

THE CITY MANAGER'S ANNUAL BUDGET RECOMMENDATION FY 2022-2023



Prepared by the City Treasurer's Office

City of Traverse City, Michigan – Budget Report

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The City of Traverse City

Communication to the City Commission

TO: CITY COMMISSION

DATE: May 2, 2022

FROM: MARTIN A. COLBURN, CITY MANAGER

SUBJECT: **ANNUAL BUDGET REPORT FY 2022/2023**

Dear Mayor Lewis and Commission Members:

I'm please to present to the City Commission the proposed FY2022/2023 annual budget for your review and consideration. Traverse City is postured in a healthy position to carry on traditional city services as well as continue investment in infrastructure and equipment capital. Over the past two years our city and nation has experienced the impacts of COVID-19. Initially we believed that it would have negative impacts of revenue sources of the city. Due to federal aide programs specifically sent to citizens and businesses, the impacts of expected losses to sales tax which funds cities state shared revenues did not occur and funding even went up. Unfortunately, at the time of the writing of this report, our nation has lost 992,446 citizens due to Covid-19 and Grand Traverse County inclusive of Traverse City has lost 230 citizens.

Michigan State Treasury estimates for state shared revenues and Act 51 state transportation funds are expected to come in as projected. This upcoming years state budget reflects a 5% increase as well as a one-time only 5% increase provided by the state legislature. The City's largest source of revenues is property taxes, which is projected at 5.06% growth for FY 2022-2023. Our property tax system is based on the value of property as of December 31st of the prior year. The potential impacts of tax challenges due to COVID-19 at the Michigan State Tax Tribunal to date have not been significant. Overall government operations have fared well providing services, and this proposed budget brings the value of our many traditional services as well as a few initiatives, and prepares the city for a focus on infrastructure investment.

Tax Levy:

This budget does not propose any increase in property tax millage rate and due to the Headlee rollback, actually has a reduction of 0.3266 mills. How we arrive at our property tax millage rate is explained as follows. The Headlee amendment ratified in 1978 was designed to limit the ability of local governments to levy new taxes and limit growth of property taxes. It also controls how authorized millage rates are calculated as they relate to growth, or the increased value, of property. **When growth on existing property is greater than inflation, then the local government must roll back its maximum authorized millage rate so that increases in property tax revenue caused by growth on existing property does not exceed the annual inflation rate.** This is called the “Headlee Rollback.” State law allows cities a maximum of 20 mills; but the City Charter for Traverse City allows up to 15 mills to be levied. The Headlee Rollback did have a negative impact on the 2021 maximum allowable of 12.0954 mills, to 2022 maximum allowable of 11.7688 mills. Due to the continued downward trend, it is advisable that the city request a vote of the people to roll the millage back up so that no financial resources do not get to the point of impacting its ability to provide basic services.

In 1994 Proposal A was passed. This legislation created differences in a property’s Taxable Value (“TV”) and State Equalized Value (“SEV”) because an annual growth cap was placed on TV. The annual growth of TV on individual parcels is limited to either the rate of inflation or 5%, whichever is less. With the continued improvement of the real estate market, we are seeing growth of real property values. When properties are sold they become uncapped and their property values are re-set so that their TV equals the SEV. We are experiencing a number of properties within the City being sold and the corresponding values becoming uncapped. The uncapped properties are not exempt property for the purpose of the Headlee rollback. The consequence of these changes in state law is to penalize communities that have had market growth. The rollback formula reduces the property taxing capacity that a local government has. The City Charter authorizes a maximum capacity of 15 mills. However, our tax levy will be reduced to 11.7688 mills as established by the City Commission. The levy is expected to generate approximately \$12,775,202 for the calendar year 2022, which represents an increase of about \$615,281 or 5.06%.

The ACT 345 levy is proposed to remain at 2.32 mills. By Charter, this is a dedicated levy which can only be used for ACT 345 pension benefits for Police/Fire personnel. This is a levy that was voted by the City electorate independent of the general fund levy. The millage rate is established by the actuarially-determined contribution required for the ACT 345 fund.

Administration:

The November 2021 election saw three new City Commissioners and a new Mayor join the City Commission. Staff worked with the new City Commission on establishing updated goals and objectives. The strategic high priority issues that emerged during the strategy sessions include:

1. Housing and Homelessness
2. Water Systems
3. Access and Mobility
4. Climate

5. Connecting People with Each Other and Nature
6. Economic Development

Components of this budget address portions of these specific areas, recognizing that there are short-term and long-term actions required to address these needs and opportunities.

This year a primary election will be held due to the number of candidates filing for county, state and federal offices. In addition, local ballot questions will be added to the ballot. This budget does include additional funds for postage to forward the growing amount of absentee ballots as well as additional election workers required for the additional election and for processing the absentee ballots.

Technology advancement is vital to proceed with utilizing current financial practices, making governmental services more readily available and easier to apply to or pay for services. Our utility billing system is currently linked to an outdated system (IBM iSeries/AS400) at the county IT and will be replaced with a MicroSoft based BS&A financial software. It is advantageous that we integrate the utility billing system software to our financial software programs. This project splits utility billing and services from the city and TCL&P. The City will bill for the water & sewer utilities utilizing BS&A, and TCL&P will bill for electricity using Elation software, which is more compatible with the elaborate rate structure and is currently being used for the fiber network billing.

With regard to staffing and personnel, our Human Resources department just had a change of Directors. We are currently working on negotiations with one union contract. This budget reflects wages and benefits in accordance with all six current labor contracts as well as our non-union group. Health insurance premiums in aggregate are to increase 5.9% beginning July 1, 2022. We utilized a competitive process, working with the City's insurance committee, to addresses changes in hospital/medical providers. We currently utilize Blue Care Network (BCN). City employees pay 20% of the cost of their health insurance. The last salary study conducted for the ACT staff was performed 23 years. We are currently working with a consultant establishing an updated salary study for the Administrative, Clerical and Technical (ACT) group, plus the City Manager and City Attorney. As city staff continues to work on a significant amount of projects and initiatives, the required need for human resources continue to grow. I'm recommending several new positions throughout this budget including a second Assistant City Manager. This position will support the City Manager's office which currently has 11 direct staff reports.

The City Commission Policy is to maintain a fund balance of between 15% - 20% annually to provide funds for emergencies or initiatives that may arise. This past year we had higher revenues than estimated and some expenditure items not fully experienced. Some of the savings occurred during the time when a staff position was open, such as the HR Director and City Treasurer. We deferred hiring one position within the finance department with the expectation of that position being filled at TCL&P with their establishing their billing department. These new positions from last years budget were not filled on July 1, so the portions of those years salaries and benefits (health insurance) were not expended. Projects that have not demonstrated expenses to date include the Master Plan, and deferring the senior center park study since we

extended the facility contract with the county for two additional years. Some operational supplies have been reduced which reduce the projected budget. This is partially due to lack of availability of supplies. There are several projects that are in progress but not completed/expended to date. This is inclusive of the Commission Chamber upgrade, boiler at 520 W. Front Street, roofing projects, Clinch Park concession improvements and a paving project of a main loop in the cemetery. This leaves us with a current unassigned fund balance of approximately 30%.

The City Attorney's, City Clerk, Police Department and Planning Department have been working with the City Commission to develop the plan and ordinances to establish the legally allowed marijuana industry. We expect this to come to fruition this upcoming year.

Planning, Zoning and Development:

A variety of strategies are being worked on to increase housing opportunities within the city. This is inclusive of reviewing and implementing policy that may support additional density. The City has been implementing payment in lieu of taxes (PILOT) project developments with both profit and non-profit developers. We are also identifying partners to work on the development of housing on underutilized city properties. Specific incentives may be used to insure that affordable/workforce housing is secured including deed restrictions and incentives. A housing fund for future project investment is recommended to be established with revenues realized from projects and/or sale of properties. Staff has compiled a portfolio of city owned properties in which we have established a priority list.

Housing to provide a transition out of homelessness is a specific area to address. Staff is currently working with Safe Harbor and Goodwill addressing building a facility to meet transitional housing needs. This will support creating a safe place to live while receiving services to assist people regaining their capacities to live and survive on their own. While issues within the social structure of our community are impacted by homelessness, so are public services, particularly law enforcement and emergency medical services. Staff is working with these parties and Traverse City Housing Commission (TCHC) in providing housing vouchers and working with redefining services through Safe Harbor, Goodwill and the police department. The 8th Street Corridor and abutting neighborhoods could be positively impacted with daycare services by Safe Harbor. Safe Harbor has communicated an interest to amend their SLUP provided thru the city. The intent would be an identified safe space for a limited amount of clients to receive professional services. Additional opportunities for additional resources are being addressed by working with Grand Traverse County Landbank and Brownfield Authority. We also have the GTC EDC as tool for bonding. Additional capacity resources have been established through contracting with Traverse Connect who supports our efforts within the City and County on business and talent development.

The Planning Department works with the Michigan Economic Development Corporation and has supported the City on becoming recognized as a Redevelopment Ready Community through the State of Michigan. This program recognizes the city to have a level of transparency, predictability and efficiency in our codes and practices to support higher level of development. This also makes us eligible for additional state funds to assist developers and businesses with their investments within the city. The City is also eligible for additional state programmed funds

for business development and infrastructure investment. The City is currently working with private companies as well as the DDA on acquiring funds for continued investment and development.

This upcoming year the Planning department is facilitating the development of a new city wide Master Plan. Beckett & Raeder is the recommended consultant. This project will shepherd an extensive community outreach and participatory process. Additional outreach will include surveying the community as well as having an established website and e-newsletter. In addition, a Mobility Bike Action Plan is being developed to help establish a non-motorized system/connection within the City. We will work with community partners to create a usable plan and integrate outcomes within the new Master Plan. The planning, engineering, DPS and city administration will also be working with the DDA on significant planning initiatives including engaging Progressive Urban Management Associates (PUMA) study and an updated downtown transportation study.

Police and Fire/Emergency Services:

Our Community Policing strategy is built around the President's Task Force on 21st Century Policing. There are six pillars of strategy inclusive of Building Trust and Legitimacy; Policy and Oversight; Technology & Social Media; Community Policing & Crime Reduction; Training & Education; Officer Wellness and Safety.

The city is investing in policy, technology, training and building partnerships within the City to develop the professional proficiencies as well as building trust within the community. The City Commission supported the purchase and use of body cameras to help document police and community activities and actions. The city has invested in mobile fingerprint identification, computer forensics, TruNarc Analyzer, Narcan medication for emergency treatment of opioid overdose, and Lexipol software which helps compile policies and procedures. The police department utilizes daily training bulletins to insure that staff are keeping current and being knowledgeable of policies and procedure as well as the law. We have established mandatory training for Diversity, Equity & Inclusion training for the police department as well as for our management personnel.

We continue to utilize one of the basic premises of community policing – problem solving. We are working with Traverse Bay Area Intermediate School District with community resource officers. We are specifically targeting working on issues revolving around mental health, addictions and homelessness which will require multi-tiered solutions. This budget, working with partners such as TCPD, TCFD, Goodwill, Rotary, Traverse Area District Library and Safe Harbor proposes establishing a community policing officer that will focus on the 8th Street corridor. This area as well as Hull Park has seen a rise in issues that require an active approach to mitigate. TCPD recently received in partnership with the Michigan State Police and the University of Michigan, a Comprehensive Opioid, Stimulant and Substance Abuse Program grant (COSSAP grant) to implement an innovative substance use disorder program. The city has a \$210,000 grant (3 yrs at \$70,000 per yr) to fund a social worker; providing services and collaborating with partners to assist vulnerable members of our community with organized, professional services that can support people to rise out of their addictions, homelessness and treatment for substance and opioid treatment services. Utilizing this community policing

formula, problem solving as we work with our partners and resources, we will fund two positions (social worker and Police officer). We continue to apply for additional grant funds to support these operations. Additionally the city will be receiving opioid settlement funds that are required to be used on addressing related impacts to the opioid crisis. We will be required to set these funds up in a fund segregated from other local government funds. Additionally, I'm proposing that once the city has established marihuana retail facilities, that a portion of these funds be directed towards meeting the additional and growing needs of oversight required by law by the city police and other departments.

Traverse City Fire Department is an all-hazards emergency response agency. Their training focuses on fire suppression and first responders as paramedics with Advanced Life Support services. The TCFD approach of "training the trainer" builds team work. Over the past two years we have added an additional firefighter and an administrative assistant to meet the additional administrative demands and support the Chief and staff. City Commission recently approved a contract with a contractor "Life Quest" to meet billing and collection of fees for services. Additional fees for services for non-residents are planned to be presented for consideration.

Staff have been working on a Fire/EMS Transport Study since Munson Medical Center determined to stop providing local emergency transport service. Analysis and recommendations for options will be forthcoming to the City Commission to help determine the future direction of emergency transport services within the city.

The city just received our most recent purchase of a fire truck. Due to supply chain and employee shortages, our vendor was a half year late on delivery. With that reality, I've directed the Fire Chief to start discussions regarding the purchase of our next fire apparatus which would typically be ordered in a couple of years, but because of the severe delays, I've requested staff to start working on apparatus concepts. Our next planned vehicle is a 100' platform (ladder) truck. I do not expect to expense that in this budget year. I have included funds to develop facility plans for repairs and maintenance.

Downtown Development Authority and Economic Development:

The DDA is a component unit of the City, and manages Development Plan and Tax increment Financing (TIF) Plans which focus on infrastructure investment, and encourages and supports activities to grow and promote small businesses within the City's core within two TIF Districts (TIF 97, Old Town). It is a vital component of the City's economic development efforts as retail, tourism and financial institutions populate the district.

The Lower Boardman Unified Plan was recently shared and accepted by the City Commission, Planning Commission and DDA Board. A Leadership Team - an ad hoc committee of the DDA identified the need to protect, preserve, and appropriately develop the downtown section of the Boardman River. The plan recognizes the need to identify priorities for recreational, educational, and interpretive initiatives, so it should identify projects involving land/water management policies and projects to address stormwater management and control, and habitat protection and enhancement.

Significant planning efforts are underway. The DDA is pursuing on identifying potential future organizational/financial scenarios for DDA. They have engaged Progressive Urban Management Associates (PUMA) based out of Denver Colorado in support of reviewing the current approach and structure of the DDA; explore a new plan for tax increment financing and business development that includes a new revenue sharing model; and conduct a detailed market assessment and summarizing emerging downtown trends and best practices. The Transportation Demand Management (TDM) study of 2016 is being readdressed in an effort to evaluate current processes, identifying parking and mobility options. A recent Circulation Plan regarding potential changes to traffic flow by eliminating one way streets was evaluated by the DDA's consultant and city staff. A concept of creating a pilot project of allowing two way traffic on State Street is being considered. We will hear more about this in the near future.

As open parking lots that service the downtown become used for development, whether private or publically owned, this will continue to place parking pressure on the downtown community as well as adjacent neighborhoods. I am recommending, as we proceed forward with the studies, that a primary priority be placed on proceeding with building the third downtown parking garage.

Building Facilities:

Grand Traverse County has recently announced that they are establishing a plan to have a two campus concept for public facilities to operate. The City of Traverse City and Grand Traverse County share space within common buildings, and in some cases share expenses. We see this at the Governmental Center, Senior Center, Law Enforcement Center and at Fire Station 1 properties. The county's preliminary plan will have one campus at their La Franier properties and the other located along 400 Boardman where the Governmental administrative offices, jail, and courthouses are located. With the county proceeding with the potential moving of certain governmental services, it is difficult at this time to fully understand the fiscal ramifications and impacts on city services and facilities. I'm recommending that we lay groundwork through the Master Plan process to survey our properties and options for what we hold and what may be developed as a city campus concept. Minimally we need to look at our current agreements with the county as well as address planning for maintaining our building or replacing them such as the senior center and fire stations.

Water and Wastewater Rate Funds:

These two funds are established as Enterprise Funds. They are intended to financially maintain the operation costs and capital investments to our water and wastewater systems. We provide these services throughout the City, as well as services in neighboring townships through negotiated agreements. The City works with the Grand Traverse Board of Public Works, to address the ongoing operations and services, as well as to provide accountability of the resources to provide these services.

During COVID-19 the city implemented a policy to hold on all utility shutoffs. We identified that penalties should be dismissed during that period. Working through the State of Michigan and a local non-profit, the city has established an assistance program for those who qualify, to

have their past due costs reimbursed through this program. Fortunately it impacts a small amount of citizens.

The City recently completed a five year water reliability study as well as in-depth study and evaluation of wastewater systems. The wastewater primary headworks repairs for the short term was just completed as we looked at operational systems for the treatment plant. This has identified the need to make significant investments on our wastewater treatment plant. Staff has been working with the Michigan Department of Environment, Great lakes and Energy (MEGLE) regarding having access to the State Revolving Loan Fund. Initial funding approval of proceeding with major repairs on the front end of the plant have been approved by MEGLE as well as the City Commission approving letters of intent for the necessary bonding. The initial interest rates are established at 1.875% for 20 year loans. Each year the state working with the federal government also established what communities may be eligible for loan forgiveness. It appears we are eligible for this first year. The City Commission passed a resolution formally adopting the Project Plan and we are proceeding with implementation of those improvements. Bonding estimates presented in the letters of intent were \$30 million for the wastewater and \$16 million for drinking water. These letters of intent have been presented to the Grand Traverse County Board of Public Works. Additional work included in the city planning for implementation is the requirement by the State of Michigan to replace Lead and Copper service lines throughout the city.

The City has already addressed removal of Lead lines however, any service line that is of galvanized metal is considered inclusive of required removal over a ten year period. Other drinking water improvements are inclusive on both the high and low service pressure lines, pump station valves, plant backwash and surface wash pumps, sodium hypochlorite storage tanks and building, electrical switch gear, freight elevator, as well as water main replacements throughout locations within the city and Wayne Hill booster station improvements. The wastewater improvements particularly target the Headworks and primary treatment necessary to improve the reliability of treatment. Other projects include a new Ultra Violet secondary treatment system is required by a Consent Order from MEGLE. Restoration of the sanitary line along the lower Boardman River wall of the 100 & 200 block of E. Front Street, addressing infiltration and inflow of water into the system, and the removal of an existing 8 inch sanitary sewer on the side of US-31 and extend laterals from the north side to the south 24 inch sanitary sewer in US-31 from Garfield to Hope Street. Staff has been reviewing the upcoming costs for infrastructure as well as previous debt that is being required with the wastewater plant.

This year staff is recommending no rate increase for the Drinking Water Fund. A 6% increase is being recommended to support the upcoming capital investments and costs to the Wastewater fund. James Henderson/City Finance Director/Treasurer will be providing a letter explaining with further detail. With the very significant amount of large capital projects, and the vital importance of the city meeting all of our regulatory requirements, I'm recommending adding a staff engineer to support Art Kreuger/Municipal Utilities Director staff. Both our drinking water plant and system as well as our wastewater plant investments and operations necessitate that we stay on top of these permitted facilities.

The City is currently working with an ad-hoc committee to address options on how to proceed with funding of stormwater infrastructure costs. The state legislature has demonstrated little interest in addressing this issue. Staff has been holding discussions with the GTC Drain Commissioners office over the past several years. Working with the Drain Commissioner's office, utilizing state authorized authorities of that office and funding options appear to be the most viable approach.

Parks and Cemetery:

Over the past two years during COVID-19, public spaces were heavily used. As people were locked down and not able to socialize under normal circumstances, our recreational facilities saw more use than ever. Our investment into our parks and facilities tie directly to the City Commissions Goals and Objectives inclusive of Access and Mobility; Connecting People with Each Other and Nature; and Economic Development. The last is specifically tied to those who invest into our community and on behalf of their employees for quality of life.

The City Parks, Cemetery and Forestry (CPF) staff are responsible for 32 park areas inclusive of 386 acres, over 14,000 public trees, public facilities, open areas, trailways and equipment to be maintained. Oakwood Cemetery is an important component of our community, meeting the needs of placing loved ones in their final resting place. With the additions every year, there is growing demand on the administrative requirement. I'm recommending that we proceed forward with adding the BS&A software module into our system to allow for an accurate and efficient accounting of our grave sites. Right now there is a very antiquated card and hand mapping system. We also hold a management agreement with the Catholic Diocese, servicing their adjacent cemetery to Oakwood Cemetery. I'm recommending that the part-time administrative assistant be made full time. Additional responsibilities are at Hickory Hills Ski Lodge, Clinch Marina and the Brown Bridge Quiet Area (BBQA). With the completion of the West Boardman Lake Loop Trail, additional responsibilities are being added. This year's investments include projects at Boon Street playground, Ashton Park, Indian Woods Park and F&M Park. Our engineering department is working with design and bids. Our current concern is the availability of contractors and specialty (concrete) providers. Their capacity combined with the volume and sizes of projects are having an impact of availability and cost.

Clinch Park Marina has a total of 118 slips with a distribution of 60% (70 slips) for seasonal users versus 40% transient slips (48). The marina use this past year pleasantly surprised us. With COVID-19 requiring that people distance themselves, the boating industry saw a boom in purchases of boats as well as utilization. This included the use of Clinch Marina. Fuel sales went up as did the marina use. Seasonal boaters, fishing and local users of the boat ramps continued with high use, and with water elevation levels of the Great Lakes going down, the Boardman River is not as backed up allowing the river slips to be usable. Fortunately, the Great Lakes water is going down which is allowing staff to identify additional damage hidden by the high waters.

Hickory Hills Ski and Recreation Area continues to grow in use and opportunities. The city recently built a new ski lodge, providing a safe respite area with equipment, food and heat to meet the users needs. Additional ski slope, Nordic and Alpine trails have been established and

the use continues to go up as a regional recreational facility. Preserve Hickory, a local non-profit has been instrumental in supporting the needs by investing over \$2 million dollars and continues to identify funding and grants to add snowmaking capacities. We are currently proceeding with additional well connections and piping to add snowmaking capacity. The city is working with partners and planners in regard to increased use during the summer months. This includes adding an additional 18 holes of Frisbee golf. Planning is in the works for potential future bike trails.

The Brown Bridge Quiet Area is comprised of 1,310 acres of City-owned property located in the central-eastern portion of the County. The City contracts with the Grand Traverse Conservation District to manage and oversee these properties. It is a passive park-like setting in which the Brown Bridge reservoir was removed in 2012. The Grand Traverse Conservation District implements activities such as habitat improvements for fish and aquatic insects, mitigates soil erosion and makes repairs to stairways, boardwalks and wetland areas. The five mile walking loop is complete with an accessible pathway working down from the parking lot to the first pedestrian bridge which is nearly completed. This year we will be building a restroom at the north ridge pullout. Continued maintenance and improvements are being made to the walkways as well as the establishment of habitat along the river. Numerous trees and shrubs continue to be planted.

One project request that is not funded in this year's requests is an additional two volleyball courts west of the Open Space. We have very limited land along the Grand Traverse West Bay. Before we use up additional space for the outdoor volleyball courts, I believe some very in-depth conversations need to take place for planning purposes, which can evolve as we pursue our Master Plan and update our 5 year Recreation Plan.

The City Commission adopted the 2018 Tree Canopy Plan. In concert with the City Commission Goals inclusive of Climate; Water Systems; and Connecting People with Each Other and Nature; I will be recommending that the city expend up to \$200,000 of American Rescue Plan Act (ARPA) funds. The tree canopy will help mitigate flooding our by soaking up millions of gallons of storm water. The tree canopy can also help cool our heat imprint within the urban area and work towards sequestering carbon. The ARPA funds are required to be appropriated no later than December 31, 2024 and all must be expended by December 31, 2026.

Garage Fund:

The City Garage fund is a self-funding internal services fund. In compliance with MDOT requirements, the City places rental values on vehicles and equipment utilized throughout the City. This rental income, in turn, is transferred over to the Garage fund, which pays for the capital costs annually for the maintenance replacement and purchase of vehicles and equipment, in addition to funding general operations and maintenance. We have established a priority in accordance to City Commission goals and objectives to identify vehicles and equipment that offer "green power" value (electric, hybrid, solar). Due to COVID-19 and supply chain issues, we have had difficulty acquiring electric vehicles. We recently purchased an electric van and several pickup trucks for TCL&P. This budget continues to reflect purchasing electric vehicles. For every vehicle/equipment purchased the City will place \$100 from the garage fund to the tree fund.

Capital Infrastructure:

Advocating investment into infrastructure projects throughout the City continues to be my strong recommendation to the City Commission. Infrastructure has a lifespan and we are seeing the need for strong investments to maintain safety, operational services, and reduction of liabilities of our infrastructure. This supports our meeting regulatory requirements and meeting quality of life needs for our community.

We completed Phase I of the West Boardman Lake Loop Trail (WBLLT) and will complete Phase II of the loop along the southwest portion of Boardman lake this summer, linking a trailway five (5) miles around Boardman Lake. This accomplishment allows a means for citizens to get to and from Traverse City. It is used for both recreation as well as for citizens getting to work and accessing services within the city. This project symbolizes is the essence of the City of Traverse City going “Green”. Additional quality of life projects are: finalizing the major thrust of completing ????? miles of gap and infill, repair of sidewalk, and through the Safe Routes to Schools programs, providing more sidewalk access to and from our local schools. These projects support City Commission Goals and Objectives of Access and Mobility; Climate; Connecting People With Each Other and Nature and Economic Development.

This past year we had many projects that were necessary to replace aging and failing infrastructure. Some are disruptive such as repairing three major bridges downtown and proceeding with the total reconstruction of West Front Street bridge. We have implemented a MDOT safety grant and completed the first major round-a-bout at Parsons and Airport Access Road. We currently have Garfield from Hannah to East Front Street under construction, which will be completed prior to the end of this fiscal year. Working with our partners from the Watershed Council and the State of Michigan, we have made improvements on Kids Creek inclusive of two (2) new pedestrian crossings and adding three culverts, supporting the movement of the water as well as people along and across Kids Creek.

Our pavement preservation program was to be installed in the fall, but our contractor requested to wait till spring. Due their own issues with having enough staff to meeting their projects due to increased demands as well as COVID-19 impacting availability of employees and materials, that project of cape sealing is to start in latter May, 2022. This is a \$1.5 million project covering neighborhood streets citywide. The primary funding source for this maintenance program is the county wide millage. There is one mil in the general fund that supports additional streets maintenance programming as well as match funds for grant projects and the annual bond payment for the gap and infill of sidewalks. Preparation work has begun for the street reconstruction of Jefferson and Madison Streets. Within the DDA, the East Front Street project was postponed, so more immediacy of repair work is needed since the reconstruction will likely be at least five years out. This will be a mill and fill from the Grandview Parkway westward to Park Street. This project is estimated to cost approximately \$300,000, which will be split between the City and DDA.

City staff has been working with MDOT on major upcoming highway construction projects as we work to redesign the Grandview Parkway from Garfield Street west to Division (approximate

\$20 million investment). At the time of this writing, construction will be in two phases. Timelines have not been definitively set, but clarity that the city does not want the two upcoming bridge projects (MDOT & DDA funding) to be constructed at the same time of the Grandview Parkway project has been articulated. This project is inclusive of improvements within our water, wastewater and stormwater infrastructure. Referenced within the earlier section **Water and Wastewater Rate Funds** are major investments that the city is planning for our drinking water and wastewater systems. The budget is inclusive of planning for our investments along the Grandview Parkway. Problematic to budgeting at this time is that the prices are volatile. This is primarily due to the influences of COVID-19 that has changed the capacity of their capabilities due to staffing, inflation and availability of materials. Staff is recognizing this and attempting to build in factors for our budgeting.

Although the Capital Improvement Plan (CIP) is a planning document and not a budgeting document, we use it to include demonstrate where we have funding. There are city funding sources available depending on which department and use will determine which fund we are drawing from. Some projects may have grant funding, either committed or proposed, and some projects have private funds, such as Preserve Hickory donating funds towards a specified project. The projects listed above are not intended to be all inclusive, but demonstrate where we are placing emphasis. An example of an exciting project, albeit not all funding sources have been identified is the Civic Square within the DDA. To date, \$1 million has been identified through a grant from Rotary Charities and \$2 million from the State of Michigan. Other projects not all inclusive include these items that are planned and budgeted; the west end bathhouse, Fire Station 01 concrete replacement, traffic signal improvement/power backup, computer hardware, Union Street Dam inspections.

In regard to the federal funding of ARPA distribution, the city will receive a total of \$1,647,274. We have till 12/31/2024 to appropriate the funds and 13/31/2026 to expend funds. Last October the City Commission authorized a study by Hubble, Roth and Clark to identify Inflow & Infiltration water issues getting into our sanitary system. The estimated cost was between \$800K - \$1million dollars. As water issues are a high priority of the City Commission, staff will be bringing to the Commission the slip lining of the sanitary line in a very low and wet area along Bay Street. Additional information will be forthcoming. I'm recommending the use of \$200,000 towards the tree canopy for the city. I'm also recommending identifying use of additional funds for housing that may positively impact those with most needs and workforce housing. I'll bring this forward to a study session in the near future.

Summary:

The pandemic and COVID-19 continues to have impacts both directly and indirectly on city staff and operations. In recent weeks we had staff infected with COVID-19 and staying home to heal. Staff are continuously encouraged to take precautions. Other impacts as earlier referenced have impacted recruitment for contractors as well as city staff. Inflationary factors are impacting our contractors and the availability of materials and supply lines disrupted. There has been a fatigue factor within our citizenry that impacts relationships of desiring to work or at a social level. To exacerbate these concerns is the recent war in Eastern Europe and how that again influences matters from family to supply chain.

The City of Traverse City is financially in stable condition. Due to revenues coming in a little higher than expected and some of our expenses being deferred, we have a healthy fund surplus. This will assist us in our significant need for future investments into our building facilities, streets and parks, as well as working on City Commission goals such as housing and Green activities. This upcoming year we will be working diligently on a number of significant projects such as water and wastewater investments, street reconstruction and maintenance, bridges, Grandview Parkway US-31 improvements, park improvements, and working with partners on projects such as managing the Watershed along Kids Creek and housing issues with private developers, non-profits and utilizing city properties for new uses.

This year will be spent with significant efforts through many public meetings and process for Master Planning, Mobility Planning, Rethinking strategies and re-visioning the DDA, DDA parking plan update, preparing for the potential of rerouting of streets (State, Boardman) within the downtown, as well as planning for adjustments in the implementation of projects, often on a daily basis. Grand Traverse County and the City will need to work through discussions on the current and future uses of shared buildings and services such as the Senior Center, Governmental Center, Fire Station 01/MSU Extension and COA, Law Enforcement Center. We share space and services such as the City Commission Chambers and IT services. These planning activities will take a lot of effort and time to work through to insure productive outcomes.

With the US Census Bureau decennial population growth published for the City and region, our area has neared the 100,000 mark. With this growth, our representation grows within the county, state and nation by the number and geographical coverage of representation. We know that our County Commission will grow from seven (7) representatives to nine (9) and from two (2) who represented the city to three (3). Also, our region may be recognized as a Metropolitan Planning Organization (MPO). An MPO is a federally mandated and federally funded transportation policy-making organization that is made up of representatives from local government and governmental transportation authorities. This MPO designation would bring additional federal transportation funding to support investments into streets, roads, bridges and public transportation. Although we did not hit the 100,000 population, it is my understanding that the status may be given due to the density of population. The Headlee rollback referenced earlier is negatively impacting by reducing our taxable ability to generate funds to provide future services and operations. This loss compounds as time goes by annually. It is my recommendation that the City Commission poise a Charter amendment to mitigate the Headlee rollback in order to maintain financial ability to meet our City service goals.

Our Green Team continue to look at new opportunities and initiatives. We are investigating compost recycling and looking at examples of cities who are offering curbside compost pickup services. We continue to invest in electric, hybrid and greener vehicles and equipment. Identifying means of supporting the City's Urban Wood (repurposed wood) – to preserve and use lumber from downed trees for carbon sequestration. Staff is also working with TCL&P specifically on identifying properties to place EV stations. One of our potential repurposing of city properties identified includes establishing a solar farm to establish additional renewable energy locally.

The past two years have seen a reduction in education and training activities for staff. Assuming that COVID-19 restrictions don't reappear, we will need to focus on maintaining training activities for staff.

We are looking locally at supporting efforts of those most in need for physical and mental health, addictions and homelessness. These are issues that are and can be addressed locally. It is our intent to make a difference locally by working with TADL, Goodwill, Safe Harbor and other mental health and medical professionals who are helping with the social work. This budget targets grant and city funds to pursue addressing social issues along the 8th street corridor as part of our community policing philosophy on how to solve problems. This also includes working on housing issues to meet the City Commissions goals.

The Fiscal Year budget presented to you is a balanced approach of providing continuity of essential governmental services such as safe drinking water and sanitation facilities, public safety, better and safer methods of mobility with more sidewalks and trails for citizens to enjoy. Continuation of investment into our infrastructure and working on major planning efforts will prepare our community to evolve into a World Class City. This includes working on human needs of mental and physical health of some of our most at risk citizens. The continue investment into the DDA and working with Traverse Connect and other economic development efforts support the efforts of our business community recovering from COVID-19 impacts as well strengthening the partnerships that build a strong business community and climate. This will include ongoing efforts of being creative to build more housing for the working community.

We are scheduled to have a City Commission study session on the budget May 9th and we will schedule additional study sessions as needed. A public hearing on the budget is scheduled for May 16, 2022 with approval of the budget scheduled on June 6, 2022. I thank the City Commission for providing the resources, and the staff for providing the essential quality services provided within our community.

Sincerely,

Martin A. Colburn
City Manager

CITY COMMISSION

2021/2023

MAYOR



Richard Lewis

MAYOR PRO-TEM



Amy Shamroe

COMMISSIONER



Mi Stanley

COMMISSIONER



Mitchell Treadwell

COMMISSIONER



Ashlea Walter

COMMISSIONER



Tim Werner

COMMISSIONER



Mark Wilson

City of Traverse City, Michigan
City Commission
Mission Statement

The Mission of the Traverse City Commission is to guide the preservation and development of the City's infrastructure, services, and planning based on extensive participation by its citizens coupled with the expertise of the City's staff.

The Commission will both lead and serve Traverse City in developing a vision for sustainability and the future that is rooted in the hopes and input of its citizens and organizations, as well as cooperation from surrounding units of government.

Adopted: February 22, 2000

GOALS & OBJECTIVES

2022/2023



CLIMATE



WATER SYSTEMS



ECONOMIC DEVELOPMENT



CONNECTING PEOPLE WITH
EACH OTHER AND NATURE



ACCESS & MOBILITY



HOUSING & HOMELESSNESS

CITY MANAGER

Martin Colburn

CITY CLERK

Benjamin Marentette

CITY TREASURER FINANCE DIRECTOR

James Henderson

CITY ATTORNEY

Lauren Tribble-Laucht

DEPARTMENT DIRECTORS

CITY ASSESSOR

Polly Cairns

PUBLIC SERVICES DIRECTOR

Frank Dituri

DIRECTOR OF MUNICIPAL UTILITIES

Arthur Krueger

CITY ENGINEER

Timothy Lodge

POLICE CHIEF

Jeffrey O'Brien

FIRE CHIEF

James Tuller

PLANNING DIRECTOR

Shawn Winter

HUMAN RESOURCE DIRECTOR

Jennifer Franklin-Robison

ADDITIONAL CITY OFFICIALS

LIGHT & POWER EXECUTIVE DIRECTOR

Brandie Ekren

DDA CHIEF EXECUTIVE OFFICER

Jean Derenzy

Memorandum

TO: James Henderson, City Treasurer/Finance Director
Brian Postma, Finance Analyst/Compliance Officer

COPY: Penny Hill, Assistant City Manager
Jennifer Franklin-Robison, Director of Human Resources

FROM: Martin Colburn, City Manager

DATE: 04/29/2022

SUBJECT: Budget Staffing Requests

After reviewing the numerous requests for positions to be added to the 2022/2023 budget, the positions below are to be included in the budget presented to the City Commission:

| Department | Position Title | Unit |
|--------------------------------|---------------------------|---------------|
| City Manager Department | Assistant City Manager | ACT Group |
| Oakwood Cemetery | Administrative Assistant | ACT Group |
| Police Department | Patrol Officer | Police Patrol |
| Police Department | Social Worker | ACT Group |
| Water/Sewer Department | Utility Services Engineer | ACT Group |

Please note that the position in the Oakwood Cemetery Department is not a new position but is changing from part-time to full-time. The A.C.T. Group wage schedule will receive a 3% increase and for the seasonal pay scale there will be a significant increase to both the minimum hourly wage and the maximum hourly wage across the board.

Expenditure/Expense Line Item Descriptions

Salaries and Wages – record payment of salaries and wages to unit officials and employees.

Fringe Benefits – record expenditures for employees’ social security, health, dental and vision insurance, employees’ life insurance, unemployment, retirement fund contributions and worker’s compensation.

Office/Operating Supplies – record expenditures for supplies normally used in the operation of an office such as stationary, pencils, publications and postage. Additionally, operation supplies of a department such as blankets, chemicals, street salt, and cleaning supplies.

Professional Services – record outside service such as audit fees, computer services, consulting fees, contractual fire services, legal fees, witness and jury fees, and memberships.

Communications – record the cost of telephone services and dispatch radios.

Transportation – record the costs associated with automobile expenses such as mileage reimbursements, gas, oil, also train, boat, bus and plane fares.

Professional Development – record the costs associated with employee education, seminars, organization dues, lodging, meals, and certification requirements.

Community Promotion – record expenditures for holiday decorations, civic betterment and public relations.

Printing and Publishing – record expenditures for advertising, legal notices, copies and printing and publishing.

Insurance and Bonds – record expenditures for all insurance and bonds, such as surety bonds.

Repairs and Maintenance – record expenditures used for repair and maintenance to buildings, equipment, vehicles and other property owned by the City.

Rentals – record the rental costs for office space, equipment and vehicles.

Miscellaneous – record costs not provided elsewhere.

Fund Descriptions

General Fund – is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds – account for the proceeds of specific revenue sources (other than permanent trust or major capital projects) that are set aside for a specific purpose.

Debt Service Funds – account for the accumulation of resources set aside to meet current and future debt service requirements on general long term debt.

Capital Project Funds – account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

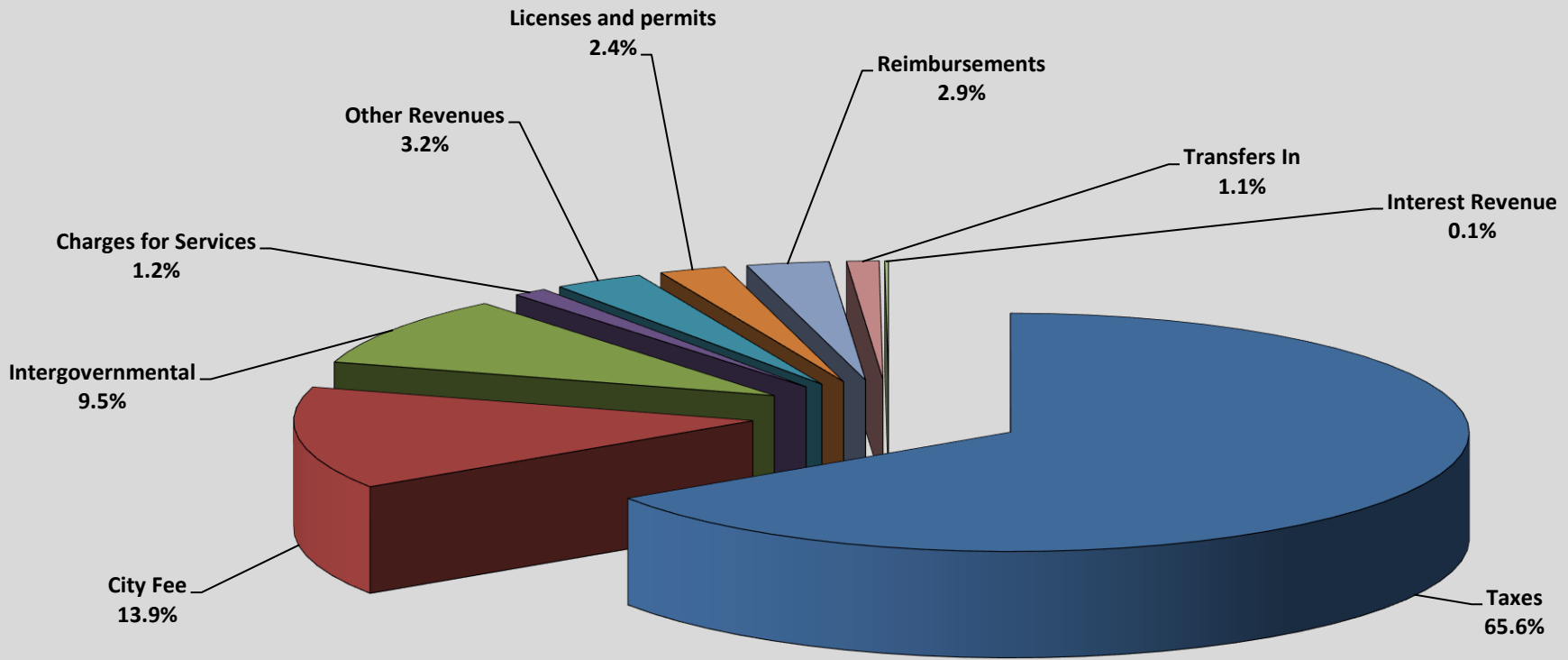
Permanent Funds – account for resources that are legally restricted to the extent that only earnings and not principal, may be used for purposes that support the reporting government’s programs, that is, for the benefit of the government or its citizenry.

