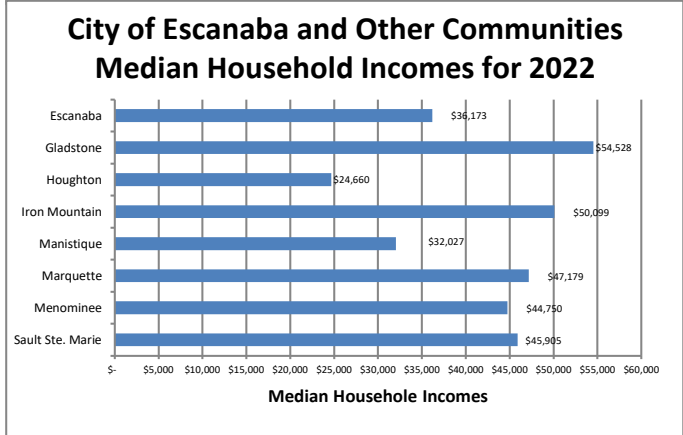
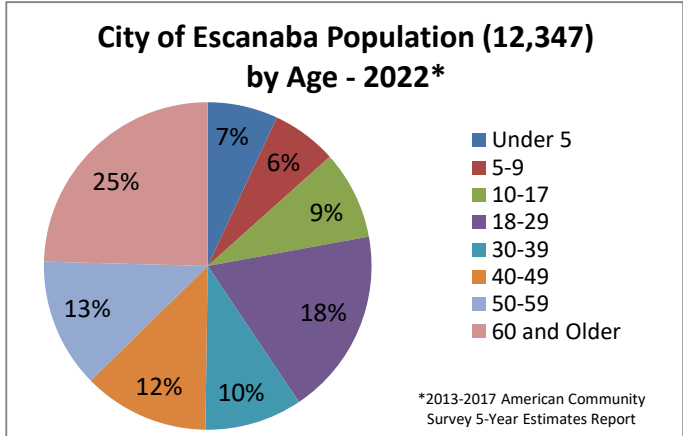
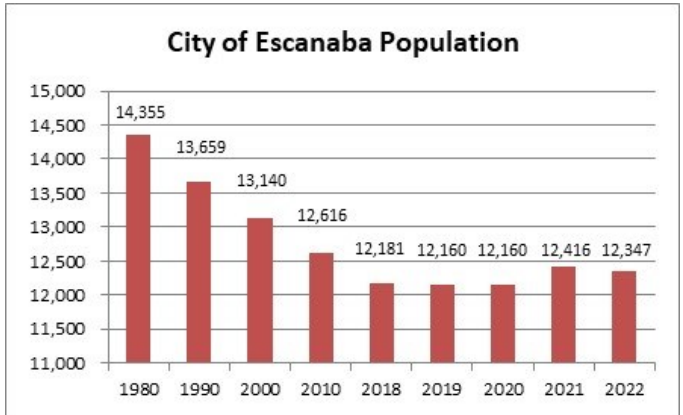
academic awards, Escanaba's award-winning fine arts department is regarded among the best programs in the State of Michigan. Advanced Placement (AP) courses are offered at the Escanaba High School, as well as dual enrollment and Early Middle College opportunities provided in partnership with Bay College and Northern Michigan University. A variety of extra-curricular programs build the positive culture of the school system and help to carry on the proud traditions enjoyed by the Escanaba Area Public Schools and the community. Our scholarship program has grown dramatically in the past decade resulting in approximately \$680,000 in local scholarships being awarded to the 2022/2023 graduating class.

The Escanaba Student Success Center, (ESSC), an alternative school serving students in grades 8 - 12, is designed to offer support and guidance for at-risk secondary level students while they complete their high school diploma requirements. The ESSC is housed in the Delta-Schoolcraft Intermediate School building, allowing students easy access to Career and Technical Education classes. Classes are delivered in a traditional, hybrid, and virtual format. A strong partnership with our local Michigan Works! office has brought a variety of career preparation services to our students. Also, the ESSC is structured to allow flexibility for students who wish to dual enroll at Bay College, or join elective classes such as art or band at the Escanaba High School.

The Webster Kindergarten Center is designed to meet the needs of our youngest students, boasting small class sizes and adult to child ratios while providing a wide variety of services including program aides. The center provides a child-friendly experience with a customized mix of instruction, free-play and developmental activities along with enrichment and extra support to ensure a strong foundation for future student success.

The Escanaba Area Public School District and all of its schools frequently outperform the state and region on state assessments in English Language Arts, Math, Science, Social Studies, and Writing. Attendance and graduation rates have also exceeded state standards. In addition, the Escanaba Senior High School regularly earns recognition as one of the best high schools in the nation for academic performance. All of the schools within the EAPS district are equipped with a technology-rich environment, along with staff members who make the most of these learning tools. The school system is positioning students for a bright future!

COMMUNITY PROFILE



SERVICES THAT THE CITY OF ESCANABA PROVIDES

The City of Escanaba collects money and uses it to coordinate delivery of public services, including, but not limited to:

Assessing. Appointed by City Council, the Assessor values all real and personal property within the City limits, prepares the annual assessment rolls, listing all known property owners, property descriptions, state equalized and taxable values, including exempt and non-exempt parcels, maintains accurate maps of all property, administers the Land Division Act, principal residence exemptions, property transfers and real property statements, Veteran's Exemptions, Industrial Facilities Tax Exemptions, OPRA exemptions, Brownfield Redevelopment projects, and Boards of Review in March, July and December; and prepares all forms and documents required by the city or the state.

City Band. The City of Escanaba Band performs free public concerts throughout the summer at the Karas Memorial Band Shell in Ludington Park beginning in June running thru August.

City Clerk. The Clerk's Office is the information hub for the City of Escanaba, including the Escanaba Administration, staff, and utmost, the citizens of Escanaba. Duties and responsibilities include local, state and federal elections, posting City Ordinances, Council minutes, City Freedom of Information Coordinator, City Information Technology Director, City Web Master, Legislative Coordinator, issues various permits, and the central distributor of information including maintaining the Clerk's index of City contractual documents, and all permanent City Clerk records.

City Treasurer. The City Treasurer's Office is the collection point for all money paid to the City of Escanaba, regardless of the source. As such, the office receives, processes and deposits all payments made to the City. The Treasurer's office also prepares and sends tax bills, and assists the public with related matters. In addition, the Treasurer invests all City surplus funds and serves as administrator of the City's portfolio of economic development loans.

Planning and Zoning Department. The Planning and Zoning Department guides the use of land within City limits to promote the health, safety, and welfare of its citizens. Such land use policies are shaped by the Master Plan and are enforced through the Zoning Code. Key to this work is working with developers and property owners for each and every project, big and small. Permits are issued to authorize each project. By necessity, these permits cover a broad spectrum of work, ranging from land use approvals and special land uses to fences and signs. All this is done through joint efforts with the Planning Commission, Zoning Board of Appeals, and Historic District Commission.

Controller's Office. The purpose behind the City Controller's Office is to provide for the protection of the City's wide ranging variety of assets. These assets, which vary in nature from cash to land and equipment, have a number of systems in place in order to ensure both their safety and accountability. The Controller's Office provides a number of internal administrative services for the various departments of the City. These internal services include payroll preparation, accounts payable and receivable control, preparation and maintenance of the financial records and all insurance functions. Two major products of these internal services include the annual budget document and the annual audit report, both of which are prepared in accordance with both local and state laws.

Department of Public Safety – Police/Fire. The mission of the Escanaba Department of Public Safety is to protect and enhance the quality of life in our community through a comprehensive program of services in both fire and law enforcement. Public Safety is dedicated to preserving life, maintaining human rights, protecting property, advancing education, promoting individual responsibility, and community commitment. ***We recognize that we cannot be successful without a partnership with residents of our community. We will strive to conduct ourselves in a manner worthy of respect.***

Electric Utility. The Escanaba Electric Utility receives power from the electric transmission “grid” supplemented with power produced from its own Community Solar Facility. The Electric Utility is committed to providing safe, clean, reliable power to its customers. Several miles of electric distribution are maintained by the Line Crews, whose activities include maintenance, repairs, upgrades, tree trimming, outage restoration, street lighting, and new and upgraded electric services for customers. The Meter Department is responsible for monitoring and maintaining the AMI system, investigating high bill complaints, rotation of electric meters, electric meter maintenance, traffic signal maintenance and industrial electric meter reading. The City Council establishes electric rates and approves the budget and expenditures necessary to operate the utility.

Engineering Department and the Department of Public Works. The Department of Public Works provides a variety of services to the people of Escanaba including: maintenance of City streets, parking lots, storm sewers, and parks; maintenance of City buildings and vehicles, street signs and pavement markings, street sweeping, fall leaf collection, City tree maintenance, garbage and recycling collection, snow plowing and ice control. Coupled with the Department of Public Works is the Engineering Department. The Engineering Department provides a variety of services to the people of Escanaba, including the design of municipal construction projects, construction inspection, construction staking, yearly sidewalk construction & maintenance, utility record-keeping for: water mains, sanitary sewer mains/wyes, storm sewer mains/catch basins, updating paper and electronic maps of utility locations, registered deed and easement record-keeping, responding to "MISS DIG" calls, locating and marking property corners using existing information.

Human Resources. The City’s Human Resource Office supports all aspects of employment with the City of Escanaba, including employee recruitment, training, health benefit administration, employee regulatory compliance, contract negotiations, labor relations, retirement plan administration, and formulation of policies and regulations.

Library Services. The Escanaba Public Library is a friendly, full-service community library located on Escanaba’s waterfront, offering walk-in, drive-up and mobile outreach services in fulfillment of its mission to connect to people through information, opportunities and ideas. Technology services include interior and exterior WiFi, public computing, videoconferencing, device assistance appointments, hotspots, and laptops for checkout, print and scan services and a 24/7 library of digital ebooks, audiobooks, streaming video and e-resources.

Library collections include extensive local history and genealogy information, digitized historical local newspapers, nautical maps and charts, an eclectic film selection and more. Visitors are invited to enjoy the library’s charming children’s area, check out a fishing pole or telescope, stroll the library’s storywalk and garden, or attend an event sponsored by an active Friends of the Library organization.

Municipal Marina Operations. The Escanaba Municipal Marina is located within the City's 120-acre Ludington Park complex on the west shore of Green Bay's Little Bay de Noc. The Escanaba Marina has a total of 165 boat slips, docks, and moorings with seasonal and transient berthing. Vessels berthed in the Escanaba Marina are surrounded by a beautiful park setting and have access to one of the finest cruising and fishing areas on the Great Lakes. The facility offers a full range of services, including excellent slip accommodations, gasoline/diesel fuel sales, electric, water, storage box rentals and sales, sanitary pump-out, showers and restroom facilities, laundry facilities, free bicycles, ice, pop, free hi-speed internet, and 24 hour video surveillance.