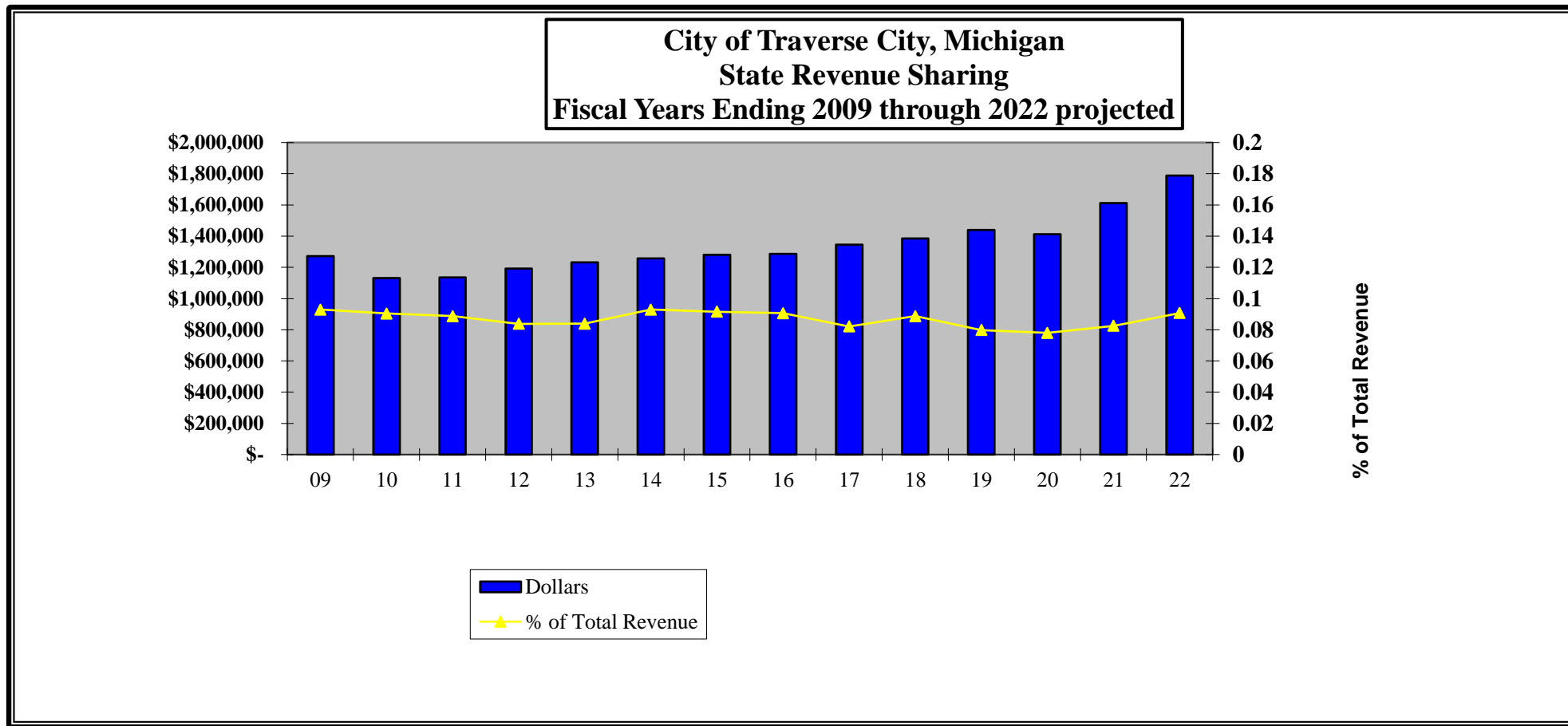
Enterprise Funds – account for the operations that are financed and operated in a manner similar to a private business enterprise, where costs are primarily recovered through user charges.

Internal Service Funds – account for fleet and equipment management provided to other departments or agencies of the government, on a cost reimbursement basis.

Component Unit Funds – account for operations maintained and operated by related entities of the City created through State Statute or City Charter.

**City of Traverse City, Michigan
General Operating Fund
22-23 Budgeted Revenues**





A major source of General Fund Revenue is from revenue sharing payments made by the State of Michigan to local units of government. Revenue sharing consists of two components. The first component is a constitutional allocation based on a formula taking into consideration population, type of government, and sales tax receipts for the State. The second component is based on a similar formula but is primarily a statutory appropriation by the legislature.

SUMMARY OF SIGNIFICANT BUDGET CHANGES

General Fund Revenue

Federal Grant – Federal grants revenue is projected to be significantly higher in 22/23 due to receipts of a COSSAP grant in the amount of \$70,000.

Real Estate/Personal Property – Real estate/personal property revenue increased overall because of a projected 8 percent increase in the taxable value of properties within the City, although the corresponding increase in revenue is muted due to ongoing effects of the Headlee rollback.

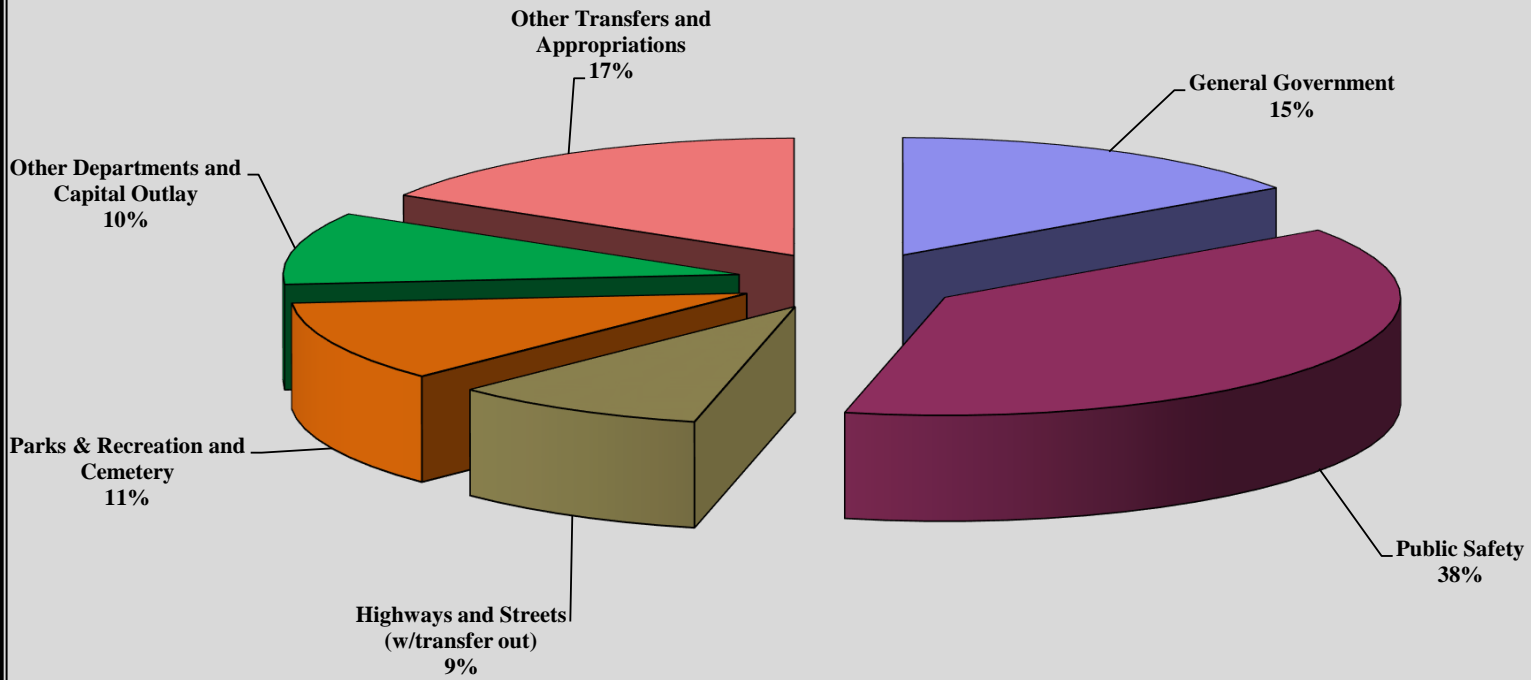
State Sales and Use Taxes – The City's state shared revenues fluctuate according to state formulas. Current year state shared revenues significantly exceeded Michigan department of Treasury, with payments from July-December 2021 coming in at almost 15% higher than estimates. Budgeted 22/23 revenues are showing a modest decrease compared to the current year based on recent Treasury guidance.

Intragovernmental (City Fee) Revenue – Fees paid to the General Fund from the various City Enterprise Funds and Traverse City Light & Power are being projected to decrease for 21/22. These fees are tied directly to Enterprise Fund and Light & Power revenues, which are being projected to decline due to the corona virus shut down.

City of Traverse City, Michigan
GENERAL OPERATING FUND
Budgeted Revenues

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|-------------------------------------|----------------------|----------------------|-----------------------|-----------------------|
| TAXES | | | | |
| Real Estate / Personal Property | \$ 11,803,500 | \$ 12,267,300 | \$ 12,458,600 | \$ 12,882,900 |
| Collection Fees | 282,800 | 296,500 | 291,400 | 298,000 |
| Penalties and Interest on Taxes | 136,900 | 138,000 | 175,000 | 185,000 |
| Total Taxes | 12,223,200 | 12,701,800 | 12,925,000 | 13,365,900 |
| LICENSES AND PERMITS | | | | |
| Business Licenses and Permits | 134,000 | 132,900 | 155,500 | 157,500 |
| Franchise Fees | 241,600 | 260,000 | 242,000 | 242,000 |
| Non-Business Permits | 81,900 | 65,000 | 78,800 | 80,100 |
| Total Licenses & Permits | 457,500 | 457,900 | 476,300 | 479,600 |
| INTERGOVERNMENTAL | | | | |
| Federal Grants | 836,400 | 2,500 | 500 | 70,500 |
| State Revenues | | | | |
| State Sales and Use Taxes | 1,614,800 | 1,471,700 | 1,788,700 | 1,704,600 |
| State local Community Stabilization | 190,700 | 195,000 | 118,500 | 118,500 |
| State Liquor Licenses | 55,800 | 56,000 | 50,000 | 50,000 |
| Total Intergovernmental | 2,697,700 | 1,725,200 | 1,957,700 | 1,943,600 |
| CHARGES FOR SERVICES | | | | |
| General Fees and Services | 65,100 | 60,700 | 57,300 | 66,700 |
| Use and Admission Fees | 104,900 | 157,000 | 156,000 | 132,000 |
| Sale of Fixed Assets | - | 2,000 | - | - |
| Ordinance Fines and Costs | 34,000 | 35,000 | 40,000 | 44,000 |
| Total Charges for Services | 204,000 | 254,700 | 253,300 | 242,700 |
| FINES AND FORFEITURES | | | | |
| Parking Violations | 1,900 | 5,000 | 4,500 | 7,000 |
| INTRAGOVERNMENTAL-City Fee | 2,604,500 | 2,564,100 | 2,741,700 | 2,832,800 |
| OTHER REVENUE | | | | |
| Interest Revenue | (45,300) | 35,000 | 25,000 | 27,000 |
| Rents and Royalties | 30,600 | 64,000 | 54,000 | 55,000 |
| Contributions-Public Sources | 429,000 | 481,000 | 490,900 | 515,500 |
| Contributions-Private Sources | 21,000 | 10,000 | 25,900 | 45,000 |
| Other Income | 26,100 | 23,000 | 20,000 | 22,500 |
| Total Other revenue | 461,400 | 613,000 | 615,800 | 665,000 |
| REIMBURSEMENTS | 495,300 | 580,000 | 535,700 | 591,000 |
| TRANSFERS IN | | | | |
| Brown Bridge Trust Fund | 340,100 | 212,000 | 155,000 | 200,000 |
| Other Funds | 33,000 | 33,500 | 52,000 | 32,000 |
| Total Transfers In | 373,100 | 245,500 | 207,000 | 232,000 |
| TOTAL REVENUES | \$ 19,518,600 | \$ 19,147,200 | \$ 19,717,000 | \$ 20,359,600 |

**City of Traverse City, Michigan
General Operating Fund
2022-23 Budgeted Expenditures**



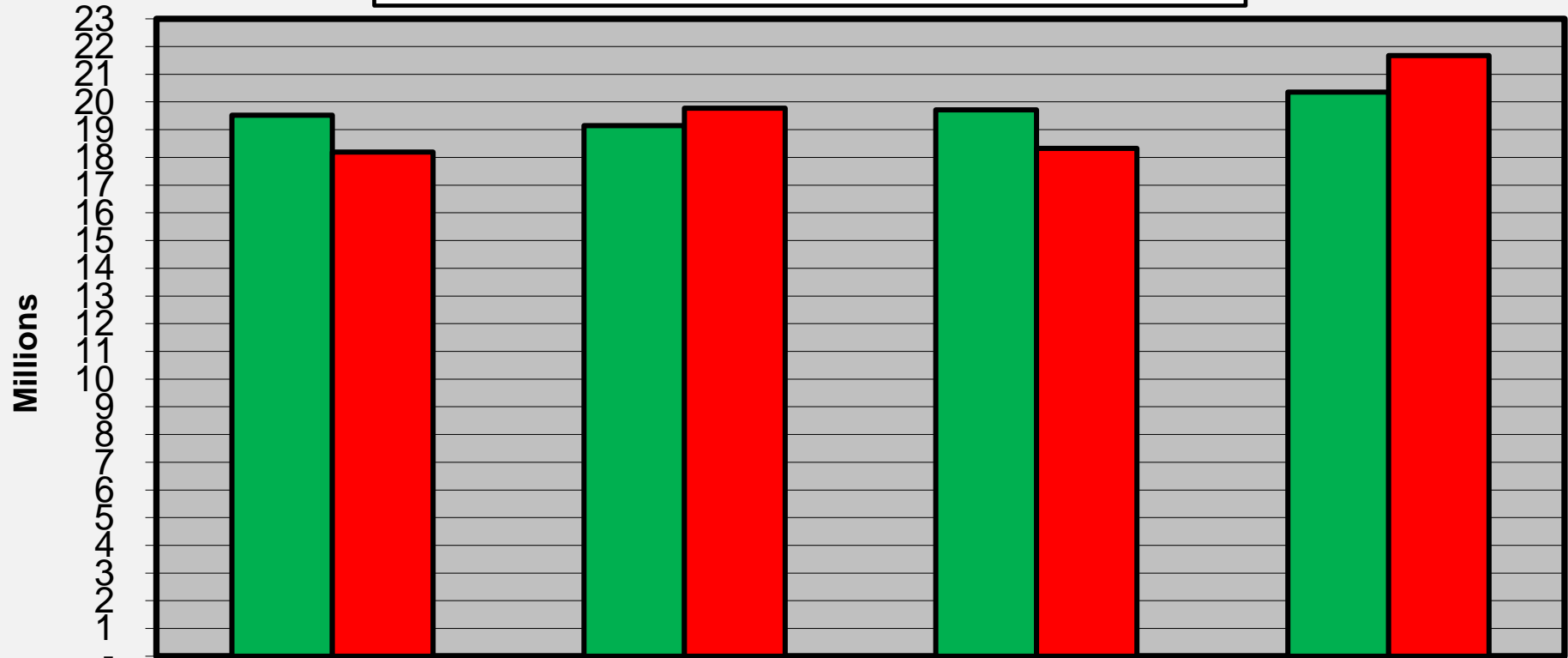
**City of Traverse City, Michigan
GENERAL OPERATING FUND
Departmental Budgets Summary**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|---------------------|---------------------|-----------------------|-----------------------|
| Department | | | | |
| City Commission | \$ 82,900 | \$ 100,100 | \$ 87,200 | \$ 109,300 |
| City Manager Department | 431,500 | 471,300 | 433,000 | 610,600 |
| Human Resources Department | 250,700 | 277,100 | 238,900 | 254,600 |
| DPS Director and Asset Management Department | 377,700 | 351,800 | 308,500 | 371,900 |
| GIS Department | 131,200 | 163,100 | 151,500 | 174,300 |
| City Assessor Department | 505,900 | 499,000 | 483,000 | 505,600 |
| City Attorney Department | 283,100 | 316,700 | 373,600 | 393,600 |
| City Clerk Department | 610,800 | 728,700 | 605,600 | 708,400 |
| City Treasurer Department | 435,600 | 463,400 | 357,300 | 430,300 |
| Police Department | 4,497,400 | 4,309,100 | 4,337,400 | 4,754,700 |
| Fire Department | 3,291,700 | 3,500,000 | 3,287,300 | 3,531,500 |
| Engineering Department | 925,600 | 926,700 | 837,100 | 984,000 |
| Planning and Zoning Department | 579,200 | 560,700 | 438,800 | 675,300 |
| Parks and Recreation Department | 1,912,400 | 1,932,500 | 1,791,600 | 1,861,400 |
| Oakwood Cemetery Division | 439,000 | 524,400 | 338,800 | 539,300 |
| Streets Administration Department | 1,022,800 | 757,000 | 730,300 | 884,800 |
| Government Owned Buildings | 102,700 | 194,200 | 120,200 | 128,200 |
| Appropriations | 83,100 | 1,087,200 | 974,900 | 1,523,100 |
| Contingencies | 3,300 | - | - | 497,000 |
| Total Departmental Expenditures | 15,966,600 | 17,163,000 | 15,895,000 | 18,937,900 |
| Other Expenditures | | | | |
| Transfers Out - Capital Projects | 975,700 | 1,115,600 | 1,115,600 | 1,222,100 |
| Transfers Out - Other | 1,230,800 | 1,493,000 | 1,312,700 | 1,515,300 |
| Capital Outlay | 17,900 | - | - | - |
| Total Other Expenditures | 2,224,400 | 2,608,600 | 2,428,300 | 2,737,400 |
| Total General Fund Expenditures | 18,191,000 | 19,771,600 | 18,323,300 | 21,675,300 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 1,327,600 | (624,400) | 1,393,700 | (1,315,700) |
| Beginning Fund Balance | 4,738,200 | 6,065,800 | 6,065,800 | 7,459,500 |
| Ending Fund Balance | \$ 6,065,800 | \$ 5,441,400 | \$ 7,459,500 | \$ 6,143,800 |

**City of Traverse City, Michigan
GENERAL OPERATING FUND
Expenditures by Type**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|---------------------------|----------------------|----------------------|-----------------------|-----------------------|
| Salaries and Wages | \$ 8,540,500 | \$ 8,886,100 | \$ 8,446,800 | \$ 9,332,000 |
| Fringe Benefits | 3,280,600 | 2,592,900 | 2,438,300 | 2,637,100 |
| Office/Operating Supplies | 464,100 | 541,800 | 396,700 | 498,800 |
| Professional Services | 800,400 | 936,800 | 838,200 | 1,261,000 |
| County Records Contract | 243,500 | 194,000 | 216,000 | 194,000 |
| Communication | 118,900 | 129,200 | 119,100 | 130,000 |
| Transportation | 129,500 | 225,600 | 207,900 | 278,800 |
| Professional Development | 92,700 | 199,500 | 118,800 | 207,700 |
| Community Promotion | 400 | 2,000 | 400 | 2,000 |
| Printing and Publishing | 55,600 | 71,700 | 52,700 | 71,200 |
| Insurance and Bonds | 134,300 | 152,200 | 109,800 | 128,400 |
| Utilities | 188,100 | 238,400 | 213,200 | 218,000 |
| Repairs and Maintenance | 177,300 | 235,800 | 196,200 | 228,200 |
| Rentals | 1,569,800 | 1,315,200 | 1,432,900 | 1,462,300 |
| Miscellaneous | 12,100 | 23,100 | 19,500 | 20,100 |
| Police Reserves | 100 | 4,500 | 600 | 4,500 |
| Appropriations | 83,100 | 1,087,200 | 974,900 | 1,523,100 |
| Contingencies | 3,300 | - | - | 497,000 |
| Equipment/Capital Outlay | 90,200 | 327,000 | 113,000 | 243,700 |
| Transfers Out | 2,206,500 | 2,608,600 | 2,428,300 | 2,737,400 |
| Total | \$ 18,191,000 | \$ 19,771,600 | \$ 18,323,300 | \$ 21,675,300 |

**City of Traverse City, Michigan
General Operating Fund Revenues and Expenditures**



| | 2020-21 Actual | 2021-22 Budget | 2021-22 Projected | 2022-23 Requested |
|--------------|----------------|----------------|-------------------|-------------------|
| Revenue | \$19,518,600 | \$19,147,200 | \$19,717,000 | \$20,359,600 |
| Expenditures | \$18,191,000 | \$19,771,600 | \$18,323,300 | \$21,675,300 |

CITY COMMISSION

Mission Statement: *To guide the preservation and development of the City's infrastructure, services, and planning based on extensive participation by its citizens coupled with the expertise of the City's staff. The Commission will both lead and serve Traverse City in developing a vision for sustainability and the future that is rooted in the hopes and input of its citizens and organizations, as well as cooperation from surrounding units of government.*



Left to right: Mayor Pro Tem Amy Shamroe, Tim Werner, Mi Stanley, Mayor Richard Lewis, Mitchell Treadwell, Mark Wilson and Ashlea Walter.

The City Commission is the legislative body for the City of Traverse City. The primary function of the City Commission is to establish the direction and policies by which the City operates through its boards, commissions and departments.

The goals and priorities of the Commission are reflected through the adopted budget in keeping with the policy of maintaining the economic well being of the City.

The City Commission consists of six (6) members and a Mayor, all elected at large. Commissioners each have four-year terms of office and the Mayor has a two-year term of office. At the annual organizational meeting, the City Commission meets and chooses one of its members as Mayor Pro Tem for one year until the following organizational meeting. The City Commission elected terms are arranged so that not more than four members shall be retired at any one time.

The Mayor presides at the meetings of the City Commission and has a voice and a vote in its proceedings, but no veto power. The Mayor authenticates by signature such instruments as the City Commission, City Charter or the laws of the State require.

The City Commission meetings are held in the Commission Chambers on the 2nd Floor of the Governmental Center, 400 Boardman Avenue, Traverse City. Regular Meetings are held the first and third Monday of each month. Possible Study Sessions are held on the second and fourth Monday of each month. Special meetings are scheduled as needed.

Within this portion of the budget is included the salaries paid to the City Commissioners, funds for the General Fund portion of the City Audit, and membership to the Michigan Municipal League.

SUMMARY OF SIGNIFICANT BUDGET CHANGES

No significant changes.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| CITY COMMISSION | | | | |
| Salaries and Wages | \$ 49,700 | \$ 50,100 | \$ 49,800 | 53,200 |
| Fringe Benefits | 3,800 | 3,900 | 3,800 | 4,200 |
| Office Supplies | 200 | 2,000 | 400 | 600 |
| Professional Services | 28,100 | 30,700 | 32,000 | 36,800 |
| Communications | 300 | 1,100 | 500 | - |
| Professional Development | - | 7,300 | - | 8,500 |
| Community Promotion | 400 | 2,000 | 400 | 2,000 |
| Printing and Publishing | - | 1,000 | - | 2,000 |
| Insurance and Bonds | 400 | 500 | 300 | 500 |
| Miscellaneous | - | 1,500 | - | 1,500 |
| Total City Commission | \$ 82,900 | \$ 100,100 | \$ 87,200 | \$ 109,300 |

CITY MANAGER DEPARTMENT

Mission Statement: *To work in partnership with the City Commission to achieve the City's mission and goals.*

The Manager's Department is responsible for implementing the vision, policies and programs established by the City Commission, for overseeing all City departments, and for handling the administrative duties addressed in the City Charter, City Code of Ordinances and State statutes, including recommending and implementing the City budget.

This Department specifically includes the functions of:

- Labor relations
- Intergovernmental relations
- Purchasing and contract administration
- Traffic management
- ADA Compliance for City buildings and public rights-of-way
- Neighborhood partnerships
- Media relations
- Economic development
- Strategic Planning
- Emergency Management
- Grant Coordination
- GIS/Information technology
- Oversight of the Human Resources office, GIS operations, Museum/Con Foster Collection, Wastewater Treatment Plant, Opera House, Carnegie Building, Human Rights Commission, Brown Bridge Advisory Committee, and Green Team
- Participates as a member of the Grand Traverse County Board of Public Works and the Boardman River Dams Implementation Team
- Participates with the FishPass Project Advisory Board
- Monitor the activities of the Downtown Development Authority and Traverse City Light and Power
- Member of the Grand Traverse County Economic Development Corporation

The City Manager's department is staffed by:

Martin Colburn, City Manager

Penny Hill, Assistant City Manager

Kim Sheridan, Executive Assistant to the City Manager/Purchasing Agent

GOALS

1. Implement City Commission policies and objectives
2. Work with other Governmental Entities and scientists on the Fish Passage/Union Street Dam project
3. Development and implementation of Economic Development needs
4. Continue NAGPRA compliance activities with respect to the Con Foster Collection
5. Plan for future infrastructure improvements

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| CITY MANAGER DEPARTMENT | | | | |
| Salaries and Wages | \$ 315,600 | \$ 323,700 | \$ 320,900 | 430,000 |
| Fringe Benefits | 89,600 | 88,600 | 81,700 | 114,800 |
| Office Supplies | 3,600 | 4,000 | 4,500 | 4,500 |
| Professional Services | 12,100 | 32,300 | 10,000 | 35,200 |
| Communications | 2,700 | 3,500 | 3,500 | 3,100 |
| Transportation | - | 2,000 | 1,400 | 2,500 |
| Professional Development | 2,700 | 12,200 | 6,000 | 14,000 |
| Printing and Publishing | 3,400 | 2,000 | 3,000 | 3,500 |
| Insurance and Bonds | 1,800 | 2,000 | 2,000 | 2,000 |
| Miscellaneous | - | 1,000 | - | 1,000 |
| Total City Manager Department | \$ 431,500 | \$ 471,300 | \$ 433,000 | \$ 610,600 |

HUMAN RESOURCES DEPARTMENT

Mission Statement: *To recruit, retain, develop and assist City employees through excellent customer service, while striving to maintain the City's strategic vision.*

The City Human Resource office provides personnel management, benefit administration and payroll services for City employees and benefit administration and payroll services to Light and Power employees. Payroll services are also provided for part-time, temporary and seasonal positions during the fiscal year. In addition, retiree benefit services are provided to retirees. Human Resources assists the City Manager in representing the City's interests in collective bargaining and on-going labor agreement interpretation and administration with its six bargaining units.

Responsibilities of the Human Resources function include:

- Employment, recruiting and interviewing
 - Selection / Recruitment processes
 - Internal promotional processes
 - Temporary workforce coordination
- Compensation
 - Wage and salary administration
 - Payroll administration
- Benefits Administration
 - Medical Insurance
 - Dental Insurance
 - Vision Insurance
 - Life Insurance
 - Short Term Disability
 - Long Term Disability
 - Flexible Savings Account
 - Health Care Savings Plan
 - Deferred Compensation Plans
 - MERS Retirement Plan
 - COBRA Administration
 - Educational Reimbursement Plan
- Employee Relations
 - Equal Employment Opportunity Coordinator
 - Labor Relations
 - Labor Agreement Administration
- Personnel/Human Resource Records
 - Personnel record keeping
 - HR Information Systems
 - Legal compliance
- Health and Safety
 - Workers Compensation Administration
 - Health and Fitness Program
 - Drug Free Workforce Testing
 - Safety Committee

The Human Resource function is staffed by:

Jennifer Franklin-Robison, PHR - Human Resource Director
Allison Geisert - Human Resource Generalist

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|---------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| HUMAN RESOURCES DEPARTMENT | | | | |
| Salaries and Wages | \$ 147,700 | \$ 162,400 | \$ 140,000 | 169,000 |
| Fringe Benefits | 50,800 | 49,700 | 39,800 | 46,800 |
| Office Supplies | 2,800 | 4,300 | 5,000 | 5,000 |
| Professional Services | 44,200 | 48,300 | 48,000 | 25,000 |
| Communications | 1,400 | 1,300 | 1,600 | 1,700 |
| Transportation | - | 2,000 | 600 | 700 |
| Professional Development | 1,300 | 5,600 | 2,000 | 4,000 |
| Printing and Publishing | 400 | 1,500 | 400 | 400 |
| Insurance and Bonds | 1,000 | 1,000 | 900 | 1,000 |
| Miscellaneous | 1,100 | 1,000 | 600 | 1,000 |
| Total Human Resources Function | \$ 250,700 | \$ 277,100 | \$ 238,900 | \$ 254,600 |

DEPARTMENT OF PUBLIC SERVICES DIRECTOR

Mission Statement: *The Department's mission is to provide excellent services and opportunities for the residents of Traverse City that will promote a safe, healthy, clean and enjoyable environment while maintaining and improving the quality of life for this generation and those that follow.*

The Director of Public Services oversees the activities of five divisions that provide a variety of services to the public. They include Parks & Recreation, Streets, Garage/Fleet, Marina and Asset Management.

The Director coordinates departmental activities with other City staff and synchronizes projects between divisions and departments. The Director works with employees and supervisors to develop policies, procedures and programs, oversees contracts, collective bargaining agreements, budgets, training, safety, and infrastructure maintenance.



The Director works with the Asset Management/GIS Analyst and the Asset Management Technician to inform management decisions/plans for all City assets.

ASSET MANAGEMENT

Mission Statement: *Our mission is to create/provide/maintain asset inventories including condition assessments for all City assets, for use in a strategic approach to long term financial and economic management, implementation of sound policies and strategic plans, monitor/report/measure performance, provide access to information used to assist in operational activities, and create Asset Management Plans/Programs.*

Under the supervision of the DPS Director; one Asset Management/GIS Analyst and one Asset Management Technician work with all City Departments and Divisions to provide an array of asset management plans/programs for City owned assets. This includes collection/maintenance of asset inventories and condition ratings, implementation, training and technical assistance for the City’s work order management software (Lucity), and training administration and support of the automated vehicle location (AVL) software among many other tasks.



The current inventory of assets includes:

| | |
|--|--|
| Beaches | City Owned Buildings |
| City Owned Property | Fleet Vehicles |
| Flower Beds | Mowing Areas |
| Parks | Pavement Markings (lines, points) |
| Sanitary System (mains, manholes, etc.) | Shoreline Erosion Locations |
| Sidewalks | Street Signs |
| Streets | Street Furniture |
| Public Trees (Street, Parks, & city owned) | Storm Water System (mains, manholes, etc.) |
| Trails | Warning Signs |
| Water System (hydrants, valves, mains, etc.) | |

GOALS

SHORT TERM

1. Finish Traffic Control Order web application.
2. Further implement work order management software in Parks & Streets Divisions and City Owned Property Portfolios.
3. Finish implementation of work order management software (Lucity) for City-wide Project Management.
4. Begin work order management software implementation process for Water Treatment Plant.
5. Help Parks complete/update public tree inventory.

LONG TERM

1. To have all City owned assets inventoried and condition assessed.
2. To have asset inventory/condition assessment information accessible to all staff.
3. To have all departments using the Lucity work order management program.

**City of Traverse City, Michigan
GENERAL FUND
2022-23 Departmental Budgets**

| | FY 20/21 | FY 21/22 | FY 21/22 | FY 22/23 |
|--|-------------------|-------------------|-------------------|-------------------|
| | Actual | Budget | Projected | Requested |
| <hr/> | | | | |
| DIRECTOR OF PUBLIC SERVICES AND ASSET MANAGEMENT DEPARTMENT | | | | |
| Salaries and Wages | \$ 255,400 | \$ 267,200 | \$ 245,300 | 277,600 |
| Fringe Benefits | 112,700 | 60,300 | 54,300 | 72,600 |
| Office/Operation Supplies | 500 | 2,000 | 200 | 2,000 |
| Professional Services | 6,200 | 8,400 | 5,500 | 6,400 |
| Communications | - | 1,000 | - | 2,500 |
| Transportation | 1,000 | 3,100 | 800 | 2,000 |
| Professional Development | 400 | 6,000 | 1,200 | 6,000 |
| Printing and Publishing | - | 500 | 100 | 500 |
| Insurance and Bonds | 1,500 | 2,300 | 1,100 | 1,300 |
| Rentals | - | 500 | - | 500 |
| Miscellaneous | - | 500 | - | 500 |
| <hr/> | | | | |
| Total DPS Director | \$ 377,700 | \$ 351,800 | \$ 308,500 | \$ 371,900 |
| <hr/> | | | | |

CITY GIS DIVISION

Mission Statement: *To collaborate, coordinate and maintain the use of city wide Geographic Information System (GIS) data to increase efficiency and assist in decision making,*

The City's GIS Division is responsible for organizing and administering the City's GIS policies, serving as the City's representative to outside organizations, developing short and long term goals, detailed strategic planning and multi-year budgeting for the City and community wide use of GIS. The GIS Division also is responsible for tasks related to data creation and maintenance in the City's enterprise GIS database and applications to ensure optimal operations throughout all City departments.

This Division specifically includes the functions of:

- Develop and provide support materials for GIS Steering Committee meetings including agenda and minutes, project status and summaries, new data/applications for consideration, and other topics.
- Develop annual GIS Program plans and budgets as assigned by the City Manager.
- Develop and provide routine and special reports as requested by the City Manager and/or Assistant City Manager.
- Develop and manage GIS Program policies, procedures and standards.
- Project manager to develop a GIS Strategic Plan and Capital Improvement Plan for the City, individual departments, and component unit(s) encompassing medium to long range goals and resource planning for GIS Program sustainability.
- Schedule, collate materials, and facilitate GIS Team meetings.
- Work directly with department heads & agency liaisons to identify, analyze, and promote GIS data and applications.
- Act as liaison with Traverse City Light & Power, Grand Traverse County MIS for the development, installation and administration of any shared GIS server technology.
- Provide training to departments and a broad base of users from general use to high-level editing and analysis.
- Maintain and monitor the enterprise GIS database infrastructure.
- Primary management of the data content and quality of the enterprise GIS database.
- GIS database schema determination and enhancements.
- Primary data quality control officer for final data validation and optimization, including overseeing the establishment of routines, procedures, and tools.
- Maintain and monitor the GIS applications infrastructure.
- Develop client/server applications and mobile apps as needed
- Front line support for GIS application issues.
- Serve as technical lead on aerial photography layering project.
- Act as project manager and administrator for all GIS internal and external applications; including those for water distribution, sanitary sewer collection, storm water collection, property, parks and recreation, streets, etc.
- Lead person in researching and investigating new and updated technologies in the GIS field and develops plans for testing and implementing software/system upgrades, new systems and system enhancements.

The City GIS division is staffed by:

Jerry Swanson, GIS Coordinator

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|-----------------------------|--------------------|--------------------|-----------------------|-----------------------|
| GIS DEPARTMENT | | | | |
| Salaries and Wages | \$ 83,700 | \$ 86,200 | \$ 86,200 | 91,500 |
| Fringe Benefits | 14,900 | 14,500 | 15,200 | 15,300 |
| Office/Operation Supplies | - | 8,500 | 5,200 | 4,500 |
| Professional Services | 29,300 | 46,000 | 40,700 | 55,100 |
| Communications | 1,400 | 1,600 | 1,300 | 1,600 |
| Transportation | - | 300 | - | 300 |
| Professional Development | 1,300 | 3,000 | 1,500 | 3,000 |
| Printing and Publishing | - | 500 | 200 | 500 |
| Insurance and Bonds | 600 | 1,000 | 500 | 1,000 |
| Repairs and Maintenance | - | 500 | - | 500 |
| Miscellaneous | - | 1,000 | 700 | 1,000 |
| Rentals | - | - | - | - |
| Total GIS Department | \$ 131,200 | \$ 163,100 | \$ 151,500 | \$ 174,300 |

CITY ASSESSING DEPARTMENT

Mission Statement: *To provide professional assessment services in compliance with state and local laws and in accordance with the standards established by the State Tax Commission.*

The purpose of the Department is to appraise all real and personal property within the City of Traverse City as prescribed by State Law. General Property Tax Act [MCL211.1] requires an annual assessment of all real and personal property located within each township or city by a certified assessing officer. The City of Traverse City requires the highest level of certification obtainable, a Michigan Master Assessing Officer (MMAO/aka Level IV).

Assessing Department Team:

- Polly (Watson) Cairns, City Assessor * MMAO (aka Level IV) & Certified General Real Estate Appraiser
- David Brown, Deputy Assessor * MAAO (aka Level III)
- Erik Sandy, Senior Assessor * MAAO (aka Level III)
- Dan Tollefson, Appraiser I * MAAO (aka Level III)

The Assessing Department establishes assessed and taxable values, at the legally mandated uniform percentage of market value, within 49-50%, for each class of property, including valuations for Special Act and Exempt properties, as determined each year as of December 31, known as tax day.

Staff is responsible for maintaining inventory of all property located within the City of Traverse City, managing approximately 12,000 parcels. Nearly 68% of the City’s General Fund Revenue is a direct result of the work provided through the Assessing Department.

All classes of property within the City of Traverse City are tracking similarly to last year's statistics for, indicating an increase in overall property values. Real estate appraisers, as well as realtors, use historic sales and market data to perform valuation services and listing price analysis. For the 2022 Assessment year, market data activity occurring from April 1, 2019, through March 31, 2022, utilized for assessment valuations, with a property status as of tax day, December 31, 2021. Assessing Department will continue to review sales and trends for all classes of property and adjust accordingly, per State Tax Commission rules and guidelines, and are cognizant of the influences of COVID-19 to property owners and businesses.

| Grand Traverse County - City of Traverse City | | Leelanau County - City of Traverse City | |
|---|---------------|---|---------------|
| | <u>Ratios</u> | | <u>Ratios</u> |
| Real Property | | Real Property | |
| Commercial | 45.71% | Commercial | 49.29% |
| Industrial | 45.98% | Industrial | N/A |
| Residential | 46.41% | Residential | 44.41% |
| Personal Property | 50.00% | Personal Property | 50.00% |

Assessing Department is responsible for preparation of regular and special assessment rolls, maintenance of real and personal property records, revisions of assessment rolls, maintenance of certification levels as required by law, and preparation of reports and administrative assistance dealing with property, taxation and any other matters as required by the City. Values are generated annually for each parcel, and these values are utilized as the base to generate revenue for Grand Traverse County, Leelanau County, City of Traverse City, TCAPS, TBAISD, Northwestern Michigan College, BATA, Recreation Authority, Library, County Road Commission, and any other authorized millages.

Mass appraisal is the process of establishing true cash values on groups of properties as of a given date using standardized procedures and statistical testing. Its purpose is the equitable and efficient appraisal of property for ad valorem purposes. This process involves data collection, market analysis,

and quality control. The annual established assessed valuations are used in conjunction with millage rates to determine property taxes. The value assigned to a property may differ from the amount for which it was sold or purchased, depending on factors of the sale and market conditions in the area. True cash value reflects a property’s usual selling price.

While property is assessed at one-half (50%) of true cash value, State of Michigan law limits the amount by which taxable value can increase in a given year to the lesser of five percent (5%) or the rate of inflation, as determined annually by the State of Michigan. New construction or demolition will also effect calculation of capped value. As a result, three values are assigned to every property: assessed value (also known as State Equalized Value, “SEV”), capped value and taxable value, which is the value used to determine the amount of property tax levied annually.

Example:

- A property’s 2021 State Equalized Value (SEV), being 50% of a the property’s true cash value aka market value, increases 10% from \$200,000 to \$220,000 for 2022.
- The inflation rate for the 2022 year is 3.3% with a ratio of 1.033.
Example - 2021 Taxable Value was \$100,000 x 1.033 = \$103,300 the 2022 Taxable Value*
**All things being equal and no changes, additions, new construction, or removal of items*

$$2022 \text{ CAPPED VALUE} = (2021 \text{ Taxable Value} - \text{LOSSES}) \times 1.033 + \text{ADDITIONS}$$

The formula above does not include 1.05 because the inflation rate multiplier of 1.033 is lower than five percent, (5%), ratio 1.05, per Proposal A. Taxable value cannot exceed assessed value.

- Since the implementation of Proposal A, the CPI aka Inflation Rate Multiplier has not reached 5%, the highest was in 2009 at 4.4%, and the lowest was the following year, 2010 at .997%.

Following is a listing of the Inflation Rate Multipliers used in the Capped Value and “Headlee” calculations since the start of Proposal A, *(On March 15, 1994, Michigan voters approved Proposal A)*. Before Proposal A, Michigan’s property tax burden was more than 33 percent above the national average.

Historical Inflation Rate Multipliers

The following is a listing of the inflation rate multipliers used in the Capped Value and "Headlee" calculations since the start of Proposal A.

| Year | IRM |
|------|-------|
| 1995 | 1.026 |
| 1996 | 1.028 |
| 1997 | 1.028 |
| 1998 | 1.027 |
| 1999 | 1.016 |
| 2000 | 1.019 |
| 2001 | 1.032 |
| 2002 | 1.032 |
| 2003 | 1.015 |
| 2004 | 1.023 |
| 2005 | 1.023 |
| 2006 | 1.033 |
| 2007 | 1.037 |
| 2008 | 1.023 |

| Year | IRM |
|------|-------|
| 2009 | 1.044 |
| 2010 | 0.997 |
| 2011 | 1.017 |
| 2012 | 1.027 |
| 2013 | 1.024 |
| 2014 | 1.016 |
| 2015 | 1.016 |
| 2016 | 1.003 |
| 2017 | 1.009 |
| 2018 | 1.021 |
| 2019 | 1.024 |
| 2020 | 1.019 |
| 2021 | 1.014 |
| 2022 | 1.033 |

Property is classified as PRE and Non-PRE, aka Homestead property, which is considered a Michigan resident’s home. Business property, rental housing, and vacation homes are considered to be Non-PRE property. Property that is not a PRE and can be assessed up to an additional 18 mills for local school operating purposes.

Following are charts for the final 2022, 2021 & 2020 Assessment year cycles for Grand Traverse & Leelanau County, listing the City of Traverse City and other County’s assessing units.

For the recently completed, March 2022 Assessment Roll, City of Traverse City increased Assessed Value approximately 10.56%, and 9.55% change in Taxable Value over the previous year.

2022 GRAND TRAVERSE COUNTY - ALL AD VALOREM PROPERTY

| TOWNSHIPS & CITY | Parcel Count 2021 | Parcel Count 2022 | Parcel Count % Change | CEV 2021 | CEV 2022 | County Equalized % Change | TAXABLE 2021 | TAXABLE 2022 | Taxable % Change |
|------------------|-------------------|-------------------|-----------------------|------------------------|------------------------|---------------------------|------------------------|------------------------|------------------|
| Acme | 3,486 | 3,477 | -0.26% | \$506,146,900 | \$546,474,600 | 7.97% | \$379,980,452 | \$403,191,453 | 6.11% |
| Blair | 4,760 | 4,819 | 1.24% | \$434,214,000 | \$499,049,500 | 14.93% | \$336,247,060 | \$379,468,860 | 12.85% |
| East Bay | 8,143 | 8,135 | -0.10% | \$843,341,300 | \$912,850,100 | 8.24% | \$648,643,874 | \$698,763,510 | 7.73% |
| Fife Lake | 1,302 | 1,306 | 0.31% | \$88,649,000 | \$98,234,672 | 10.81% | \$62,711,700 | \$67,523,214 | 7.67% |
| Garfield | 8,343 | 8,497 | 1.85% | \$1,298,241,400 | \$1,442,011,700 | 11.07% | \$1,030,877,094 | \$1,116,102,804 | 8.27% |
| Grant | 1,096 | 1,095 | -0.09% | \$85,422,100 | \$88,197,600 | 3.25% | \$60,866,709 | \$64,368,020 | 5.75% |
| Green Lake | 4,072 | 4,093 | 0.52% | \$426,213,800 | \$473,031,900 | 10.98% | \$327,468,876 | \$348,826,414 | 6.52% |
| Long Lake | 5,165 | 5,199 | 0.66% | \$759,922,900 | \$834,784,300 | 9.85% | \$585,508,487 | \$623,794,658 | 6.54% |
| Mayfield | 1,135 | 1,141 | 0.53% | \$91,389,900 | \$100,975,800 | 10.49% | \$67,150,485 | \$73,168,179 | 8.96% |
| Paradise | 2,601 | 2,683 | 3.15% | \$197,424,000 | \$222,099,800 | 12.50% | \$151,444,706 | \$164,464,221 | 8.60% |
| Peninsula | 4,300 | 4,334 | 0.79% | \$1,140,287,700 | \$1,240,733,400 | 8.81% | \$807,892,781 | \$869,113,961 | 7.58% |
| Union | 453 | 453 | 0.00% | \$38,593,800 | \$41,910,400 | 8.59% | \$29,464,522 | \$32,058,950 | 8.81% |
| Whitewater | 2,047 | 2,063 | 0.78% | \$302,150,000 | \$333,938,100 | 10.52% | \$231,241,057 | \$247,801,662 | 7.16% |
| Traverse City | 9,183 | 9,311 | 1.39% | \$1,580,684,143 | \$1,747,609,931 | 10.56% | \$1,182,062,186 | \$1,294,890,024 | 9.55% |
| TOTALS | 56,086 | 56,606 | 0.93% | \$7,792,680,943 | \$8,581,901,803 | 10.13% | \$5,901,559,989 | \$6,383,535,930 | 8.167% |

For 2021, City of Traverse City had a 7.40% change in Assessed Value, with a 6.16% change in Taxable Value, as indicated below.

2021 GRAND TRAVERSE COUNTY - ALL AD VALOREM PROPERTY

| TOWNSHIPS & CITY | Parcel Count 2020 | Parcel Count 2021 | Parcel Count % Change | CEV 2020 | CEV 2021 | County Equalized % Change | TAXABLE 2020 | TAXABLE 2021 | Taxable % Change |
|------------------|-------------------|-------------------|-----------------------|------------------------|------------------------|---------------------------|------------------------|------------------------|------------------|
| Acme | 3,478 | 3,486 | 0.23% | \$488,176,200 | \$506,146,900 | 3.68% | \$372,326,602 | \$379,980,452 | 2.06% |
| Blair | 4,763 | 4,760 | -0.06% | \$401,110,431 | \$434,214,000 | 8.25% | \$320,604,955 | \$336,247,060 | 4.88% |
| East Bay | 8,165 | 8,143 | -0.27% | \$791,283,800 | \$843,341,300 | 6.58% | \$622,603,709 | \$648,643,874 | 4.18% |
| Fife Lake | 1,307 | 1,302 | -0.38% | \$86,557,400 | \$88,649,000 | 2.42% | \$60,730,634 | \$62,711,700 | 3.26% |
| Garfield | 8,266 | 8,343 | 0.93% | \$1,246,935,200 | \$1,298,241,400 | 4.11% | \$993,034,815 | \$1,030,877,094 | 3.81% |
| Grant | 1,089 | 1,096 | 0.64% | \$85,359,400 | \$85,422,100 | 0.07% | \$59,669,961 | \$60,866,709 | 2.01% |
| Green Lake | 4,036 | 4,072 | 0.89% | \$393,615,200 | \$426,213,800 | 8.28% | \$314,477,194 | \$327,468,876 | 4.13% |
| Long Lake | 5,152 | 5,165 | 0.25% | \$710,929,400 | \$759,922,900 | 6.89% | \$563,664,030 | \$585,508,487 | 3.88% |
| Mayfield | 1,129 | 1,135 | 0.53% | \$87,859,400 | \$91,389,900 | 4.02% | \$65,452,789 | \$67,150,485 | 2.59% |
| Paradise | 2,588 | 2,601 | 0.50% | \$186,427,700 | \$197,424,000 | 5.90% | \$145,020,506 | \$151,444,706 | 4.43% |
| Peninsula | 4,305 | 4,300 | -0.12% | \$1,073,856,000 | \$1,140,287,700 | 6.19% | \$772,137,768 | \$807,892,781 | 4.63% |
| Union | 449 | 453 | 0.89% | \$38,589,600 | \$38,593,800 | 0.01% | \$29,239,644 | \$29,464,522 | 0.77% |
| Whitewater | 2,031 | 2,047 | 0.79% | \$292,183,900 | \$302,150,000 | 3.41% | \$218,953,916 | \$231,241,057 | 5.61% |
| Traverse City | 9,101 | 9,183 | 0.90% | \$1,471,829,774 | \$1,580,684,143 | 7.40% | \$1,113,436,090 | \$1,182,062,186 | 6.16% |
| TOTALS | 55,859 | 56,086 | 0.41% | \$7,354,713,405 | \$7,792,680,943 | 5.95% | \$5,651,352,613 | \$5,901,559,989 | 4.427% |

2020 City of Traverse City had an 8.86% change in Assessed Value overall, with a 6.05% change in Taxable Value, as indicated below.

2020 GRAND TRAVERSE COUNTY - ALL AD VALOREM PROPERTY

| TOWNSHIPS & CITY | Parcel Count 2019 | Parcel Count 2020 | Parcel Count % Change | CEV 2019 | CEV 2020 | County Equalized % Change | TAXABLE 2019 | TAXABLE 2020 | Taxable % Change |
|------------------|-------------------|-------------------|-----------------------|------------------------|------------------------|---------------------------|------------------------|------------------------|------------------|
| Acme | 3,483 | 3,478 | -0.14% | \$446,292,400 | \$488,176,200 | 9.38% | \$357,338,487 | \$372,326,602 | 4.19% |
| Blair | 4,710 | 4,763 | 1.13% | \$372,424,822 | \$401,110,431 | 7.70% | \$300,985,745 | \$320,604,955 | 6.52% |
| East Bay | 8,164 | 8,165 | 0.01% | \$749,360,200 | \$791,283,800 | 5.59% | \$595,253,194 | \$622,603,709 | 4.59% |
| Fife Lake | 1,306 | 1,307 | 0.08% | \$78,676,800 | \$86,557,400 | 10.02% | \$57,073,555 | \$60,730,634 | 6.41% |
| Garfield | 8,172 | 8,266 | 1.15% | \$1,166,514,900 | \$1,246,935,200 | 6.89% | \$940,990,494 | \$993,034,815 | 5.53% |
| Grant | 1,094 | 1,089 | -0.46% | \$79,825,500 | \$85,359,400 | 6.93% | \$57,221,719 | \$59,669,961 | 4.28% |
| Green Lake | 4,027 | 4,036 | 0.22% | \$368,367,800 | \$393,615,200 | 6.85% | \$301,749,838 | \$314,477,194 | 4.22% |
| Long Lake | 5,106 | 5,152 | 0.90% | \$667,581,500 | \$710,929,400 | 6.49% | \$534,793,702 | \$563,664,030 | 5.40% |
| Mayfield | 1,130 | 1,129 | -0.09% | \$82,680,063 | \$87,859,400 | 6.26% | \$62,865,469 | \$65,452,789 | 4.12% |
| Paradise | 2,586 | 2,588 | 0.08% | \$173,573,500 | \$186,427,700 | 7.41% | \$137,162,171 | \$145,020,506 | 5.73% |
| Peninsula | 4,260 | 4,305 | 1.06% | \$985,987,200 | \$1,073,856,000 | 8.91% | \$734,906,373 | \$772,137,768 | 5.07% |
| Union | 449 | 449 | 0.00% | \$34,254,800 | \$38,589,600 | 12.65% | \$26,896,257 | \$29,239,644 | 8.71% |
| Whitewater | 2,001 | 2,031 | 1.50% | \$280,777,600 | \$292,183,900 | 4.06% | \$211,520,556 | \$218,953,916 | 3.51% |
| Traverse City | 8,958 | 9,101 | 1.60% | \$1,352,003,383 | \$1,471,829,774 | 8.86% | \$1,049,897,161 | \$1,113,436,090 | 6.05% |
| TOTALS | 55,446 | 55,859 | 0.74% | \$6,838,320,468 | \$7,354,713,405 | 7.55% | \$5,368,654,721 | \$5,651,352,613 | 5.266% |

2022 City of Traverse City had a 13.24% change in Assessed Value, and a 8.07% change in Taxable Value, as indicated below, for the portion of the City located within Leelanau County.

| 2022 | | | | | | | | | |
|---|-------------------|-------------------|--------------|------------------------|------------------------|--------------|------------------------|------------------------|--------------|
| LEELANAU COUNTY | | | | | | | | | |
| PERCENT CHANGE - 2021 TO 2022 BY LOCAL UNIT | | | | | | | | | |
| TOWNSHIPS AND CITIES | Parcel Count 2021 | Parcel Count 2022 | %CHANGE | C.E.V. 2021 | C.E.V. 2022 | %CHANGE | TAXABLE 2021 | TAXABLE 2022 | %CHANGE |
| BINGHAM | 2,190 | 2,189 | -0.05% | 340,984,550 | 371,249,200 | 8.83% | 246,144,001 | 262,135,408 | 6.50% |
| CENTERVILLE | 1,423 | 1,433 | 0.70% | 180,469,600 | 190,724,200 | 5.68% | 119,707,689 | 127,601,874 | 6.59% |
| CLEVELAND | 1,465 | 1,471 | 0.41% | 166,589,100 | 189,413,900 | 13.70% | 124,116,254 | 133,151,662 | 7.28% |
| ELMWOOD | 3,503 | 3,518 | 0.43% | 465,256,600 | 512,648,500 | 10.19% | 364,561,325 | 389,809,697 | 6.93% |
| EMPIRE | 2,300 | 2,314 | 0.61% | 320,400,500 | 352,720,000 | 10.09% | 224,830,795 | 243,594,666 | 8.35% |
| GLEN ARBOR | 2,706 | 2,665 | -1.52% | 697,693,900 | 730,459,000 | 4.70% | 496,015,597 | 519,337,783 | 4.70% |
| KASSON | 1,412 | 1,486 | 5.24% | 166,446,700 | 178,662,900 | 7.34% | 116,932,318 | 124,301,389 | 6.30% |
| LEELANAU | 3,571 | 3,571 | 0.00% | 606,515,700 | 670,242,300 | 10.51% | 469,316,574 | 495,952,218 | 5.68% |
| LELAND | 2,794 | 2,804 | 0.36% | 730,261,050 | 775,019,700 | 6.13% | 522,840,695 | 556,807,200 | 6.50% |
| SOLO | 1,377 | 1,388 | 0.80% | 145,925,800 | 156,846,900 | 7.48% | 109,575,835 | 117,169,919 | 6.93% |
| SUTTONS BAY | 2,904 | 2,904 | 14.33% | 370,924,922 | 400,421,203 | 7.95% | 283,273,126 | 299,039,145 | 5.57% |
| TRAVERSE CITY | 386 | 384 | -0.52% | 53,321,600 | 60,382,800 | 13.24% | 44,922,185 | 48,548,325 | 8.07% |
| TOTALS | 25,667 | 26,127 | 1.79% | \$4,244,790,022 | \$4,588,790,603 | 8.10% | \$3,122,236,394 | \$3,317,449,286 | 6.25% |

| 2022 | | | | | | | | | |
|---|-------------------|-------------------|--------------|----------------------|----------------------|--------------|----------------------|----------------------|--------------|
| LEELANAU COUNTY | | | | | | | | | |
| PERCENT CHANGE - 2021 TO 2022 BY LOCAL UNIT | | | | | | | | | |
| VILLAGES | Parcel Count 2021 | Parcel Count 2022 | %CHANGE | C.E.V. 2021 | C.E.V. 2022 | %CHANGE | TAXABLE 2021 | TAXABLE 2022 | %CHANGE |
| VILLAGE OF EMPIRE | 618 | 618 | 0.00% | 80,272,400 | 90,158,500 | 12.32% | 56,125,228 | 63,379,108 | 12.92% |
| VILLAGE OF NORTHPORT | 727 | 725 | -0.28% | 75,602,500 | 79,900,200 | 5.68% | 56,530,433 | 59,289,421 | 4.88% |
| VILLAGE OF SUTTONS BAY | 835 | 905 | 8.38% | 106,215,202 | 116,010,800 | 9.22% | 83,668,921 | 88,188,967 | 5.40% |
| TOTALS | 2,180 | 2,248 | 3.12% | \$262,090,102 | \$286,069,500 | 9.15% | \$196,324,582 | \$210,857,496 | 7.40% |

2021 City of Traverse City had a 9.08% change in Assessed Value overall, with a 6.61% change in Taxable Value, as indicated below, for the portion located within Leelanau County.

| 2021 | | | | | | | | | |
|---|-------------------|-------------------|---------------|------------------------|------------------------|--------------|------------------------|------------------------|--------------|
| LEELANAU COUNTY | | | | | | | | | |
| PERCENT CHANGE - 2020 TO 2021 BY LOCAL UNIT | | | | | | | | | |
| TOWNSHIPS AND CITIES | Parcel Count 2020 | Parcel Count 2021 | %CHANGE | C.E.V. 2020 | C.E.V. 2021 | %CHANGE | TAXABLE 2020 | TAXABLE 2021 | %CHANGE |
| BINGHAM | 2,182 | 2,190 | 0.37% | 329,954,050 | 340,984,550 | 3.34% | 234,574,917 | 246,144,001 | 4.93% |
| CENTERVILLE | 1,418 | 1,423 | 0.35% | 165,654,000 | 180,469,600 | 8.94% | 113,746,342 | 119,707,689 | 5.24% |
| CLEVELAND | 1,459 | 1,465 | 0.41% | 165,951,200 | 166,589,100 | 0.38% | 119,698,610 | 124,116,254 | 3.69% |
| ELMWOOD | 3,431 | 3,503 | 2.10% | 432,304,250 | 465,256,600 | 7.62% | 349,276,098 | 364,561,325 | 4.38% |
| EMPIRE | 2,289 | 2,300 | 0.48% | 299,300,900 | 320,400,500 | 7.05% | 214,801,490 | 224,830,795 | 4.67% |
| GLEN ARBOR | 2,666 | 2,706 | 1.50% | 677,948,800 | 697,693,900 | 2.91% | 483,123,292 | 496,015,597 | 2.67% |
| KASSON | 1,411 | 1,412 | 0.07% | 154,242,200 | 166,446,700 | 7.91% | 111,667,278 | 116,932,318 | 4.71% |
| LEELANAU | 3,585 | 3,571 | -0.39% | 582,495,100 | 606,515,700 | 4.12% | 453,890,469 | 469,316,574 | 3.40% |
| LELAND | 2,786 | 2,794 | 0.29% | 713,709,710 | 730,261,050 | 2.32% | 510,563,336 | 522,840,695 | 2.40% |
| SOLO | 1,372 | 1,377 | 0.36% | 142,790,700 | 145,925,800 | 2.20% | 105,751,949 | 109,575,835 | 3.62% |
| SUTTONS BAY | 2,882 | 2,540 | -11.87% | 351,398,349 | 370,924,922 | 5.56% | 270,707,664 | 283,273,126 | 4.64% |
| TRAVERSE CITY | 385 | 386 | 0.26% | 48,882,100 | 53,321,600 | 9.08% | 42,138,405 | 44,922,185 | 6.61% |
| TOTALS | 25,866 | 25,667 | -0.77% | \$4,064,631,359 | \$4,244,790,022 | 4.43% | \$3,009,939,850 | \$3,122,236,394 | 3.73% |

| 2021 | | | | | | | | | |
|---|-------------------|-------------------|---------------|----------------------|----------------------|--------------|----------------------|----------------------|--------------|
| LEELANAU COUNTY | | | | | | | | | |
| PERCENT CHANGE - 2020 TO 2021 BY LOCAL UNIT | | | | | | | | | |
| VILLAGES | Parcel Count 2020 | Parcel Count 2021 | %CHANGE | C.E.V. 2020 | C.E.V. 2021 | %CHANGE | TAXABLE 2020 | TAXABLE 2021 | %CHANGE |
| VILLAGE OF EMPIRE | 607 | 618 | 1.81% | 70,589,300 | 80,272,400 | 13.72% | 52,904,156 | 56,125,228 | 6.09% |
| VILLAGE OF NORTHPORT | 731 | 727 | -0.55% | 70,335,200 | 75,602,500 | 7.49% | 54,015,854 | 56,530,433 | 4.66% |
| VILLAGE OF SUTTONS BAY | 892 | 835 | -6.39% | 100,046,157 | 106,215,202 | 6.17% | 79,901,082 | 83,668,921 | 4.72% |
| TOTALS | 2,230 | 2,180 | -2.24% | \$240,970,657 | \$262,090,102 | 8.76% | \$186,821,092 | \$196,324,582 | 5.09% |

2020 City of Traverse City had a 6.178% change in Assessed Value overall, with a 6.91% change in Taxable Value, as indicated below, for the portion located within Leelanau County.

| 2020 | | | | | | | | | |
|---|-------------------|-------------------|--------------|------------------------|------------------------|--------------|------------------------|------------------------|--------------|
| LEELANAU COUNTY | | | | | | | | | |
| PERCENT CHANGE - 2019 TO 2020 BY LOCAL UNIT | | | | | | | | | |
| TOWNSHIPS AND CITIES | Parcel Count 2019 | Parcel Count 2020 | %CHANGE | C.E.V. 2019 | C.E.V. 2020 | %CHANGE | TAXABLE 2019 | TAXABLE 2020 | %CHANGE |
| BINGHAM | 2,173 | 2,182 | 0.41% | 310,878,600 | 329,954,050 | 6.14% | 222,082,869 | 234,574,917 | 5.62% |
| CENTERVILLE | 1,417 | 1,418 | 0.07% | 158,086,392 | 165,654,000 | 4.79% | 108,680,173 | 113,746,342 | 4.66% |
| CLEVELAND | 1,454 | 1,459 | 0.34% | 167,141,100 | 165,951,200 | -0.71% | 115,241,763 | 119,698,610 | 3.87% |
| ELMWOOD | 3,408 | 3,431 | 0.67% | 412,266,350 | 432,304,250 | 4.86% | 335,137,277 | 349,276,098 | 4.22% |
| EMPIRE | 2,270 | 2,289 | 0.84% | 290,560,000 | 299,300,900 | 3.01% | 203,961,463 | 214,801,490 | 5.31% |
| GLEN ARBOR | 2,659 | 2,666 | 0.26% | 657,176,400 | 677,948,800 | 3.16% | 467,705,230 | 483,123,292 | 3.30% |
| KASSON | 1,408 | 1,411 | 0.21% | 140,020,500 | 154,242,200 | 10.16% | 105,623,693 | 111,667,278 | 5.72% |
| LEELANAU | 3,560 | 3,585 | 0.70% | 570,419,980 | 582,495,100 | 2.12% | 457,044,730 | 453,890,469 | 3.85% |
| LELAND | 2,786 | 2,786 | 0.00% | 686,892,150 | 713,709,710 | 3.90% | 485,994,460 | 510,563,336 | 5.06% |
| SOLO | 1,369 | 1,372 | 0.22% | 132,710,740 | 142,790,700 | 7.60% | 101,262,657 | 105,751,949 | 4.43% |
| SUTTONS BAY | 2,852 | 2,882 | 1.05% | 322,043,307 | 351,398,349 | 9.12% | 256,877,784 | 270,707,664 | 5.38% |
| TRAVERSE CITY | 383 | 385 | 0.52% | 46,040,400 | 48,882,100 | 6.17% | 39,413,235 | 42,138,405 | 6.91% |
| TOTALS | 25,739 | 25,866 | 0.49% | \$3,894,244,919 | \$4,064,631,359 | 4.38% | \$2,879,025,334 | \$3,009,939,850 | 4.55% |

| 2020 | | | | | | | | | |
|---|-------------------|-------------------|--------------|----------------------|----------------------|--------------|----------------------|----------------------|--------------|
| LEELANAU COUNTY | | | | | | | | | |
| PERCENT CHANGE - 2019 TO 2020 BY LOCAL UNIT | | | | | | | | | |
| VILLAGES | Parcel Count 2019 | Parcel Count 2020 | %CHANGE | C.E.V. 2019 | C.E.V. 2020 | %CHANGE | TAXABLE 2019 | TAXABLE 2020 | %CHANGE |
| VILLAGE OF EMPIRE | 610 | 607 | -0.49% | 66,730,800 | 70,589,300 | 5.78% | 48,398,821 | 52,904,156 | 8.86% |
| VILLAGE OF NORTHPORT | 721 | 731 | 1.39% | 69,920,700 | 70,335,200 | 0.59% | 51,121,783 | 54,015,854 | 5.66% |
| VILLAGE OF SUTTONS BAY | 888 | 892 | 0.45% | 91,915,713 | 100,046,157 | 8.85% | 76,570,738 | 79,901,082 | 4.33% |
| TOTALS | 2,219 | 2,230 | 0.50% | \$228,567,213 | \$240,970,657 | 5.43% | \$176,291,432 | \$186,821,092 | 5.97% |

City Assessing Department maintains fair and equitable assessment practices, performing these services in an efficient and professional manner. Efficiency and compliance are measured annually. Assessments ratios are reviewed for compliance through Grand Traverse & Leelanau Counties, in

April, and finally with State Equalization, which occurs in May, each year.

Assessing Department administers the City's Property Assessing System, including any necessary communication with State Tax Commission, Michigan Tax Tribunal, Grand Traverse and Leelanau County Equalization Department and City's Board of Review. Planning and implementation for annual valuation of real and personal property and compilation of the City's assessment rolls; and at a minimum includes the following:

- Meets/exceeds annual state certification educational requirements
- Processing of deeds/transfers of ownerships, property transfer affidavits, principal residence exemptions/rescinds, boundary line adjustments/splits/combinations, verification of tax/legal descriptions, updating map descriptions.
- Maintain current records of real and personal property within the City.
- Prepare Tax roll for City Treasurer – summer & winter season
- Monitor real estate transactions, trends, reports, and construction costs for annual property valuation.
- Preparing appraisals of new or remodeled commercial, industrial, and residential buildings; inspecting buildings; evaluating construction blueprints and specifications; preparing sketches and descriptions, ...
- Conducting annual canvassing and review of personal property from statements and auditing of accounting records.
- Meet with property owners regarding assessment and taxable value determinations. Answering questions and explaining appeal procedures.
- Staff Board of Review meetings
- Assigning addresses for properties with the City of Traverse City, Grand Traverse County. – Leelanau County Planning Department assigns all addresses within the County.
- Defend property appeals - Representing the City before State Tax Commission & Michigan Tax Tribunal.
- Prepare cost estimates spread for Special Improvement Districts
- Prepare compliance reports for Liquor Commission for Liquor License Registration, State Tax Commission, Department of Treasury, MEDC, Grand Traverse and Leelanau County Equalization.
- Review/Process PILOT (Payment in Lieu of Tax), Industrial Facilities Tax (IFT) requests, NEZ...
- Preparing annual budget reports for general operating revenue.
- Updating Department website and working to continually enhance the City's Tax Parcel Viewer application
- Advising and assisting the City on matters relating to property acquisition or disposal.

City Assessor, as Assessor of Record, is responsible for defending all Michigan Tax Tribunal appeals, in accordance with statute, policies, and procedures, as established by State Tax Commission, to process and defend assessments on appeal and to settle such property tax appeal matters.

City Charter - Section 46. City Assessor. *The Assessor shall annually estimate and assess the value of ALL taxable property, real and personal, in the City and make an assessment roll in the same manner as supervisors of Townships. There shall be spread upon said roll any and all taxes duly certified by the Board of Supervisors of the County or by other proper authority. He shall make ALL special assessments authorized by the Charter City and for the purpose of such special assessment that portion of the annual assessment roll applicable thereto shall be taken as the value of the property to be assessed.*

Administrative Orders

NO. 02 "The Assessor's Office of the City of Traverse City shall perform the following functions: Tax assessing services such as are traditionally or customarily performed by the City Assessor. These services shall include appraising and assessing all taxable properties inside the City and maintaining records; processing the assessment roll, tax roll and tax bills; administering Board of Review sessions; processing and defending appraisals and assessments on appeals; processing Special Improvement Districts for public improvements.

The City Assessor shall act as head of this department and shall also prescribe rules and regulations for further administration of this department.

NO. 21 The City Assessor shall have the authority to settle all property tax appeal matters brought before Michigan Tax Tribunal in accordance with state statute, the policies and procedures established by the State Tax Commission and the policies and procedures established by the State Assessors' Board and execute all necessary documents to accomplish any such settlement. Notice of any such settlement shall be given to City Manager by City Assessor."

In line with the City Commissions Goals and Objectives, the City Assessing Department continues to provide more information to our customers. In 2019, the City Commission approved a 6-year contract to obtain annual aerial imagery through Pictometry aka ConnectExplorer, which enhances many City Departments. For 2021, the contract was updated to include additional services and enhancements,

sketch verification, and area tiles for Hickory Hills at a reduced annual cost from the original contract, and again in 2022 to share imagery with Grand Traverse County 911/Emergency Services.

GOALS

- Review & inspect 20% of property annually; updating record card information; photos, sketch, & misc. attachments
- Post assessing information to the Assessing Department web page
- Implement and educate the public on current State laws/procedural changes

To continue to enhance public understanding of the assessment/taxation process as well as public dissemination of property data, property tax forms, and values associated. We are continually increasing accessibility and ease of on-line information via City's website and Tax Parcel Viewer.

SUMMARY OF BUDGET CHANGES

No significant changes requested for 2022/2023 budget, minor requests for re-alignment of line items under the control of the City Assessor, and changes in relation to costing services fees increasing.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|---------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| CITY ASSESSOR DEPARTMENT | | | | |
| Salaries and Wages | \$ 310,700 | \$ 311,500 | \$ 312,000 | 319,700 |
| Fringe Benefits | 111,500 | 110,400 | 106,200 | 108,200 |
| Office Supplies | 6,700 | 2,500 | 2,700 | 3,000 |
| Professional Services | 61,900 | 55,000 | 46,000 | 55,000 |
| Communications | 4,600 | 3,500 | 5,700 | 5,000 |
| Transportation | 1,000 | 3,500 | 800 | 3,500 |
| Professional Development | 2,000 | 3,500 | 2,000 | 3,500 |
| Printing and Publishing | 5,300 | 6,000 | 6,000 | 6,000 |
| Insurance and Bonds | 2,000 | 3,100 | 1,600 | 1,700 |
| Miscellaneous | 200 | - | - | - |
| Total City Assessor Department | \$ 505,900 | \$ 499,000 | \$ 483,000 | \$ 505,600 |

CITY ATTORNEY DEPARTMENT

Mission Statement: The Office of the City Attorney is committed to providing the highest quality legal services to the City Commission, administrative staff, departments, boards and commissions of the City of Traverse City, on matters that affect the conduct of City business. The City Attorney also strives to provide the City with timely topical legal advice concerning staff recommendations, commission policies, administrative procedures, and developing issues.

The City Attorney acts as the legal advisor to, and attorney and counsel for, the City and all its officers in matters relating to their official duties. The City Attorney's role as the chief legal advisor is to interpret and apply relevant laws with the primary goal of protecting the interests of the City.

The City Attorney provides the City with professional legal advice and services so City activities, staff recommendations, commission policies and administrative procedures are undertaken after consideration of all appropriate laws. The City Attorney also provides representation of the City in all legal proceedings and acts as a liaison to outside counsel who may represent the City from time to time.

This Department specifically:

- Provides timely and topical legal advice to City staff and all its officials.
- Reviews, revises, and prepares legal documents.
- Defends the City in litigation.
- Represents the City before judicial or administrative boards and agencies.
- Prosecutes violations of the City Code.
- Provides legal counsel at City Commission meetings.

The City Attorney Department consists of the City Attorney, Lauren Tribble-Laucht, and Legal Assistant Cindy Laurell.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|---------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| CITY ATTORNEY DEPARTMENT | | | | |
| Salaries and Wages | \$ 178,800 | \$ 182,900 | \$ 184,100 | 188,400 |
| Fringe Benefits | 43,500 | 43,200 | 43,800 | 43,400 |
| Office Supplies | 1,100 | 1,500 | 1,400 | 1,500 |
| Professional Services | 56,600 | 85,000 | 140,000 | 155,000 |
| Communications | 1,200 | 1,000 | 1,000 | 1,000 |
| Transportation | - | 500 | 600 | 1,000 |
| Professional Development | 400 | 600 | 1,200 | 1,200 |
| Printing and Publishing | 500 | 500 | 500 | 500 |
| Insurance and Bonds | 1,000 | 1,000 | 1,000 | 1,100 |
| Miscellaneous | - | 500 | - | 500 |
| Total City Attorney Department | \$ 283,100 | \$ 316,700 | \$ 373,600 | \$ 393,600 |

CITY CLERK DEPARTMENT

Mission Statement: *To serve community residents and business owners, the City Commission, the City Manager and City departments rendering equal service to all, providing top-level enthusiastic, accurate and courteous service.*

The City Clerk's Office serves as the legislative and corporate office of the City, with many operational responsibilities, serving in accordance with and upholding the Michigan Constitution, City Charter, ordinances, policies, federal and state laws and Administrative Orders of the City Manager.

Here's a snapshot of our primary responsibilities:

- Federal, State and local elections administrator – planning, organizing and executing all aspects of elections
- Clerk to the City Commission - legislative process administration; in collaboration with the City Manager's Office, preparing briefing packets for all official sessions of the City Commission; tracking, expediting and completing documentation for all City Commission business items, including various contractual terms
- Corporate Officer – providing final authorization for all financial disbursements, including Traverse City Light and Power which totals approximately \$122 million annually; executing official legal documents, including contracts, leases and various permissions and tracking contractual terms and various business touch points/transactions
- Liability insurance and risk administrator – managing the City's liability and specialty insurance programs (protecting over \$150M in City assets); analyzing and recommending insurance policy requirements (approximately \$1 billion annually in various endeavors); handling all insurance claims against the City and administering all cross-claims against other parties, pursuing subrogation, etc.; and all aspects of enterprise-wide risk management, protecting the City's financial poise
- General City-Wide Customer Service: with approximately 30,000 interactions each year, functioning as a primary service point for residents, visitors, business owners, nonprofit agencies, internal customers, and anyone who needs assistance on a wide range of issues, many of which are not direct City services. With a smile, we assist tens of thousands of inquiries by email, phone, web, in-person, etc.
- License and permit authority – managing all phases of the City's 30 key licenses and permits, including approximately 50 special events per year
- Serving as public information office – managing the City's online and social media presence and handling a plethora of information/records/document requests
- Record manager for the City's vital records, reviewing items for completeness and cataloging them in the City's authenticated document management system
- Freedom of Information Act Coordinator – ensuring compliance with public records disclosure requirements
- HIPAA (Health Insurance Portability and Accountability Act) Privacy Official – managing the security of, and proper access to all HIPAA-protected records under the City's care and performing compliance functions as mandated by HIPAA

- Title VI Non-Discrimination Compliance Officer, ensuring compliance with non-discrimination requirements under Federal Title VI
- Open Meetings Act compliance officer
- Coordinating the recruitment and appointment process for all Mayoral and City Commission appointments; and staffing other special City Commission Ad Hoc Committees as requested

Our department team members:

Benjamin Marentette, MMC, City Clerk

Sarah Lutz, MiPMC, Deputy City Clerk

Katie Miller, Administrative Specialist

Chris Wilkes, Licensing and Election Specialist

Colleen Paveglio, Communications Specialist

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| CITY CLERK DEPARTMENT | | | | |
| Salaries and Wages | \$ 329,500 | \$ 388,500 | \$ 349,700 | \$ 396,400 |
| Fringe Benefits | 160,000 | 128,900 | 114,700 | 118,000 |
| Office Supplies | 44,300 | 75,200 | 46,000 | 75,000 |
| Professional Services | 42,400 | 77,500 | 61,000 | 62,400 |
| Communications | 5,200 | 9,600 | 5,600 | 9,600 |
| Transportation | 200 | 2,000 | 500 | 2,000 |
| Professional Development | (600) | 6,800 | 2,000 | 6,800 |
| Printing and Publishing | 24,300 | 32,000 | 22,000 | 30,000 |
| Insurance and Bonds | 3,400 | 5,300 | 2,800 | 5,300 |
| Repairs and Maintenance | - | - | - | - |
| Rentals | 2,100 | 2,900 | 1,300 | 2,900 |
| Total City Clerk Department | \$ 610,800 | \$ 728,700 | \$ 605,600 | \$ 708,400 |

CITY TREASURER DEPARTMENT

Mission Statement: *To provide competent and comprehensive financial services to the City and its residents.*

The City Treasurer's Office is responsible for the collection and disbursement of all monies for the City and maintaining appropriate accounting and financial records to document these transactions.

This office handles:

- Billing and collection of payments for over 12,000 utility customers monthly.
- Payments on about 8,000 tax parcels in both the summer and winter.
- Invoicing of over 1,500 individuals and businesses for miscellaneous services performed by City departments.
- Collection of assessments on over 500 parcels, which have special improvement districts.
- Payroll is processed and disbursed from the department on a bi-weekly basis for over 200 full-time employees.
- The Department pays all City expenses and writes an estimated 7,200 voucher checks per year.

In addition to the accounting functions, this Department is responsible for:

- Preparation of the City's budget, assisting various departments on key aspects of budget preparation and guidance on treatment of certain budget matters.
- Preparation of the City's annual financial statements.
- The City's financial reporting for both internal and external purposes. Includes, but is not limited to federal and state agencies, and nationally recognized municipal securities information repositories.
- Investment of excess funds.
- Assisting with monitoring the internal control of the City as a whole.
- Administering an independent and state authorized retirement system for its police and firefighters with over 50 active members and 77 retired members or beneficiaries.
- Reporting to bond rating agencies.

The Treasurer Department/Utility Accounting Department has the following positions:

City Treasurer/Finance Director
Deputy City Treasurer/Assistant Finance Director
Financial Analyst/Compliance Officer
Accounting Assistant
Utility Billing Clerk
Accounts Payable Clerk
Senior Customer Service Representative/Collections Clerk
Customer Service Representative (2)

GOALS

1. Implement conversion of utilities billing program to BS&A Software.
2. Implement new payment portal for City customers using Invoice Cloud.

ACCOMPLISHMENTS

Staff reorganization -- The department reduced overall staffing by one FTE. This was accomplished by merging the collections clerk position with a CSR position to create a hybrid role of Senior Customer Service Representative/Collections Clerk.

**City of Traverse City, Michigan
GENERAL OERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| CITY TREASURER DEPARTMENT | | | | |
| Salaries and Wages | \$ 266,000 | \$ 304,100 | \$ 216,200 | \$ 280,700 |
| Fringe Benefits | 91,700 | 75,600 | 65,200 | 77,300 |
| Office Supplies | 17,200 | 19,000 | 10,000 | 12,000 |
| Professional Services | 44,800 | 45,000 | 53,900 | 49,700 |
| Communications | 3,900 | 4,000 | 3,900 | 4,000 |
| Professional Development | 7,200 | 10,000 | 1,000 | 1,500 |
| Printing and Publishing | 600 | 1,000 | 600 | 600 |
| Insurance and Bonds | 3,300 | 3,700 | 3,300 | 3,500 |
| Repairs and Maintenance | - | - | 200 | - |
| Rentals | 900 | 1,000 | 900 | 1,000 |
| Miscellaneous | - | - | 2,100 | - |
| Total City Treasurer Department | \$ 435,600 | \$ 463,400 | \$ 357,300 | \$ 430,300 |

POLICE DEPARTMENT

Mission Statement: *Excellence in public service and safety through community policing.*



As a part of the entire City services, the Police Department continues to put forth the organizational strategy of being customer-based with unlimited partnerships in a unified effort to solve problems. The primary function of serving and protecting the citizens of this City has evolved to a service level where we are part of a team that serves our citizens and works to raise the quality of life in our City.