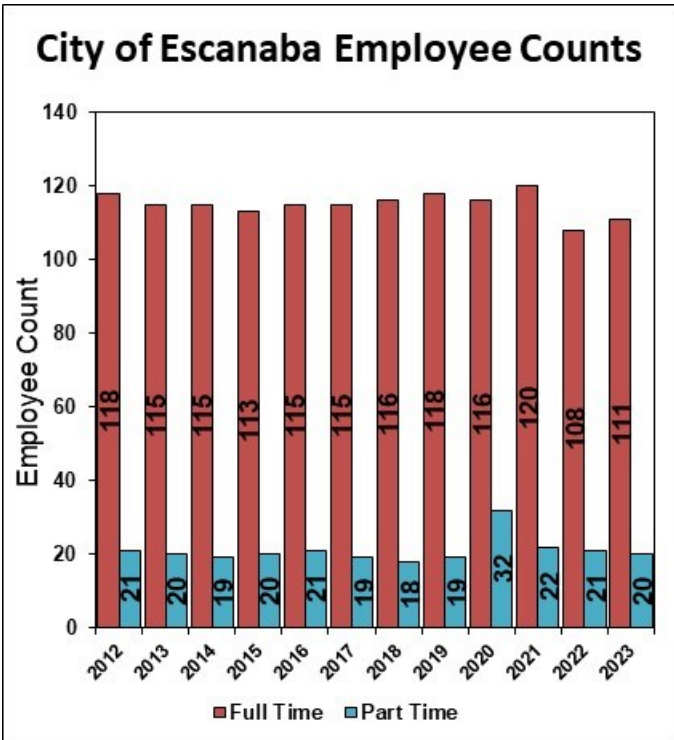
Parks and Recreation. The City of Escanaba's parks and recreation system is extraordinary and enhances a quality of life standard envied by others. The City's park system consists of 425 acres of park and recreation facilities, led by the 120-acre Ludington Park located on one mile of Little Bay de Noc waterfront. The quality of neighborhoods is further enhanced with 10 neighborhood parks/play areas designed to serve each quadrant of the City within each walking and/or biking distance. Recreation programs within the City of Escanaba are far reaching and are sponsored by a combination of City, area schools, volunteer groups, and the Art Center. Programs include boys and girls’ baseball and softball, soccer, pickleball, swim lessons, volleyball, basketball leagues, Civic Center activities, game room, archery and pistol range, gym use, aerobic exercise programs, Senior Center activities and more.

Utility Billing Office. The Utility Billing Office is overseen by the City Treasurer. The Utility Office prepares and mails electric, water, sewer, and garbage bills for the City of Escanaba. We also assist our residents and customers in matters related to billing and outstanding balances; new customer accounts; changes to existing accounts; shut offs due to non-payment; issues related to high or low usage; stopped meters; payment plans and customer credit issues; move ins and move outs; vouchers and vendor payments; service calls, and meter reading.

Wastewater Utility. The Escanaba Wastewater Utility is committed to providing a reliable, high quality and affordable wastewater management for our customers in Escanaba consistent with: community health and safety standards; regulatory requirements; and sound technical, financial and customer practices. The Wastewater Plant is a Class B, complete mix activated sludge plant with anaerobic digestion, liquid sludge disposal and chlorine disinfection. The plant has a design flow of 2.2 MGD with a peak flow of 5.0 MGD. The City Council establishes wastewater rates and approves the budget and expenditures necessary to operate the utility.

Water Utility. The Escanaba Water Utility is committed to providing a reliable, high quality and affordable drinking water supply for our customers in Escanaba and Wells Township, consistent with: community health and safety standards; regulatory requirements; and sound technical, financial and customer practices. The Escanaba Water Utility is regulated by three public agencies: U. S. Environmental Protection Agency (USEPA) regulates drinking water utilities under authority of the Safe Drinking Water Act of 1976, as amended in 1986 and 1996. The Michigan Department of Environmental Quality Drinking Water and Radiological Protection Division regulates Michigan water utilities under authority of Act 399. The Escanaba Municipal Water Utility submits a monthly operations report to the State of Michigan. And, the Escanaba City Council regulates the Escanaba Municipal Water Utility under City of Escanaba Charter and Ordinance. The City Council establishes water rates and approves the budget and expenditures necessary to operate the Utility.

EMPLOYEE DATA



City	Population	Full-Time Employees	Part-Time Employees	Employee to Citizen Ratio
Escanaba	12,347	111	20	94
Gladstone	5,239	39	30	76
Houghton	7,983	37	14	157
Iron Mountain	7,495	43	9	144
Marquette	20,786	204	74	75
Menominee	8,347	54	6	139
Sault Ste. Marie	13,333	125	0	107

ESCANABA PENSION AND OTHER RETIREE BENEFITS

Employees of the City of Escanaba participate in a variety of retirement benefit plans. Prior to 2005, all employees participated in one of two defined benefit retirement plans. The first plan was a MERS defined benefit plan and was offered to the general employee population. The second plan was an ACT 345 defined benefit plan and was offered to sworn officers and departmental leadership at the Public Safety Department.

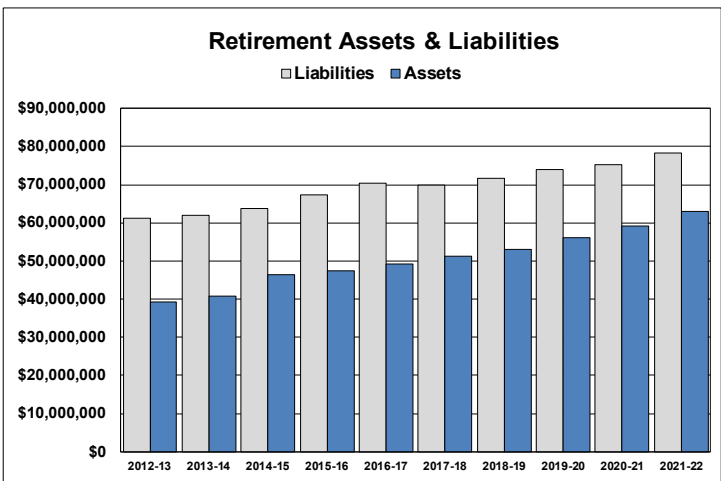
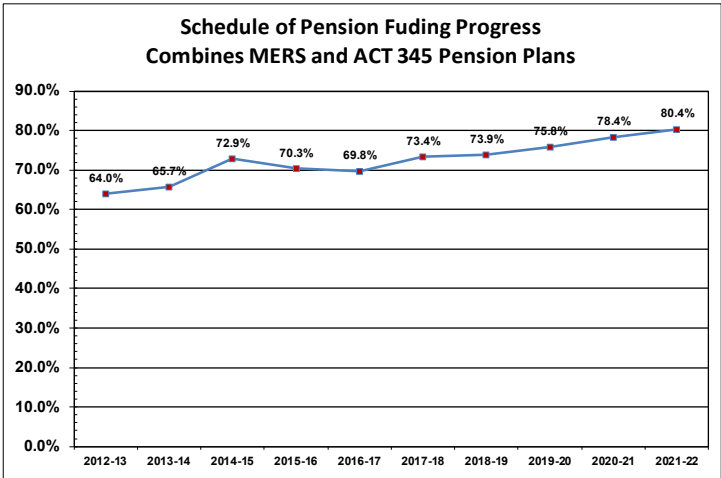
In 2005, the City began transitioning newly hired employees into defined contribution retirement plans. By 2007, all units, with the exception of Public Safety, were transitioned to defined contribution plans for their new hires. In 2014, the Public Safety unit agreed to a defined contribution plan for its new hires. As a result, all new hires throughout the City now participate exclusively in defined contribution retirement plans.

As a result of attrition since 2005, less than a quarter of the general employee base still participate in MERS defined benefit plan. Approximately 30% of Public Safety employees remain in the ACT 345 defined benefit plan however. But due to shorter working careers in law enforcement, we expect defined contribution participation to grow rapidly at the department.

The aforementioned defined benefit and defined contribution plans are the only post-retirement benefits offered to employees. Retiree health insurance is not offered and therefore, no OPEB liability exists for that purpose.

PERFORMANCE MATTERS SECONDARY EDUCATION

Higher education is available through local institutions like Bay College and Lake Superior State College at Bay College. Annually, the college serves approximately 5000 credit students and 2000 non-credit students. Bay College was recently ranked number 30 of community colleges in the country and was the only Michigan College in the top 50. Among the top 50, the college ranks number 5 in credentials awarded per 100 FTE students. The Washington Monthly ranking of America's best community college is based on the Community College Survey of Student Engagement (CCSSE) and U.S. Department of Education measures of student retention and completion.



The City's total unfunded retirement liabilities as of 12/31/2022 equals \$15,848,187

STATEMENT OF NET ASSETS



The Statement of Net Assets (governmental activities) summarizes City resources balanced against City debt and other liabilities as of June 30, using the full accrual basis of accounting. Full accrual accounting records revenues when earned and liabilities when incurred, regardless of the timing of cash flows. There are three components in the statement of net assets: (1) Assets, items owned or controlled; (2) Liabilities, debts owed; and (3) Net Assets, the residual interest in the items owned or controlled after deducting debts. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

- **Assets** represent City resources used to provide future public services, or to pay liabilities incurred for services provided in prior periods. They are listed in order of liquidity, either current or long-term.
- **Liabilities** are amounts owed to others and represent claims against our assets.
- **Net Assets** equal the excess of our available resources (assets) over our debts (liabilities).