Currently, the Police Department consists of the Police Chief, Administrative Assistant, Administrative Clerk, (2) Captains, Lieutenant, Detective Sergeant, (4) Road Patrol Sergeants, (4) Detectives, School Liaison Officer, (12) Patrol Officers, Downtown Community Police Officer, Traffic Officer, Crime Prevention Officer, Narcotics Officer and many highly trained Reserve officers.

GOALS

1. Reduce the occurrence of crime.
2. Identify arrest and assist in the prosecution of people who commit crimes.
3. Recover lost or stolen property, identify its owner, and ensure prompt return.
4. Facilitate the safe and orderly movement of people and vehicles.
5. Assist those who cannot care for themselves or arrange for such assistance. Provide, on an emergency basis, services the police are particularly equipped to provide.
6. Ensure the taxpayers of the City receive the greatest benefit for their dollars.
7. Create and maintain a feeling of confidence in and support for the Department on the part of the organizations with which we come in contact, particularly those organizations that are part of the total criminal justice system.
8. Establish and maintain mutual trust through community partnerships.
9. Train and encourage police officers to make appropriate decisions and to perform their duties in a professional, productive and efficient manner.
10. Mobilize the City resources needed to address citizen concerns and problems.
11. Encourage community involvement in identifying and resolving problems.
12. Achieve Michigan Law Enforcement Accreditation recognition through the Michigan Law Enforcement Accreditation Commission (MLEAC) and the Michigan Association of Chiefs of Police.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--------------------------------|---------------------|---------------------|-----------------------|-----------------------|
| POLICE DEPARTMENT | | | | |
| Salaries and Wages | \$ 2,536,100 | \$ 2,386,100 | \$ 2,485,300 | \$ 2,704,700 |
| Fringe Benefits | 952,500 | 935,400 | 914,700 | 980,100 |
| Office/Operation Supplies | 108,500 | 94,000 | 60,400 | 80,000 |
| Professional Services | 106,100 | 135,000 | 113,100 | 241,400 |
| County Records Contract | 243,500 | 194,000 | 216,000 | 194,000 |
| Communications | 52,800 | 46,500 | 44,000 | 44,800 |
| Transportation | 34,700 | 53,000 | 55,000 | 53,000 |
| Professional Development | 34,100 | 40,000 | 40,000 | 44,000 |
| Printing and Publishing | 4,900 | 8,000 | 5,000 | 8,000 |
| Insurance and Bonds | 47,400 | 47,000 | 43,200 | 44,000 |
| Utilities | 300 | 300 | 300 | 300 |
| Repairs and Maintenance | 500 | 6,200 | 1,000 | 6,200 |
| Rentals | 366,800 | 323,100 | 325,000 | 318,000 |
| Miscellaneous | 9,100 | 15,000 | 15,000 | 13,000 |
| Equipment | - | 21,000 | 18,800 | 18,700 |
| Police Reserves | 100 | 4,500 | 600 | 4,500 |
| Total Police Department | \$ 4,497,400 | \$ 4,309,100 | \$ 4,337,400 | \$ 4,754,700 |

FIRE DEPARTMENT

Mission Statement: *The Traverse City Fire Department is an all-hazards emergency response agency that will provide protection and safety for the public.*

The Traverse City Fire Department (TCFD) is a 24/7 all-risk response agency providing emergency and non-emergency services to the Traverse City Community and its visitors. Our mission is to rescue victims, aid the sick and injured, and preserve property. Our dedicated personnel are the reason for our success - their commitment to the community and the fire service is our most valuable resource. The capabilities of the highly skilled fire fighters are a direct result of a comprehensive, performance-based training program requiring hundreds of hours of annual training and also the support from the Community through the General Fund.



Services the Traverse City Fire Department provides:

- **Fire Suppression** – TCFD personnel are trained in all aspects of fire suppression including: industrial, commercial, residential, wildland, aircraft, chemical, vehicle, and boat.
- **Advanced Life Support** – 23 of our 25 personnel are Paramedics licensed through the State of Michigan, providing to our Community the highest level of pre-hospital care available in the nation. Rescue 01 located at 500 West Front Street transported 145 patients to Munson Medical Center during the 2021 calendar year, a significant increase from 31 patients in 2020.
- **Fire Prevention/Inspection:** – Fire code compliance and safety inspections performed in the City of Traverse City are under the Fire Prevention/Inspection Section. Plans for all new construction/re-modeling within the City are reviewed for fire/life safety concerns.
- **Public Education** - Students in grades K-6 in schools located within the City of Traverse City have at least one fire safety presentation by TCFD annually. Public Education includes fire safety awareness classes for various organizations and businesses, tours of our fire stations, an annual "Fire Safety Open House," (although this Open House has been cancelled since 2019 due to Covid, it is our hope that 2022 will allow for this community-oriented event to return), a Juvenile Fire Setter Counseling Program, and certified child car seat installation.
- **Aircraft Rescue Fire Fighting** – Contracted on-site staffing at Cherry Capital Airport.
- **Hazardous Materials and Weapons of Mass Destruction (WMD) Teams** - Every firefighter is HazMat and WMD trained. Due to financial support received through a subscription fee process, the HazMat team responds to HazMat incidents in a 4-county area. The WMD team covers Michigan’s Region 07, which includes 17 counties, for terrorism incidents.
- **Technical Rescue** – Personnel are cross-trained in varying aspects of technical rescue. This includes: Confined Space Rescue, High Angle Rope Rescue, Water and Ice Rescue, Trench Rescue, and Vehicle Extrication.
- **Community Engagement** - Free blood pressure checks at the fire stations and Senior Center, a Christmas Toy Program, the “Fill the Boot” program for MDA, antique fire truck rides at Friday Night Live and “Special Kids Day” at the Cherry Festival, Career Days at area junior and senior high schools, and a free Smoke Alarm Program with alarms installed by fire fighters at your home by appointment.

The Fire Department consists of the Fire Chief, An Administrative Assistant to the Fire Chief, 4 Captains (1 who serves as Fire Marshal), 4 Lieutenants (1 who serves as Training Officer), 1 Fire Inspector, and 15 Firefighters.

GOALS

1. To meet National Fire Protection Association (NFPA) Standard 1710, response for EMS to be less than eight minutes ninety percent of the time.
2. To become Primary Advanced Life Support transport for EMS.

PERFORMANCE MEASUREMENTS

| Output & Efficiency | Performance Indicators | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------|---|-------|-------|-------|-------|-------|
| | Total fire related responses | 34 | 50 | 54 | 53 | 73 |
| | Fire code inspections (Construction, Code Compliance, Special Events, Short Term Rental Homes) | 554 | 482 | 657 | 346 | 376 |
| | Plan Reviews | 271 | 306 | 306 | 272 | 174* |
| | Public Education Events | n/a** | 27 | 27 | 4 | 5 |
| | EMS calls for service | 2401 | 2431 | 2441 | 2147 | 2466 |
| | General response time under 8 minutes | 95.3% | 95.6% | 94.9% | 95.1% | 93.8% |
| | EMS response time under 8 minutes | 95.8% | 95.7% | 92.5% | 95% | 92.7% |

*A change in procedure of plan reviews resulted in a decrease in amount of plans reviewed annually.

**information not available

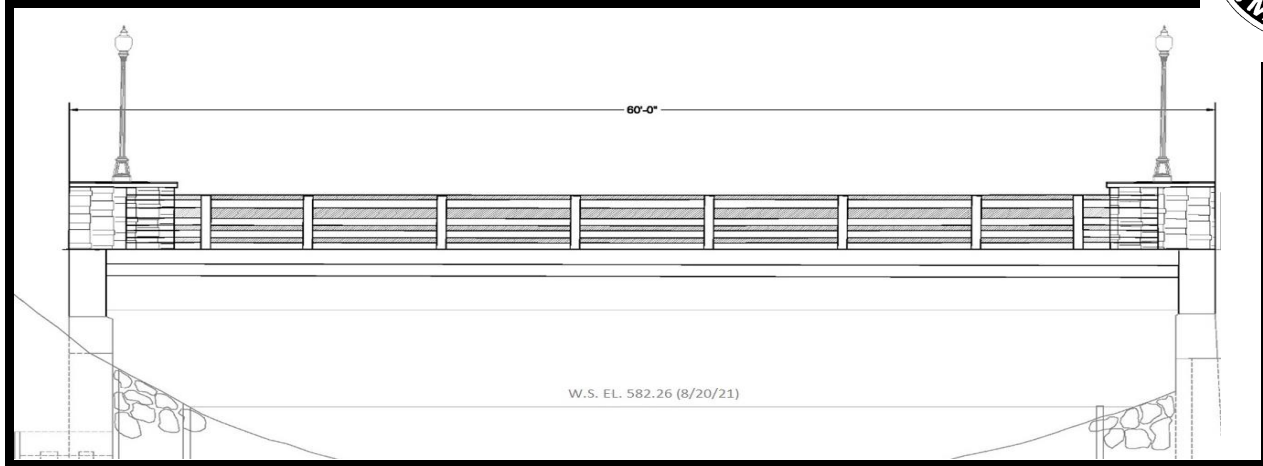
SUMMARY OF BUDGET CHANGES

Salaries and Wages/Fringe Benefits – In the 2021/2022 budget year, one fire fighter left, and one was hired and is currently on probationary status. One Administrative Assistant was added in the 2021-2022 budget cycle and hired. For further information, please see the Traverse City Fire Department Annual Report.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|------------------------------|---------------------|---------------------|-----------------------|-----------------------|
| FIRE DEPARTMENT | | | | |
| Salaries and Wages | \$ 1,978,500 | \$ 2,051,400 | \$ 1,935,000 | \$ 2,067,700 |
| Fringe Benefits | 513,200 | 505,600 | 495,200 | 492,700 |
| Office/Operation Supplies | 123,800 | 183,000 | 124,500 | 166,500 |
| Professional Services | 107,500 | 68,900 | 80,000 | 121,900 |
| Communications | 18,400 | 26,600 | 27,000 | 23,700 |
| Transportation | 12,900 | 19,500 | 13,000 | 19,600 |
| Professional Development | 28,900 | 70,000 | 50,000 | 70,000 |
| Printing and Publishing | 4,600 | 5,000 | 3,000 | 2,300 |
| Insurance and Bonds | 17,700 | 20,600 | 14,900 | 21,400 |
| Utilities | 24,000 | 24,300 | 22,000 | 23,800 |
| Repairs and Maintenance | 36,000 | 60,100 | 32,000 | 66,700 |
| Rentals-Equip and Hydrants | 353,900 | 398,000 | 396,000 | 414,200 |
| Miscellaneous | - | 1,000 | 500 | 1,000 |
| Equipment | 72,300 | 66,000 | 94,200 | 40,000 |
| Total Fire Department | \$ 3,291,700 | \$ 3,500,000 | \$ 3,287,300 | \$ 3,531,500 |

ENGINEERING DEPARTMENT



Mission Statement: To develop, implement, design, monitor and coordinate all public improvements constructed by or for the City.

The work performed by the Engineering Department includes:

- Utility reviews in conjunction with land use permits, right-of-way permits, stormwater runoff control permits, and soil erosion permits
- Administration and inspection of right-of-way permits, stormwater runoff control permits, and soil erosion permits
- Motorized and non-motorized traffic counts and studies
- Engineering design of City infrastructure projects such as:
 - Street and Parking Lot Reconstruction and Resurfacing
 - Storm Water Quality, Sewer, and Water Systems
 - Bridge and Culvert Inspection, Construction, and Rehabilitation
 - City Building Construction, Rehabilitation, and Renovation
 - Sidewalk Improvements, Repair, and Infill
 - Bike Paths and Trails
 - City Park and Bayfront Improvements
- Construction engineering and project monitoring
- Contract administration
- Development of City engineering reports and guidelines for engineering best practices
- Historic record keeping for City projects
- Collaboration with numerous adjacent municipalities, advocacy groups, and private entities within the City limits
- Has representatives for numerous multi-jurisdictional committees, including:
 - Regional Bridge Council
 - Regional Transportation Planning and Traffic Assessment (TCCI)
 - North Region Pedestrian and Bicycle Committee (MDOT)
- Assists in several other aspects of the City, including:
 - Ordinance Compliance and Development
 - Revised Stormwater Ordinance
 - Development of Coal Tar Ordinance
 - Economic Development Projects

- Asset Management
- Budgeted Capital Improvements
- Grant Applications
- Transportation Planning

The Department is staffed by:

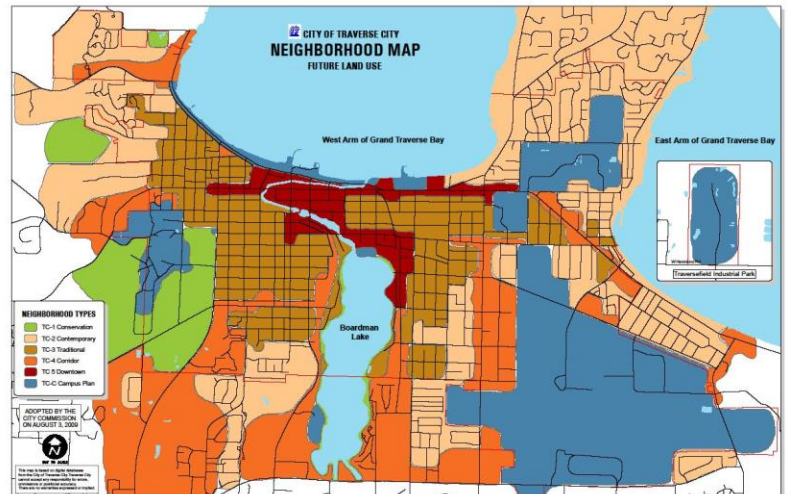
City Engineer
Civil Engineer II
Civil Engineer I
Civil Engineer I
Engineering Public Services Assistant
Engineering Aide/CAD
Engineering Aide/GIS
Engineering Administrative Assistant

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|-------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| ENGINEERING DEPARTMENT | | | | |
| Salaries and Wages | \$ 561,400 | \$ 612,000 | \$ 579,000 | \$ 648,400 |
| Fringe Benefits | 292,200 | 207,000 | 185,400 | 212,400 |
| Office/Operating Supplies | 10,200 | 28,000 | 4,300 | 27,000 |
| Professional Services | 25,300 | 30,000 | 27,000 | 38,900 |
| Communications | 8,300 | 8,400 | 8,000 | 9,500 |
| Transportation | 1,500 | 3,200 | 2,000 | 3,500 |
| Professional Development | 2,400 | 7,500 | 4,000 | 13,000 |
| Printing and Publishing | 4,400 | 4,000 | 3,500 | 4,600 |
| Insurance and Bonds | 4,200 | 6,600 | 3,000 | 7,000 |
| Repairs and Maintenance | - | 1,000 | - | 1,000 |
| Rentals | 15,700 | 18,000 | 20,900 | 18,700 |
| Miscellaneous | - | 1,000 | - | - |
| Total Engineering Department | \$ 925,600 | \$ 926,700 | \$ 837,100 | \$ 984,000 |

PLANNING & ZONING DEPARTMENT

***Mission Statement:** The Planning Department's primary purpose is to guide the City with land use and planning in order to enhance the quality of the community and ensure it remains a place where both citizens and businesses love to call home.*



PLANNING DEPARTMENT RESPONSIBILITIES

- Helps to develop, write and administer the City of Traverse City Master Plan, a document that guides City zoning, land use, urban design and physical improvements, such as buildings, streets and parks.
- Provides administrative staff for the Planning Commission, Grand Traverse Commons Joint Planning Commission, Board of Zoning Appeals, City Commission and Historic Districts Commission.
- Coordinates and manages the Six-Year Capital Improvement Plan for the City.
- Plays a key role in advancement of community and economic development plans and participates on Community Development Team.
- Provides community engagement on conceptual designs for street reconstruction.
- Provides research and reports on emerging issues to internal departments and to the community.
- Administers and enforces the zoning, sign, and historic districts ordinances and other land use laws.
- Reviews building site plans and prepares reports and recommendations to the Planning Commission for zoning map amendments, zoning laws, special land use permits and planned unit developments.
- Provides public support on zoning and land use questions, and interprets land use principles, and planning and zoning laws.
- Monitors vacation home rental usage.
- Works with property owners and developers, other agencies and other City departments to ensure that building plans are consistent with the Master Plan and laws regarding size and placement of buildings, signs, parking areas and landscaping requirements.
- Inspects multi-family rental dwellings, rooming houses, proper anchoring of boats on the near shore of Grand Traverse Bay and property maintenance code violations.
- Managers of Redevelopment Ready Communities.
- Develop community education and engagement programs (example: Tree Care and Maintenance).
- Provides representative at speaking engagements to community organizations.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| PLANNING AND ZONING DEPARTMENT | | | | |
| Salaries and Wages | \$ 350,000 | \$ 316,500 | \$ 304,300 | \$ 328,000 |
| Fringe Benefits | 182,900 | 74,500 | 77,700 | 90,900 |
| Office/Operation Supplies | 3,800 | 7,100 | 8,600 | 8,500 |
| Professional Services | 18,100 | 121,700 | 25,000 | 206,700 |
| Communications | 3,700 | 3,600 | 3,500 | 6,000 |
| Transportation | 300 | 2,000 | 700 | 1,700 |
| Professional Development | 10,300 | 20,000 | 4,400 | 16,200 |
| Printing and Publishing | 4,400 | 4,000 | 6,200 | 7,000 |
| Insurance and Bonds | 2,400 | 3,700 | 1,800 | 3,700 |
| Rentals | 3,300 | 7,000 | 6,000 | 6,000 |
| Miscellaneous | - | 600 | 600 | 600 |
| Total Planning and Zoning Dept. | \$ 579,200 | \$ 560,700 | \$ 438,800 | \$ 675,300 |

PARKS & RECREATION DIVISION

The Traverse City Parks and Recreation Division takes pride in maintaining the City's parkland, beaches, open spaces, urban forest and City owned property and buildings. Parks and Recreation staff also manages Oakwood Cemetery operations, Hickory Hills Ski Area, recreational programs for the community, park usage and capital improvements.

Each winter the Parks maintenance staff is responsible for snow removal at the Water Treatment Plant, Carnegie Building, Fire Station # 1 and # 2, the Senior Center, and several downtown parking lots in addition to 8 bridges and 4 bridge sidewalks. Parks Division Certified Arborist is responsible for maintaining the urban forest canopy for all city owned trees, updating the tree inventory and assessing tree health. Staff is responsible for performing year-round tree pruning, maintenance and removals. Employees facilitate annual tree and flower planting, mowing, trash removal, playground repair, beach grooming, irrigation repair and general property maintenance.



Staff is responsible for issuing an average of 115 Low Impact Park Usage Permits for 15 parks.

Park Maintenance:

- Maintaining 386 + acres of parkland in 34 City Parks and maintaining the 14,000 + trees within the urban forest.
- Planting 300 + plus tree per year.
- Caring for all plantings: 4,600 shrubs, 90 flower beds and planters, and 50 perennial beds including 22 landscaped street islands
- Mowing 70 + acres of park lawns plus the parkway and grooming City beaches during summer
- Maintaining and repairing 8 restroom facilities and 12 playground facilities.
- Creating and maintaining 3 outdoor ice rinks and 2 warming houses each season.
- Installing and repairing 30 picnic grills, 90 park benches, 100 picnic tables, 150 trash cans and collecting trash three times a week.
- Programming, monitoring, repairing, locating and winterizing 44 automatic irrigation systems city wide.
- Maintaining the boardwalks along Boardman Lake and the Boardman River, annual removal and installation of floating docks at Hull Park and kayak launches on the West Boardman Lake trail, Clinch Park and Lot D.
- Brush chipping during spring cleanup and Christmas tree chipping each holiday season.

Park Improvement Projects:

- Indian Woods Park Improvements
- Boon Street Park Improvements
- Ashton Park New Playground
- Volleyball Court Expansion and New Sand
- West End Bathrooms Replacement (grant award pending)
- Park Signage Update

Recreation Components Include:

Operating Hickory Hills Ski Area, which includes 15 downhill runs and 6 kilometers of cross country ski trails.

Maintaining the tennis, pickleball and basketball courts.

Hiring, training and testing lifeguards for Clinch Park beach assignments.

Placing ropes and buoys to designate swim areas at five beaches.

Managing an adult volleyball program in which up to 24 teams participate in 3 separate leagues.

The Parks and Recreation Division is staffed by:

A full-time staff of 14 including; 3 supervisory positions; 9 maintenance employees and a Departmental Secretary shared among the 4 Department of Public Services divisions. The seasonal staff includes 8 parks maintenance workers and over 30 seasonal personnel for various parks and recreation programs and facilities.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--------------------------------------|---------------------|---------------------|-----------------------|-----------------------|
| PARKS AND RECREATION DIVISION | | | | |
| Salaries and Wages | \$ 638,500 | \$ 761,300 | \$ 698,000 | \$ 738,800 |
| Fringe Benefits | 421,500 | 259,000 | 232,300 | 223,100 |
| Office/Operation Supplies | 47,200 | 68,700 | 87,500 | 66,500 |
| Professional Services | 175,600 | 122,000 | 122,000 | 125,800 |
| Communications | 3,500 | 7,000 | 4,300 | 7,000 |
| Transportation | 18,000 | 30,000 | 29,700 | 35,000 |
| Professional Development | 900 | 2,000 | 2,500 | 8,000 |
| Printing and Publishing | 100 | 1,000 | 100 | 1,000 |
| Insurance and Bonds | 15,600 | 20,000 | 10,200 | 10,700 |
| Utilities | 98,100 | 142,000 | 120,000 | 120,000 |
| Repairs and Maintenance | 56,100 | 70,000 | 70,000 | 75,500 |
| Rentals | 435,600 | 424,500 | 415,000 | 425,000 |
| Miscellaneous | 1,700 | - | - | - |
| Equipment/Capital Outlay | - | 25,000 | - | 25,000 |
| Total Parks and Recreation | \$ 1,912,400 | \$ 1,932,500 | \$ 1,791,600 | \$ 1,861,400 |

OAKWOOD CEMETERY

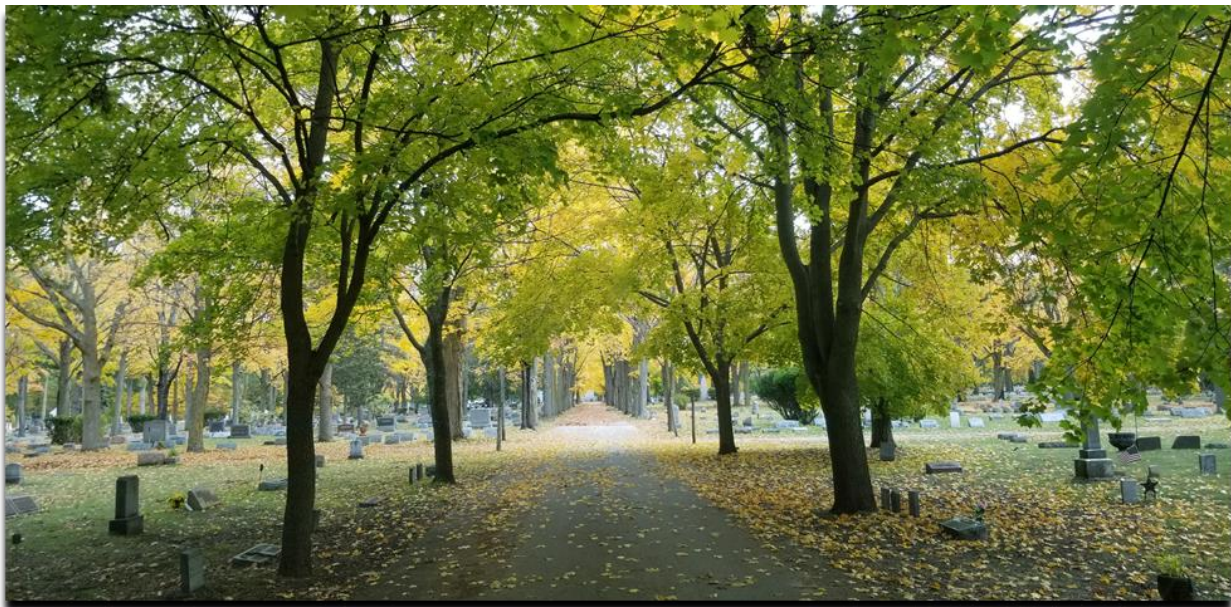
The staff of Oakwood includes the Full-Time Sexton, Part-Time Office Clerk (24 hours per week), a full time laborer split w/Hickory Hills, and 4 seasonal maintenance employees. In addition, a portion of two Park & Recreation Division staff (time and benefits) are charged to this budget. Also periodically Parks & Recreation maintenance employees complete work onsite such as tree trimming or other specialty work as required.

The Traverse City Parks and Recreation Division administers all operations at Oakwood Cemetery on an annual basis. The Sexton provides administrative oversight and burial services along with conducting sales of burial rights for in-ground plots, cremation niches and mausoleum crypts.

The City's Oakwood staff also performs the administration, burial services and grounds maintenance for the Oakwood Catholic Diocesan Cemetery. Both cemeteries are administered by the City in the Catholic-owned office within the cemetery. In addition, the Cemetery staff continues to assist with genealogy inquiries, install monument foundations, and perform grounds maintenance. A maintenance building within the cemetery houses all cemetery vehicles, equipment and supplies securely on site.

GOALS

- Develop Block M for burials
- Construct a new niche wall with a garden in Block M
- Complete the paving of the First Addition Loop
- Complete the mausoleum roof



**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| PARKS AND RECREATION DEPARTMENT | | | | |
| OAKWOOD CEMETERY DIVISION | | | | |
| Salaries and Wages | \$ 205,200 | \$ 201,600 | \$ 182,000 | \$ 211,500 |
| Fringe Benefits | 96,300 | 40,400 | 39,700 | 63,500 |
| Office/Operation Supplies | 16,200 | 11,000 | 10,500 | 11,000 |
| Professional Services | 21,200 | 15,000 | 21,000 | 23,000 |
| Communications | 3,700 | 3,500 | 3,500 | 3,500 |
| Transportation | 2,800 | 4,500 | 2,800 | 4,000 |
| Professional Development | - | - | - | 2,000 |
| Printing and Publishing | 100 | 700 | 100 | 300 |
| Insurance and Bonds | 4,300 | 6,700 | 4,000 | 4,000 |
| Utilities | 16,700 | 24,000 | 17,000 | 18,000 |
| Repairs and Maintenance | 5,900 | 9,000 | 3,000 | 7,500 |
| Rentals | 66,600 | 73,000 | 55,200 | 56,000 |
| Equipment/Capital Outlay | - | 135,000 | - | 135,000 |
| Total Oakwood Cemetery Division | \$ 439,000 | \$ 524,400 | \$ 338,800 | \$ 539,300 |

STREETS ADMINISTRATION

Mission Statement: *Our mission is to maintain all the City’s streets, sidewalks, and trails to ensure safe travel for residents and visitors.*

The Streets Division consists of 1 Superintendent, 1 Supervisor lead, 14 equipment operators, 5 part-time and 1 full time (borrowed from the Sewer/Water Division) sidewalk snow removal equipment operators. During winter there is someone working 24 hours per day on weekdays, and from 4:00-8:00 a.m. on weekends and Holidays. Additional staff is called in on weekends to plow snow and sand unsafe roads, depending on the weather.



The Streets Division is responsible for an array of maintenance programs. This includes, but is not limited to:

- Snow removal.
- Repairing and cleaning of 28.78 miles of Major Streets, 49.54 miles of local streets, 7.2 miles of State Highways, 22.5 miles of alleys, 95.3 miles of sidewalk and 10.18 miles of multi-use trails. (mileage totals as of 3/21/2022)
- Cleaning and repairing of 2,039 catch basins and 1,179 storm manholes including all connecting lines.
- Cleaning and maintenance of 101 storm treatment systems.
- Spring and Fall leaf collection and composting program.
- Mowing large amounts of non-parkland property along our City’s right-of-ways.
- Installing and maintaining 5,238 signs on City property and parking lots.

GOALS

1. Stabilize deteriorating infrastructure by increasing preventive maintenance techniques using Crack Seal, Asphalt Grind, Cape Seal and Infrared repair.
2. Eliminate the use of cold patch material.
3. Maintain entire street system at a fair or better PASER rating.

PERFORMANCE MEASUREMENTS

| Performance Measurements | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|---------------------------------|---------|---------|---------|---------|---------|---------|
| Lane feet of crack sealing | 164,086 | 168,284 | 167,059 | 166,372 | N/A | 12.85 |
| Infrared asphalt tonnage | 20.59 | 13.87 | 7.41 | 3.61 | 4.88 | NA |
| Infrared repair projects | 82 | 30 | 75 | 87 | 66 | NA |
| Tons of pot hole patch material | 496 | 390 | 215.57 | 223.42 | 304.69 | 139.11 |
| Tons of cold patch material | 0 | 0 | 0 | 0 | 0 | 0 |
| Grind & pave asphalt tonnage | 72.82 | 35.08 | 61.44 | 440.67 | 134.10 | 805.47 |

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|---|---------------------|--------------------|-----------------------|-----------------------|
| STREET ADMINISTRATION DEPARTMENT | | | | |
| Salaries and Wages | \$ 333,700 | \$ 480,600 | \$ 359,000 | \$ 426,400 |
| Fringe Benefits | 143,500 | (4,100) | (31,400) | (26,200) |
| Office/Operation Supplies | 78,000 | 31,000 | 25,500 | 31,200 |
| Professional Services | 21,000 | 16,000 | 13,000 | 22,700 |
| Communications | 7,800 | 7,000 | 5,700 | 7,000 |
| Transportation | 57,100 | 100,000 | 100,000 | 150,000 |
| Professional Development | 1,400 | 5,000 | 1,000 | 6,000 |
| Printing and Publishing | 2,600 | 4,000 | 2,000 | 4,000 |
| Insurance and Bonds | 27,500 | 27,500 | 19,000 | 20,000 |
| Utilities | 3,000 | 2,800 | 2,900 | 2,900 |
| Repairs and Maintenance | 22,300 | 20,000 | 21,000 | 20,800 |
| Rentals | 324,900 | 67,200 | 212,600 | 220,000 |
| Total Street Administration Department | \$ 1,022,800 | \$ 757,000 | \$ 730,300 | \$ 884,800 |

This budget reflects expenditures of the City's streets, alley's, sidewalks, and bike paths. Major, Local or State Trunkline special revenue funds are charged labor, benefits, and equipment rental fees (at state equipment rates) based on actual time dedicated to those activities. Spring/fall leaf pick-up are charged to the Local Streets Fund.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|-----------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| GOVERNMENT OWNED BUILDINGS | | | | |
| Insurance and Bonds | \$ 200 | \$ 200 | \$ 200 | \$ 200 |
| Utilities | 46,000 | 45,000 | 51,000 | 53,000 |
| Repairs and Maintenance | 56,500 | 69,000 | 69,000 | 50,000 |
| Equipment/Capital Outlay | - | 80,000 | - | 25,000 |
| Total Gvt. Owned Bldgs. | \$ 102,700 | \$ 194,200 | \$ 120,200 | \$ 128,200 |

Expenses related to the operation and maintenance of City owned and operated facilities. The primary facility covered is the Governmental Center.

APPROPRIATIONS/PROJECTS

| | | | | |
|--|------------------|---------------------|-------------------|---------------------|
| MERS Closed Division Retirement Contribution | - | 891,700 | 891,700 | 971,900 |
| Green Rate Initiatives | - | 20,000 | - | 20,000 |
| Senior Center Park Plan | - | 35,000 | - | - |
| Housing/Land Services & Uses | - | 50,000 | 2,000 | 50,000 |
| Facilities Evaluation | - | - | - | 150,000 |
| EMS Organization Study | - | - | - | 100,000 |
| Human Rights Commission | 3,200 | 4,000 | 4,000 | 4,000 |
| Joint Planning Commission | - | 3,000 | - | - |
| Independence Day Fireworks | 3,500 | 3,500 | 3,500 | 3,500 |
| Grandview Parkway TART Trail Design | - | - | - | 150,000 |
| Land Information Access Association | 76,400 | 80,000 | 73,700 | 73,700 |
| Total Appropriations | \$ 83,100 | \$ 1,087,200 | \$ 974,900 | \$ 1,523,100 |

This budget reflects the allocation of General Fund proceeds for specific functions which are not necessarily part of the daily activities of any specific department. Beginning with fiscal year end June 30, 2022 the MERS closed division retirement contribution is reported as a separate line item, in prior periods the payment was allocated among departments.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2022-23 Departmental Budgets**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|----------------------------|---------------------|---------------------|-----------------------|-----------------------|
| CONTINGENCIES | | | | |
| Contingencies | \$ 3,300 | \$ - | \$ - | \$ 497,000 |
| TRANSFERS OUT | | | | |
| MVH - Streets Funds | \$ 484,100 | \$ 624,700 | \$ 532,100 | \$ 706,200 |
| Capital Projects Fund * | 975,700 | 1,115,600 | 1,115,600 | 1,222,100 |
| Sidewalk Debt Service Fund | 373,200 | 375,400 | 375,400 | 377,200 |
| Public Arts Commission | 30,000 | 30,000 | 30,000 | 30,000 |
| Coast Guard Committee Fund | 10,000 | 10,000 | 10,000 | - |
| Hickory Hills Fund | 333,500 | 370,900 | 365,200 | 326,300 |
| Opera House Fund | - | - | - | 17,000 |
| Carnegie Building Fund | - | 82,000 | - | 58,600 |
| Total Transfers Out | \$ 2,206,500 | \$ 2,608,600 | \$ 2,428,300 | \$ 2,737,400 |

* 22/23 Capital Projects Fund Transfer Detail :

| | |
|--|---------------------|
| Annual Street Millage | \$ 711,500 |
| Fire Department Station 1 Concrete Replacement | 150,000 |
| West End Beach Bathhouse General Fund Share | 200,500 |
| Volleyball Court Upgrade General Fund Share | 20,000 |
| Computer Hardware and Support | 30,000 |
| Network Upgrade and Redesign | 27,600 |
| Traffic Signal Improvement/Power Back Up | 22,500 |
| Traffic Signal Upgrades | 60,000 |
| | <u>\$ 1,222,100</u> |

This budget activity reflects a transfer of General Fund proceeds to another fund to supplement the activities of that fund which does not possess adequate revenue sources.

CAPITAL OUTLAY

| | | | | |
|---------------------|-----------|------|------|------|
| Equipment Purchases | \$ 17,900 | \$ - | \$ - | \$ - |
|---------------------|-----------|------|------|------|

Actual 2021 activity included general government equipment purchases. For subsequent periods these equipment/capital outlay items are included with the department requesting the item.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
Equipment Purchase/Capital Outlay Requests
For the Budget Year 2022-23**

| <u>Department</u> | <u>Description</u> | | |
|----------------------------|--|----|----------------|
| Government Owned Buildings | City Commission Chamber Upgrades | \$ | 25,000 |
| Oakwood Cemetery | Mausoleum Roof | | 25,000 |
| Oakwood Cemetery | Paving Main Loop in First Addition | | 110,000 |
| Police | ERT equipment (body armor, night vision etc) | | 18,700 |
| Fire | Hi Expansion Lift Bag | | 11,500 |
| Fire | Lucas CPR system | | 18,500 |
| Fire | Rescue Jack System | | 10,000 |
| Parks and Recreation | Clinch Park Concession Building HVAC | | 25,000 |
| | | | <hr/> |
| | | \$ | <u>243,700</u> |

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
BUDGET STABILIZATION FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Interest Revenue | \$ (1,900) | \$ 17,800 | \$ 17,800 | \$ 17,800 |
| OTHER FINANCING USES | | | | |
| Transfers Out - General Fund | 17,800 | 17,800 | 17,800 | 17,800 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (19,700) | - | - | - |
| Beginning Fund Balance | 819,100 | 799,400 | 799,400 | 799,400 |
| Ending Fund Balance | \$ 799,400 | \$ 799,400 | \$ 799,400 | \$ 799,400 |

This fund was approved by City ordinance pursuant to Public Act 30 of 1978. The only revenues are transfers from the General Fund and interest on investments of the fund. Such transfers can only be made when a surplus exists in the General Fund from an excess of revenues over expenditures. The money in the Budget Stabilization Fund cannot exceed the smaller of 15% of the City's General Fund budget for the most recent year or an average of the five most recent years. Monies in this fund may be used to cover a General Fund deficit, prevent a reduction in the level of public services or to cover the expenses of a natural disaster. However, these monies are not to be used as part of a general capital improvement program.