Statement of Net Assets (Governmental Activities) As of June 30th

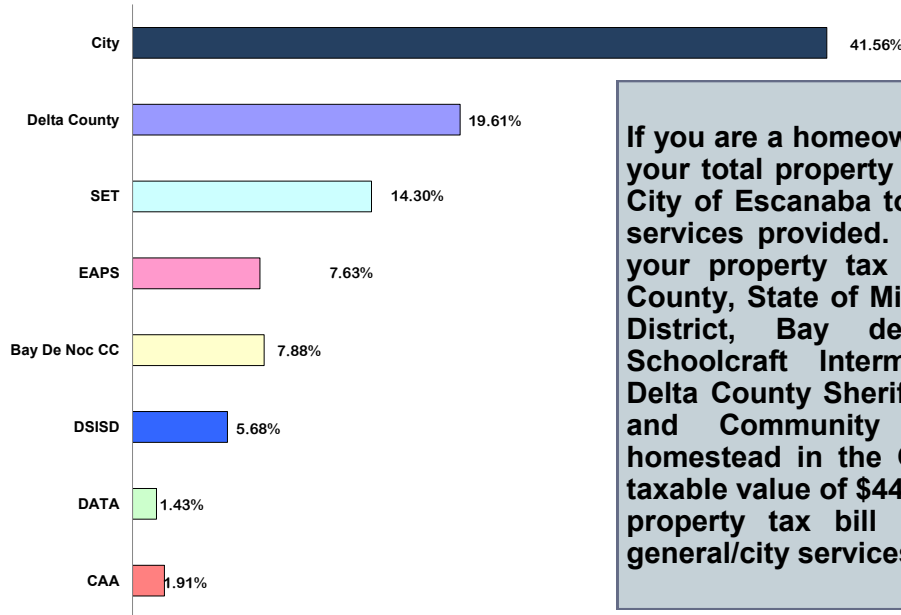
	2020	2021	2022
Current Assets	\$ 17,599,611	\$ 20,254,840	\$ 18,401,279
Capital Assets, Net	24,498,896	24,133,938	24,343,122
Total Assets	\$ 42,098,507	\$ 44,388,778	\$ 42,744,401

Current Liabilities	\$ 1,751,319	\$ 1,378,386	\$ 1,273,394
Noncurrent Liabilities	14,898,592	9,193,413	13,571,010
Total Liabilities	\$ 16,649,911	\$ 10,571,799	\$ 14,844,404

NET ASSETS

Invested in Capital Assets, Net of Related Debt	\$ 24,498,896	\$ 24,133,938	\$ 24,343,122
Restricted	7,062,744	7,750,725	7,623,176
Unrestricted	(4,450,120)	(2,326,992)	(2,209,586)
Total Net Assets	\$ 27,111,520	\$ 29,557,671	\$ 29,756,712

Where Your Tax Dollar Goes As A Homeowner



If you are a homeowner in the City, 41.56% of your total property tax bill is retained by the City of Escanaba to pay for all general fund services provided. The remaining 58.44% of your property tax bill is remitted to Delta County, State of Michigan, Escanaba School District, Bay de Noc College, Delta Schoolcraft Intermediate School District, Delta County Sheriff Department, 911, DATA and Community Action. The average homestead in the City of Escanaba has a taxable value of \$44, 554 and \$777 of the total property tax bill is allocated to pay for general/city services.



OTHER FUNDS USED TO MANAGE CITY DOLLARS

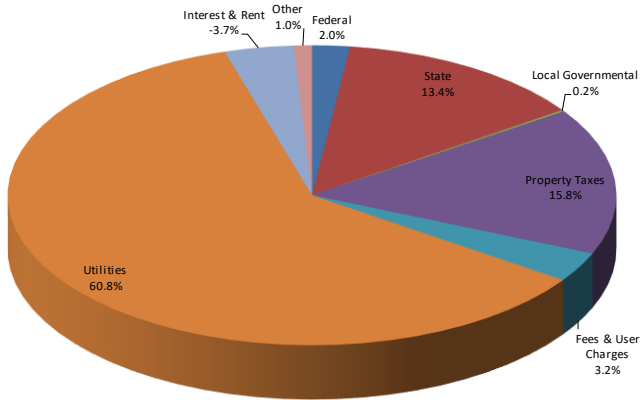
In accordance with Generally Accepted Accounting Principles (GAAP), the City’s financial activities are accounted for in a variety of funds other than the General Fund.

Special Revenue Funds such as the Major Street, Local Street, Downtown Development Authority and Grant Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

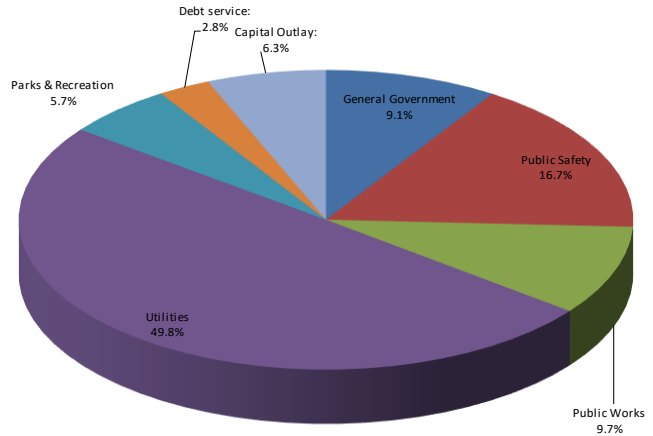
Internal Services Funds are used to account for the financing of goods and services provided by one department to other City departments on a cost reimbursement basis.



Total City Revenues
(Fiscal Year 2021/22)



Total City Expenditures
(Fiscal Year 2021/22)



PERFORMANCE MATTERS—INDICATOR KEY:

↑ INCREASING

↔ STAYING ABOUT THE SAME

↓ DECLINING

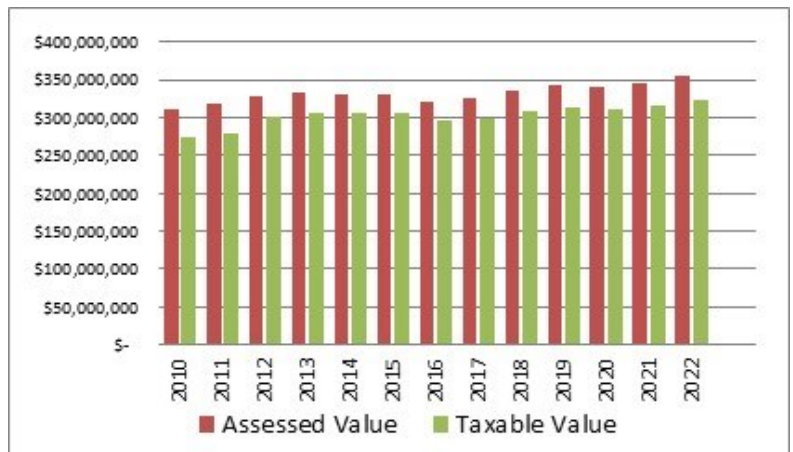
PERFORMANCE MATTERS
RECREATION, CULTURE AND PARKS

	2021	2022	
Percent of General Fund and Library Funds Committed Towards Recreation, Culture, and Parks	18.8%	20.3%	↑
Registered Library Cardholders	10,945	9,307	↓
Library Circulation	44,721	57,560	↑
Computer Users - Library	55,490	55,151	↓
Acres of Park Per 1,000 Residents	30	30	↔
Number of Civic Center Visitors	6,355	13,523	↑
Number of Seasonal Boat Slip Renters	70	89	↑
Number of Transient Boat Slip Visitors	280	179	↓

TAXABLE VS ASSESSED VALUE

Taxable vs Assessed Value

Year	Assessed Value	Taxable Value
2010	\$ 311,601,869	\$ 275,302,414
2011	\$ 318,002,702	\$ 278,246,732
2012	\$ 327,820,339	\$ 299,960,942
2013	\$ 332,261,338	\$ 307,160,766
2014	\$ 329,877,886	\$ 305,535,673
2015	\$ 330,681,713	\$ 305,061,158
2016	\$ 321,649,562	\$ 296,171,357
2017	\$ 324,592,652	\$ 299,457,853
2018	\$ 335,039,252	\$ 309,162,002
2019	\$ 341,829,400	\$ 312,562,570
2020	\$ 339,807,250	\$ 311,876,424
2021	\$ 344,731,400	\$ 315,203,618
2022	\$ 355,731,400	\$ 323,817,474



COMPARISON OF 2022 TAXABLE VALUE PER CAPITA ESCANABA AND COMPARABLE COMMUNITIES			
Municipality	2022 Population	2022 Taxable Value	2022 Taxable Value Per Capita
Escanaba	12,347	\$ 323,817,474.00	\$ 26,226.41
Gladstone	5,239	\$ 119,024,952.00	\$ 22,719.02
Iron Mountain	7,495	\$ 259,769,131.00	\$ 34,658.99
Marquette	20,786	\$ 770,193,891.00	\$ 37,053.49
Menominee	8,347	\$ 225,552,722.00	\$ 27,022.01
Houghton	7,983	\$ 165,017,990.00	\$ 20,671.17
Sault Ste. Marie	13,333	\$ 300,138,601.00	\$ 22,510.96

Taxable Value Vs. Assessed Value

Until 1994, property in Michigan was assessed at half its market value for tax purposes. This is known as a property’s assessed value (AV). In 1994, Michigan voters passed Proposal A, which changed the State’s constitution. Proposal A shifted some of the tax burden off of property and onto the sales tax, which rose from four (4) to six (6) cents on every dollar spent. The result of this proposal was the development of a new way of calculating property taxes using what’s known as a property’s taxable value (TV). A property’s taxable value is determined using one of the equations below (whichever one is less):

- (Last year’s taxable value) - (losses) + 5% + (additions); OR
- (Last year’s taxable value) - (losses) + (the rate of inflation) + (additions).

Under Proposal A, the growth of a property’s taxable value is limited—or “capped” - with annual increases of not more than the lesser of five percent (5%) or the Consumer Price Index (CPI), which is set by the Michigan State Tax Commission.

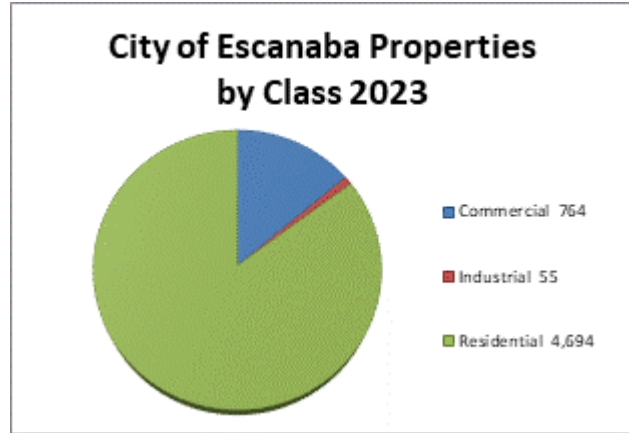
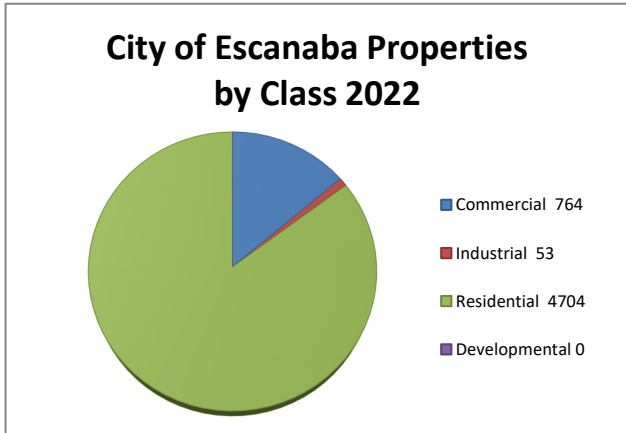
Because of how taxable value is calculated, it is—in many cases—less than a property’s assessed value. However, when a piece of property is sold or a title is transferred, the property’s taxable value becomes equal to the amount of its assessed value for the tax year following the year in which the sale or transfer took place. This is called “uncapping” a property’s taxable value. After this has taken place, the lesser of five percent (5%) or the CPI applies to future increases in taxable value, until there is another sale or transfer of ownership of the property.

Property Assessment—Even though taxes are based on taxable value, the assessed value is still calculated each year so that property values can be uniformly assessed at 50% of market value as required by the Michigan Consolidation.

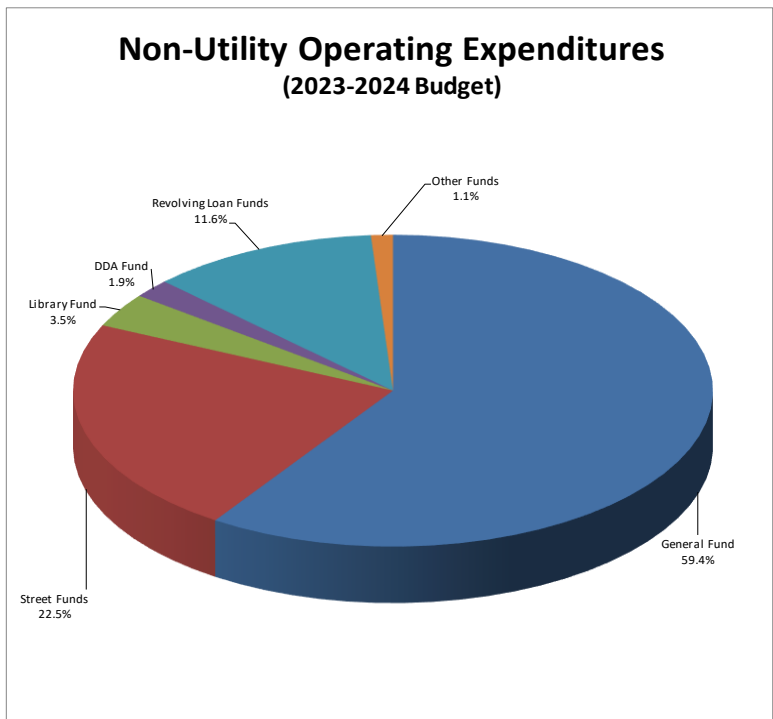
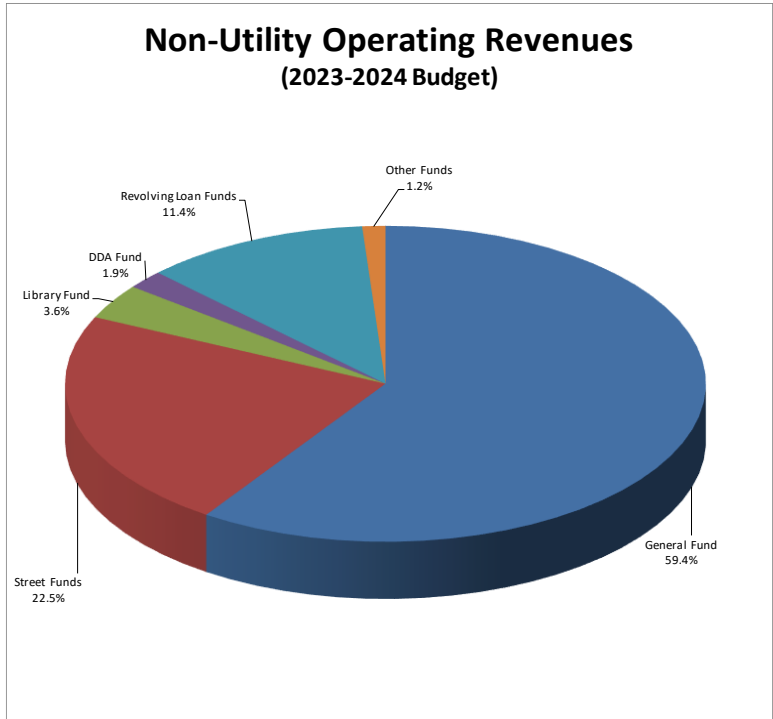
The City of Escanaba Assessor’s Office annually assesses each property within the City using mass appraisal techniques. This involves studies and analysis of the local real estate market.

The City Assessor also considers new construction, improvements to property (such as installing fencing or new pavement), and demolition

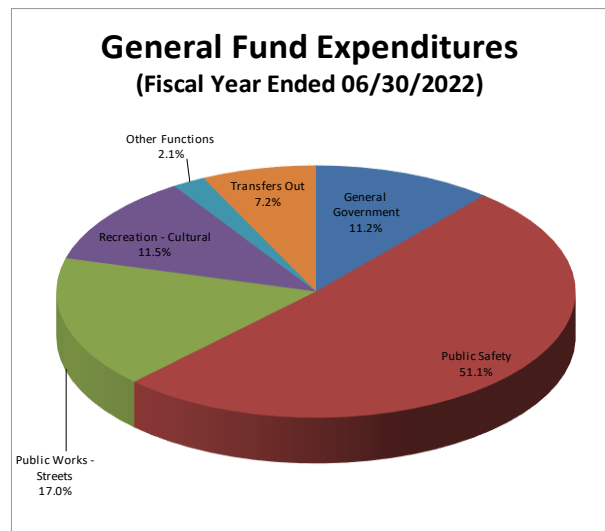
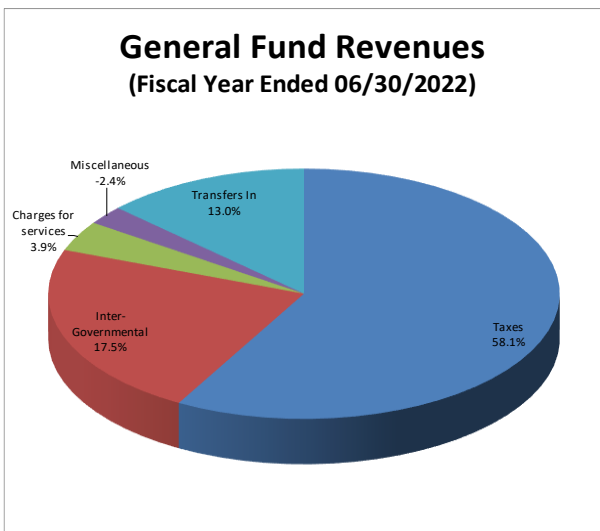
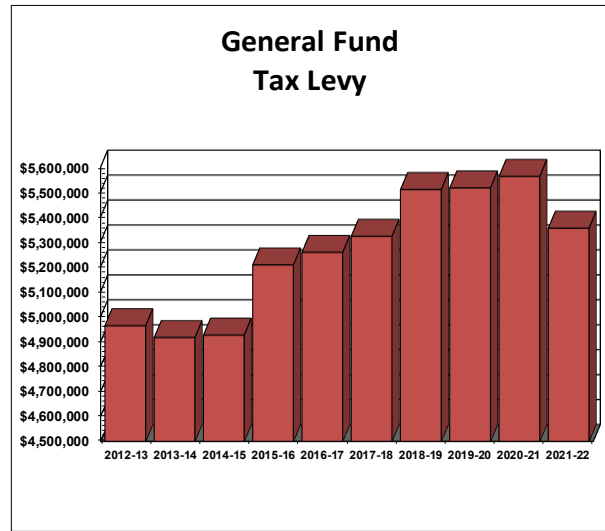
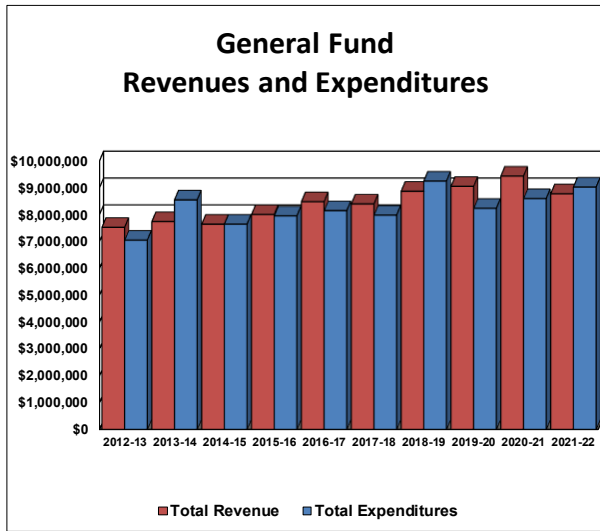
PERFORMANCE MATTERS GENERAL FUND			
	2020/21	2021/22	
Number of services delivered via cooperative venture	34	34	↔
Fund Balance as a Percent of Annual General Fund Expenditures	71.8%	65.7%	↓
Unfunded Other Post Employment Benefits (OPEB) Liability as a Percent of Annual General Fund Revenue	0%	0%	↔
General Fund Expenditures Per Capita	\$691.64	\$729.96	↑



PERFORMANCE MATTERS HIGH SPEED INTERNET			
	2021	2022	
Percent of Community with access to High Speed Broadband	100%	100%	↔



GENERAL FUND



The General Fund budget, which supports many of the day-to-day activities of the City, is \$8,368,301 in the 2021/2022 operating budget, representing an increase of 4.32% from the previous year's budget. Public Safety (Police and Fire) is the largest segment of General Fund Expenditures representing 55.1% of the City's expenditures in fiscal year ending 06/30/22, General Government at 12.1% and Public Works at 18.3%.