SUMMARY OF BUDGET CHANGES – Street Funds

REVENUES

State Sources –State revenues continued to increase after their sharp drop in 2020 due to a decline in automobile travel coinciding with the COVID-19 pandemic. As tourism rebounds, gas tax related shared revenues should also continue to go up.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
SUMMARY OF GENERAL FUND STREET DEPARTMENT AND SPECIAL REVENUE STREET FUNDS
For the Budget Year 2022-23

| | <u>Grand Total</u> | <u>Major Street</u> | <u>Local Street</u> | <u>Trunkline</u> | <u>Street Admin.</u> | <u>Total Prior Year Budget</u> |
|-----------------------------|---------------------|---------------------|---------------------|-------------------|----------------------|------------------------------------|
| REVENUES | | | | | | |
| State Sources | \$ 2,274,900 | \$ 1,534,300 | \$ 537,700 | \$ 202,900 | \$ - | \$ 2,141,100 |
| Metro Authority | 63,000 | - | 63,000 | - | - | 60,000 |
| Reimbursement | - | - | - | - | - | - |
| Interest & Dividend | 100 | 100 | - | - | - | - |
| General Fund Direct Support | 884,800 | - | - | - | 884,800 | 757,000 |
| Transfer from General Fund | 706,200 | - | 706,200 | - | - | 624,700 |
| TOTAL REVENUES | \$ 3,929,000 | \$ 1,534,400 | \$ 1,306,900 | \$ 202,900 | \$ 884,800 | \$ 3,582,800 |
| EXPENDITURES | | | | | | |
| Salaries & Wages | \$ 1,013,800 | \$ 266,600 | \$ 284,000 | \$ 36,800 | \$ 426,400 | \$ 1,028,900 |
| Fringe Benefits | 407,600 | 191,500 | 211,700 | 30,600 | (26,200) | 385,900 |
| Office/Operation Supplies | 247,700 | 102,000 | 89,500 | 25,000 | 31,200 | 225,000 |
| Professional Services | 646,000 | 356,600 | 246,700 | 20,000 | 22,700 | 354,000 |
| Communications | 7,000 | - | - | - | 7,000 | 7,000 |
| Transportation | 150,000 | - | - | - | 150,000 | 100,000 |
| Professional Development | 6,000 | - | - | - | 6,000 | 5,000 |
| Printing & Publishing | 4,000 | - | - | - | 4,000 | 4,000 |
| Insurance & Bonds | 20,000 | - | - | - | 20,000 | 27,500 |
| Utilities | 19,000 | 14,600 | - | 1,500 | 2,900 | 51,800 |
| Repairs & Maintenance | 20,800 | - | - | - | 20,800 | 20,000 |
| Rentals | 1,314,000 | 530,000 | 475,000 | 89,000 | 220,000 | 1,224,000 |
| Transfers Out | - | - | - | - | - | - |
| TOTAL EXPENDITURES | \$ 3,855,900 | \$ 1,461,300 | \$ 1,306,900 | \$ 202,900 | \$ 884,800 | \$ 3,433,100 |

City of Traverse City, Michigan
SPECIAL REVENUE FUND
MOTOR VEHICLE HIGHWAY - MAJOR STREETS FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| State Sources | \$ 1,487,900 | \$ 1,434,500 | \$ 1,512,300 | \$ 1,534,300 |
| Interest Revenue | 100 | - | 100 | 100 |
| Reimbursements | 5,500 | - | 60,700 | - |
| TOTAL REVENUES | 1,493,500 | 1,434,500 | 1,573,100 | 1,534,400 |
| EXPENDITURES | | | | |
| Personnel Services | 395,600 | 396,300 | 423,700 | 458,100 |
| Operating Materials | 86,100 | 98,000 | 127,000 | 102,000 |
| Professional Services | 147,800 | 223,000 | 270,000 | 356,600 |
| Utilities | 13,300 | 14,000 | 14,000 | 14,600 |
| Rentals | 495,600 | 522,100 | 528,000 | 530,000 |
| | 1,138,400 | 1,253,400 | 1,362,700 | 1,461,300 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 355,100 | 181,100 | 210,400 | 73,100 |
| OTHER FINANCING SOURCES | | | | |
| Transfers In - General Fund | - | - | - | - |
| Transfers Out | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES | - | - | - | - |
| NET CHANGE IN FUND BALANCE | 355,100 | (5,700) | 210,400 | 73,100 |
| Beginning Fund Balance | 522,300 | 877,400 | 877,400 | 1,087,800 |
| Ending Fund Balance | \$ 877,400 | \$ 871,700 | \$ 1,087,800 | \$ 1,160,900 |

This fund was created to account for the operations of the major street (28.3 miles) portion of the Street Maintenance Department. Financing is provided by special revenues from Public Act 51 State Shared Gas and Weight Taxes and other revenues.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
MOTOR VEHICLE HIGHWAY - LOCAL STREETS FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Metro Authority Fee | \$ 62,900 | \$ 60,000 | \$ 63,000 | \$ 63,000 |
| State Sources | 498,100 | 485,300 | 530,000 | 537,700 |
| Reimbursements | - | - | - | - |
| TOTAL REVENUES | 561,000 | 545,300 | 593,000 | 600,700 |
| EXPENDITURES | | | | |
| Personnel Services | 432,000 | 463,900 | 474,900 | 495,700 |
| Operating Materials | 80,800 | 86,000 | 82,000 | 89,500 |
| Professional Services | 94,700 | 100,000 | 100,000 | 246,700 |
| Rentals | 437,600 | 520,100 | 468,200 | 475,000 |
| TOTAL EXPENDITURES | 1,045,100 | 1,170,000 | 1,125,100 | 1,306,900 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (484,100) | (624,700) | (532,100) | (706,200) |
| OTHER FINANCING SOURCES | | | | |
| Transfers In - General Fund | 484,100 | 624,700 | 532,100 | 706,200 |
| NET CHANGE IN FUND BALANCE | - | - | - | - |
| Beginning Fund Balance | - | - | - | - |
| Ending Fund Balance | \$ - | \$ - | \$ - | \$ - |

This fund was created to account for the operations of the local street (48.3 miles) portion of the Street Maintenance Department. Financing is provided by special revenues from Public Act 51 State Shared Gas and Weight Taxes, contributions from other funds, and other revenues.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
MOTOR VEHICLE HIGHWAY - STATE TRUNKLINE FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| State Sources | \$ 121,700 | \$ 221,300 | \$ 161,300 | \$ 202,900 |
| Interest Revenue | - | - | - | - |
| Reimbursements | 100 | - | - | - |
| TOTAL REVENUES | 121,800 | 221,300 | 161,300 | 202,900 |
| EXPENDITURES | | | | |
| Personnel Services | 43,600 | 78,100 | 54,400 | 67,400 |
| Operating Materials | 8,700 | 10,000 | 10,000 | 25,000 |
| Professional Services | 16,700 | 15,000 | 15,000 | 20,000 |
| Utilities | 2,900 | 3,500 | 1,500 | 1,500 |
| Rentals | 55,600 | 114,700 | 80,400 | 89,000 |
| TOTAL EXPENDITURES | 127,500 | 221,300 | 161,300 | 202,900 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (5,700) | - | - | - |
| OTHER FINANCING USES | | | | |
| Transfers Out - Major Street Fund | - | - | - | - |
| NET CHANGE IN FUND BALANCE | (5,700) | - | - | - |
| Beginning Fund Balance | 77,000 | 71,300 | 71,300 | 71,300 |
| Ending Fund Balance | \$ 71,300 | \$ 71,300 | \$ 71,300 | \$ 71,300 |
| Personnel Services % | 34.2% | 35.3% | 33.7% | 33.2% |

This Fund was created to account for the operations of the State trunkline (8.7 miles) portion of the Street Maintenance Department. The State reimburses the City for expenses related to work performed on State Highways by City personnel.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
HAZARDOUS MATERIAL RESPONSE TEAM FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Grants from Local Units | \$ 18,600 | \$ 20,000 | \$ 16,600 | \$ 16,600 |
| Charges for Services Rendered | 3,000 | 5,000 | 3,000 | 4,000 |
| Federal Grants | - | - | - | - |
| TOTAL REVENUES | 21,600 | 25,000 | 19,600 | 20,600 |
| EXPENDITURES | | | | |
| Personnel Services | - | - | - | - |
| Operation Supplies | 9,500 | 7,000 | 7,400 | 11,000 |
| Professional Services | - | 1,500 | - | 1,500 |
| Communications | - | 1,500 | - | 1,000 |
| Transportation | - | 200 | - | 200 |
| Professional Development | - | 5,000 | 600 | 4,000 |
| Printing and Publishing | - | 300 | - | 300 |
| Insurance and Bonds | 900 | 900 | 900 | 900 |
| Repairs and Maintenance | 5,000 | 3,500 | 3,000 | 3,800 |
| Rental | - | - | - | - |
| Equipment/Capital Outlay | - | 12,200 | 6,000 | 9,700 |
| TOTAL EXPENDITURES | 15,400 | 32,100 | 17,900 | 32,400 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 6,200 | (7,100) | 1,700 | (11,800) |
| Beginning Fund Balance | 86,400 | 92,600 | 92,600 | 94,300 |
| Ending Fund Balance | \$ 92,600 | \$ 85,500 | \$ 94,300 | \$ 82,500 |

This fund was created in 1994 for the purpose of recording revenues and expenditures related to emergency response calls to hazardous material spills. Revenues are derived from annual "subscriber" fees and from billings to the person(s), or entity(s), that caused the hazardous material emergency incident.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
ACT 302 POLICE TRAINING FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| State Grants | \$ 3,200 | \$ 5,000 | \$ 3,800 | \$ 3,800 |
| EXPENDITURES | | | | |
| Professional Development | - | 5,000 | 9,700 | 3,800 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 3,200 | - | (5,900) | - |
| Beginning Fund Balance | 4,600 | 7,800 | 7,800 | 1,900 |
| Ending Fund Balance | \$ 7,800 | \$ 7,800 | \$ 1,900 | \$ 1,900 |

This fund was established to track police training activity related to Public Act 302 Training Program.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
COLLEGE PARKING FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Parking Fees-Coin | \$ 1,100 | \$ 4,000 | \$ 1,600 | \$ 1,700 |
| Parking Fines | 3,300 | 10,000 | 5,100 | 5,200 |
| TOTAL REVENUES | 4,400 | 14,000 | 6,700 | 6,900 |
| EXPENDITURES | | | | |
| Professional Services | 4,400 | 14,000 | 6,700 | 6,900 |
| TOTAL EXPENDITURES | 4,400 | 14,000 | 6,700 | 6,900 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | - | - | - | - |
| Beginning Fund Balance | - | - | - | - |
| Ending Fund Balance | \$ - | \$ - | \$ - | \$ - |

This fund was created in the 1992-93 fiscal year to account for funds received and expended to enforce parking at Northwestern Michigan College. The College entered into a contractual agreement with the City to provide for this enforcement. The Professional Services line item reflects the net amount that is split between the City and NMC. The City amount is placed into the General Fund.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
TRAVERSE CITY / GARFIELD JOINT PLANNING FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contribution-Public Sources | \$ - | \$ 6,000 | \$ - | \$ - |
| EXPENDITURES | | | | |
| Professional Services | - | 6,000 | - | - |
| Printing and Publishing | - | - | - | - |
| TOTAL EXPENDITURES | - | 6,000 | - | - |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | - | - | - | - |
| Beginning Fund Balance | 20,100 | 20,100 | 20,100 | 20,100 |
| Ending Fund Balance | \$ 20,100 | \$ 20,100 | \$ 20,100 | \$ 20,100 |

This fund was created to account for the Joint Planning Commission costs such as packets, public notification and legal fees. Contributions, when required, are shared equally between the City of Traverse City and Charter Township of Garfield.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
CARNEGIE BUILDING FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Federal Grants | \$ 800 | \$ - | \$ - | \$ - |
| State Grants | 800 | - | - | - |
| Rental Revenue | 34,000 | 46,800 | 40,400 | 46,800 |
| Contributions-Public | - | - | - | - |
| Reimbursements | 33,500 | - | - | - |
| TOTAL REVENUE | 69,100 | 46,800 | 40,400 | 46,800 |
| EXPENDITURES | | | | |
| Office Supplies | 100 | 1,000 | 200 | 3,000 |
| Professional Services | 12,800 | 15,700 | 15,700 | 42,700 |
| Communications | 2,800 | 3,000 | 3,000 | 3,000 |
| Insurance and Bonds | 3,900 | 4,000 | 3,600 | 6,000 |
| Public Utilities | 27,600 | 30,000 | 28,000 | 30,900 |
| Rental expense | 2,100 | 2,100 | 2,100 | 2,700 |
| Repairs and Maintenance | 11,800 | 73,000 | 20,000 | 77,100 |
| TOTAL EXPENDITURES | 61,100 | 128,800 | 72,600 | 165,400 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 8,000 | (82,000) | (32,200) | (118,600) |
| OTHER FINANCING SOURCES | | | | |
| Transfers In - McCauley Trust | - | 82,000 | 32,200 | 115,000 |
| Transfers In - General Fund | - | - | - | 58,600 |
| TOTAL OTHER FINANCING SOURCES | - | 82,000 | 32,200 | 173,600 |
| NET CHANGE IN FUND BALANCE | 8,000 | - | - | 55,000 |
| Beginning Fund Balance | 1,800 | 9,800 | 9,800 | 9,800 |
| Ending Fund Balance | \$ 9,800 | \$ 9,800 | \$ 9,800 | \$ 64,800 |

The objective of the Carnegie Building was to collect, preserve and present the cultural history of the Grand Traverse region. For 2022-23, rental agreements with The Crooked Arts Council and the Grand Traverse Rock and Mineral Club will be combined with contributions from the McCauley Estate Trust Fund and General Fund to cover operational costs of the building and provide for future significant building repairs.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
PEG CAPITAL FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contribution-Private Sources | \$ 23,200 | \$ 24,000 | \$ 23,200 | \$ 23,000 |
| EXPENDITURES | | | | |
| Equipment/Capital Outlay | 7,300 | 14,000 | 7,100 | 48,000 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 15,900 | 10,000 | 16,100 | (25,000) |
| Beginning Fund Balance | 84,900 | 100,800 | 100,800 | 116,900 |
| Ending Fund Balance | \$ 100,800 | \$ 110,800 | \$ 116,900 | \$ 91,900 |

City of Traverse City, Michigan
SPECIAL REVENUE FUND
SENIOR CENTER BUILDING FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contributions-Private Sources | \$ 300 | \$ - | \$ - | \$ - |
| Interest Revenue | 100 | - | 1,800 | 1,800 |
| TOTAL REVENUES | 400 | - | 1,800 | 1,800 |
| EXPENDITURES | | | | |
| Professional and Contractual | - | - | - | - |
| Printing and Publishing | - | - | - | - |
| TOTAL EXPENDITURES | - | - | - | - |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 400 | - | 1,800 | 1,800 |
| Beginning Fund Balance | 363,100 | 363,500 | 363,500 | 365,300 |
| Ending Fund Balance | \$ 363,500 | \$ 363,500 | \$ 365,300 | \$ 367,100 |

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
COUNTY SENIOR CENTER FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contributions-Public Sources | \$ 79,100 | \$ - | \$ 47,000 | \$ 20,000 |
| TOTAL REVENUES | 79,100 | - | 47,000 | 20,000 |
| EXPENDITURES | | | | |
| Salaries and Wages | 42,100 | - | 500 | 500 |
| Fringe Benefits | 31,500 | - | - | - |
| Professional Services | 500 | - | 18,500 | 18,400 |
| Repairs and Maintenance | - | - | 500 | 500 |
| Insurance and Bonds | 1,100 | - | 500 | 600 |
| TOTAL EXPENDITURES | 75,200 | - | 20,000 | 20,000 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 3,900 | - | 27,000 | - |
| OTHER FINANCING SOURCES | | | | |
| Transfers in - General Fund | \$ - | \$ - | \$ - | \$ - |
| NET CHANGE IN FUND BALANCE | 3,900 | - | 27,000 | - |
| Beginning Fund Balance | 36,700 | 40,600 | 40,600 | 67,600 |
| Ending Fund Balance | \$ 40,600 | \$ 40,600 | \$ 67,600 | \$ 67,600 |

This fund was created to account for the Senior Center management contract between Grand Traverse County and City of Traverse City. The contribution reflects money provided by Grand Traverse County to subsidize repairs and maintenance of the building.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
COAST GUARD COMMITTEE FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contributions-Private Sources | \$ 600 | \$ 600 | \$ - | \$ - |
| Contributions-Public Sources | - | - | - | - |
| TOTAL REVENUES | 600 | 600 | - | - |
| EXPENDITURES | | | | |
| Operating Materials | - | 10,600 | 2,700 | 500 |
| Professional Services | - | - | - | - |
| TOTAL EXPENDITURES | - | 10,600 | 2,700 | 500 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 600 | (10,000) | (2,700) | (500) |
| OTHER FINANCING SOURCES | | | | |
| Transfers in - General Fund | 10,000 | 10,000 | 10,000 | - |
| Transfers out - General Fund | - | - | (20,000) | - |
| TOTAL OTHER FINANCING SOURCES | 10,000 | 10,000 | (10,000) | - |
| NET CHANGE IN FUND BALANCE | 10,600 | - | (12,700) | (500) |
| Beginning Fund Balance | 13,200 | 23,800 | 23,800 | 11,100 |
| Ending Fund Balance | \$ 23,800 | \$ 23,800 | \$ 11,100 | \$ 10,600 |

The fund was created to account for the activities of the United States Coast Guard Committee, as established by Ordinance Chapter 279. The United States Coast Guard Committee serves in an advisory capacity and makes recommendations to the City Commission on matters related to the operation, development and planning of the United States Coast Guard services, facilities and programs within the City. The committee is staffed by the City Clerk's Office.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
CITY OPERA HOUSE FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Rental Income | \$ 102,900 | \$ 112,600 | \$ 109,700 | \$ 112,600 |
| Contributions | - | - | - | - |
| Reimbursements | 4,200 | 4,000 | 4,200 | 4,000 |
| TOTAL REVENUES | 107,100 | 116,600 | 113,900 | 116,600 |
| EXPENDITURES | | | | |
| Professional/Contractual | 5,100 | 19,800 | 5,000 | 20,800 |
| Insurance and Bonds | 7,800 | 8,000 | 6,900 | 8,000 |
| Public Utilities | 36,200 | 49,500 | 46,000 | 49,500 |
| Repairs and Maintenance | 24,600 | 38,400 | 4,800 | 38,400 |
| Miscellaneous | 15,300 | 16,000 | 15,500 | 16,800 |
| Capital outlay | - | 55,000 | - | - |
| TOTAL EXPENDITURES | 89,000 | 186,700 | 78,200 | 133,500 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENSES | 18,100 | (70,100) | 35,700 | (16,900) |
| OTHER FINANCING SOURCES | | | | |
| Transfers in - General Fund | - | - | - | 17,000 |
| NET CHANGE IN FUND BALANCE | 18,100 | (70,100) | 35,700 | 100 |
| Beginning Fund Balance | 96,700 | 114,800 | 114,800 | 150,500 |
| Ending Fund Balance | \$ 114,800 | \$ 44,700 | \$ 150,500 | \$ 150,600 |

This fund was created to reflect the lease revenues and related expenses for the general operation of the City Opera House. Rent is received from local businesses occupying the first floor of the Opera House Building.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
BANNER PROGRAM FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contributions-Private | \$ - | \$ 3,000 | \$ 2,200 | \$ 2,500 |
| EXPENDITURES | | | | |
| Repairs and Maintenance | 500 | 3,000 | 500 | 2,500 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (500) | - | 1,700 | - |
| Beginning Fund Balance | 5,100 | 4,600 | 4,600 | 6,300 |
| Ending Fund Balance | <u>\$ 4,600</u> | <u>\$ 4,600</u> | <u>\$ 6,300</u> | <u>\$ 6,300</u> |

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
ECONOMIC DEVELOPMENT FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|---------------------|---------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Other Revenue | \$ - | \$ - | \$ - | \$ - |
| Interest Revenue | 26,000 | 5,000 | 44,700 | 37,700 |
| TOTAL REVENUE | 26,000 | 5,000 | 44,700 | 37,700 |
| EXPENDITURES | | | | |
| Professional Services | 1,900 | 2,000 | 50,000 | 62,000 |
| Utilities | 3,000 | 3,000 | - | 1,500 |
| Miscellaneous | 322,100 | - | - | - |
| TOTAL EXPENDITURES | 327,000 | 5,000 | 50,000 | 63,500 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (301,000) | - | (5,300) | (25,800) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer out | - | - | - | - |
| NET CHANGE IN FUND BALANCE | (301,000) | - | (5,300) | (25,800) |
| Beginning Fund Balance | 1,899,800 | 1,598,800 | 1,598,800 | 1,593,500 |
| Ending Fund Balance | \$ 1,598,800 | \$ 1,598,800 | \$ 1,593,500 | \$ 1,567,700 |

This fund was originally created in 1949 to account for the sale of lots in industrial parks developed by the City and funded by federal grants. Currently, the City does not have any industrial parks under development or lots for sale. In recent years this fund has been renamed the Economic Development Fund. Primarily, this fund has been used to provide inter-fund loans to other funds, such as the Marina fund and the Opera House fund, in situations where municipal bonding does not make financial sense. Presently this fund has an inter-fund loan outstanding of \$625,000 to the Marina fund and \$640,000 to Traverse City Light and Power - Fiber Fund.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
McCAULEY ESTATE TRUST FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|---|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Interest Revenue | \$ (6,400) | \$ - | \$ 2,600 | \$ 2,600 |
| Contributions-private | - | - | 88,200 | - |
| TOTAL REVENUES | (6,400) | - | 90,800 | 2,600 |
| OTHER FINANCING USES | | | | |
| Transfers Out - Carnegie Building Fund | - | (43,000) | (32,000) | (115,000) |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES AND USES | (6,400) | (43,000) | 58,800 | (112,400) |
| Beginning Fund Balance | 105,300 | 98,900 | 98,900 | 157,700 |
| Ending Fund Balance | \$ 98,900 | \$ 55,900 | \$ 157,700 | \$ 45,300 |

This fund is used to account for the City's share of distribution from the Edwin D. McCauley Trust. Expenditures are to be made to public welfare or civic improvement organizations designated by the City Commission.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
BROWN BRIDGE MAINTENANCE FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Rental Income | \$ 131,400 | \$ 132,900 | \$ 144,500 | \$ 144,500 |
| Interest Income | - | - | 200 | 200 |
| Reimbursements | - | - | - | - |
| TOTAL REVENUES | 131,400 | 132,900 | 144,700 | 144,700 |
| EXPENDITURES | | | | |
| Professional and Contractual | 42,600 | 42,500 | 42,500 | 42,500 |
| Public Utilities | 900 | 1,000 | 1,000 | 1,000 |
| Repairs and Maintenance | 14,700 | 20,000 | 20,000 | 21,000 |
| Rentals | 4,100 | 4,000 | 4,000 | 5,100 |
| TOTAL EXPENDITURES | 62,300 | 67,500 | 67,500 | 69,600 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 69,100 | 65,400 | 77,200 | 75,100 |
| Beginning Fund Balance (Deficit) | 141,900 | 211,000 | 211,000 | 288,200 |
| Ending Fund Balance | \$ 211,000 | \$ 276,400 | \$ 288,200 | \$ 363,300 |

This fund is used to account for the repairs and maintenance cost at the Brown Bridge Quiet Area. It is funded by leasing space on the Brown Bridge tower to cell phone companies.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
ACT 345 MILLAGE FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Property Taxes | \$ 2,271,700 | \$ 2,346,600 | \$ 2,389,600 | \$ 2,552,300 |
| State Source - Local Community Stabilization | 23,600 | 25,000 | 21,900 | 21,900 |
| Interest Income | 9,100 | 6,000 | 9,100 | 9,200 |
| TOTAL REVENUES | 2,304,400 | 2,377,600 | 2,420,600 | 2,583,400 |
| EXPENDITURES | | | | |
| Retirement Costs | 2,380,200 | 2,507,600 | 2,507,600 | 2,340,800 |
| Interest and Fiscal Charges | - | - | - | - |
| TOTAL EXPENDITURES | 2,380,200 | 2,507,600 | 2,507,600 | 2,340,800 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (75,800) | (130,000) | (87,000) | 242,600 |
| OTHER FINANCING SOURCES | | | | |
| Transfer In - General Fund | - | - | - | - |
| NET CHANGE IN FUND BALANCE | (75,800) | (130,000) | (87,000) | 242,600 |
| Beginning Fund Balance (Deficit) | 554,800 | 479,000 | 479,000 | 392,000 |
| Ending Fund Balance | \$ 479,000 | \$ 349,000 | \$ 392,000 | \$ 634,600 |

This fund is used to account for the Act 345 millage that is designated for police and fire retirement cost.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
STORMWATER SYSTEM FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Federal sources | \$ - | \$ - | \$ - | \$ - |
| Private Grants/Contributions | - | - | - | - |
| TOTAL REVENUES | - | - | - | - |
| EXPENDITURES | | | | |
| Professional and Contractual | 5,900 | - | 14,300 | - |
| Capital Outlay | - | - | - | - |
| TOTAL EXPENDITURES | 5,900 | - | 14,300 | - |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (5,900) | - | (14,300) | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer In - General Fund | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - |
| NET CHANGE IN FUND BALANCE | (5,900) | - | (14,300) | - |
| Beginning Fund Balance | 20,400 | 14,500 | 14,500 | 200 |
| Ending Fund Balance | \$ 14,500 | \$ 14,500 | \$ 200 | \$ 200 |

This fund was established to account for funding sources and expenditures related to the City's Stormwater System.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
COUNTY WIDE ROAD MILLAGE FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|---------------------|---------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contributions From Other Governments | \$ 1,031,700 | \$ 1,000,000 | \$ 1,074,000 | \$ 1,140,000 |
| Interest Revenue | 200 | 400 | 2,800 | 2,800 |
| | <u>1,031,900</u> | <u>1,000,400</u> | <u>1,076,800</u> | <u>1,142,800</u> |
| EXPENDITURES | | | | |
| Capital Outlay | - | 1,500,000 | - | 1,650,000 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 1,031,900 | (499,600) | 1,076,800 | (507,200) |
| Beginning Fund Balance | 1,112,400 | 2,144,300 | 2,144,300 | 3,221,100 |
| Ending Fund Balance | \$ 2,144,300 | \$ 1,644,700 | \$ 3,221,100 | \$ 2,713,900 |

This fund was established to track proceeds from the Grand Traverse County Road Commission for the City's share of a voter approved Road Improvement Millage.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
BROWN BRIDGE TRUST PARKS IMPROVEMENT FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contributions-Private | \$ - | \$ - | \$ 79,300 | \$ - |
| Interest Revenue | 100 | - | 1,400 | 1,400 |
| Rents and Royalties | 151,600 | 145,000 | 229,800 | 230,000 |
| Total Revenues | 151,700 | 145,000 | 310,500 | 231,400 |
| EXPENDITURES | | | | |
| Equipment/Capital Outlay | 2,400 | 40,000 | 196,600 | 30,000 |
| Total Expenditures | 2,400 | 40,000 | 196,600 | 30,000 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 149,300 | 105,000 | 113,900 | 201,400 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer Out - Capital Projects Fund | (65,000) | (122,000) | (102,000) | (128,000) |
| TOTAL OTHER FINANCING SOURCES (USES) | (65,000) | (122,000) | (102,000) | (128,000) |
| NET CHANGE IN FUND BALANCE | 84,300 | (17,000) | 11,900 | 73,400 |
| Beginning Fund Balance | 467,700 | 552,000 | 552,000 | 563,900 |
| Ending Fund Balance | \$ 552,000 | \$ 535,000 | \$ 563,900 | \$ 637,300 |

As of March 31, 2022 The fund balance available is committed to pending capital improvements at the Brown Bridge Quite Area and City park improvement projects totalling approximately \$220,000.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
PUBLIC ARTS COMMISSION FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contributions-Public | \$ - | \$ 15,000 | \$ - | \$ 5,000 |
| Contributions-Private | 16,400 | - | 1,500 | - |
| TOTAL REVENUES | 16,400 | 15,000 | 1,500 | 5,000 |
| EXPENDITURES | | | | |
| Office Supplies | - | 500 | - | - |
| Professional and Contractual | 16,600 | 15,000 | 25,000 | 35,000 |
| Repair and Maintenance | - | 4,500 | - | - |
| Capital Outlay | - | 30,000 | 11,600 | - |
| TOTAL EXPENDITURES | 16,600 | 50,000 | 36,600 | 35,000 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (200) | (35,000) | (35,100) | (30,000) |
| OTHER FINANCING SOURCES | | | | |
| Transfer In - General Fund | 30,000 | 30,000 | 30,000 | 30,000 |
| NET CHANGE IN FUND BALANCE | 29,800 | (5,000) | (5,100) | - |
| Beginning Fund Balance | 90,800 | 120,600 | 120,600 | 115,500 |
| Ending Fund Balance | \$ 120,600 | \$ 115,600 | \$ 115,500 | \$ 115,500 |

This fund is used to account for amounts from which expenditures may be made for the acquisition, commission, exhibition, and maintenance of works of art .

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
TREE ORDINANCE FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| State Grant | \$ - | \$ - | \$ - | \$ 17,000 |
| Ordinance Fines and Costs | - | 10,000 | 5,100 | 6,000 |
| TOTAL REVENUES | - | 10,000 | 5,100 | 23,000 |
| EXPENDITURES | | | | |
| Capital Outlay | - | 76,800 | 900 | 30,000 |
| TOTAL EXPENDITURES | - | 76,800 | 900 | 30,000 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | - | (66,800) | 4,200 | (7,000) |
| OTHER FINANCING SOURCES | | | | |
| Transfer In - Capital Projects Fund | - | 66,800 | 66,800 | - |
| NET CHANGE IN FUND BALANCE | - | - | 71,000 | (7,000) |
| Beginning Fund Balance | - | - | - | 71,000 |
| Ending Fund Balance | \$ - | \$ - | \$ 71,000 | \$ 64,000 |

This fund was separately established in 2022 to account for the collection of proceeds related to the City's Tree Ordinance and track expansion of the City's tree canopy.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
CORONAVIRUS FISCAL RECOVERY FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Federal Award | \$ - | \$ 1,647,300 | \$ 1,653,900 | \$ - |
| TOTAL REVENUES | - | 1,647,300 | 1,653,900 | - |
| EXPENDITURES | | | | |
| Professional and Contractual | - | 1,647,300 | - | 1,653,900 |
| TOTAL EXPENDITURES | - | 1,647,300 | - | 1,653,900 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | - | - | 1,653,900 | (1,653,900) |
| Beginning Fund Balance | - | - | - | 1,653,900 |
| Ending Fund Balance | \$ - | \$ - | \$ 1,653,900 | \$ - |

This fund was separately established in 2022 to account for receipt and use of the State and Local Fiscal Recovery Funds the City received as part of the Coronavirus American Rescue Plan Act.

City of Traverse City, Michigan
DEBT SERVICE FUND
PARKING BOND DEBT RETIREMENT FUND - TAX EXEMPT
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Contribution - TIF 97 | \$ 892,900 | \$ 931,500 | \$ 931,500 | \$ 973,200 |
| TOTAL REVENUES | 892,900 | 931,500 | 931,500 | 973,200 |
| EXPENDITURES | | | | |
| Principal | 745,000 | 800,000 | 800,000 | 860,000 |
| Interest Expense and Fees | 147,900 | 131,500 | 131,500 | 113,200 |
| TOTAL EXPENDITURES | 892,900 | 931,500 | 931,500 | 973,200 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | - | - | - | - |
| Beginning Fund Balance | 3,600 | 3,600 | 3,600 | 3,600 |
| Ending Fund Balance | \$ 3,600 | \$ 3,600 | \$ 3,600 | \$ 3,600 |

This fund is established to account for the payment of the debt service of the tax exempt portion of limited tax general obligation bonds outstanding for the Hardy Parking Deck and related projects.

City of Traverse City, Michigan
DEBT SERVICE FUND
SIDEWALK AND TRAIL DEBT RETIREMENT FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Reimbursements | \$ - | \$ - | \$ - | \$ - |
| Contributions | 90,400 | 81,100 | 81,100 | 71,500 |
| TOTAL REVENUES | 90,400 | 81,100 | 81,100 | 71,500 |
| EXPENDITURES | | | | |
| Principal | 525,000 | 545,000 | 545,000 | 565,000 |
| Interest Expense and Fees | 223,500 | 206,500 | 206,500 | 188,700 |
| TOTAL EXPENDITURES | 748,500 | 751,500 | 751,500 | 753,700 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (658,100) | (670,400) | (670,400) | (682,200) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating Transfers In | 658,200 | 670,400 | 670,400 | 682,200 |
| NET CHANGE IN FUND BALANCE | 100 | - | - | - |
| Beginning Fund Balance | 900 | 1,000 | 1,000 | 1,000 |
| Ending Fund Balance | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 |

City of Traverse City, Michigan
CAPITAL PROJECT FUND
PARKING CONSTRUCTION BOND FUND - TAX EXEMPT
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Interest Revenue | \$ 100 | \$ - | \$ - | \$ - |
| EXPENDITURES | | | | |
| Capital Outlay | - | 209,400 | 208,500 | 600 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 100 | - | (208,500) | (600) |
| OTHER FINANCING USES | | | | |
| Transfer Out | - | - | - | - |
| NET CHANGE IN FUND BALANCE | 100 | - | (208,500) | (600) |
| Beginning Fund Balance | 209,000 | 209,100 | 209,100 | 600 |
| Ending Fund Balance | \$ 209,100 | \$ 209,100 | \$ 600 | \$ - |

This fund is established to account for the sources and uses of the tax exempt portion of a limited tax general obligation bond undertaken for the construction of the Hardy Parking Deck and related projects in the downtown area.

City of Traverse City, Michigan
CAPITAL PROJECT FUND
BOARDMAN LAKE TRAIL CONSTRUCTION
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|---------------------|---------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| State Grants | \$ - | \$ 750,000 | \$ 750,000 | \$ - |
| Contributions - private | - | - | 900 | - |
| Contributions - public | 34,900 | 3,572,400 | 5,027,200 | - |
| Interest Revenue | 2,200 | 5,000 | 500 | - |
| TOTAL REVENUES | 37,100 | 4,327,400 | 5,778,600 | - |
| EXPENDITURES | | | | |
| Capital Outlay | 978,100 | 4,722,400 | 5,309,800 | - |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (941,000) | (395,000) | 468,800 | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating Transfers In | - | - | - | - |
| Operating Transfer out | (285,000) | (295,000) | (295,000) | (305,000) |
| TOTAL OTHER FINANCING SOURCES | (285,000) | (295,000) | (295,000) | (305,000) |
| NET CHANGE IN FUND BALANCE | (1,226,000) | (690,000) | 173,800 | (305,000) |
| Beginning Fund Balance | 3,557,200 | 2,331,200 | 2,331,200 | 2,505,000 |
| Ending Fund Balance | \$ 2,331,200 | \$ 1,641,200 | \$ 2,505,000 | \$ 2,200,000 |

This fund is established to account for the sources and uses of the limited tax general obligation bond undertaken for the construction of the West Boardman Lake Trail Loop.

**City of Traverse City, Michigan
CAPITAL PROJECT FUND
SIDEWALK CONSTRUCTION
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|---------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| State Grants | \$ - | \$ - | \$ - | \$ - |
| Contributions - private | - | - | - | - |
| Interest Revenue | 1,100 | 400 | 400 | - |
| TOTAL REVENUES | 1,100 | 400 | 400 | - |
| EXPENDITURES | | | | |
| Capital Outlay | 1,783,900 | 1,325,900 | 813,600 | - |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (1,782,800) | (1,325,500) | (813,200) | - |
| OTHER FINANCING SOURCES | | | | |
| Operating Transfers In | - | - | 38,300 | - |
| TOTAL OTHER FINANCING SOURCES | - | - | 38,300 | - |
| NET CHANGE IN FUND BALANCE | (1,782,800) | (1,325,500) | (774,900) | - |
| Beginning Fund Balance | 2,558,000 | 775,200 | 775,200 | 300 |
| Ending Fund Balance | \$ 775,200 | \$ (550,300) | \$ 300 | \$ 300 |

This fund is established to account for the sources and uses of the limited tax general obligation bond undertaken for the Sidewalk Preservation and Sidewalk Gap and Infill Programs.

**City of Traverse City, Michigan
CAPITAL PROJECTS FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|---------------------|---------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Federal Grants | \$ 372,500 | \$ 822,000 | \$ 1,050,800 | \$ - |
| State Grants | - | 349,600 | 200,000 | 300,500 |
| Interest Revenue | 500 | 5,000 | 500 | 500 |
| Contributions - Public Entities | 795,400 | 1,079,100 | 1,079,100 | 186,000 |
| Contributions - Private Sources | 54,300 | 6,000 | 43,400 | - |
| Other Revenue | 9,300 | 10,000 | - | - |
| TOTAL REVENUES | 1,232,000 | 2,271,700 | 2,373,800 | 487,000 |
| EXPENDITURES | | | | |
| Professional Services | 719,600 | 2,000 | 2,000 | 2,000 |
| Capital Outlay | 1,013,300 | 4,249,300 | 4,217,200 | 2,362,300 |
| TOTAL EXPENDITURES | 1,732,900 | 4,251,300 | 4,219,200 | 2,364,300 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | (500,900) | (1,979,600) | (1,845,400) | (1,877,300) |
| OTHER FINANCING SOURCES | | | | |
| Transfer In - Other Funds | 65,000 | 112,000 | 112,000 | 182,700 |
| Transfer In - General Fund | 975,700 | 1,125,600 | 1,417,600 | 1,222,100 |
| Transfers Out | - | - | (105,100) | - |
| TOTAL OTHER FINANCING SOURCES | 1,040,700 | 1,237,600 | 1,424,500 | 1,404,800 |
| NET CHANGE IN FUND BALANCE | 539,800 | (742,000) | (420,900) | (472,500) |
| Beginning Fund Balance | 2,020,500 | 2,560,300 | 2,560,300 | 2,139,400 |
| Ending Fund Balance | \$ 2,560,300 | \$ 1,818,300 | \$ 2,139,400 | \$ 1,666,900 |

This fund was created to account for revenues and expenditures associated with property development and public improvement construction projects. This fund holds the funding for those projects associated with the City's General Fund as well as multi source funded projects.

Fiscal year end 2023 Project Detail:

| | |
|---|---------------------|
| Madison and Jefferson Reconstruction (estimate 50% of total costs during fiscal year 23) | \$ 438,100 |
| U.S. 31 Parkway Related Costs | 94,000 |
| Hannah Park | 59,000 |
| Hickory Hills Snowmaking Infrastructure Grant | 86,800 |
| Indian Woods Playground | 148,100 |
| City Share of Network Upgrade Project | 27,400 |
| North Cass Street Bridge City Share | 178,300 |
| Park Sign Replacement Project | 30,000 |
| South Union Street Bridge City Share | 266,700 |
| City Document Management System | 11,400 |
| Boon Street Playground | 58,000 |
| Volleyball Court Upgrade | 60,000 |
| Ashton Park | 30,000 |
| Union Street Dam Inspections | 54,700 |
| Fire Station Fire Detection and Suppression System | 131,300 |
| West End Beach Bathhouse | 401,000 |
| Fire Station 01 Concrete Replacement | 150,000 |
| Traffic Signal improvement/power backup | 22,500 |
| Traffic Signal Upgrades | 60,000 |
| Traffic Calming Projects | 25,000 |
| Computer Hardware | 30,000 |
| | <u>\$ 2,362,300</u> |

**City of Traverse City, Michigan
CAPITAL PROJECT FUND
SPECIAL ASSESSMENT FUND
For the Budget Year 2022-23**

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Interest Revenue | \$ 13,900 | \$ 5,600 | \$ 6,000 | \$ 3,000 |
| Contributions - Public Entities | 300 | - | - | - |
| Special Assessment | 113,300 | 32,700 | 55,000 | 22,000 |
| TOTAL REVENUES | 127,500 | 38,300 | 61,000 | 25,000 |
| EXPENDITURES | | | | |
| Capital Outlay | 3,400 | 38,300 | 11,500 | 60,000 |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 124,100 | - | 49,500 | (35,000) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfer Out-Capital Projects Fund | - | - | - | - |
| NET CHANGE IN FUND BALANCE | 124,100 | - | 49,500 | (35,000) |
| Beginning Fund Balance | 604,500 | 728,600 | 728,600 | 778,100 |
| Ending Fund Balance | \$ 728,600 | \$ 728,600 | \$ 778,100 | \$ 743,100 |

This fund was created to account for financing of various public improvements to benefit specific property owners. The City Commission approves all special assessment projects and specifies the cost to be paid by special assessments to the benefited property owners and the cost to be paid by the City at large. Additional pro-rata assessments can be made by the City Commission for costs in excess of estimates.

Assessment estimates in excess of costs by more than 5% must be refunded pro-rata. The period of payment varies between five to ten years and actual interest rates for an assessment is based 2% above the relevant Treasury bill rate but not to exceed 6%. This fund was established during 1988 when the City implemented the provisions of the Governmental Accounting Standards Board Statement Number 6, which eliminates the special assessment fund type.

Unpaid assessments as of April 1, for the prior year, are added to the City tax roll and become a lien on the property.

City of Traverse City, Michigan
PERMANENT FUND
BROWN BRIDGE TRUST FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|-----------------------------------|----------------------|----------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Interest Revenue | \$ 49,200 | \$ 244,500 | \$ 155,200 | \$ 200,700 |
| Rents and Royalties | - | - | - | - |
| TOTAL REVENUES | 49,200 | 245,000 | 155,200 | 200,700 |
| OTHER FINANCING (USES) | | | | |
| Transfers Out-General Fund | (340,100) | (244,500) | (155,200) | (200,700) |
| TOTAL OTHER FINANCING USES | (340,100) | (245,000) | (155,200) | (200,700) |
| NET CHANGE IN FUND BALANCE | (290,900) | - | - | - |
| Beginning Fund Balance | 12,606,300 | 12,315,400 | 12,315,400 | 12,315,400 |
| Ending Fund Balance | \$ 12,315,400 | \$ 12,315,400 | \$ 12,315,400 | \$ 12,315,400 |

This fund was created with a charter amendment to Section 129, adopted November 7, 1978. In 2014 a voter approved ballot proposal amended the distribution guidelines to provide that money derived from oil, gas or mineral exploration at the Brown Bridge property be deposited in the Brown Bride Park Improvement Fund. As initially established, the interest income from the remaining balance in Brown Bridge Trust Fund is used to supplement City taxes as a credit against the General Fund levy.

City of Traverse City, Michigan
PERMANENT FUND
CEMETERY TRUST FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Charges for Services-Sales | \$ 10,800 | \$ 10,000 | \$ 17,000 | \$ 17,000 |
| Interest Revenue | (3,100) | 7,000 | 7,400 | 7,400 |
| TOTAL REVENUES | 7,700 | 17,000 | 24,400 | 24,400 |
| EXPENDITURES | | | | |
| Capital Outlay | - | - | - | - |
| EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES | 7,700 | 17,000 | 24,400 | 24,400 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out - General Fund | (6,900) | (7,000) | (7,400) | (7,400) |
| NET CHANGE IN FUND BALANCE | 800 | 10,000 | 17,000 | 17,000 |
| Beginning Fund Balance | 320,100 | 320,900 | 320,900 | 337,900 |
| Ending Fund Balance | \$ 320,900 | \$ 330,900 | \$ 337,900 | \$ 354,900 |

For each lot or crypt sale 15% of the proceeds are deposited in the Cemetery Perpetual Care Fund, 42 1/2% is deposited in the Cemetery Trust Fund, and the remaining 42 1/2% is deposited in the General Fund. Interest income in this fund is transferred to the General Fund annually to help offset the costs associated with operating the cemetery.