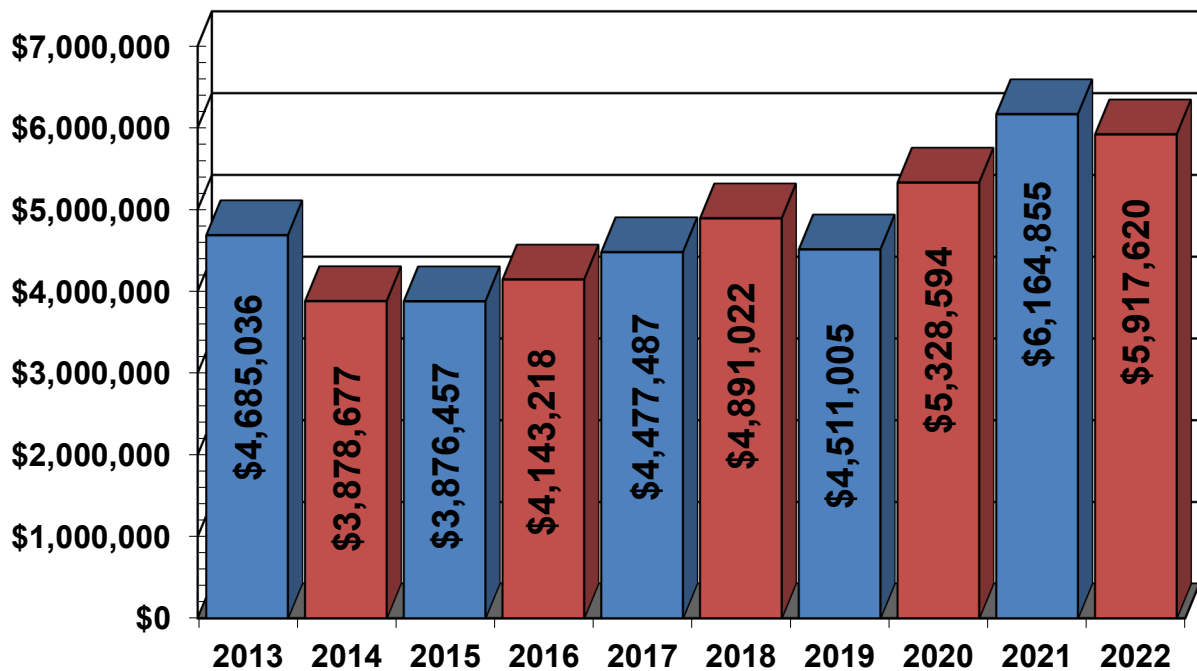


HISTORICAL GENERAL FUND REVENUES/EXPENDITURES

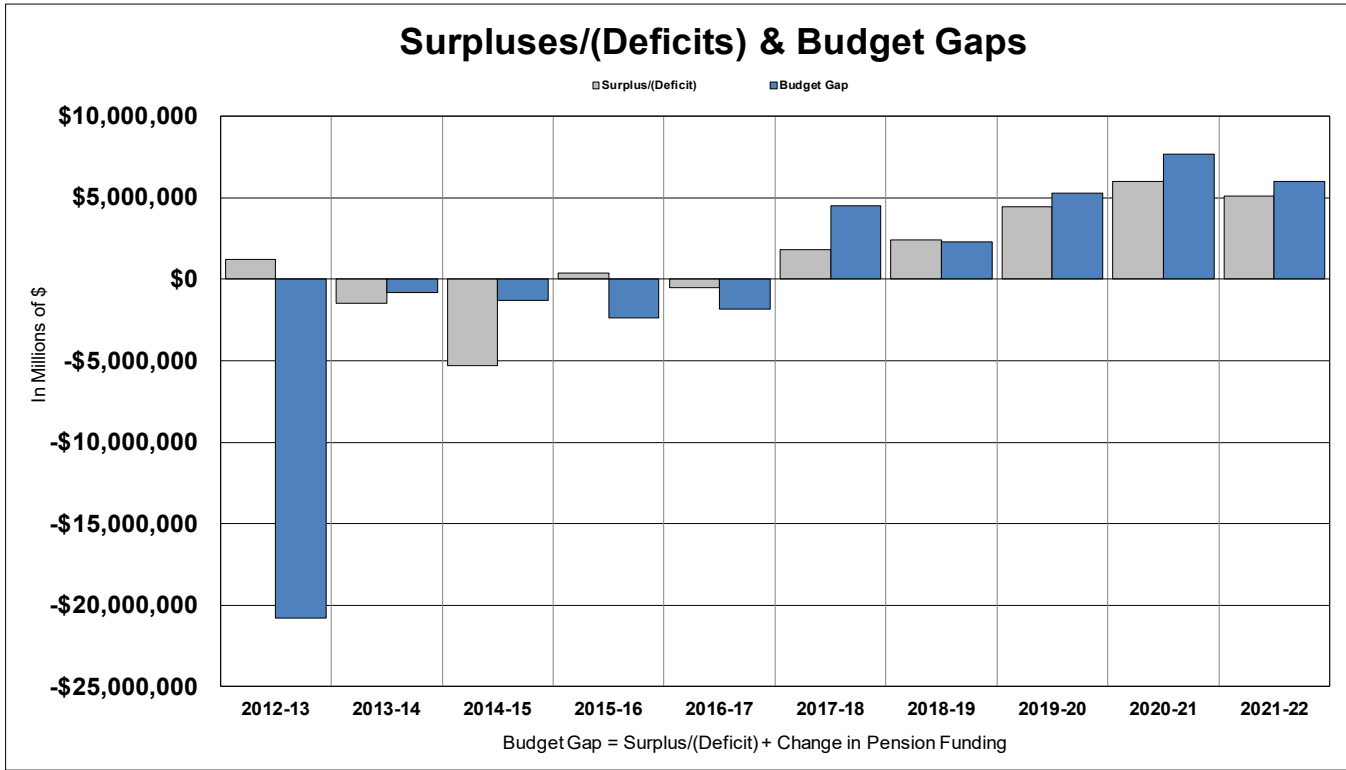
General Fund Revenues and Expenditures (Millions)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total Revenue	\$7.52	\$7.73	\$7.63	\$7.99	\$8.47	\$8.39	\$8.86	\$9.04	\$9.42	\$8.77
Total Expenditures	7.04	8.54	7.64	7.94	8.14	7.97	9.24	8.22	8.59	9.01
Excess (Shortfall)	0.48	-0.81	0.00	0.21	0.33	0.41	-0.38	0.82	0.84	-0.25
Beginning Fund Balance	4.21	4.69	3.88	3.88	4.09	4.42	4.84	4.46	5.27	6.11
Ending Fund Balance	\$4.69	\$3.88	\$3.88	\$4.09	\$4.42	\$4.84	\$4.46	\$5.27	\$6.11	\$5.86
As a % of Revenue	62.34%	50.18%	50.80%	51.13%	52.20%	57.66%	50.30%	58.33%	64.82%	66.87%

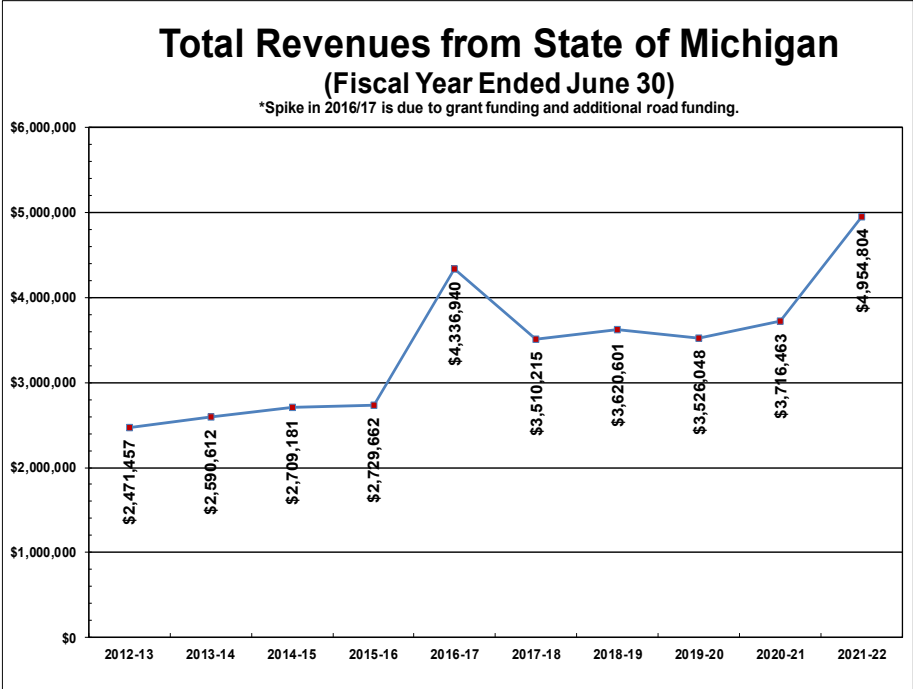
General Fund Fund Balance (Fiscal Year Ended 06/30/2022)



DEFICITS AND BUDGET GAPS IN ESCANABA



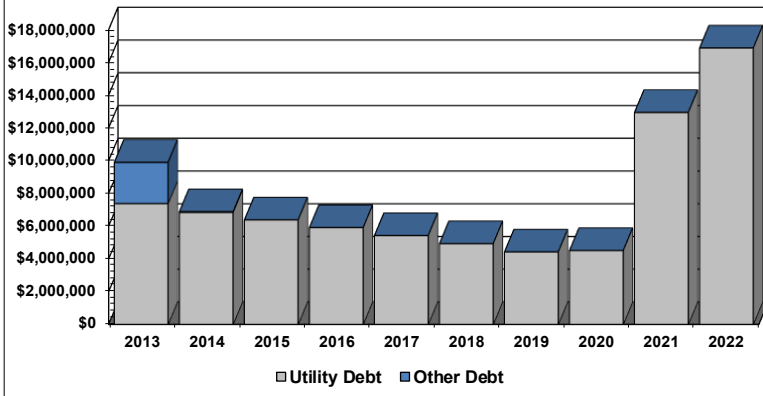
Michigan’s Revenue Sharing Program began in the early 1930’s and through numerous changes has evolved into the current system. Two main purposes of revenue sharing were to 1) equalize revenue among local governments, which have widely differing capability to raise revenue, and 2) to supplement the relatively limited revenue raising ability of most local governments. Over the last 10 years, the City of Escanaba’s General Fund has had State Shared Revenues increase by approximately \$145,000 annually.



PERFORMANCE MATTERS STREETS, SIDEWALKS AND PATHWAYS			
	2021	2022	
Miles of Paved Road—All Road	83	88.9	↑
Miles of Sidewalks and Non-Motorized Trails Per Mile of Local Roads	1.6	1.7	↑
Miles of Sidewalks and Non-Motorized Trails per Mile of All Roads	1.1	1.2	↑
Miles of Sidewalks—All Sidewalks	79.5	80	↑
Miles of Non-Motorized Paths—All Paths	12	15.5	↑
Percent of Road Funding from General Fund	0%	0%	↔
Percent of Road Funding—All Funds	0%	0%	↔
Street Condition—Adequate %	40%	45.73%	↑
Street Condition—Sub Standard %	60%	58.08%	↓
Street Condition—Non-Rated	1.6%	3.65%	↑
Average Age of Critical Infrastructure	75 Years	80 Years	↑

LONG-TERM DEBT

Bonded Debt

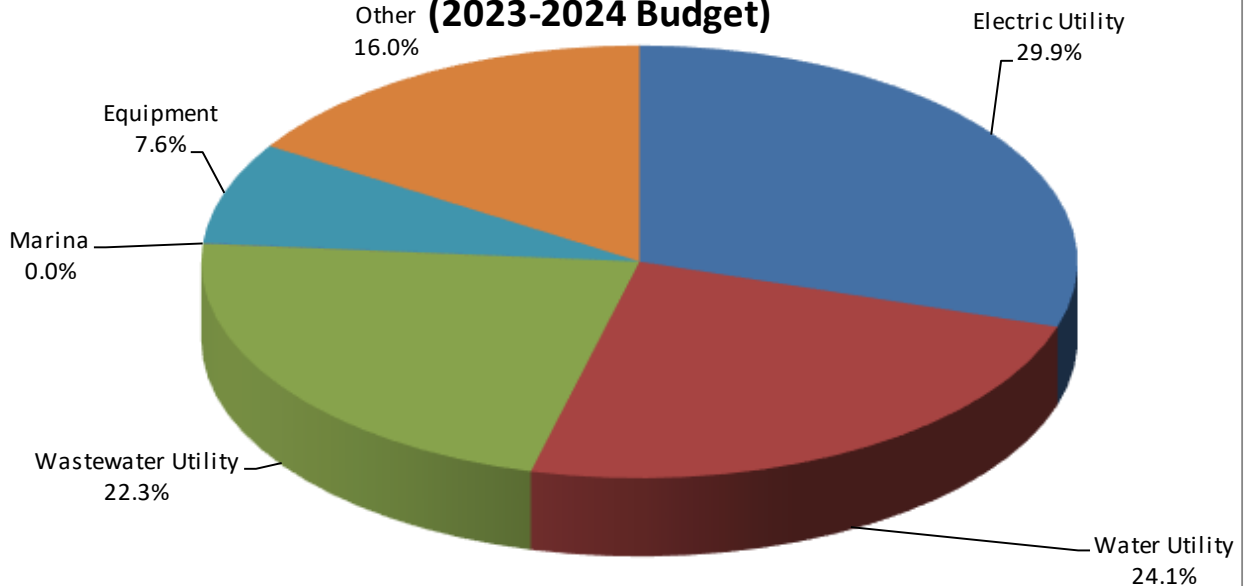


The long-term debt used by the City of Escanaba is generally dedicated to infrastructure needs of the City and is paid with tax collections and fees for services. Another type of debt, known as "Revenue Bonds", is issued for activities like water system improvements and tax increment finance authorities, such as the Downtown Development Authority.



Capital Expenditures

Other (2023-2024 Budget)



2023-2024 BUDGET SUMMARY

The following tabulation represents a summary of the majority of the City’s funds, revenues and expenditures, as an illustration of the scope of the municipal operations. Internal service funds are not included, as revenues for these funds are recorded as expenditures in various funds and inclusion would result in an overstatement of expenditures. Of the fiduciary funds, only the Gas Retirement Fund is included. Capital expenditures are not included for the utility funds.

Where applicable, use of fund balance is shown as a revenue source, as prescribed by State Law. It is important to note that this schedule is not prepared according to Generally Accepted Accounting Principles, as there are no eliminations of inter-fund transfers.

	Revenues	Expenditures
General Fund	\$ 9,884,085.00	\$ 9,746,680.00
Major Street Fund	2,620,634.00	2,620,634.00
Local Street Fund	1,118,371.00	1,074,287.00
Library Fund	597,801.00	579,357.00
Land Development Fund	133,660.00	133,660.00
DDA Fund	314,700.00	314,700.00
Delta County Dispatch	-	-
Revolving Loan Funds	1,899,600.00	1,899,600.00
Parking Maintenance Fund	48,000.00	48,000.00
Gas Retirement Fund	12,000.00	-
Total City Operations	\$ 16,628,851.00	\$ 16,416,918.00

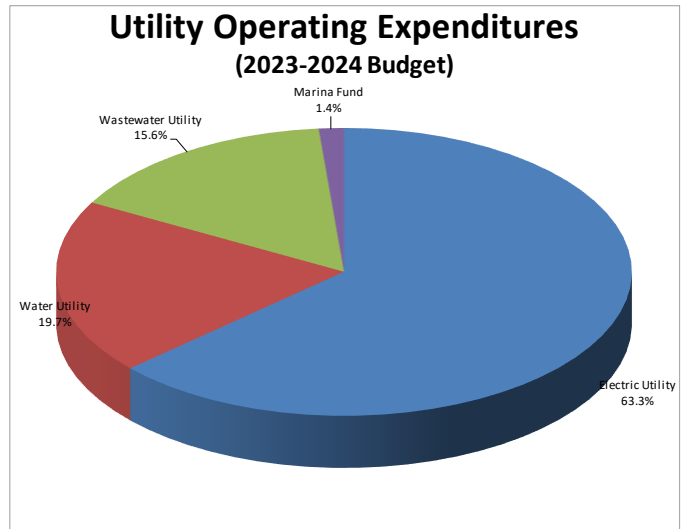
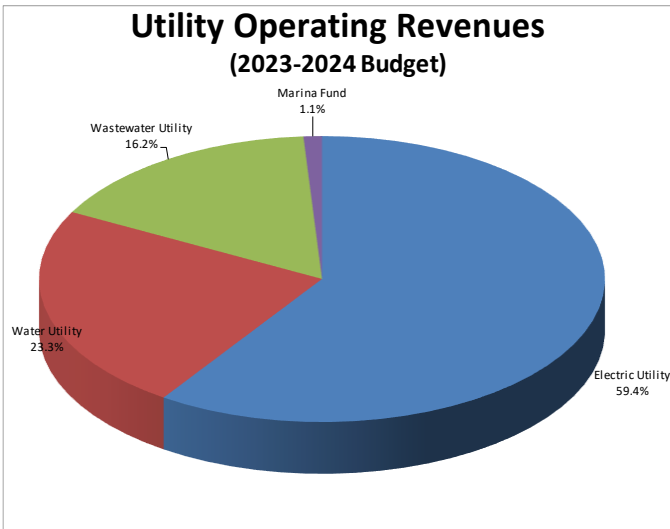
Enterprise Operations

Electric Utility Fund	\$ 14,534,626.00	\$ 13,641,820.00
Water Utility Fund	5,698,828.00	4,242,123.00
Wastewater Utility Fund	3,961,178.00	3,361,851.00
Marina Fund	303,235.00	303,235.00
Total Utility Operations	\$ 24,497,867.00	\$ 21,549,029.00

GRAND TOTAL	\$ 41,126,718.00	\$ 37,965,947.00
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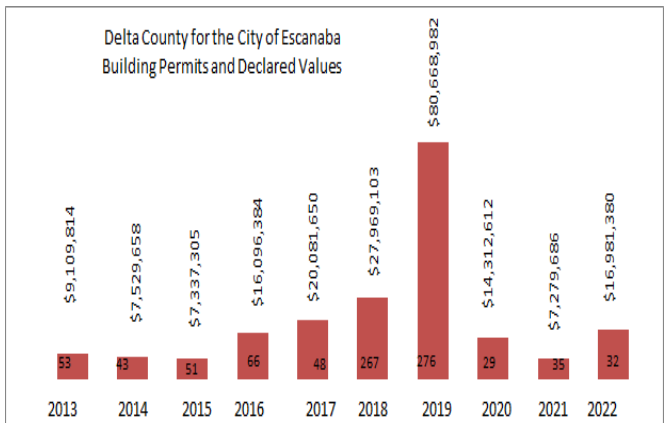
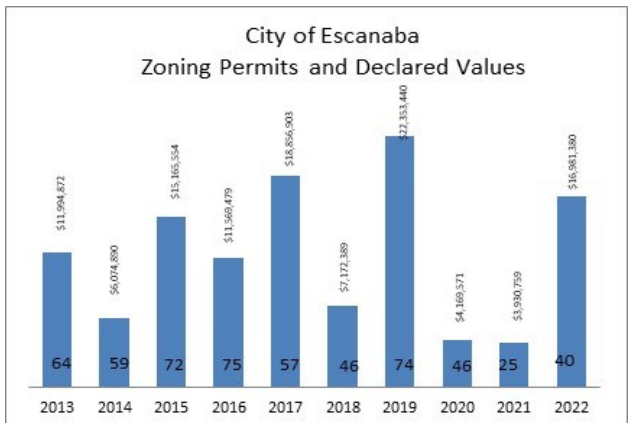


UTILITY OPERATIONS

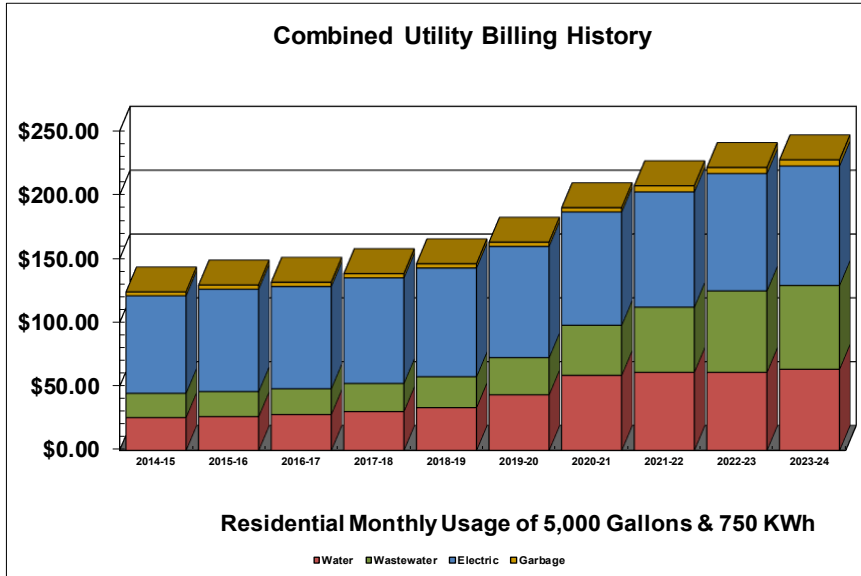


PERFORMANCE MATTERS LAND USE

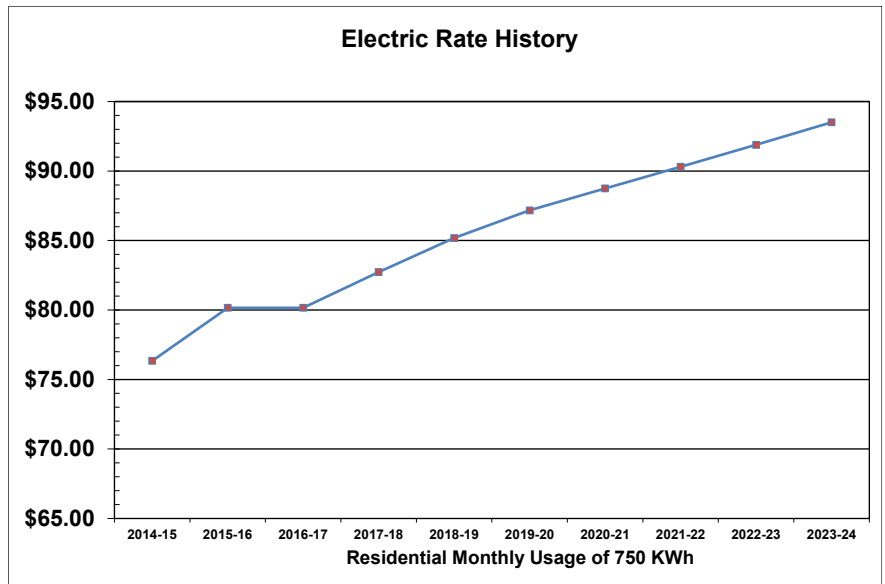
	2021	2022	
Declared Construction Values—Zoning Permit	\$3,930,759	\$16,981,380	↑
Number of Zoning Permits Issued	25	40	↑
Delta County Building Permits Values	\$7,279,686	\$16,981,380	↑
Delta County Building Permits Issued	35	32	↓



HISTORICAL BILLING



In the current operating budget, the Electric Fund budget, which supports the day-to-day activities of the electrical operations (generation /distribution), is \$13,641,820 representing a decrease of 4.9% over the previous year's budget. As of June 30, 2022, the overall City Electric Fund net assets exceed \$18,971,000 and the cash balance is approximately \$8,403,000.