City of Traverse City, Michigan
PERMANENT FUND
CEMETERY PERPETUAL CARE TRUST FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|---------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Charges for Services-Fees | \$ 3,900 | \$ 5,000 | \$ 10,000 | \$ 8,000 |
| Interest Revenue | (700) | 6,000 | 8,300 | 8,300 |
| TOTAL REVENUES | 3,200 | 11,000 | 18,300 | 16,300 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out - General Fund | (8,300) | (11,000) | (8,300) | (8,300) |
| NET CHANGE IN FUND BALANCE | (5,100) | - | 10,000 | 8,000 |
| Beginning Fund Balance | 455,600 | 450,500 | 450,500 | 460,500 |
| Ending Fund Balance | \$ 450,500 | \$ 450,500 | \$ 460,500 | \$ 468,500 |

For each lot or crypt sale 15% of the proceeds are deposited in the Cemetery Perpetual Care Fund, 42 1/2% is deposited in the Cemetery Trust Fund, and the remaining 42 1/2% is deposited in the General Fund. Interest income in this fund is transferred to the General Fund annually to help offset the costs associated with operating the cemetery.

PARKING SYSTEM FUND

Mission Statement: *Traverse City Parking Services promotes commerce and quality of life for Downtown, NMC Campus, Munson Hospital and residential neighborhoods by providing, maintaining, and developing parking, for present and for future bicyclist and motorists, through efficient and effective management.*



The Downtown Development Authority (DDA), on behalf of the City of Traverse City, manages the Traverse City Parking System (TCPS), an enterprise fund. The 2022-23 budget includes revenues and expenses for operation of the entire parking system, including two parking garages. The Parking Fund is vulnerable being an enterprise fund where performance is based solely on use of the system. This is the third budget cycle where we are projecting a loss. All areas of parking revenue (meters, permits, hourly admissions, and enforcement) remain affected by the pandemic, and systemwide usage has not bounced back to pre-pandemic numbers. We will utilize these surplus funds to complete planned maintenance projects and make the budget whole in this time of loss.

The DDA's initiative to move towards a Managed Parking Systems Approach will continue to make systemwide changes to increase efficient utilization of existing parking spaces in order to maintain Net Zero parking. Planned changes will emphasize the use of public transit and non-motorized ways to get to and from downtown. The DDA will continue to support the Destination Downtown program as an alternative to permit parking and provides a free transportation option for employees and focus on increasing the use of transit for visitors as we continue to redevelop surface parking lots. The approach will continue to evaluate utilization for short-term parking and continue the seasonal meter rates to shift demand into underutilized areas in order to create better use of the overall system. There are no planned rate increases in other revenue areas at this time. All rates will be considered once traffic increases downtown and the availability decreases. Our efforts to support these programs will further reduce the demand for parking and aid in our goal of eliminating surface lots in the coming years.

General parking fund expenses correspond with planned CIP projects and include resurfacing of Lot B (corner of Grandview and Cass Street) and Lot C (next to Traverse Connect).

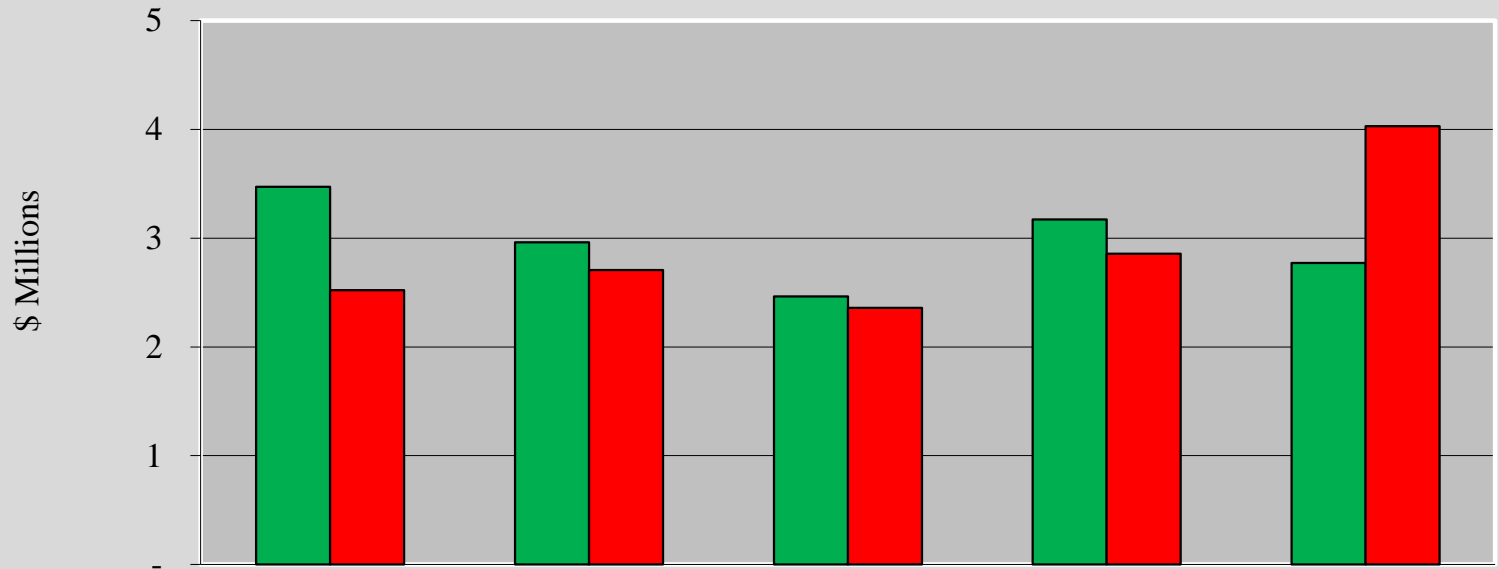
Hardy Garage fund expenses include two CIP projects: pedestrian stair towers and traffic circulation. There are no planned CIP projects for the Old Town fund this year.

GOALS

1. Provide a successful, attractive parking environment that supports economic growth and tourism Downtown

- a. Support the return of employees to downtown to increase the growth in total permits sold
 - b. Support businesses to increase open hours to increase the growth in meter revenue
 - c. Foster private investment in the Downtown Development Authority district, which is indicative of confidence in our parking system
 - d. Continually invest in parking infrastructure to maintain a high-quality experience
2. Promote a higher quality of life through reduced reliance on surface parking Downtown and parking alternatives
 - a. Reduce the amount of surface spaces in the Downtown Development Authority district by repurposing surface parking lots for redevelopment
 - b. Increase bicycle parking in the Downtown Development Authority district
 - c. Increase participation and ridership of the Destination Downtown program
 - d. Increase commuter amenities and multi-modal initiatives.
3. Promote commerce at the NMC Campus and Munson Hospital area
 - a. Work with both agencies to serve their specific needs in managing cars
 - b. Make efficient use of resources by partnering with these and other agencies

City of Traverse City, Michigan
 Parking System Fund Revenues and Expenditures
 For the Fiscal Years 2018-19 through 2022-23



| | 2018-19 Actual | 2019-20 Actual | 2020-21 Actual | 2021-22 Projected | 2022-23 Requested |
|------------|----------------|----------------|----------------|-------------------|-------------------|
| ■ Revenue | \$3,470,867 | \$2,962,339 | \$2,464,300 | \$3,172,600 | \$2,770,700 |
| ■ Expenses | \$2,522,758 | \$2,707,662 | \$2,359,700 | \$2,855,500 | \$4,028,800 |

City of Traverse City, Michigan
ENTERPRISE FUND
PARKING SYSTEM FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|-------------------------------------|----------------------|----------------------|-----------------------|-----------------------|
| OPERATING REVENUES | | | | |
| Parking Deck Proceeds | \$ 224,700 | \$ 155,000 | \$ 371,600 | \$ 320,000 |
| Parking Fees-Meters | 1,249,500 | 1,000,000 | 1,882,000 | 1,700,000 |
| Permits - Surface Lots | 202,400 | 150,000 | 224,600 | 200,000 |
| Permits - Parking Deck | 476,300 | 190,000 | 350,200 | 280,000 |
| Parking Fines | 209,900 | 150,000 | 250,000 | 200,000 |
| Rents and Royalties | 19,600 | 13,000 | 7,300 | - |
| Reimbursements | 5,400 | - | 14,700 | 4,700 |
| Miscellaneous Income | 2,200 | - | 7,500 | - |
| TOTAL OPERATING REVENUES | 2,390,000 | 1,658,000 | 3,107,900 | 2,704,700 |
| OPERATING EXPENSES | | | | |
| Salaries and Wages | 10,200 | 11,100 | 10,100 | 11,700 |
| Fringe Benefits | 500 | 1,000 | 1,100 | 1,000 |
| Office/Operation Supplies | 47,400 | 61,000 | 47,300 | 55,000 |
| Professional Services | 1,127,400 | 1,479,600 | 1,278,900 | 1,492,200 |
| Communications | 26,600 | 30,000 | 28,000 | 36,100 |
| Transportation | 1,900 | 5,000 | 3,200 | 5,000 |
| Professional Development | - | 3,000 | - | 4,000 |
| Printing and Publishing | 5,600 | 14,000 | 5,000 | 14,000 |
| Insurance and Bonds | 29,200 | 27,000 | 26,700 | 21,900 |
| Utilities | 71,600 | 125,000 | 86,700 | 120,000 |
| Repairs and Maintenance | 188,000 | 713,200 | 253,600 | 1,156,800 |
| Rentals | 129,300 | 113,800 | 110,700 | 118,900 |
| Miscellaneous | 12,000 | 10,000 | 12,100 | 13,800 |
| Equipment | 2,000 | 165,000 | 151,800 | 175,000 |
| Depreciation Expense | 460,400 | 522,000 | 525,300 | 525,300 |
| TOTAL OPERATING EXPENSES | 2,112,100 | 3,280,700 | 2,540,500 | 3,750,700 |
| OPERATING INCOME (LOSS) | 277,900 | (1,622,700) | 567,400 | (1,046,000) |
| NON-OPERATING REVENUES | | | | |
| Gain on Sale of Assets | - | - | - | - |
| Interest Revenue | 74,300 | 60,000 | 64,700 | 66,000 |
| TOTAL NON-OPERATING REVENUES | 74,300 | 60,000 | 64,700 | 66,000 |
| INCOME BEFORE TRANSFERS | 352,200 | (1,562,700) | 632,100 | (980,000) |
| Transfer Out - City Fee | (247,600) | (120,000) | (315,000) | (278,100) |
| TOTAL TRANSFERS OUT | (247,600) | (120,000) | (315,000) | (278,100) |
| CHANGE IN NET POSITION | 104,600 | (1,682,700) | 317,100 | (1,258,100) |
| Net Position, Beginning of year | 24,168,300 | 24,272,900 | 24,272,900 | 24,590,000 |
| Net Position, End of year ** | \$ 24,272,900 | \$ 22,590,200 | \$ 24,590,000 | \$ 23,331,900 |

** Ending net position represents the difference between total assets (including long-term fixed assets) and total liabilities the cash and investment balance at 6/30/21 was \$7,722,517

Department of Municipal Utilities

Mission Statement: *Preserve and enhance the safety, health and quality of life for the people of Traverse City through the effective management and maintenance of its drinking water and wastewater infrastructure.*

The Director of Municipal Utilities oversees the activities of three departments/divisions including the Water Treatment Plant, Water and Sewer Maintenance and Wastewater Treatment Plant. The Director is responsible for planning, directing and supervising all aspects of the City's Public Utilities, including wastewater collections and transmission systems, storm water collection and treatment systems, and water treatment, distribution and water storage systems, as well as providing oversight for the wastewater treatment plant operations agreement, currently with Jacobs. Other responsibilities include estimating project costs and establishing project priorities.



The Director coordinates departmental activities with other City staff and synchronizes projects between departments/divisions and works with employees and supervisors to develop and implement policies, procedures and programs as well as oversees contracts, collective bargaining agreements, budgets, training, safety and infrastructure replacement, expansion and maintenance.

The Director also works with the Asset Management/GIS Analyst and the Asset Management Technician on asset management plans for City assets including water & sewer utilities, water system reliability, modeling and other long term infrastructure related assets.



GOALS

1. Continue to evaluate and incorporate into our Asset Management Program the remaining sewer collection system (approximately 50%) that was not included in the SAW Grant (completed May 2017).
2. Successfully secure adequate funding source(s) to complete scheduled Capital Improvement Projects for our critical water and wastewater infrastructure.
3. Continue to foster close relationships with our neighboring partnering Townships and the Grand Traverse County Board of Public Works by effectively administering the Bulk Water and Master Sewer Agreements.
4. Work toward implementing a fair and equitable funding source to effectively manage our storm water collection and treatment systems.

WASTEWATER FUND

Mission Statement: *To reliably treat the community’s wastewater to a level of quality such that it will have no impact on receiving waters and to do so efficiently, minimizing consumption of energy and resources, carbon footprint, and inconvenience to neighbors.*

Traverse City and the surrounding townships are leading the way with environmental leadership and in executing their responsibility to reflect the local environmental ethic in its policies.

The Wastewater Treatment Plant treats sewage from the City of Traverse City and the townships of Acme, East Bay, Elmwood, Garfield, Peninsula, and Blair. All are parties to the Master Sewer Agreement, original adopted in 1987, revised in 2001, and amended and restated in 2017. The City has a unique and central role under that agreement; the plant is located in the City, the City is responsible for its operation, and holds the NPDES permit to



discharge to the Boardman River. The City is also the entity to which the role of “Control Authority” is delegated by the other parties, that is, the City administers the system-wide Industrial Pretreatment Program (IPP) and enforces township as well as City sewer use ordinances. The above is accomplished through a management contract with Jacobs (formerly Operations Management International, Inc.).

The Traverse City Regional Wastewater Plant was upon start up, the largest operating plant on the continent using membrane bioreactor technology. It has the capacity to meet area growth needs into the foreseeable future and produces an effluent of extraordinary clarity so that it will have no impact on the receiving waters.

SUMMARY OF SIGNIFICANT BUDGET CHANGES – OPERATING REVENUES

Rate Increase – The City Treasurer has recommended an increase to the base rate of \$3.00 for the coming fiscal year.

GOALS – WWTP and Pump Stations

1. **Complete or assist in completing the approved Capital Improvement Projects identified for the current fiscal year.**
2. **Complete the upgrade of one aeration blower per Jacobs contract with the City.**
3. **Complete cost recovery analysis and long chemical savings estimate related to utilizing inline phosphorus analyzers for ferric chloride feed control vs. the current pace flow method. Depending on results of analysis, install and implement analyzer based chemical feed and report on chemical savings.**

4. **Perform an analysis of the biological treatment process(s) to determine inhibiting factors related to biological phosphorus removal.**
5. **Complete a renewable energy study per Jacobs contract with the City.**

PERFORMANCE MEASUREMENTS – WWTP AND PUMP STATIONS

| Performance Measurements-WWTP and Pump Stations | | | | | | |
|---|--|-------------|-------------|-------------|-------------|-------------|
| Output | Performance Indicator | 2017 | 2018 | 2019 | 2020 | 2021 |
| | Billions of gallons treated | 1.78 | 1.86 | 2.05 | 2.16 | 1.77 |
| | Millions of pounds of BOD treated | 3.23 | 3.07 | 3.05 | 2.53 | 3.06 |
| | Recordable safety incidents | 0 | 0 | 0 | 0 | 0 |
| Efficiency | Percentage of effluent in compliance with NPDES permit | 100% | 100% | 100% | 100% | 100% |
| | Kilowatt hours used/pound of BOD treated | 1.5 | 1.69 | 1.93 | 2.12 | 1.61 |
| | Kilowatt hours used/gallon of sewage treated | 0.0027 | 0.0028 | 0.0028 | 0.0025 | 0.0028 |
| | Total recordable rates | 0.00% | 0.00% | 0.00% | 5.80% | 0.00% |
| | Days away or on restricted duty | 0 | 0 | 0 | 8 | 0 |
| <p>As shown above, the influent flow at the facility (Billions of gallons treated) decreased in 2021, returning to volumes seen in 2017. Because most of the decrease in flow is a result of a reduction in infiltration and inflow, the strength of the influent (Millions of pounds of BOD treated) correspondingly increased in 2021. The decrease from 2020 - 2021 in kilowatt hours used / pound of BOD treated was due to an increase in membrane kwhr usage that occurred in 2020. The increase in electrical usage was a result of reduced membrane permeability due to biological fouling and the occurrence of multiple high flow events. These occurrences required the facility to operate membrane scour air cycles more frequently resulting in an increased number of scour blowers required to meet air flow demands. Increasing the scour air cycles helps to restore and maintain the membrane permeability rates. Our total recordable rate in 2020 increased due to one loss time injury.</p> | | | | | | |

WASTEWATER FUND – MAINTENANCE AND REPAIRS

Mission Statement: *To maintain the sanitary sewer collection system, while holding paramount the health, safety and welfare of the public.*

Responsibilities include:

- Cleaning, televising and repairing 90 miles of gravity sewer; maintaining 4.8 miles of force main sanitary sewer.
- Cleaning and maintaining 1,902 sewer manholes.
- Administering the Cross Connection Inspection Program.
- Locating all water, sanitary and storm lines for MISS DIG.
- Assisting all DPS Divisions with confined space entries.
- Maintaining 101 storm water treatment systems on outfalls.

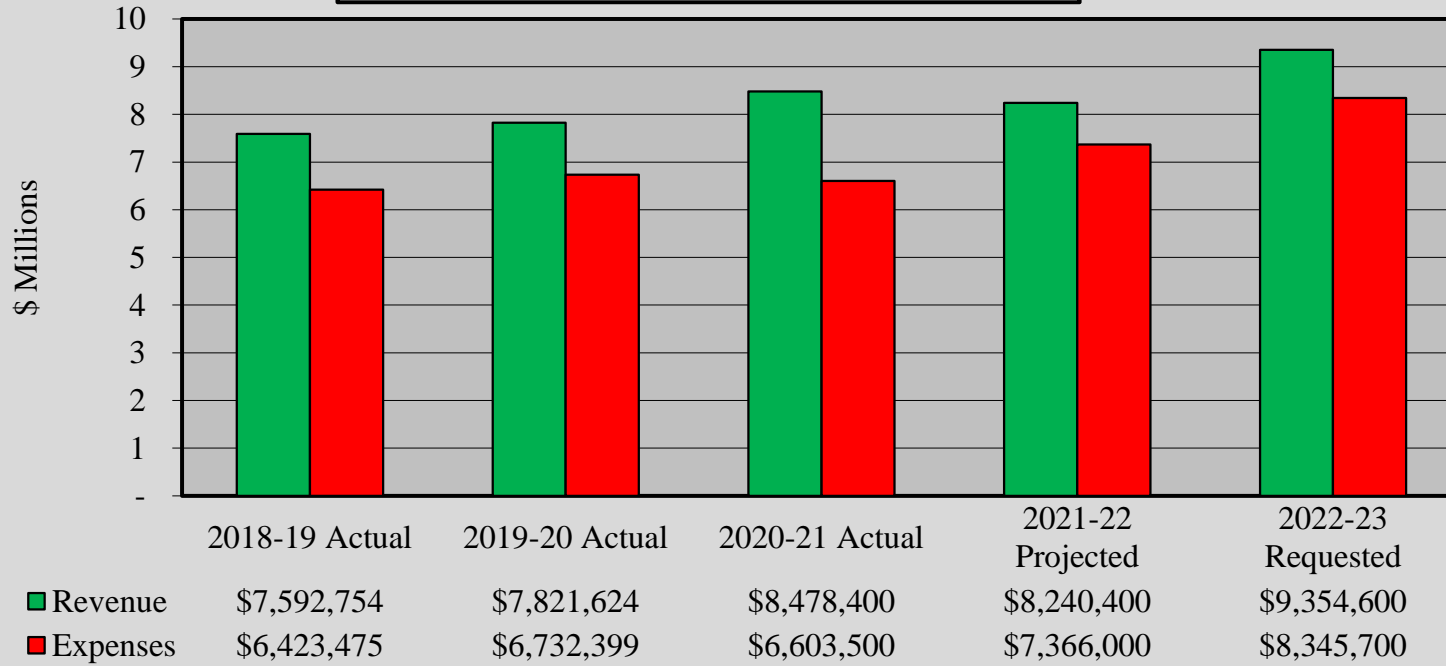
GOALS – MAINTENANCE AND REPAIRS

1. Continue to televise and evaluate sewers for condition assessment
2. Continue with installing the AMI metering system to improve sewer billing accuracy.
3. Increase efforts to reduce the number of sewer calls by cleaning approximately 30 percent of the sanitary system on an annual basis.

PERFORMANCE MEASUREMENTS - MAINTENANCE AND REPAIRS

| | Performance Indicators | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021/22 to Date |
|-------------------|--|----------------|----------------|----------------|----------------|------------------------|
| Output | Sewer maintenance calls | 72 | 75 | 71 | 80 | 105 |
| | Footage of Sewers CCTV's | 10,560 | 15,840 | 12,320 | 13,830 | 16,000 |
| | Footage of sewers cleaned | 52,800 | 63,360 | 61,275 | 65,860 | 60,000 |
| Efficiency | Percentage of maintenance calls responded to within one hour | 100% | 100% | 100% | 100% | 100% |
| | Percentage of sewer backups that were homeowner responsibility | 77% | 76% | 71% | 72% | 76% |
| | Percentage of annual sewers cleaned | 12% | 15% | 15% | 16% | 14% |

City of Traverse City, Michigan
Wastewater Fund Revenues and Expenditures
For the Fiscal Years 2016-17 through 2020-21



City of Traverse City, Michigan
ENTERPRISE FUND
WASTEWATER FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| OPERATING REVENUES | | | | |
| Federal Grant | \$ 76,900 | \$ - | \$ 643,500 | \$ 778,400 |
| State Grant | - | - | - | 428,000 |
| Sewer Service Charges | 5,651,700 | 5,981,400 | 5,700,000 | 6,042,000 |
| Public Authority | 2,519,200 | 1,677,100 | 1,754,800 | 1,987,000 |
| Industrial Pretreatment | 4,800 | 6,300 | 15,000 | 15,000 |
| Septage Treatment | 30,100 | 15,800 | 19,200 | 23,000 |
| Forfeited Discounts | 11,900 | 12,200 | 7,500 | 11,000 |
| Merchandise and Jobbing | - | - | - | - |
| Miscellaneous | 183,800 | 60,200 | 100,400 | 200 |
| TOTAL OPERATING REVENUES | 8,478,400 | 7,753,000 | 8,240,400 | 9,284,600 |
| OPERATING EXPENSES | | | | |
| WWTP AND PUMP STATIONS | | | | |
| Salaries and Wages | 26,700 | 25,800 | 26,800 | 64,200 |
| Fringe Benefits | 5,200 | 5,100 | 4,700 | 19,200 |
| Professional Services | 4,145,800 | 3,821,400 | 4,651,300 | 5,301,200 |
| Industrial Pretreatment Costs | 11,400 | 12,000 | 10,600 | 12,000 |
| Insurance and Bonds | 77,700 | 78,000 | 66,400 | 70,000 |
| Total WWTP and Pump Stations | 4,266,800 | 3,942,300 | 4,759,800 | 5,466,600 |
| MAINTENANCE AND REPAIRS | | | | |
| Salaries and Wages | 482,400 | 533,900 | 446,300 | 449,500 |
| Fringe Benefits | 249,100 | 207,100 | 203,600 | 205,500 |
| Office/Operation Supplies | 21,600 | 50,000 | 32,700 | 50,000 |
| Professional Services | 123,400 | 982,000 | 524,300 | 701,500 |
| Communications | 1,900 | 2,000 | 1,700 | 2,000 |
| Transportation | 2,200 | 5,000 | 4,800 | 6,500 |
| Professional Development | 200 | 6,500 | 6,000 | 6,500 |
| Public Utilities | 6,500 | 9,000 | 9,000 | 10,000 |
| Insurance and Bonds | 700 | - | - | - |
| Repairs and Maintenance | 1,900 | 20,000 | 32,000 | 30,000 |
| Rentals | 118,400 | 94,500 | 94,500 | 123,600 |
| Total Maintenance and Repairs | 1,008,300 | 1,910,000 | 1,354,900 | 1,585,100 |

City of Traverse City, Michigan
ENTERPRISE FUND
WASTEWATER FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|----------------------|----------------------|-----------------------|-----------------------|
| ADMINISTRATIVE AND GENERAL | | | | |
| Salaries and Wages | 91,100 | 84,500 | 83,800 | 86,300 |
| Fringe Benefits | 49,900 | 46,800 | 38,200 | 37,700 |
| Office/Operation Supplies | 15,300 | 17,100 | 12,400 | 14,000 |
| Professional Services | 47,900 | 17,000 | 48,000 | 29,000 |
| Communication | 23,400 | 23,100 | 23,100 | 23,100 |
| Professional Development | - | - | - | - |
| Printing and Publishing | 500 | 3,000 | 200 | 200 |
| Rentals | 6,200 | 10,000 | 6,200 | 6,200 |
| Collection Costs | (4,400) | 2,000 | 100 | 500 |
| Transportation | 800 | 2,500 | 700 | 700 |
| Miscellaneous | 500 | 3,400 | 100 | 100 |
| Depreciation & Amortization | 633,700 | 676,500 | 633,700 | 633,700 |
| Total Administrative and General | 864,900 | 885,900 | 846,500 | 831,500 |
| TOTAL OPERATING EXPENSES | 6,140,000 | 6,738,200 | 6,961,200 | 7,883,200 |
| OPERATING INCOME | 2,338,400 | 1,014,800 | 1,279,200 | 1,401,400 |
| NON OPERATING REVENUES (EXPENSES) | | | | |
| Reimbursements | 300 | 400 | - | 70,000 |
| Interest Revenue | - | - | - | - |
| Gain (Loss) on sale of capital assets | - | - | - | - |
| Interest/Finance Charges | (49,000) | (30,000) | (30,000) | (73,200) |
| Total Non-Operating Revenues (Expenses) | (48,700) | (29,600) | (30,000) | (3,200) |
| Income Before Transfers | 2,289,700 | 985,200 | 1,249,200 | 1,398,200 |
| Transfers Out - City Fee | (414,800) | (385,000) | (374,800) | (389,300) |
| CHANGE IN NET POSITION | 1,874,900 | 600,200 | 874,400 | 1,008,900 |
| Net position, beginning of year | 19,999,400 | 21,874,300 | 21,874,300 | 22,748,700 |
| Net position, end of year ** | \$ 21,874,300 | \$ 18,688,226 | \$ 22,748,700 | \$ 23,757,600 |

** Ending net position represents the difference between total assets (including long-term fixed assets) and total liability the cash balance at 6/30/21 was \$ -0-.

Note: For Budgeting purposes certain items that may be classified as capital assets for Audited Financial Statement purposes are reported as professional services. Adjustments will be made at year end based on the City's capitalization policy.

Note: For the fiscal year end 6/30/2023 State Revolving Loan Fund proceeds of \$2,245,000 are projected to be used to purchase capital assets, these amounts are not reflected in the budgeted figures.

This fund was created to account for the costs of collecting and treating wastewater. Revenues are chiefly from service charges to customers. These revenues are also used to pay principal and interest on wastewater revenue bonds which were used to finance improvements.

City of Traverse City
Memorandum



To: Martin A. Colburn, City Manager
From: James A. Henderson, City Treasurer/Finance Director
Re: Sewer Rate Analysis
Date: May 1, 2022

For the upcoming fiscal year we have utilized our recently purchased Waterworth program to analyze our Sewer Fund financial forecast. Based on the results of this analysis I am recommending a rate increase of approximately six percent for the Sewer Fund for the 2022-2023 fiscal year.

Last year the City increased its sewer rates effective July 1, 2021 to \$44 for the first 600 cubic feet and \$48 per thousand for each additional thousand cubic feet. This followed on 2020, where there was no rate increase due to uncertainties surrounding the COVID-19 pandemic. This most recent increase has proved insufficient to build up cash reserves within the sewer fund. While the current year performance of the Sewer fund is positive from a budgetary standpoint, it did begin the fiscal year with a negative cash position. We are anticipating a modest rebound in our cash position to end the current fiscal year.

With approximately \$4.2 million of planned capital projects in the sewer fund in the coming fiscal year, (approximately \$2.85 million of those projects being funded with bond proceeds) it is imperative that the cash balance within the sewer fund be built up. While the fund made the final payment on the 2011 Wastewater Treatment plant bonds in the current year, it must now look to accumulating capital reserves for future debt service payments. We must also acknowledge that we are in a high inflation environment, with the costs of raw materials seeing double digit annual cost increases over the past two years.

We have taken these planned capital projects, as well as our other operating expenditures (utilizing in most instances a 3% rate of inflation) and entered them into our Waterworth program. This program projects the cash balance on hand at the end of the fiscal year and assists in setting rates to fund debt service payments on our long-term borrowings while also maintaining sufficient capital to fund ongoing operations. Below is a table highlighting our projections for the current year, as well as the next four fiscal years. I have also included a graph illustrating our long-term projected cash position in the sewer fund. On this graph, the red line represents a general operating capital reserve of \$2,000,000, with the black line being an additional working capital reserve of 20% of operating expenses. The Waterworth program assists us in staying as close to the black line as possible.

| | FYE 6/30/2022 Projected | FYE 6/30/2023 Budgeted | FYE 6/30/2024 Projected | FYE 6/30/2025 Projected | FYE 6/30/2026 Projected |
|--------------------------------------|-------------------------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Cash Position Opening Balance | \$ - | \$ 378,200 | \$ 2,022,542 | \$ 4,196,151 | \$ 5,673,951 |
| Revenues | | | | | |
| Sale of Sewer Service | \$ 5,716,000 | \$ 6,058,000 | \$ 6,243,375 | \$ 6,434,422 | \$ 6,566,971 |
| Grants | \$ 643,500 | \$ 1,206,350 | \$ - | \$ - | \$ - |
| Other Operating Revenue | \$ 1,880,700 | \$ 2,051,805 | \$ 1,661,418 | \$ 1,909,851 | \$ 3,086,099 |
| Non-Operating Revenue | \$ 300 | \$ 40,200 | \$ 200 | \$ 200 | \$ 200 |
| Borrowed Funds | \$ - | \$ 2,425,050 | \$ 9,822,000 | \$ 8,152,000 | \$ 2,529,000 |
| Revenue SubTotal | \$ 8,240,500 | \$ 11,781,405 | \$ 17,726,993 | \$ 16,496,473 | \$ 12,182,270 |
| Expenditures | | | | | |
| Operating Expenses | \$ 5,499,000 | \$ 5,826,000 | \$ 5,207,424 | \$ 5,363,614 | \$ 5,524,489 |
| Capital Improvements | \$ 1,197,300 | \$ 4,237,800 | \$ 9,891,800 | \$ 8,631,800 | \$ 7,268,800 |
| Capital Expansion | \$ - | \$ - | \$ - | \$ - | \$ 30,000 |
| Current Debt Service | \$ 1,166,000 | \$ - | \$ - | \$ - | \$ - |
| Proposed Debt Service | \$ - | \$ 73,263 | \$ 454,160 | \$ 1,023,259 | \$ 1,367,765 |
| Taxes Other Than Income | \$ - | \$ - | \$ - | \$ - | \$ - |
| Expenditure SubTotal | \$ 7,862,300 | \$ 10,137,063 | \$ 15,553,384 | \$ 15,018,673 | \$ 14,191,054 |
| Cash Position | | | | | |
| Net Surplus/Deficit | \$ 378,200 | \$ 1,644,342 | \$ 2,173,608 | \$ 1,477,800 | \$ (2,008,784) |
| Cash Position Before Interest | \$ 378,200 | \$ 2,022,542 | \$ 4,196,151 | \$ 5,673,951 | \$ 3,665,167 |
| Interest on Surplus | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cash Position Closing Balance | \$ 378,200 | \$ 2,022,542 | \$ 4,196,151 | \$ 5,673,951 | \$ 3,665,167 |

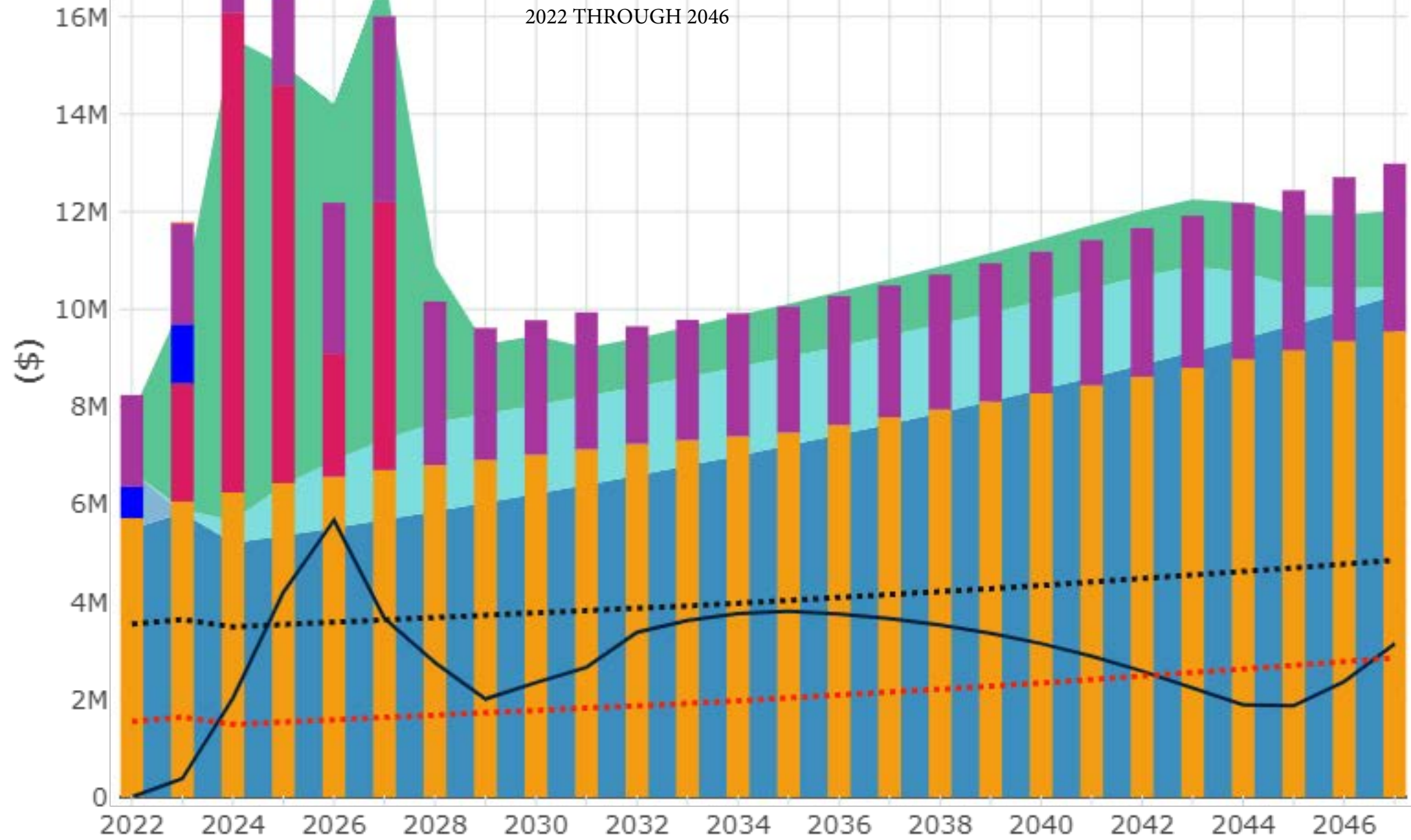
This table uses an assumption of a 6% annual increase in sewer rates for the coming fiscal year. Rounded to the nearest dollar, this amounts to a \$3.00 increase in the base rate (the first 600 cubic feet of usage), as well as a \$3.00 increase in the rate per thousand of cubic feet for each additional thousand cubic feet. Our proposed increase in sewer rates thus looks like this:

| SEWER RATES | Current | | Proposed | |
|--|-----------------------|------------------------|-----------------------|------------------------|
| | Inside City Limits | Outside City Limits | Inside City Limits | Outside City Limits |
| per first 600 cubic feet | \$ 44.00 | \$ 65.00 | \$ 47.00 | \$ 70.50 |
| per thousand for each additional thous | \$ 50.00 | \$ 75.00 | \$ 53.00 | \$ 79.50 |

For the coming year, maintenance and other charges will remain unchanged.

| Maintenance & Other | | | |
|--|---|------------------------------|-----------------|
| Tap Only | | Current | Proposed |
| | 1" | \$ 207.00 | \$ 207.00 |
| | 1 1/2" | \$ 232.00 | \$ 232.00 |
| | 2" | \$ 258.00 | \$ 258.00 |
| | 4" | \$ 267.00 | \$ 267.00 |
| | 6" | \$ 773.00 | \$ 773.00 |
| | 8" | \$ 979.00 | \$ 979.00 |
| | 10" | \$ 1,185.00 | \$ 1,185.00 |
| | 12" | \$ 1,391.00 | \$ 1,391.00 |
| Meter Changes: New meter installations of changes in meter sizes requested by customer. | | | |
| | | Cost to Install | |
| | 3/4" | \$ 412.00 | \$ 412.00 |
| | 1" | \$ 515.00 | \$ 515.00 |
| | >1" | Time and material cost basis | |
| Service Turn-Ons and Turn-Offs: | | | |
| | During scheduled work | \$ 21.00 | \$ 21.00 |
| | During non-scheduled work hours | \$ 73.00 | \$ 73.00 |
| Initial and Final Readings | | | |
| | Initial readings (without turn off and turn on) | \$ 11.00 | \$ 11.00 |
| | Final readings (without turn off and turn on) | \$ 11.00 | \$ 11.00 |
| Inspection Fee: | | | |
| | Sewer/Water cut & caps | \$ 52.00 | \$ 52.00 |
| Repeat calls for Services: | | | |
| | no show, not ready, re-freeze | \$ 52.00 | \$ 52.00 |
| Bulk Water Sales | | | |
| | Fill tankers at our shop - 1st 600 cu. Ft. | \$ 52.00 | \$ 52.00 |
| | Next 1,000 cu. Ft. | \$ 11.00 | \$ 11.00 |
| Bacteriological Testing: | | | |
| | Cost for labor, materials and equipment | \$ 16.00 | \$ 16.00 |
| Hydrant Flow Test: | | | |
| | Hydrant Flow Tes | \$ 181.00 | \$ 181.00 |

WATERWORTH CASH FLOW PROJECTION-CITY OF TRAVERSE CITY SEWER FUND
2022 THROUGH 2046



- Cash Position
- Operating Expenses
- Capital Improvements
- Developer Contributions
- Other Operating Revenue
- - - Cash Position Target
- Current Debt Service
- Capital Expansion
- Borrowed Funds
- Non-Operating Revenue
- ... Operating Threshold
- Proposed Debt Service
- Sale of Sewer Service
- Grants

WATER FUND – PLANT, STORAGE TANKS AND BOOSTER STATIONS

Mission Statement: *To provide abundant, clean, safe and aesthetically pleasing water to our customers.*

The Traverse City Water Treatment Plant provides quality drinking water to customers in Traverse City, and portions of Garfield, Peninsula and Elmwood Townships. The water plant currently has a rated capacity of 18 million gallons a day.

The Water Treatment Plant (WTP) produces and supplies approximately 2 billion gallons of drinking water annually. Plant personnel operate a state certified laboratory to monitor water quality and provide bacteriological testing for surrounding municipalities and construction contractors. The water treatment plant laboratory performs daily tests for pH, hardness, calcium hardness, alkalinity, chloride, sulfates, chlorine, fluoride, iron, turbidity, conductivity and suspended solids. Operators are required to be licensed by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) through examination and to maintain certification through continuing education.

The Water Plant is staffed by:

- 1 Superintendent
- 1 Chief Operator
- 4 Water Plant Operators/maintenance



SUMMARY OF SIGNIFICANT BUDGET CHANGES – OPERATING REVENUES

Rate Increase – The City Treasurer is not recommending a rate increase for the current year.