PERFORMANCE MATTERS

ELECTRICAL USE / PRODUCTION

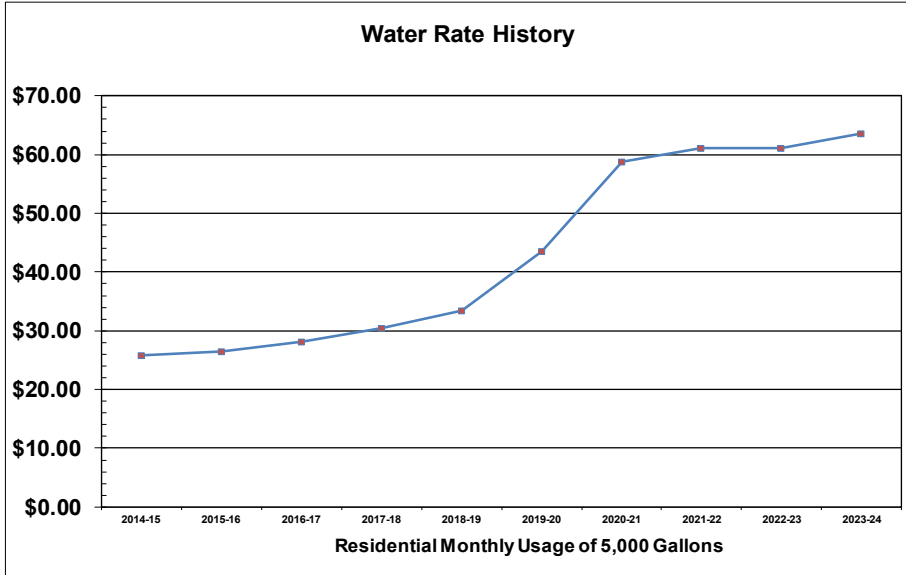
	2021/22	2022/23	
Amount of Megawatts (mwh) Produced by Solar Facility	2020	2132	↑
Amount of Megawatts (mwh) Sold to Customers	139,034	130,759	↓

* The City of Escanaba No Longer Produces Electricity

Example Customer Classification and Usage - July 2023			
City (Utility)	Residential 500kWh/mo	Commercial 4000 kWh/mo	Large Power 200,000 kWh & 463 kW
Escanaba City of Escanaba	\$67.69	\$426.02	\$17,843.35
Manistique Cloverland REA	\$76.58	\$503.12	\$20,754.13
Gladstone City of Gladstone/WPPI	\$70.58	\$523.12	\$19,386.00
Menominee WPS	\$80.08	\$430.00	\$17,705.20
Marquette Marquette BLP	\$80.00	\$601.25	\$25,484.75
Iron Mountain WE Energies	\$79.89	\$611.52	\$22,498.00
Ishpeming UPPCO	\$124.96	\$568.23	\$26,924.82



WATER/WASTEWATER UTILITY

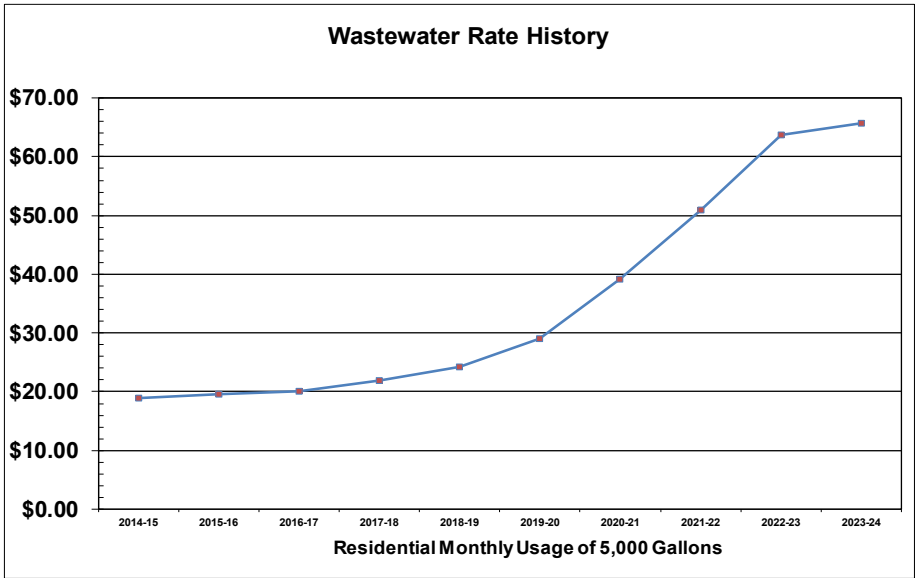


In the current operating year budget, the Water Fund Budget, which supports the day-to-day activities of the Water Treatment Plant, is \$4,242,123 representing an increase of 22.9% when compared to the previous year's budget. As of June 30, 2022, the overall City Water Fund net assets exceed \$14,054,000. The current cash balance is approximately \$5,00,000.

PERFORMANCE MATTERS ANNUAL TOTALS FOR THE WATER AND WASTEWATER DEPARTMENTS

	2021/2022	2022/2023	
Gallons of Water Treated (in millions)	552	598	↑
Gallons of Sewage Treated (in millions)	541	584	↑

In the current operating year budget, the Wastewater Fund budget, which supports the day-to-day activities of the Wastewater Treatment Plant is \$3,361,851 representing an increase of 37.9% over the previous year's budget. As of June 30, 2022, the overall City Wastewater Fund net assets exceed \$9,247,000. The current cash balance is approximately \$2,628,000.



2022-2023 Cost of Water and Wastewater Per 5,000 Gallons Per Month

City	Water (\$)	Wastewater (\$)	Total (\$)
Manistique	\$96.74	\$101.78	\$198.52
Ironwood	\$75.05	\$92.59	\$167.64
Munising	\$61.38	\$95.53	\$156.91
Marquette	\$62.03	\$87.15	\$149.18
Sault Ste. Marie	\$63.25	\$67.72	\$130.97
Escanaba	\$61.14	\$63.74	\$124.88
Gladstone	\$36.72	\$66.90	\$103.62
Kingsford*	\$37.82	\$35.36	\$73.18
Iron Mountain*	\$36.85	\$33.60	\$70.45

*Kingsford and Iron Mountain area a Joint Sewer Authority - They only take care of the Wastewater Plant (no Collection System). The Wastewater Plant bills the community on the flow of the meter reading at the plant - meaning the get paid for every gallon coming into the plant (including rain water and snow melt).



WASTEWATER TREATMENT PLANT



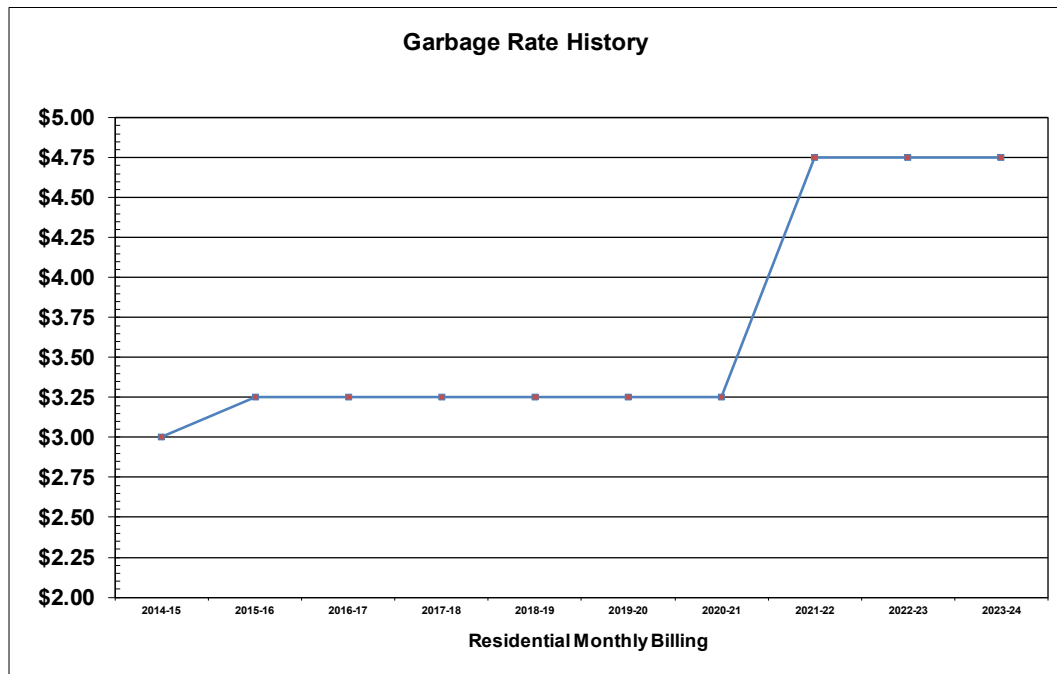
WATER TREATMENT PLANT



CITY OF ESCANABA
MISSION STATEMENT

Enhancing the enjoyment and livability of our community by providing quality municipal services to our citizens.