GOALS – PLANT, STORAGE TANKS AND BOOSTER STATIONS

- Continued focus on Energy Efficiency and Capital Improvement Projects (CIP) as recommended in the 2021 Water System Reliability Study and the Project Plan for Drinking Water State Revolving Fund (DWSRF) including construction of new East-West 24-inch water transmission mains (phased plan), WTP upgrades including electrical switch gear replacement for High and Low Service pumps, valve replacements for High Service pumps, bulk chemical storage improvements, rehabilitation of various pumps including installing Variable Frequency Drives (VFD's) and upgrading the Wayne Hill Booster Station. The state of Michigan DWSRF program offers low interest loan financing up to 30-year terms through the sale of bonds.

PERFORMANCE MEASUREMENTS – PLANT, STORAGE TANKS AND BOOSTER STATIONS

| | Performance Indicators | 2018 | 2019 | 2020 | 2021 |
|-------------------|---|-----------|-----------|-----------|-----------|
| Output | Million gallons of water pumped | 1,895.61 | 1,975.10 | 1,774.36 | 1,959.56 |
| | Chemical costs | \$58,022 | \$59,924 | \$48,148 | \$52,851 |
| | Electrical demand - kWh (kiloWatt-hours) | 2,415,497 | 2,417,442 | 2,112,626 | 1,820,849 |
| Efficiency | Chemical cost per million gallons water pumped | \$30.61 | \$30.34 | \$27.14 | \$26.97 |
| | Gallons / kWh | 784.77 | 817.02 | 839.88 | 1076.18 |

SUMMARY OF SIGNIFICANT BUDGET CHANGES – PLANT, STORAGE TANKS AND BOOSTER STATIONS

No significant changes compared to previous year's budget line items..

WATER FUND – DISTRIBUTION

Mission Statement: *To distribute abundant, clean and safe potable water to our customers and provide adequate fire protection for the City of Traverse City.*

Responsibilities include:

- Maintaining, repairing and flushing 118 miles of water main.
- Maintaining, repairing and exercising 1,788 main line water valves.
- Installing and maintaining 7,510 water services/meters.
- Flushing, repairing and draining 1002 fire hydrants.
- Tapping water mains for new service leads as required.
- Administering the Cross Connection Inspection Program.
- Locating all water, sanitary and storm lines for MISS DIG.
- Assisting all DPS Divisions with confined space entries.



The Division's staff includes:

- 1 Superintendent
- 1 Chief Water/Sewer Maintenance Operator
- 1 Office Coordinator
- 7 Utility Systems Specialists
- 1 Utility Systems Apprentice

GOALS - DISTRIBUTION

1. Install AMI metering system to improve water billing accuracy.
2. Exercise 20% of water system valves.
3. Work with GIS department to improve utility locations and locating abilities.

PERFORMANCE MEASUREMENTS - DISTRIBUTION

| Efficiency/Output | Performance Indicators | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 to Date |
|-------------------|-----------------------------|---------|---------|---------|---------|---------|-----------------|
| | WATER SYSTEM VALVES TURNED | 350 | 133 | 253 | 150 | 175 | 130 |
| | FIRE HYDRANTS WINTERIZED | 985 | 989 | 989 | 998 | 1002 | 1002 |
| | WATER RELATED SERVICE CALLS | 854 | 865 | 907 | 889 | 896 | 915 |

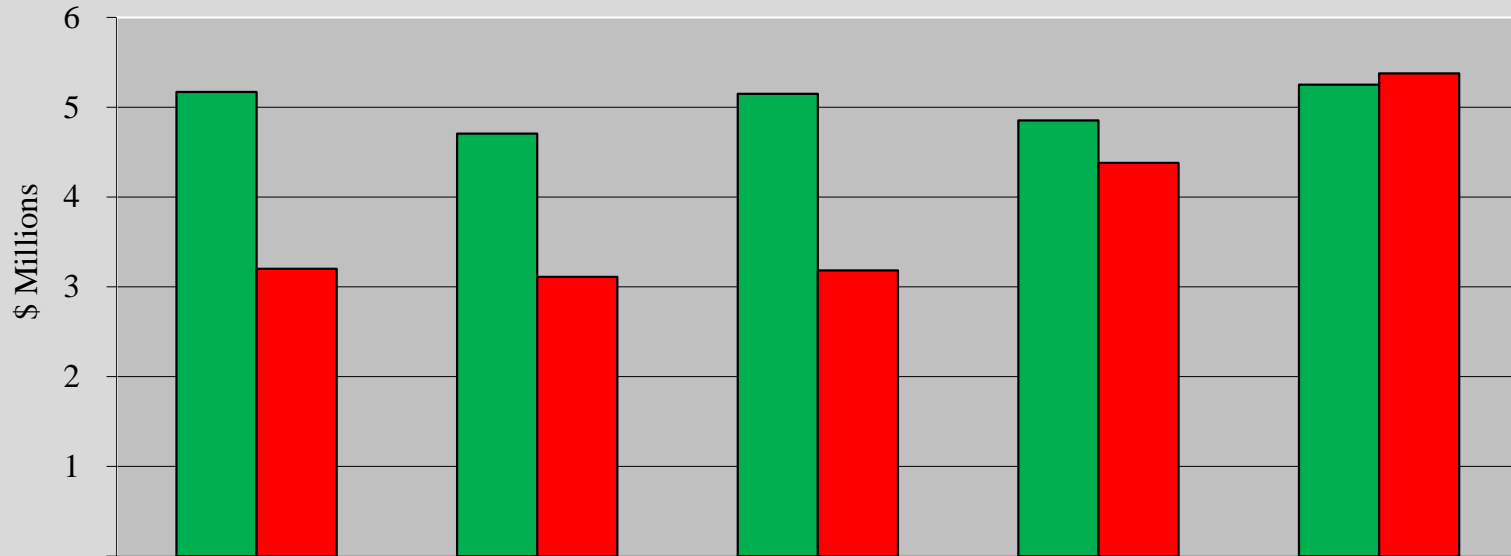
SUMMARY OF SIGNIFICANT BUDGET CHANGES – DISTRIBUTION

Repair and Maintenance – No significant changes in the operations budget.

GOALS - ADMINISTRATIVE AND GENERAL

1. Continue working with the Water Committee exploring and brainstorming on improving efficiencies in the water system, including the reduction of the annual amount of water loss.
2. Continued enforcement of residential & commercial cross connection inspections and illicit sump pump discharge connections.
3. Continued deployment of the AMI meter reading system using our own work force as well as a contractor.

City of Traverse City, Michigan
 Water Fund Revenues and Expenditures
 For the Fiscal Years 2018-19 through 2022-23



| | 2018-19 Actual | 2019-20 Actual | 2021-21 Actual | 2021-22 Projected | 2022-23 Requested |
|------------|----------------|----------------|----------------|-------------------|-------------------|
| ■ Revenue | \$5,168,692 | \$4,706,934 | \$5,150,200 | \$4,851,900 | \$5,250,300 |
| ■ Expenses | \$3,200,832 | \$3,109,099 | \$3,182,700 | \$4,378,300 | \$5,376,500 |

City of Traverse City, Michigan
ENTERPRISE FUND
WATER FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|--------------------|-----------------------|-----------------------|
| OPERATING REVENUES | | | | |
| State Grant | \$ - | \$ - | \$ - | \$ 282,900 |
| Water Sales | 3,772,600 | 4,081,600 | 3,603,900 | 3,628,400 |
| Water Hydrant Fees | 2,600 | 2,500 | 3,200 | 3,300 |
| Public Authority | 1,291,200 | 1,053,700 | 1,118,100 | 1,174,100 |
| Merchandise and Jobbing | 14,600 | 17,000 | 10,000 | 10,000 |
| Taps, Meters and Pits | 12,800 | 13,000 | 11,000 | 12,000 |
| Contributions | - | - | - | - |
| Miscellaneous | 68,700 | 75,800 | 74,500 | 69,600 |
| TOTAL OPERATING REVENUES | 5,162,500 | 5,243,600 | 4,820,700 | 5,180,300 |
| OPERATING EXPENSES | | | | |
| PLANT, STORAGE TANKS AND BOOSTER STATIONS | | | | |
| Salaries and Wages | 433,500 | 448,200 | 432,100 | 479,700 |
| Fringe Benefits | 228,400 | 321,300 | 318,500 | 357,300 |
| Office/Operation Supplies | 87,500 | 108,900 | 94,100 | 106,300 |
| Professional Services | 117,100 | 1,816,100 | 126,500 | 262,900 |
| Communications | 17,000 | 15,500 | 15,500 | 12,700 |
| Transportation | 300 | 2,000 | 1,000 | 2,000 |
| Professional Development | 33,900 | 27,500 | 15,000 | 10,000 |
| Insurance and Bonds | 46,500 | 46,000 | 51,000 | 53,700 |
| Utilities | 292,300 | 280,000 | 313,400 | 336,100 |
| Repairs and Maintenance | 100,000 | 110,000 | 85,000 | 100,000 |
| Rentals | 8,300 | 9,000 | 8,600 | 9,700 |
| Total Plant, Storage Tanks and Booster Stations | 1,364,800 | 3,184,500 | 1,460,700 | 1,730,400 |
| DISTRIBUTION | | | | |
| Salaries and Wages | 277,500 | 263,900 | 328,600 | 336,000 |
| Fringe Benefits | 190,500 | 205,100 | 206,200 | 229,000 |
| Office/Operation Supplies | 59,600 | 75,000 | 75,000 | 125,000 |
| Communications | 1,800 | 2,000 | 1,700 | 2,000 |
| Professional Services | 193,700 | 2,581,400 | 1,178,700 | 1,735,400 |
| Transportation | 5,300 | 6,000 | - | 8,000 |
| Professional Development | 600 | 6,500 | 6,500 | 6,500 |
| Insurance and Bonds | 1,300 | - | - | 1,300 |
| Utilities | 11,700 | 15,000 | 12,000 | 20,000 |
| Repairs and Maintenance | 2,200 | 20,000 | 5,000 | 20,000 |
| Rentals | 98,500 | 93,900 | 119,000 | 108,200 |
| Total Distribution | 842,700 | 3,268,800 | 1,932,700 | 2,591,400 |

City of Traverse City, Michigan
ENTERPRISE FUND
WATER FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|----------------------|----------------------|-----------------------|-----------------------|
| ADMINISTRATIVE AND GENERAL | | | | |
| Salaries and Wages | 93,300 | 86,500 | 88,500 | 88,500 |
| Fringe Benefits | 50,600 | 53,600 | 42,500 | 45,000 |
| Office Supplies | 16,600 | 17,100 | 11,500 | 12,000 |
| Communications | 23,400 | 23,100 | 23,000 | 24,000 |
| Professional Services | 48,300 | 40,000 | 47,500 | 35,000 |
| Professional Development | - | 2,800 | 2,000 | 2,800 |
| Printing and Publishing | 1,000 | 3,000 | 1,000 | 1,000 |
| Rentals | 6,200 | 10,000 | - | - |
| Collection Costs | (1,000) | 3,000 | 1,200 | 1,200 |
| Transportation | 800 | 2,500 | 200 | 200 |
| Miscellaneous | 500 | 3,600 | 200 | 400 |
| Depreciation Expense | 474,700 | 475,000 | 524,700 | 574,700 |
| Total Administrative and General | 714,400 | 720,200 | 742,300 | 784,800 |
| TOTAL OPERATING EXPENSES | 2,921,900 | 7,173,500 | 4,135,700 | 5,106,600 |
| OPERATING INCOME | 2,240,600 | (1,929,900) | 685,000 | 73,700 |
| NON OPERATING REVENUES (EXPENSES) | | | | |
| Reimbursements | 6,000 | 7,700 | 1,200 | 40,000 |
| Interest Revenue | (18,300) | 1,800 | 30,000 | 30,000 |
| Interest/Finance Charges | - | - | - | (19,900) |
| Total Non-Operating Revenues (Expenses) | (12,300) | 9,500 | 31,200 | 50,100 |
| Income Before Transfers | 2,228,300 | (1,920,400) | 716,200 | 123,800 |
| Transfers out - City Fee | (260,800) | (245,500) | (242,600) | (250,000) |
| CHANGE IN NET POSITION | 1,967,500 | (2,165,900) | 473,600 | (126,200) |
| Net position, beginning of year | 16,139,279 | 18,106,779 | 18,106,779 | 18,580,379 |
| Net position, end of year ** | \$ 18,106,779 | \$ 15,940,879 | \$ 18,580,379 | \$ 18,454,179 |

** Ending net position represents the difference between total assets (including long-term fixed assets) and total liabilities the cash balance and short term investment balance at 6/30/21 was \$ 3,507,873.

Note: For Budgeting purposes certain items that may be classified as capital assets for Audited Financial Statement purposes are reported as professional services. Adjustments will be made at year end based on the City's capitalization policy.

Note: For the fiscal year end 6/30/2023 State Revolving Loan Fund proceeds of \$660,100 are projected to be used to purchase capital assets, these amounts are not reflected in the budgeted figures.

The cost of providing water services is accounted for in this fund. Revenues are primarily from charges to customers for water usage. Revenues from water sales are used to pay for some improvements with direct contributions to capital required from customers in the form of hookup fees. The water revenues are also used to pay principal and interest on the revenue bonds used to finance improvements when debt is issued. Currently, the water fund has no outstanding debt.

City of Traverse City
Memorandum



To: Martin A. Colburn, City Manager
 From: James A. Henderson, City Treasurer/Finance Director
 Re: Water Rate Analysis
 Date: May 1, 2022

For the upcoming fiscal year we have utilized our recently purchased Waterworth program to analyze our Water Fund financial forecast. Based on the results of this analysis I am recommending no increase in our water rates for the coming fiscal year, apart from some changes to the rates charged to customers outside the City limits which need to be corrected.

Last year the City increased its water rates effective July 1, 2021 to \$16 (for the average household) for the first 600 cubic feet and \$20 per thousand for each additional thousand cubic feet. This followed on 2020, where there was no rate increase due to uncertainties surrounding the COVID-19 pandemic.

The Water Fund is in a much more healthy financial position than the Sewer Fund, with approximately \$4 million of cash and investments on hand currently. According to our projections, our future debt service and operational needs can be adequately met without a rate increase in the next fiscal year, and with modest increases in following years. The table below therefore changes very little from last year, apart from the correction of rates outside the City limits.

| WATER RATES | Current | | Proposed | |
|--------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|------------------------------------|
| | Inside City Limits | Outside City Limits | Inside City Limits | Outside City Limits |
| First 600 Cu. Ft or less | | | | |
| 5/8 Inch or 3/4 inch (Avg Residence) | \$ 16.00 | \$ 23.00 | \$ 16.00 | \$ 24.00 |
| 1 Inch | \$ 31.00 | \$ 47.00 | \$ 31.00 | \$ 46.50 |
| 1 1/4 Inch | \$ 47.00 | \$ 70.00 | \$ 47.00 | \$ 70.50 |
| 1 1/2 Inch | \$ 62.00 | \$ 93.00 | \$ 62.00 | \$ 93.00 |
| 2 Inch | \$ 93.00 | \$ 139.00 | \$ 93.00 | \$ 139.50 |
| 3 Inch | \$ 124.00 | \$ 186.00 | \$ 124.00 | \$ 186.00 |
| 4 Inch | \$ 186.00 | \$ 279.00 | \$ 186.00 | \$ 279.00 |
| 6-12 Inch | \$ 309.00 | \$ 464.00 | \$ 309.00 | \$ 463.50 |
| Next 3,400 Cu. ft./1,000 Cu. ft. | \$ 20.00 | \$ 29.00 | \$ 20.00 | \$ 30.00 |
| Next 16,000 Cu. ft./1,000 Cu. ft. | \$ 20.00 | \$ 40.00 | \$ 20.00 | \$ 30.00 |
| All over 20,000 Cu. ft. | \$ 20.00 | \$ 40.00 | \$ 20.00 | \$ 30.00 |

DUNCAN L. CLINCH MARINA FUND

Mission Statement: *To create a quality boating experience for the benefit and enjoyment of the public. Commitment to consistently provide excellent customer service, ensure a clean and safe environment and strive to exceed customer needs and expectations.*

Clinch Marina provides facilities for the boating public. There are 71 slips for seasonal boaters and 48 for transient boaters. There is also nearly 1,200 feet of broadside dockage that can accommodate up to 30 boats of different sizes, to include boats up to 150 feet. Gasoline, diesel fuel and pump-out facilities are available for boaters. Clinch Marina also operates a boat launch that provides access to West Bay.



The marina is staffed by:

- 1 - Seasonal Dockmaster
- 1 - Seasonal Assistant Dockmaster
- 8 - Seasonal Dock Attendants
- 3 - Seasonal Night Security Staff
- 2 - Seasonal Maintenance Staff

GOALS

1. Increase marina revenue by adjusting to fluctuations in occupancy.
2. Provide a clean and safe environment by consistently providing excellent service and facility maintenance.

PERFORMANCE MEASUREMENTS

| | Performance Indicators | 2020/21 | 2021/22 *to date |
|---------------|---|--------------------------------|------------------|
| Output | Transient boat days | 6904 | 5472 |
| | Seasonal boat days | 11,218 | 7881 |
| | Gasoline gross sales | \$264,240.36 | \$238,285.07 |
| | Diesel gross sales | \$127,737.32 | \$126,962.77 |
| | Efficiency | Actual percentage of occupancy | 91.04% |
| | Net sales (gross sales less cost of goods sold) | \$74,470.17 | \$75,045.63 |

City of Traverse City, Michigan
 Duncan L. Clinch Marina Fund Revenues and Expenditures
 For the Fiscal Years 2018-19 through 2022-23



| | 2018-19 Actual | 2019-20 Actual | 2020-21 Actual | 2021-22 Projected | 2022-23 Requested |
|----------|----------------|----------------|----------------|-------------------|-------------------|
| Revenue | \$603,438 | \$630,581 | \$723,800 | \$785,300 | \$789,200 |
| Expenses | \$644,348 | \$650,648 | \$547,900 | \$493,900 | \$880,500 |

City of Traverse City, Michigan
ENTERPRISE FUND
DUNCAN L. CLINCH MARINA FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|--|---------------------|---------------------|-----------------------|-----------------------|
| OPERATING REVENUES | | | | |
| Launch Permits | \$ 2,300 | \$ 4,000 | \$ 800 | \$ 800 |
| Boat Wells | 464,800 | 430,000 | 467,100 | 469,000 |
| Computerized Reservations | 171,900 | 125,000 | 200,000 | 200,000 |
| Gasoline and Oil (Net of Cost) | 61,000 | 60,000 | 88,000 | 90,000 |
| Miscellaneous Revenues | 23,800 | 25,000 | 29,400 | 29,400 |
| TOTAL OPERATING REVENUES | 723,800 | 644,000 | 785,300 | 789,200 |
| OPERATING EXPENSES | | | | |
| Salaries and Wages | 95,200 | 145,500 | 150,000 | 179,800 |
| Fringe Benefits | 9,500 | 17,900 | 17,700 | 20,400 |
| Office/Operation Supplies | 7,900 | 16,000 | 6,800 | 11,100 |
| Professional Services | 179,100 | 97,000 | 70,000 | 142,400 |
| Communications | 13,200 | 14,000 | 12,500 | 14,000 |
| Transportation | 100 | 500 | - | 800 |
| Professional Development | 1,000 | 1,000 | - | 1,000 |
| Printing & Publishing | 1,900 | 800 | 2,400 | 2,500 |
| Insurance & Bonds | 5,000 | 5,000 | 5,000 | 5,200 |
| Utilities | 42,300 | 42,000 | 42,000 | 44,000 |
| Repairs and Maintenance | 14,800 | 50,000 | 8,000 | 282,000 |
| Rentals | 6,700 | 5,000 | 8,000 | 3,300 |
| Depreciation Expense | 109,200 | 109,000 | 109,200 | 109,200 |
| TOTAL OPERATING EXPENSES | 485,900 | 503,700 | 431,600 | 815,700 |
| OPERATING INCOME (LOSS) | 237,900 | 140,300 | 353,700 | (26,500) |
| NON OPERATING REVENUES (EXPENSES) | | | | |
| Interest Revenue | - | - | - | - |
| Interest Expense | (25,800) | (20,000) | (23,100) | (20,300) |
| Total Non-Operating Revenues (Expenses) | (25,800) | (20,000) | (23,100) | (20,300) |
| Income Before Transfers | 212,100 | 120,300 | 330,600 | (46,800) |
| OPERATING TRANSFERS IN (OUT) | | | | |
| Transfers In | - | - | - | - |
| Transfers Out - City Fee | (36,200) | (32,000) | (39,200) | (44,500) |
| TOTAL OPERATING TRANSFERS | (36,200) | (32,000) | (39,200) | (44,500) |
| CHANGE IN NET POSITION | 175,900 | 88,300 | 291,400 | (91,300) |
| Net position, beginning of year | 8,496,100 | 8,672,000 | 8,672,000 | 8,963,400 |
| Net position, end of year ** | \$ 8,672,000 | \$ 8,760,300 | \$ 8,963,400 | \$ 8,872,100 |

** Ending net position represents the difference between total assets (including long-term fixed assets) and total liabilities the cash balance at 6/30/19 was \$ 417,298

HICKORY HILLS

Hickory Hills has continued to operate following the guidance as directed by the 2017 Business Plan and the 2014 Master Plan. The expansion of the new maintenance building, ski lodge, skiable terrain on site and parking lot has continued to be welcomed by our patrons. The café operations will be managed by Youth Work of Child and Family Services. The major projects for the upcoming year include erosion control, expansion of the Disc Golf Course, design/install wayfinding signage through the Hills and Meadows property, expansion of lighting and snowmaking capacity for the “Lighted Loop” for Nordic skiing.



A committee has been formed to design mountain bike trails throughout Hickory Hills per the Master Plan. The committee plans to move forward with design completion, public outreach, fundraising with the engagement of the Parks and Recreation Commission.

Hickory Hills will continue to optimize and expand the point of sale system (Square) to track metrics for reporting, analyze user data and communicate with the public via emails and marketing campaigns.

Recreation components include:

- 15 downhill runs and 6 kilometers of cross country ski trails.
- Partnerships with the Grand Traverse Ski Club and the Ski Sparks Program through Traverse City Area Public Schools.
- Partnership with the Garfield Township Recreational Authority to groom Hickory Meadows’ Nordic trails

Hickory Hills Stats for the 2021–2022 season:

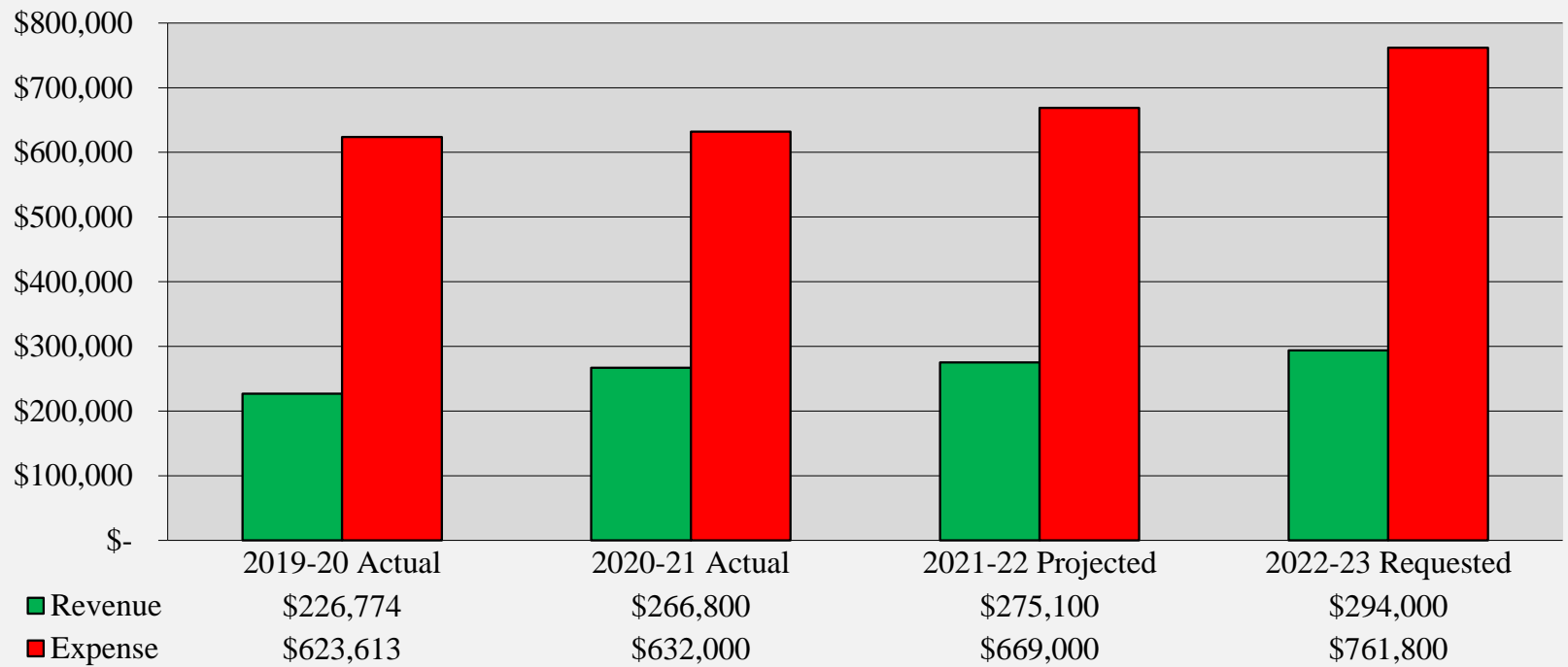
- Attendance exceeded 18,000 visits for the 2021-2022 season
- 328 Alpine City Resident Season Passes
- 251 Alpine Non City Resident Season Passes
- 110 Nordic City Resident Season Passes
- 53 Nordic Non City Resident Season Passes
- 2,507 Alpine Daily Passes
- 105 Nordic Daily Passes
- 1,900 Equipment Rentals
- 12,786 “Slope Snack” Café Transactions

Maintenance and Lodge Operations On-going:

- Construction phase for the Michigan DNR Trust Fund Grant; 3 new snow making guns and additional lighting for Nordic loop
- Replace snowboard rental equipment
- Increase marketing and awareness for merchandise resales
- Replace 1 Tow Shack
- 18 new Disc Golf Baskets to complete the expanded course
- Design and installation of wayfinding, trail kiosks throughout Hickory Hills, Hickory Meadows and Hickory Forest in partnership with Garfield Township Recreational Authority

Hickory Hills Staffing: 1 full time manager, 2 full time seasonal groomers, and ~15 seasonal snow making, tow rope, office and equipment rental staff. Hickory Hills will continue our partnership with Youth Works of Child and Family Services to staff the concession operations, tow rope and equipment rental workers.

City of Traverse City, Michigan
 Hickory Hills Fund Operating Revenues and Expenditures
 For the Fiscal Years 2018-19 through 2022-23



City of Traverse City, Michigan
ENTERPRISE FUND
HICKORY HILLS
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|---|---------------------|---------------------|-----------------------|-----------------------|
| OPERATING REVENUES | | | | |
| Food Concessions | \$ 4,700 | \$ 40,000 | \$ 29,500 | \$ 30,000 |
| Ski Passes | 217,200 | 225,000 | 209,200 | 215,000 |
| Rents and Royalties | 21,400 | 22,000 | 36,000 | 49,000 |
| Miscellaneous Revenues | 23,500 | - | 400 | - |
| TOTAL OPERATING REVENUES | 266,800 | 287,000 | 275,100 | 294,000 |
| OPERATING EXPENSES | | | | |
| Salaries and Wages | 142,900 | 194,000 | 191,300 | 220,600 |
| Fringe Benefits | 8,600 | 23,200 | 13,500 | 19,600 |
| Office/Operation Supplies | 50,300 | 49,500 | 84,800 | 72,000 |
| Professional Services | 66,500 | 91,500 | 50,000 | 85,000 |
| Communications | 3,500 | 4,000 | 7,100 | 7,000 |
| Transportation | 2,200 | 4,000 | 2,100 | 4,500 |
| Professional Development | - | 2,000 | 3,200 | 3,000 |
| Printing & Publishing | 4,600 | 4,200 | 1,400 | 2,500 |
| Insurance & Bonds | 6,100 | 5,000 | 5,600 | 5,600 |
| Utilities | 46,500 | 45,000 | 50,000 | 50,000 |
| Repairs and Maintenance | 34,100 | 18,000 | 25,000 | 40,000 |
| Rentals | 134,400 | 103,200 | 103,000 | 120,000 |
| Depreciation Expense | 132,300 | 114,300 | 132,000 | 132,000 |
| TOTAL OPERATING EXPENSES | 632,000 | 657,900 | 669,000 | 761,800 |
| OPERATING INCOME (LOSS) | (365,200) | (370,900) | (393,900) | (467,800) |
| OPERATING TRANSFER IN - General Fund | 333,500 | 370,900 | 365,200 | 326,300 |
| CHANGE IN NET POSITION | (31,700) | - | (28,700) | (141,500) |
| Net position, beginning of year | 5,776,800 | 5,745,100 | 5,745,100 | 5,716,400 |
| Net position, end of year | \$ 5,745,100 | \$ 5,745,100 | \$ 5,716,400 | \$ 5,574,900 |

GARAGE

Mission Statement: *To provide 24/7 availability to all City Departments/Divisions for their vehicles and equipment in the most cost effective way while considering “Green” options.*

The Garage Division consists of 1 Superintendent, 1 Chief Vehicle Technician, 1 Stores Clerk, 6 Vehicle Equipment Technicians, 1 Part-time Shop Keeper. There are 2 shifts encompassing 7am – 11pm Monday through Friday with 24/7 service for emergencies.



The Garage works with all Departments and Divisions, including Light & Power, to identify the best, most cost-effective equipment necessary to do the job(s) required. This includes writing specifications, bidding, purchasing, repairing/maintaining, and disposition of surplus vehicles and equipment. In addition, the Garage Division maintains the Department of Public Services facility located on Woodmere Avenue where we provide indoor/outdoor storage for the Streets and Parks Divisions, as well as a 24/7 fueling depot providing fuel to all City Departments.

In addition, the Garage Division operates a Central Storeroom, where automotive and maintenance items are available to all Departments. The storeroom also operates a UPS drop-off and pickup site.

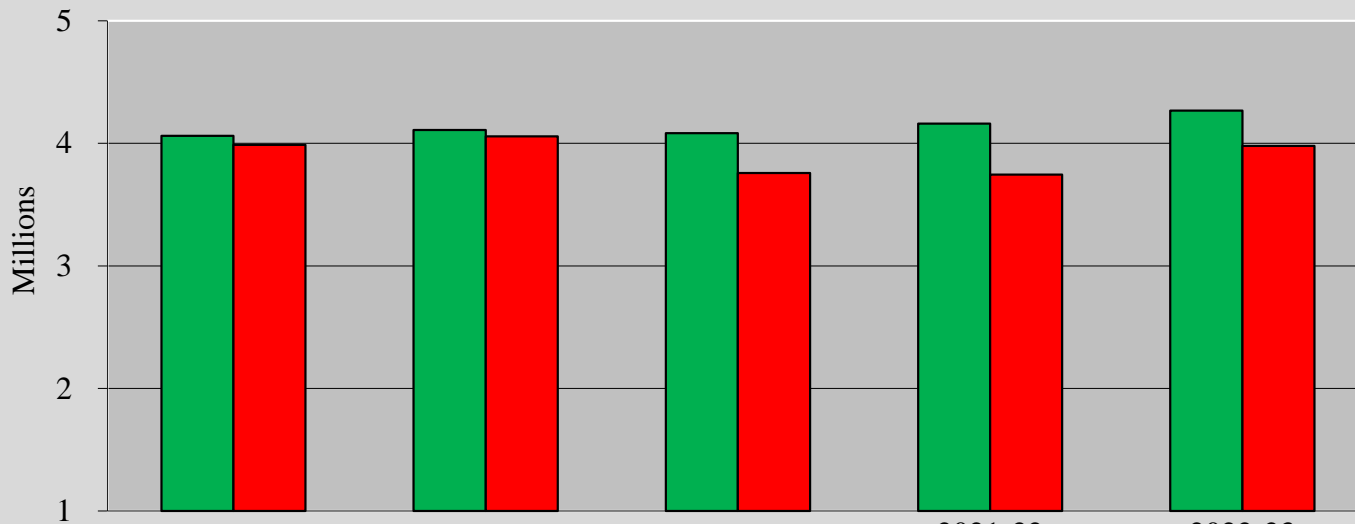
GOALS

1. Maintain with pride a clean Fleet of equipment on behalf of the City and its residents to complete the tasks required.
2. Maintain a Fleet that is always at the ready with equipment that is ready to “roll” at a moment’s notice.
3. Maintain a parts and fuel inventory to insure availability.
4. Keep apprised of “clean initiatives” and replace with the “Green” vehicles/equipment where suitable and appropriate.

STATISTICS

| STATISTICS | 2021/22 *to date |
|---|------------------|
| Vehicles (cars, pickup trucks, heavy duty snow plow trucks, etc) | 183 |
| Pieces of Equipment (snow blowers, mowers, loader attachments, etc) | 235 |
| Gallons of Diesel fuel used | 45,316.73 |
| Gallons of Unleaded fuel used | 76,771.25 |

City of Traverse City, Michigan
 Garage Fund Operating Revenues and Expenditures
 For the Fiscal Years 2018-19 through 2022-23



| | 2018-19 Actual | 2019-20 Actual | 2020-21 Actual | 2021-22 Projected | 2022-23 Requested |
|------------|----------------|----------------|----------------|-------------------|-------------------|
| ■ Revenue | \$3,560,800 | \$3,608,525 | \$3,583,100 | \$3,661,200 | \$3,767,300 |
| ■ Expenses | \$3,487,036 | \$3,556,770 | \$3,257,000 | \$3,245,300 | \$3,478,900 |

City of Traverse City, Michigan
INTERNAL SERVICE FUND
GARAGE FUND
For the Budget Year 2022-23

| | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Requested |
|-------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| OPERATING REVENUES | | | | |
| Rental-Motor Pool | \$ 3,069,400 | \$ 2,986,000 | \$ 3,027,700 | \$ 3,118,700 |
| Interdepartmental Sales | 230,300 | 310,000 | 344,300 | 354,600 |
| Rentals | 283,400 | 289,100 | 289,200 | 294,000 |
| TOTAL OPERATING REVENUES | 3,583,100 | 3,585,100 | 3,661,200 | 3,767,300 |
| OPERATING EXPENSES | | | | |
| Salaries and Wages | 604,200 | 599,300 | 573,900 | 604,700 |
| Fringe Benefits | 249,500 | 307,900 | 287,600 | 300,300 |
| Office/Operation Supplies | 442,400 | 478,700 | 365,100 | 356,700 |
| Professional Services | 209,200 | 110,000 | 170,000 | 200,000 |
| Communications | 12,200 | 14,000 | 6,000 | 8,000 |
| Transportation | 2,000 | 2,200 | 3,000 | 3,000 |
| Professional Development | 3,200 | 3,000 | 3,000 | 6,000 |
| Printing & Publishing | 100 | 400 | 100 | 200 |
| Insurance and Bonds | 95,700 | 93,000 | 100,000 | 100,000 |
| Utilities | 29,900 | 40,000 | 45,000 | 48,000 |
| Repairs and Maintenance | 62,100 | 85,000 | 80,000 | 120,000 |
| Rentals | 21,000 | 10,000 | 11,600 | 12,000 |
| Depreciation Expense | 1,525,500 | 1,712,500 | 1,600,000 | 1,720,000 |
| TOTAL OPERATING EXPENSES | 3,257,000 | 3,456,000 | 3,245,300 | 3,478,900 |
| OPERATING INCOME (LOSS) | 326,100 | 129,100 | 415,900 | 288,400 |
| NON OPERATING REVENUES | | | | |
| Interest Revenue | 400 | - | - | 400 |
| Other Revenue | 33,500 | 28,300 | 28,500 | 28,500 |
| Gain on Sale of Fixed Assets | 113,000 | 75,000 | 100,000 | 75,000 |
| TOTAL NON-OPERATING REVENUES | 146,900 | 103,300 | 128,500 | 103,900 |
| CHANGE IN NET POSITION | 473,000 | 232,400 | 544,400 | 392,300 |
| Net position, beginning of year | 9,497,763 | 9,970,763 | 9,970,763 | 10,515,163 |
| Net position, end of year | \$ 9,970,763 | \$ 10,203,163 | \$ 10,515,163 | \$ 10,907,463 |

City of Traverse City
Fiscal Year End June 30, 2023
Budgeted Capital Outlay & Equipment Related Purchases Summary by Fund

| Description | Amount |
|--|---------------------|
| Fund 101 General Operating Fund: | |
| Commission Chamber Upgrade - City Share | \$ 25,000 |
| Cemetery - Mausoleum Roof | 25,000 |
| Cemetery - Paving Main Loop In First Addition | 110,000 |
| Police - ERT Equipment (Body Armor, Night Vision) | 18,700 |
| Fire - Lift Bag System for Engine 01 | 11,500 |
| Fire - Lucas System | 18,500 |
| Fire - Rescue Jack System | 10,000 |
| Clinch Park - Concessions HVAC system | 25,000 |
| Current Year Contributions to Capital Projects Fund: | |
| West End Beach Bathhouse Local Share | 200,500 |
| Fire Department Station 1 concrete replacement | 150,000 |
| Annual Contribution to Street Reconstruction Projects | 711,500 |
| Annual Contribution for Traffic Signal Improvements/upgrades | 82,500 |
| Annual Contribution for City Wide Computer Hardware | 30,000 |
| City Share of Network Upgrade and Redesign | 27,600 |
| Total General Operating Fund | \$ 1,437,600 |
| Fund 206 Haz Mat Special Revenue Fund: | |
| Hazardous material mitigation equipment | \$ 9,700 |
| Fund 211 Tree Ordinance Special Revenue Fund: | |
| Supplemental Tree Purchase and Planting | \$ 30,000 |
| Fund 239 Brown Bridge Trust Parks Special Revenue Fund: | |
| Brown Bridge: | |
| Recreation Plan | \$ 5,000 |
| North Parking Lot Vault Toilet | 25,000 |
| Current Year Contributions to Capital Projects Fund: | |
| Boon Street Playground | 58,000 |
| West End Volleyball Court Upgrades | 40,000 |
| Ashton Park | 30,000 |
| Total Brown Bridge Trust Parks Fund | \$ 153,000 |
| Fund 243 County Wide Road Millage Special Revenue Fund: | |
| East Front St. Mill & Fill Project | \$ 150,000 |
| Pavement Preservation/Cape Seal Throughout the City | 1,500,000 |
| | \$ 1,650,000 |

City of Traverse City
Fiscal Year End June 30, 2023
Budgeted Capital Outlay & Equipment Related Purchases Summary by Fund

| Description | Amount |
|---|-----------|
| Fund 264 PEG Special Revenue Fund: | |
| Contribution to LIAA | \$ 7,500 |
| City Share of Technical Upgrades to Commission Chambers | 40,500 |
| | 48,000 |
| | \$ 48,000 |

Fund 245 Capital Projects Fund:

| | |
|---|--------------|
| Madison and Jefferson Reconstruction (estimate 50% of total costs during fiscal year 23) | \$ 438,100 |
| U.S. 31 Parkway Related Costs | 94,000 |
| Hannah Park | 59,000 |
| Hickory Hills Snowmaking Infrastructure Grant | 86,800 |
| Indian Woods Playground | 148,100 |
| City Share of Network Upgrade Project | 27,400 |
| North Cass Street Bridge City Share | 178,300 |
| Park Sign Replacement Project | 30,000 |
| South Union Street Bridge City Share | 266,700 |
| City Document Management System | 11,400 |
| Boon Street Playground | 58,000 |
| Volleyball Court Upgrade | 60,000 |
| Ashton Park | 30,000 |
| Union Street Dam Inspections | 54,700 |
| Fire Station Fire Detection and Suppression System | 131,300 |
| West End Beach Bathhouse | 401,000 |
| Fire Station 01 Concrete Replacement | 150,000 |
| Traffic Signal improvement/power backup | 22,500 |
| Traffic Signal Upgrades | 60,000 |
| Traffic Calming Projects | 25,000 |
| Computer Hardware | 30,000 |
| | 30,000 |
| | \$ 2,362,300 |

Fund 801 Special Assessments Capital Projects Fund:

| | |
|----------------------------------|-----------|
| SID 22-01 Pave Rose Street Alley | \$ 60,000 |
|----------------------------------|-----------|

Fund 585 Autoparking Enterprise Fund:

| | |
|--|------------|
| Single Space Meter or Paystation replacement | \$ 100,000 |
| single space meter expansion | 25,000 |
| Bike infrastructure | 20,000 |
| Mobility amenities | 15,000 |
| Office computer replacments | 5,000 |
| Hardy Deck Equipment | 5,000 |
| Old Town Deck Equipment | 5,000 |
| | 5,000 |
| | \$ 175,000 |

City of Traverse City
Fiscal Year End June 30, 2023
Budgeted Capital Outlay & Equipment Related Purchases Summary by Fund

| Description | Amount |
|--|--------------|
| Fund 590 Waste Water Fund: | |
| Distribution | |
| Distribution - Maintenance Building Window Replacement | \$ 60,000 |
| Distribution - 24 inch sanitary sewer wall - front street alley (State Revolving Loan Project) | 2,853,000 |
| Plant | |
| Scour Air Blower | 44,800 |
| digester 4&5 conditional assess | 190,000 |
| digester gas metering | 85,000 |
| gravity belt concentrator | 120,000 |
| boiler control upgrades | 80,000 |
| scada update | 155,000 |
| tcwwtp - plc upgrade | 450,000 |
| tcwwtp - structural condition assessment | 50,000 |
| west fine screen refurbish | 150,000 |
| | 150,000 |
| | \$ 4,213,000 |
| Fund 591 Water Fund: | |
| Distribution | |
| 12 Inch Division Street Watermain | \$ 1,000,000 |
| Galvanized Water Services Replacement (State Revolving Loan Project) | 399,000 |
| US 31 Reconstruction | 139,000 |
| Wayne Hill Booster Station (State Revolving Loan Project) | 544,000 |
| Maintenance Building Windows | 60,000 |
| Plant | |
| Security Camera System | 50,000 |
| | 50,000 |
| | \$ 2,192,000 |
| Fund 661 Garage Internal Service Fund: | |
| 2 Police Patrol Vehicles | \$ 112,000 |
| Water Plant Pickup | 60,000 |
| Water Distribution Pickup | 41,000 |
| Parks Pickup W/Vee Plow | 75,000 |
| Water Distribution Pickup w/utility box | 75,000 |
| Parks Mini-Loader | 123,000 |
| 2 TCLP 3 ton pickups | 120,000 |
| TCLP SUV | 41,000 |
| Fire Department Pickup | 41,000 |
| TCLP pickup | 41,000 |
| Water Distribution Pickup | 41,000 |
| 2 Streets Dump/Universal Body Plow Truck | 530,000 |
| Streets Hotbox | 34,500 |
| Streets snow blower | 15,300 |
| 2 Police detective bureau pickups | 102,000 |
| 2 TCLP SUV's | 102,000 |
| TLCP Pickup | 51,000 |
| | 51,000 |
| | \$ 1,604,800 |



Traverse City Light and Power (TCL&P) came into existence in 1912 with the purchase of Queen City Light and Power Company who, at the time, obtained all its power from one hydroelectric dam on the Boardman River.