PERFORMANCE MATTERS GARBAGE / RECYCLING COLLECTION			
	2021	2022	
Tons of Garbage to Landfill	4,651	4,630	↓
Tons of Recycling to Landfill	419	394	↓
Curbside Recycling Availability Percent	100%	100%	↔



TRAFFIC TICKETS FROM 2008 THRU 2022

Year	Civil Infraction	Misdemeanors	Totals
2008	1039	545	1584
2009	945	477	1422
2010	927	453	1380
2011	1013	661	1674
2012	814	376	1190
2013	593	324	932
2014	773	185	958
2015	705	145	850
2016	654	128	782
2017	863	191	1,054
2018	1218	169	1,387
2019	1052	173	1,225
2020	941	185	1,126
2021	1,002	227	1,229
2022	756	177	933



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PERFORMANCE MATTERS			
PUBLIC SAFETY- CRIME, TRAFFIC AND FIRE			
	2021	2022	
Violent Crimes Per 1,000	3.3	5.15	↑
Property Crimes Per 1,000	33.5	16.91	↓
Traffic Injuries / Fatalities	48	17	↓
Traffic Tickets - City Infraction	1,002	756	↓
Traffic Tickets - Misdemeanor	227	177	↓
Call Volume - Incident	9,017	8,857	↓
Call Volume - Quick Call	15,156	15,905	↑
Fire Calls	146	180	↑
Escanaba Public Safety Case Clearance Rate	50%	53.7%	↑
Statewide Case Clearance Rate (Averages)	36%	31.5%	↓

PERFORMANCE MATTERS PUBLIC ACCESS TO CITY MEETINGS		
	2021	2022
Regular City Council	24	24
Special / Joint City Council	9	15
Regular Planning Commission	12	11
Special / Joint Planning Commission	1	4
Regular Recreation Advisory Committee	9	4
Special / Joint Recreation Advisory Committee	0	0
Regular Electrical Advisory Committee	2	1
Special / Joint Electrical Advisory Committee	1	1
Regular Citizen's Environmental Advisory Committee	0	0
Special / Joint Citizen's Environmental Advisory Committee	0	0
Regular Downtown Development Authority	12	11
Special / Joint Downtown Development Authority	2	2
Regular Loan Administration Board	0	0
Special / Joint Loan Administration Board	0	0
Regular Board of Appeals	2	2
Special / Joint Board Appeals	1	2
Regular Traffic Safety Advisory	4	2
Special / Joint Traffic Safety Advisory	0	0
Regular Harbor Advisory Committee	9	4
Special / Joint Harbor Advisory Committee	0	0
Regular Public Safety Retirement Board	11	12
Special / Joint Public Safety Retirement Board	0	0
Regular Board of Equalization and Review	3	3
Special / Joint Board of Equalization and Review	0	0
Regular Board of Library Trustees	11	9
Special / Joint Board of Library Trustees	0	0
Regular Brownfield Redevelopment Authority	0	0
Special / Joint Brownfield Redevelopment Authority	1	4
Regular Historic District Commission	2	2
Special / Joint Historic District Commission	1	2
Regular Liquor Review Board	0	0
Special / Joint Liquor License Review Board	0	0

ESCANABA LONG-TERM DEBT

**CITY OF ESCANABA
Schedule of Debt Service as of June 30, 2022**

Combined City of Escanaba Long Term Debt Service

Fiscal Year Ended	Principal Beginning Balance	Governmental		Utility Revenue		Total Payments	Principal Ending Balance
		Principal	Interest	Principal	Interest		
06/30/23	16,245,000	-	-	1,075,000	336,496	1,411,496	15,170,000
06/30/24	15,170,000	-	-	1,095,000	313,892	1,408,892	14,075,000
06/30/25	14,075,000	-	-	950,000	293,007	1,243,007	13,125,000
06/30/26	13,125,000	-	-	960,000	272,145	1,232,145	12,165,000
06/30/27	12,165,000	-	-	980,000	251,030	1,231,030	11,185,000
06/30/28	11,185,000	-	-	1,005,000	229,458	1,234,458	10,180,000
06/30/29	10,180,000	-	-	845,000	209,295	1,054,295	9,335,000
06/30/30	9,335,000	-	-	870,000	190,545	1,060,545	8,465,000
06/30/31	8,465,000	-	-	885,000	171,245	1,056,245	7,580,000
06/30/32	7,580,000	-	-	700,000	151,595	851,595	6,880,000
06/30/33	6,880,000	-	-	720,000	137,595	857,595	6,160,000
06/30/34	6,160,000	-	-	730,000	123,195	853,195	5,430,000
06/30/35	5,430,000	-	-	745,000	108,595	853,595	4,685,000
06/30/36	4,685,000	-	-	760,000	93,695	853,695	3,925,000
06/30/37	3,925,000	-	-	775,000	78,495	853,495	3,150,000
06/30/38	3,150,000	-	-	790,000	62,995	852,995	2,360,000
06/30/39	2,360,000	-	-	805,000	47,195	852,195	1,555,000
06/30/40	1,555,000	-	-	820,000	31,095	851,095	735,000
06/30/41	735,000	-	-	735,000	14,695	749,695	-
TOTALS		\$ -	\$ -	\$ 16,245,000	\$ 3,116,269	\$ 19,361,269	



2002 Water Utility Revenue Bond

Original Issue: \$2,750,000 - Issue Date: 06/27/02

Repayment Source: Water Billing Revenues

Fiscal Year Ended	Principal	Interest	Total Payment
06/30/23	170,000	6,375	176,375
06/30/24	170,000	2,125	172,125
TOTALS	\$ 340,000	\$ 8,500	\$ 348,500

2009 Water Utility Revenue Bond

Original Issue: \$2,950,000 - Issue Date: 03/29/07

Repayment Source: Water Billing Revenues

Fiscal Year Ended	Principal	Interest	Total Payment
06/30/23	160,000	19,976	179,976
06/30/24	165,000	16,522	181,522
06/30/25	170,000	12,962	182,962
06/30/26	170,000	9,350	179,350
06/30/27	175,000	5,685	180,685
06/30/28	180,000	1,913	181,913
TOTALS	\$ 1,020,000	\$ 66,408	\$ 1,086,408

2021 Water Utility Refunding Revenue Bond

Original Issue: \$3,200,000 - Issue Date: 12/07/10

Refunding Date: 05/05/21

Repayment Source: Water Billing Revenues

Fiscal Year Ended	Principal	Interest	Total Payment
06/30/23	155,000	43,650	198,650
06/30/24	160,000	40,550	200,550
06/30/25	165,000	37,350	202,350
06/30/26	165,000	32,400	197,400
06/30/27	170,000	27,450	197,450
06/30/28	175,000	22,350	197,350
06/30/29	185,000	17,100	202,100
06/30/30	190,000	11,550	201,550
06/30/31	195,000	5,850	200,850
TOTALS	\$ 1,560,000	\$ 238,250	\$ 1,798,250

Internal Loan for Purchase of Garbage / Recycling Carts

Original Issue: \$452,825 - Issue Date: 10/18/07

Repayment Source: Motor Vehicles Fund to pay General Fund

Fiscal Year Ended	Principal	Interest	Total Payment
06/30/23	16,879.68	2,520.32	19,400.00
06/30/24	17,392.95	2,007.05	19,400.00
06/30/25	17,914.74	1,485.26	19,400.00
06/30/26	18,452.18	947.82	19,400.00
06/30/27	13,141.69	395.33	13,537.02
TOTALS	\$ 83,781.24	\$ 7,355.78	\$ 91,137.02

Internal Loan for City Hall / Library Bond Payoff

Original Issue: \$1,250,000 - Issue Date: 03/01/14

Repayment Source: Escanaba Building Authority to pay Electric Fund

Fiscal Year Ended	Principal	Interest	Total Payment
06/30/23	125,000.00	6,250.00	131,250.00
06/30/24	125,000.00	3,125.00	128,125.00
TOTALS	\$ 250,000.00	\$ 9,375.00	\$ 259,375.00

Internal Loan Consolidation for

Marina Harbormaster Building and L-Dock

Original Issue: \$260,313.84 - Issue Date: 07/01/16

Repayment Source: Marina Fund to pay Land Development Fund

Fiscal Year Ended	Principal	Interest	Total Payment
06/30/23	16,712.18	5,093.42	21,805.60
06/30/24	17,213.54	4,592.06	21,805.60
06/30/25	17,729.95	4,075.65	21,805.60
06/30/26	18,261.85	3,543.75	21,805.60
06/30/27	18,809.70	2,995.90	21,805.60
06/30/28	19,373.99	2,431.61	21,805.60
06/30/29	19,955.21	1,850.39	21,805.60
06/30/30	20,553.87	1,251.73	21,805.60
06/30/31	21,170.49	635.11	21,805.60
TOTALS	\$ 169,780.78	\$ 26,469.62	\$ 196,250.40

Internal Loan for Downtown Development Authority Marketplace

Original Issue: \$500,000 - Issue Date: 06/30/16

Repayment Source: Downtown Development Authority to pay UDAG Fund

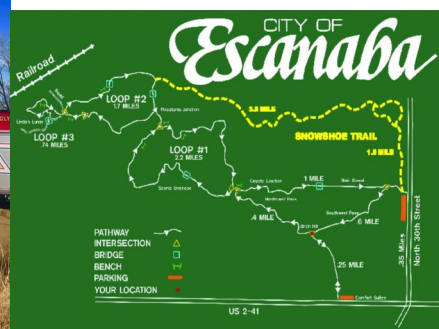
Fiscal Year Ended	Principal	Interest	Total Payment
06/30/23	52,389.54	7,730.46	60,120.00
06/30/24	54,207.02	5,912.98	60,120.00
06/30/25	56,120.42	3,999.58	60,120.00
06/30/26	58,153.29	2,035.37	60,188.66
TOTALS	\$ 220,870.27	\$ 19,678.39	\$ 240,548.66

Internal Loan for Purchase of Fire Truck

Original Issue: \$130,000 - Issue Date: 01/01/17

Repayment Source: General Fund to pay Electric Fund

Fiscal Year Ended	Principal	Interest	Total Payment
01/01/23	8,062.66	2,985.13	11,047.79
01/01/24	8,320.67	2,727.12	11,047.79
01/01/25	8,589.93	2,460.86	11,050.79
01/01/26	8,861.71	2,186.08	11,047.79
01/01/27	9,145.28	1,902.51	11,047.79
01/01/28	9,437.93	1,609.86	11,047.79
01/01/29	9,739.95	1,307.84	11,047.79
01/01/30	10,051.63	996.16	11,047.79
01/01/31	10,373.28	674.51	11,047.79
01/01/32	10,362.66	342.57	10,705.23
TOTALS	\$ 92,945.70	\$ 17,192.64	\$ 110,138.34



Delta County—Population/Labor Force

2022 County Population (est.)	36,741
2022 Escanaba Population (est.)	12,347
2022 Gladstone Population (est.)	5,239
2022 People/Square Mile (est.)	City 976.9/ County 31.5
2022 Total Labor Force	County 52.3%
2022 Unemployment Rate	County 5.2%

Population by Gender & Minority Group - Delta County (est.)

Female	49.8%
Male	50.2%
White	93.2%
Other	2.9%
American Indian/Alaska Native	2.8%
Black	0.5%
Asian	0.6%

Income

2017-2021 Median Household Income	City \$36,173 County \$51,117
2017-2021 Per Capita Money Income	City \$25,833 County \$29,228

Delta County Population by Age - 2022

Persons 18 years and Over (est.)	28,107
Persons 65 years and Over (est.)	9,663
Median Age	47.5 years

Sources: Michigan Department of Technology, Management & Budget, Bureau of Labor Market Information & Strategic Initiatives and US Census



THANK YOU FOR TAKING THE
TIME TO REVIEW THE
“DOLLARS AND SENSE - HOW
THE CITY OF ESCANABA
SPENDS YOUR MONEY”.

IF YOU HAVE ANY QUESTIONS,
CONCERNS OR COMMENTS,
PLEASE CONTACT US:

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