From its meager beginnings TCL&P has grown to more than 12,500 utility meter accounts and now receives electric power from several different types of generation sources. In August 2018, the board embarked upon setting a goal within the strategic plan of becoming 100% renewable by or before the year 2040 with benchmarks of becoming 15% renewable by 2021 and 40% by 2025. Currently, with committed resources the utility is 43.65% renewable with dedicated sources to the City of Traverse City.

It has broadened its services to provide telecom services (lit fiber) with the new TCLP*fiber* initially launched in the downtown area (Phase 1) and central neighborhood (Phase 1.1), with expectations of it expanding to the City core (Phase 2). Not only will this asset provide telecom services to our ratepayers, but will also function as a Smart Grid for the electric utility.

TCL&P provides a customer-oriented team of employees that has a reputation for listening to customer requests and implementing those requests. System reliability is critical to the customer and TCL&P continues to invest in its system to meet that customer demand. TCL&P customer representatives are available in the field, or in person at the Governmental Center and at the Hastings Street Service Center.

The utility provides twenty-four-hour, seven day a week power outage emergency service to the city's electric and fiber customers and after-hours assistance for water and sewer emergencies. Other various customer services are available relating to the utility's energy waste reduction program.

TCL&P is locally controlled and governed through its City Commission appointed Board of Directors which meets at the Governmental Center on the second Tuesday of every month. The public is welcome at all Board Meetings and a portion of the Board agenda is scheduled for Public Comment.

TCL&P will continue to be a progressive electric utility, always keeping its customers and the citizens of Traverse City first in our efforts.



City of Traverse City, Michigan
TRAVERSE CITY LIGHT & POWER
2022-23 Budgeted Revenues and Expenses

| | FY 19/20 Actual | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Recommended |
|---|--------------------|--------------------|--------------------|-----------------------|-------------------------|
| OPERATING REVENUES | | | | | |
| Residential Sales | \$ 6,108,225 | \$ 6,280,942 | \$ 6,604,000 | \$ 6,570,000 | \$ 6,916,000 |
| Electric Vehicle Charging Station | - | - | - | 3,700 | 7,500 |
| Commercial Sales | 13,869,720 | 13,174,132 | 14,695,000 | 14,443,000 | 15,148,000 |
| Industrial Sales | 8,853,328 | 8,700,704 | 9,360,000 | 9,047,000 | 9,693,000 |
| Public Authority Sales | 294,385 | 300,625 | 361,000 | 326,000 | 308,000 |
| Voluntary Green Rate | 72,433 | 91,464 | 50,000 | 64,000 | 28,000 |
| Street Lighting Sales | 237,499 | 238,959 | 225,000 | 235,000 | 235,000 |
| Yard Light Sales | 118,156 | 112,246 | 125,000 | 110,000 | 110,000 |
| Total Utility Sales | 29,553,746 | 28,899,072 | 31,420,000 | 30,798,700 | 32,445,500 |
| Forfeited Discounts | 49,187 | 40,703 | 55,000 | 30,000 | 55,000 |
| Merchandise and Jobbing | 169,678 | 252,661 | 140,000 | 165,000 | 140,000 |
| Recovery of Bad Debts | 14 | - | - | - | - |
| Sale of Scrap | 22,950 | 23,548 | 20,000 | 20,000 | 20,000 |
| Miscellaneous Income | 94,016 | 152,868 | 37,000 | 92,000 | 37,000 |
| Refunds and Rebates | 1,362 | 9,843 | 2,500 | 2,500 | 2,500 |
| MISO Revenue | 3,067,430 | 2,987,027 | 3,100,000 | 3,080,000 | 3,400,000 |
| TOTAL OPERATING REVENUES | 32,958,383 | 32,365,722 | 34,774,500 | 34,188,200 | 36,100,000 |
| OPERATING EXPENSES | | | | | |
| PURCHASE POWER | | | | | |
| Salaries and Wages | 59,372 | 17,964 | 90,400 | 48,900 | 34,300 |
| Fringe Benefits | 45,772 | 103,431 | (26,300) | (56,300) | (80,500) |
| Operation Supplies | 147 | - | 2,500 | - | - |
| Capacity Purchases | 577,975 | 292,870 | 159,000 | 308,800 | 201,500 |
| Purchased Power - MISO Market | 759,298 | (457,153) | 1,316,000 | 1,568,200 | 1,687,000 |
| Bilateral Contracts (offsetting MISO Market) | 3,934,570 | 2,908,794 | 1,529,000 | 1,513,000 | 330,700 |
| Combustion Turbine Power Cost | 4,111,953 | 4,672,133 | 4,900,000 | 5,715,000 | 5,547,000 |
| Campbell #3 Power Cost | 3,716,160 | 3,533,250 | 3,400,000 | 3,304,800 | 2,968,600 |
| Belle River #1 Power Cost | 1,663,485 | 2,399,694 | 3,100,000 | 2,900,000 | 3,280,600 |
| Landfill Gas - NANR & Granger Project | 1,138,397 | 1,230,281 | 1,325,000 | 1,030,000 | 1,145,200 |
| Stoney Corners - Wind Energy | 3,007,159 | 2,978,543 | 3,155,000 | 2,890,900 | 3,217,800 |
| Pegasus Wind | 162,658 | 444,494 | 456,000 | 436,500 | 463,000 |
| M72 Wind Turbine | 34,367 | 18,288 | 22,000 | 14,000 | - |
| M72 Solar | 147,888 | 163,077 | 210,250 | 184,000 | 210,300 |
| M72 Solar II | 61,880 | 123,862 | 141,300 | 134,000 | 140,600 |
| Assembly Solar I | - | 482,781 | 811,000 | 827,500 | 824,000 |
| Assembly Solar II | - | - | 354,000 | 287,000 | 545,000 |
| Invenergy Calhoun | - | - | - | - | 535,000 |
| Total Purchase Power | 19,315,791 | 18,790,914 | 20,878,550 | 21,113,700 | 21,096,300 |
| Purchased Power Cost as % of Sales | 65.36% | 65.02% | 66.45% | 68.55% | 65.02% |
| Communications | 115 | 156 | 200 | 200 | 200 |
| Safety Training and Supplies | 3,751 | 3,076 | 3,600 | 3,100 | 3,600 |
| Professional and Contractual | 141,979 | 101,331 | 193,000 | 153,000 | 277,000 |
| Transportation | 1,172 | 6,155 | 4,800 | 1,700 | 4,000 |
| Professional Development | 6,920 | - | 3,000 | - | 3,000 |
| Uniforms | 3,761 | 2,861 | 4,800 | 4,800 | 4,800 |
| Vehicle Rentals | 21,791 | 7,081 | 15,200 | 12,100 | 3,000 |
| Miscellaneous | 203 | 188 | 500 | 500 | 500 |
| Total Purchase Power | 19,600,772 | 19,033,157 | 21,167,750 | 21,281,700 | 21,346,200 |
| DISTRIBUTION OPERATION & MAINTENANCE | | | | | |
| Salaries and Wages | 1,509,931 | 1,426,512 | 1,886,700 | 1,723,500 | 1,803,800 |
| Fringe Benefits | 980,449 | 928,463 | 1,194,600 | 832,800 | 728,600 |
| Office Supplies | 1,267 | 478 | 2,000 | 2,000 | 2,500 |
| Operation Supplies | 56,891 | 54,795 | 57,000 | 60,000 | 63,000 |
| Utilities | 58,453 | 51,964 | 53,000 | 59,200 | 61,000 |
| Contract Meal Allowance | 3,300 | 3,477 | 5,200 | 2,500 | 2,500 |
| Communications | 36,574 | 65,064 | 63,600 | 63,000 | 63,500 |
| Substation | 131,340 | 105,434 | 143,200 | 134,000 | 143,000 |
| Overhead Lines | 219,831 | 19,275 | 27,000 | 31,400 | 43,000 |
| Tree Trimming | - | 197,797 | 215,500 | 203,000 | 220,000 |
| Load and Dispatching | 34,290 | 32,265 | 34,500 | 34,500 | 36,000 |
| Storm Damage Contingency | 4,014 | 605 | 50,000 | 5,000 | 50,000 |
| Underground Lines | 36,299 | 25,775 | 26,600 | 36,600 | 38,000 |
| Customer Installations | 4,782 | 24,741 | - | 5,000 | 5,000 |
| Electric Meters | 11,080 | 8,194 | 13,500 | 25,000 | 30,000 |
| Street Lighting | 218,037 | 253,768 | 240,000 | 240,000 | 250,000 |

City of Traverse City, Michigan
TRAVERSE CITY LIGHT & POWER
2022-23 Budgeted Revenues and Expenses

| | FY 19/20 Actual | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Recommended |
|---|--------------------|--------------------|--------------------|-----------------------|-------------------------|
| Electric Vehicle Charging Stations | - | - | - | 3,000 | 6,000 |
| Traffic Signal Oper. & Maint. | 26,555 | - | - | - | - |
| Radio Equipment | 1,191 | 2,563 | 2,000 | 2,000 | 2,000 |
| Plant & Structures | 80,177 | 61,314 | 89,000 | 85,000 | 83,000 |
| Safety Training and Supplies | 26,803 | 27,259 | 28,600 | 30,000 | 32,000 |
| Tools | 32,078 | 18,929 | 29,000 | 20,000 | 30,000 |
| Uniforms | 20,330 | 19,504 | 21,200 | 24,400 | 24,400 |
| Professional and Contractual | 9,375 | 7,428 | 123,400 | 70,000 | 34,000 |
| Rent Expense | 1,732 | 1,764 | 2,000 | 2,000 | 2,000 |
| Professional Development | 31,110 | 9,377 | 45,300 | 30,300 | 72,000 |
| Printing and Publishing | 4,509 | 2,496 | 5,500 | 5,500 | 5,500 |
| Transportation | 25,512 | 27,763 | 29,500 | 27,500 | 35,000 |
| Vehicle Rentals | (13,320) | (98,557) | (26,000) | (45,000) | (1,400) |
| Miscellaneous | 2,423 | 4,392 | 3,500 | 5,000 | 5,000 |
| Inventory Adjustments | (24,586) | 43,080 | - | 25,000 | 10,000 |
| Total Distribution O & M | 3,530,430 | 3,325,919 | 4,365,400 | 3,742,200 | 3,879,400 |
| <u>TRANSMISSION OPERATIONS & MAINTENANCE</u> | | | | | |
| Salaries and Wages | 196,778 | 208,813 | 181,400 | 204,400 | 206,000 |
| Fringe Benefits | - | - | 2,800 | 6,500 | 3,900 |
| Substation | 65,960 | 42,799 | 69,500 | 63,000 | 55,000 |
| Overhead Lines | 18,644 | 19,509 | 27,500 | 61,500 | 63,000 |
| Load and Dispatching | 10,710 | 12,735 | 14,000 | 12,000 | 12,500 |
| MISO Transmission | 47,501 | 25,868 | 30,000 | 25,300 | 25,300 |
| Vehicle Rentals | 2,047 | 3,360 | 1,800 | 2,200 | 1,800 |
| Miscellaneous-MPPA Transmission Project | 67,708 | 254,392 | 80,000 | 95,000 | 95,000 |
| Inventory Adjustments | 15,174 | 32,514 | - | - | - |
| Total Transmission O & M | 424,523 | 599,990 | 407,000 | 469,900 | 462,500 |
| <u>METERING & CUSTOMER ACCOUNTING</u> | | | | | |
| Salaries and Wages | 249,119 | 323,415 | 344,900 | 388,200 | 290,800 |
| Fringe Benefits | 55,476 | 167,841 | 194,600 | 192,300 | 132,200 |
| Office Supplies | 6,817 | 1,561 | 2,500 | 5,000 | 5,500 |
| Operations Supplies | 162 | 183 | 500 | 500 | 500 |
| Communications | 44 | 123 | 315 | 300 | 300 |
| Contract Meal Allowance | 170 | 40 | 200 | 100 | 100 |
| Safety Training and Supplies | 1,250 | 3,002 | 3,500 | 3,000 | - |
| Uniforms | 1,808 | 2,645 | 3,200 | - | - |
| Professional and Contractual | 65,578 | 58,092 | 16,100 | 32,000 | 48,000 |
| Postage | 24,806 | 30,083 | 37,500 | 31,000 | 69,000 |
| Uncollectable Accounts | 53,391 | (3,906) | 12,500 | 10,000 | 10,000 |
| Collection Costs | 1,097 | 615 | 2,500 | 2,500 | 2,500 |
| Data Processing | 6,076 | 14,160 | 17,000 | 15,000 | 14,333 |
| AMI Fiber Connection | 46,200 | 23,414 | 24,300 | 23,100 | 24,300 |
| Transportation | 1,464 | 1,500 | 4,500 | 2,500 | 3,250 |
| Professional Development | - | - | 2,800 | 1,500 | 8,000 |
| Printing and Publishing | 128 | 911 | 2,000 | 1,000 | 2,000 |
| Vehicle Rentals | 10,807 | 12,347 | 11,000 | 14,800 | 5,000 |
| Miscellaneous | 1,471 | 959 | 1,500 | 2,000 | 31,500 |
| Total Customer Accounting | 525,866 | 636,985 | 681,415 | 724,800 | 647,283 |
| <u>CONSERVATION & PUBLIC SERVICES</u> | | | | | |
| Salaries and Wages | 91,636 | 88,550 | 101,300 | 81,600 | 90,100 |
| Fringe Benefits | 3,392 | 24,962 | 11,200 | 127,400 | 126,800 |
| Office Supplies | 5 | 181 | 500 | 500 | 500 |
| Communications | 474 | 816 | 650 | 800 | 700 |
| Professional and Contractual | 924 | 81,487 | 81,000 | 55,050 | 64,000 |
| Public Service & Communications | 28,456 | 7,764 | 16,450 | 13,500 | 17,000 |
| Community Services | 36,459 | 21,476 | 28,100 | 24,000 | 33,100 |
| Community Investment Fund | - | 23,682 | 75,000 | 40,000 | 100,000 |
| Transportation | - | - | - | 200 | 500 |
| Professional Development | 60 | 652 | 3,900 | 200 | 3,600 |
| Vehicle Rentals | 1,777 | 1,493 | 3,800 | 5,000 | 3,800 |
| Energy Waste Reduction Program | 285,109 | 211,123 | 306,800 | 306,800 | 306,800 |
| Additional Energy Waste Reduction | - | - | 82,000 | 55,000 | 82,000 |
| Voluntary Green Program | - | 33,318 | 100,000 | 93,000 | 100,000 |
| Printing and Publishing | - | 951 | 1,000 | 1,500 | 1,500 |
| Miscellaneous | 503 | 328 | 500 | 1,000 | 1,000 |

City of Traverse City, Michigan
TRAVERSE CITY LIGHT & POWER
2022-23 Budgeted Revenues and Expenses

| | FY 19/20 Actual | FY 20/21 Actual | FY 21/22 Budget | FY 21/22 Projected | FY 22/23 Recommended |
|---|--------------------|--------------------|--------------------|-----------------------|-------------------------|
| Total Conservation & Public Services | 448,796 | 496,783 | 812,200 | 805,550 | 931,400 |
| <u>INFORMATION SYSTEMS</u> | | | | | |
| Salaries and Wages | 73,940 | 120,782 | 127,900 | 134,700 | 141,000 |
| Fringe Benefits | 12,135 | 48,785 | 41,300 | 86,700 | 72,900 |
| Office Supplies | 755 | 104 | 1,000 | 1,000 | 1,000 |
| Operation Supplies | 2,549 | 4,036 | 4,500 | 4,500 | 5,000 |
| Communications | 4,702 | 7,430 | 7,900 | 7,100 | 7,400 |
| Software | 113,262 | 68,912 | 198,000 | 168,000 | 243,600 |
| Hardware | 504 | 7,981 | 20,000 | 20,000 | 35,000 |
| Uniforms | 543 | 43 | 1,000 | 1,000 | 1,000 |
| Professional and Contractual | 17,093 | 7,561 | 35,000 | 5,000 | 35,000 |
| Professional Development | 299 | 3,059 | 3,000 | 1,000 | 5,000 |
| Printing and Publishing | 143 | 106 | 250 | 250 | 250 |
| Miscellaneous | 322 | - | 500 | 500 | 500 |
| Total Information Systems | 226,246 | 268,799 | 440,350 | 429,750 | 547,650 |
| <u>ADMINISTRATIVE AND GENERAL</u> | | | | | |
| Salaries and Wages | 380,661 | 381,801 | 401,700 | 346,900 | 574,600 |
| Fringe Benefits | 219,131 | 248,763 | 262,000 | 112,300 | 151,800 |
| Office Supplies | 4,249 | 3,939 | 4,500 | 4,400 | 4,500 |
| Communications | 3,624 | 4,444 | 4,600 | 4,700 | 4,900 |
| Fees and Per Diem | 59,145 | 65,687 | 67,500 | 67,000 | 70,000 |
| Board Related Expenses | 2,451 | 199 | 5,000 | 2,500 | 5,000 |
| Professional & Contractual | 51,729 | 98,273 | 90,400 | 161,000 | 157,700 |
| Legal Services | 56,436 | 43,793 | 55,000 | 45,000 | 55,000 |
| Employee Recognition | 6,322 | 2,426 | 6,900 | 3,000 | 7,000 |
| Transportation | - | - | 500 | 1,500 | 2,500 |
| Professional Development | 7,578 | 3,548 | 19,200 | 27,500 | 20,000 |
| Printing & Publishing | 4,696 | 3,379 | 6,000 | 5,000 | 5,500 |
| Miscellaneous | 1,927 | 431 | 3,000 | 2,500 | 3,000 |
| Insurance and Bonds | 70,713 | 74,571 | 85,000 | 90,000 | 95,000 |
| City Fee | 1,656,483 | 1,614,472 | 1,748,000 | 1,720,000 | 1,815,000 |
| Depreciation Expense | 3,018,147 | 3,139,265 | 3,165,000 | 3,260,383 | 3,381,501 |
| Total Administrative and General | 5,543,292 | 5,684,991 | 5,924,300 | 5,853,683 | 6,353,001 |
| Total Operating Expenses | 30,299,925 | 30,046,624 | 33,798,415 | 33,307,583 | 34,167,434 |
| Operating Income | 2,658,458 | 2,319,098 | 976,085 | 880,617 | 1,932,566 |
| <u>NON OPERATING REVENUES/(EXPENSES)</u> | | | | | |
| State grant | - | 17,710 | - | 154,000 | - |
| Rents and Royalties | 57,232 | 58,288 | 51,600 | 51,600 | 54,500 |
| Pole Rentals | 57,609 | 85,084 | 65,000 | 66,700 | 66,700 |
| Reimbursements | 226,005 | 221,276 | 42,000 | 172,500 | 88,900 |
| Interest & Dividend Earnings | 296,442 | (103,841) | 90,000 | 110,000 | 110,000 |
| Gain/(Loss) on Sale of Fixed Assets | (113,413) | (150,267) | - | (75,000) | (75,000) |
| Total Non Operating Revenue/(Expenses) | 523,875 | 128,250 | 248,600 | 479,800 | 245,100 |
| Income before special items | 3,182,333 | 2,447,348 | 1,224,685 | 1,360,417 | 2,177,666 |
| <u>SPECIAL ITEM</u> | | | | | |
| Change in Net Position before Transfers | 3,182,333 | 3,806,252 | 1,224,685 | 1,360,417 | 2,177,666 |
| <u>OTHER FINANCING SOURCES</u> | | | | | |
| Operating Transfers In | 200,000 | - | - | - | - |
| Change in Net Position | \$ 3,382,333 | \$ 3,806,252 | \$ 1,224,685 | \$ 1,360,417 | \$ 2,177,666 |

Traverse City Light & Power
Fiber Optics Fund
2022-23 Budgeted Revenues and Expenses

| | FY 19/20 Actual | FY 20/21 Actual | FY 21/22 Budgeted | FY 21/22 Projected | FY 22/23 Recommended |
|---|--------------------|--------------------|----------------------|-----------------------|-------------------------|
| OPERATING REVENUES | | | | | |
| Dark Fiber System | | | | | |
| Charges for services | \$ 403,998 | \$ 405,258 | \$ 421,180 | \$ 405,400 | \$ 405,400 |
| Merchandising and Jobbing | - | 28,963 | - | - | - |
| Lit Fiber System | | | | | |
| Residential | - | 105,435 | 519,300 | 383,000 | 516,000 |
| Commercial | - | 26,392 | 270,400 | 105,000 | 137,000 |
| VoIP | - | 4,025 | 19,000 | 18,600 | 26,000 |
| Forfeited Discounts | - | 833 | - | 2,000 | 2,800 |
| Miscellaneous Revenues | - | - | 50,000 | 50,000 | - |
| Subtotal Lit Fiber System | - | 136,685 | 858,700 | 558,600 | 681,800 |
| WIFI Operations and Maintenance | | | | | |
| Charges for Services | 42,600 | 42,600 | 42,600 | 42,600 | 42,600 |
| Total Operating Revenues | 446,598 | 613,506 | 1,322,480 | 1,006,600 | 1,129,800 |
| OPERATING EXPENSES | | | | | |
| Dark and Lit Fiber System | | | | | |
| Salaries and wages | 42,596 | 48,619 | 114,200 | 145,000 | 227,400 |
| Fringe benefits | 37,659 | 20,827 | 102,800 | 77,600 | 139,200 |
| Operation Supplies | 621 | 1,435 | 2,500 | 1,600 | 2,100 |
| Communications | - | 324 | 1,300 | 700 | 2,000 |
| Hardware and software | 290 | 73 | - | 100 | 100 |
| Meal payments | - | - | - | 240 | 240 |
| Professional services | - | 547,390 | 522,000 | 440,000 | 405,000 |
| Legal services | 33,371 | 3,944 | 10,000 | 5,000 | 5,000 |
| Professional development | 60 | - | 5,000 | 5,000 | 10,000 |
| Repair and maintenance | 6,895 | - | 5,000 | 5,000 | 5,000 |
| Uniforms | - | - | - | 1,700 | 3,800 |
| Vehicle rental | 2,508 | 251 | 11,000 | 2,000 | 18,010 |
| Building rental costs | - | - | 21,000 | 21,000 | 21,800 |
| Pole attachment fees | 9,994 | 15,525 | 15,500 | 15,500 | 15,500 |
| Miscellaneous | 1,460 | 6,780 | 25,000 | 1,000 | 1,000 |
| Subtotal Dark and Lit Fiber System | 135,454 | 645,168 | 835,300 | 721,440 | 856,150 |
| WIFI Operations and Maintenance | | | | | |
| Salaries and fringe benefits | 6,135 | 3,000 | 6,100 | 2,800 | 2,900 |
| WIFI operations and maintenance | 19,355 | 30,237 | 30,200 | 34,700 | 34,700 |
| Subtotal WIFI Operations and Maintenance | 25,490 | 33,237 | 36,300 | 37,500 | 37,600 |
| Customer Accounting | | | | | |
| Salaries and Wages | - | - | - | - | 8,100 |
| Fringe benefits | - | - | - | - | 3,700 |
| Operation supplies | - | - | - | - | 4,000 |
| Professional services | - | - | - | - | 15,000 |
| Uncollectable accounts | - | - | - | 1,000 | 5,000 |
| Miscellaneous (bank fees and credit card fees) | - | - | - | 18,000 | 22,500 |
| Subtotal Customer Accounting | - | - | - | 19,000 | 58,300 |

**Traverse City Light & Power
Fiber Optics Fund
2022-23 Budgeted Revenues and Expenses**

| | FY 19/20 Actual | FY 20/21 Actual | FY 21/22 Budgeted | FY 21/22 Projected | FY 22/23 Recommended |
|---|--------------------|---------------------|----------------------|-----------------------|-------------------------|
| Other Expenses | | | | | |
| Insurance | 763 | 1,822 | 6,000 | 2,000 | 5,000 |
| City fee | 22,136 | 30,675 | 66,000 | 50,000 | 56,000 |
| Depreciation expense | 147,093 | 232,101 | 400,000 | 340,000 | 350,000 |
| Subtotal Other Expenses | 169,992 | 264,598 | 472,000 | 392,000 | 411,000 |
| Total operating expenses | 330,936 | 943,003 | 1,343,600 | 1,169,940 | 1,363,050 |
| Operating income (loss) | 115,662 | (329,497) | (21,120) | (163,340) | (233,250) |
| <u>Non-operating revenues (expenses)</u> | | | | | |
| Reimbursements | 33,347 | 20,444 | 26,800 | 22,180 | 26,800 |
| Interest expense | - | (14,453) | - | (11,600) | (8,700) |
| Total non operating revenues | 33,347 | 5,991 | 26,800 | 10,580 | 18,100 |
| Income (loss) before transfers | 149,009 | (323,506) | 5,680 | (152,760) | (215,150) |
| <u>Other financing transfers</u> | | | | | |
| Transfer out | (200,000) | - | - | - | - |
| Change in net position | \$ (50,991) | \$ (323,506) | \$ 5,680 | \$ (152,760) | \$ (215,150) |

DDA GENERAL OPERATING

Department: Downtown Development Authority DDA General Operating

Link to Website: www.dda.downtowntc.com

Mission: To create, support and promote critical infrastructure and other improvements that enhance the downtown experience, promote business growth, serve as a catalyst for private investment and contribute to the year-round vitality and unique sense-of-place of downtown Traverse City.

The Downtown Development Authority (DDA) Board of Directors will hold a public hearing on their 2022/2023 budget on Friday, May 20, 2022 at 8:30 a.m. The DDA Board is scheduled to approve the budget on June 17, 2022.

The DDA is a Component Unit of the City of Traverse City and responsible for maintaining the vitality of the Central Business District. The DDA accomplishes this by focusing on four core components:

- Public Improvements
- Events
- Marketing
- Business support

Under its Operation Budget revenue line item, the DDA has two contracts. The first contract is with the DTCA for marketing and events. The second contract is with the City of Traverse City to manage parking operations. All employees assigned to manage and facilitate parking are considered employees of the DDA. The total contract amount for this support in 2022/2023 will be \$816,000. This contract solely covers the cost of the employees assigned to parking. No management fee is provided to the DDA.

Continued Initiatives within the DDA General Fund

Traverse Connect

The DDA will continue its contract with Traverse Connect. Our partnership with Traverse Connect is critical to our efforts to determine how we support our downtown businesses/partners as they shift out of the pandemic. The contract will work on

- Bringing office workers back to Downtown
- Identifying new offices to make Downtown their new home
- As they are the organization leading Economic Diversity, it is important to ensure that we are at the table for discussion.

Moving Downtown Forward - PUMA

The DDA Board has hired Progressive Urban Management Associates (P.U.M.A.) to evaluate and recommend the future organizational and financial framework of the DDA. As part of this effort, PUMA will help identify financial mechanisms to fund the West End Parking Structure, improvements outlined in the Lower Boardman Unified Plan, as well as other public infrastructure projects (including maintenance) for Downtown. The majority of the work will be completed in the upcoming fiscal year budget, therefore the budget identifies approximately \$80,000 in the 2022/2023 budget.

City of Traverse City, Michigan
 DDA COMPONENT UNIT
 DDA GENERAL FUND
 For the Budget Year 2022-23

| | FY 20/21 <u>Actual</u> | FY 21/22 <u>Budgeted</u> | FY 21/22 <u>Projected</u> | FY 22/23 <u>Requested</u> |
|---|---------------------------|-----------------------------|------------------------------|------------------------------|
| REVENUES | | | | |
| Taxes | \$ 128,739 | \$ 137,500 | \$ 127,500 | \$ 129,000 |
| Grants and Reimbursements | 181,721 | 438,000 | 1,926,200 | 1,200,000 |
| Reimbursements | 1,434,564 | 1,321,000 | 1,321,000 | 1,236,600 |
| Rental Income | 34,887 | 90,000 | 94,500 | 90,000 |
| Interest Income | 908 | 600 | 800 | 600 |
| Miscellaneous | 0 | 0 | 1,450 | 0 |
| TOTAL REVENUES | <u>1,780,819</u> | <u>1,987,100</u> | <u>3,471,450</u> | <u>2,656,200</u> |
| EXPENDITURES | | | | |
| Salaries and Wages | 741,084 | 858,000 | 858,000 | 955,400 |
| Fringe Benefits | 242,136 | 310,000 | 310,000 | 320,000 |
| Office Supplies and Utilities | 105,175 | 85,500 | 0 | 45,800 |
| Professional Services | 504,459 | 836,000 | 400,000 | 325,000 |
| Travel and Conferences | 2,597 | 35,000 | 10,000 | 25,000 |
| Repairs and Maintenance | 1,356 | 3,000 | 3,000 | 0 |
| Rentals | 13,511 | 80,000 | 94,000 | 96,000 |
| Civic Square | 0 | 100,000 | 1,821,900 | 1,050,000 |
| TOTAL EXPENDITURES | <u>1,610,318</u> | <u>2,307,500</u> | <u>3,496,900</u> | <u>2,817,200</u> |
| EXCESS OF REVENUES OVER/UNDER EXPENDITURES | 170,501 | (320,400) | (25,450) | (161,000) |
| Beginning Fund Balance | <u>726,806</u> | <u>897,307</u> | <u>897,307</u> | <u>871,857</u> |
| Ending Fund Balance | <u>\$ 897,307</u> | <u>\$ 576,907</u> | <u>\$ 871,857</u> | <u>\$ 710,857</u> |

DDA TAX INCREMENT FINANCING #97 FUND

Department: Downtown Development Authority TIF 97

Link to Website: www.dda.downtowntc.com

Mission: To create, support and promote critical infrastructure and other improvements that enhance the downtown experience, promote business growth, serve as a catalyst for private investment and contribute to the year-round vitality and unique sense-of-place of downtown Traverse City.

The DDA Board of Directors will hold a public hearing on the Tax Increment Financing Fund #97 (TIF97) budget for fiscal year 2022/2023 on Friday, May 20, 2022 at 8:30 am. The Board is scheduled to approve the budget on June 17, 2022.

New Initiatives or Budget Changes:

There has been steady growth within the TIF 97 District, with significant projects completed in 2021. The captured taxable value of the TIF 97 District is projected to be \$144,693,033, with projected revenue of \$3,777,971.

- Retail Incubator. Work continues to establish a retail incubator downtown. TraverseConnect provided a business plan that details how many square feet are needed as well as possible locations, branding, etc. for such an effort. Allocated funds under the 2022/2023 budget will be used to help us identify the location of the incubator (likely with a lease) and establishing policies and procedures.
- Continuing with our Community Police Officer remains a high priority. This is our last year of a five-year contract and we will be working with the Chair, Vice-Chair and Police Chief to extend and possibly increase this to a full-time community police officer for 2023/2024.

Public Infrastructure

- The 100/200 Alley Riverwalk/Pedestrian Alley (which is contained within Lower Boardman public infrastructure line item) is included in the budget. This project was approved by the DDA Board and the project will soon be in the conceptual design phase. The conceptual design will provide a vision and plan for the riverwalk and pedestrian alley as well as the cost for implementation. Once the conceptual design is completed, the next step for the DDA will be to determine the best approach for financing and implementation. The financing for this project is linked to the results of our *Moving Downtown Forward* effort work under the DDA General budget.
- Circulation Plan for Downtown. Dollars have been set aside for a possible conversion of State Street (from Pine to Boardman) and Boardman Avenue (from Front to State) to two-way traffic. The cost identified in this budget would be for a "pilot conversion project" targeting the end of this coming summer and winter.
- Cameras Downtown. In response to the results of the Healthier Drinking Culture report, the DDA (in partnership with the City Police Department) plans to implement cameras in identified areas throughout to help address safety concerns.

- Streetscapes/Snowmelt. Streetscaping and snowmelt will remain important infrastructure investments as new development continues throughout the district. Streetscaping enhances the public-realm and works to support business development. Snowmelt helps provide safe pedestrian access and connections throughout the network of sidewalks in the TIF 97 District as well as connections to the rest of downtown.

City of Traverse City, Michigan
DDA COMPONENT UNIT
TAX INCREMENT FINANCING 97 FUND
For the Budget Year 2022-23

| | FY20/21 Actual | FY 21/22 Budgeted | FY 21/22 Projected | FY 22/23 Requested |
|--|--------------------|----------------------|-----------------------|-----------------------|
| REVENUES | | | | |
| Property Taxes | \$ 2,770,871 | \$ 3,106,550 | \$3,040,450 | \$ 3,778,000 |
| Grant and Reimbursements | 0 | 0 | 0 | 0 |
| Reimbursements | 258,447 | 130,000 | 186,800 | 200,000 |
| Interest Income | 1,813 | 4,500 | 3,150 | 2,000 |
| TOTAL REVENUES | <u>3,031,131</u> | <u>3,241,050</u> | <u>3,230,400</u> | <u>3,980,000</u> |
| EXPENDITURES | | | | |
| Professional Services | 655,161 | 739,300 | 739,300 | 732,000 |
| Printing and Publishing | 15,584 | 200 | 200 | 200 |
| Repair & Maintenance | 0 | 15,000 | 5,000 | 250,000 |
| Contribution to District Construction Project | 575,053 | 1,708,000 | 1,708,000 | 2,184,500 |
| Contribution to City - Debt Service | 892,922 | 931,550 | 931,550 | 973,200 |
| Capital Outlay/Engineering Costs for Public Projects | 0 | 0 | 0 | 0 |
| TOTAL EXPENDITURES | <u>2,138,720</u> | <u>3,394,050</u> | <u>3,384,050</u> | <u>4,139,900</u> |
| EXCESS OF REVENUES OVER/UNDER EXPENDITURES | 892,411 | (153,000) | (153,650) | (159,900) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating Transfer | 0 | 0 | 0 | 0 |
| NET CHANGE IN FUND BALANCE | 892,411 | (153,000) | (153,650) | (159,900) |
| Beginning Fund Balance | <u>2,974,201</u> | <u>3,866,612</u> | <u>3,866,612</u> | <u>3,712,962</u> |
| Ending Fund Balance | <u>\$3,866,612</u> | <u>\$3,713,612</u> | <u>\$3,712,962</u> | <u>\$3,553,062</u> |

DDA TAX INCREMENT FINANCING OLD TOWN TIF

Department: Downtown Development Authority Old Town

Link to Website: www.dda.downtowntc.com

Mission: To create, support and promote critical infrastructure and other improvements that enhance the downtown experience, promote business growth, serve as a catalyst for private investment and contribute to the year-round vitality and unique sense-of-place of downtown Traverse City.

The Downtown Development Authority (DDA) Board of Directors will hold a public hearing on the 2022/2023 Old Town TIF budget on Friday, May 20, 2022 at 8:30 a.m. The DDA Board is scheduled to approve the budget on June 17, 2022.

New Initiatives or Budget Changes:

The Old Town District continues to see steady growth and opportunity. The captured taxable value for the district is \$28,103,427, with projected revenue of \$716,654.

Under “professional services” there will be a 2% administrative fee for the DDA and 1% for the City of Traverse City, legal services, and miscellaneous contingency.

Public Infrastructure

- The Midtown Riverwalk, which was put in over 20 years ago, is due for replacement. The cost listed is conservative, and our work will be guided by the Lower Boardman Unified Plan to determine best approaches for this Riverwalk. Minimally, repair and maintenance will be required along this section of the river.
- Streetscapes/Snowmelt: Property owners have asked for a partnership with the DDA to implement a snowmelt system within Old Town. Snowmelt helps provide safe pedestrian access and connections throughout the network of sidewalks in Old Town as well as connections to the rest of downtown.

City of Traverse City, Michigan
DDA COMPONENT UNIT
OLD TOWN TAX INCREMENT FINANCING FUND
For the Budget Year 2022-23

| | FY 20/21 <u>Actual</u> | FY 21/22 <u>Budgeted</u> | FY 21/22 <u>Projected</u> | FY 22/23 <u>Requestd</u> |
|---|---------------------------|-----------------------------|------------------------------|-----------------------------|
| REVENUES | | | | |
| Property Taxes | \$ 507,308 | \$ 555,000 | \$ 560,000 | \$ 702,800 |
| Reimbursements | 0 | 0 | 0 | - |
| Interest Income | 394 | 100 | 100 | 200 |
| TOTAL REVENUES | <u>507,702</u> | <u>555,100</u> | <u>560,100</u> | <u>703,000</u> |
| EXPENDITURES | | | | |
| Professional Services | 192,239 | 215,750 | 215,700 | 118,800 |
| Printing and Publishing | 0 | 100 | 0 | 100 |
| Contribution to District Construction Project | 12,372 | 562,000 | 330,000 | 875,000 |
| TOTAL EXPENDITURES | <u>204,611</u> | <u>777,850</u> | <u>545,700</u> | <u>993,900</u> |
| EXCESS OF REVENUES OVER/UNDER EXPENDITURES | 303,091 | (222,750) | 14,400 | (290,900) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Operating Transfer | 0 | 0 | 0 | 0 |
| NET CHANGE IN FUND BALANCE | 303,091 | (222,750) | 14,400 | (290,900) |
| Beginning Fund Balance | <u>219,377</u> | <u>522,468</u> | <u>522,468</u> | <u>536,868</u> |
| Ending Fund Balance | \$ 522,468 | \$ 299,718 | \$ 536,868 | \$ 245,968 |

City of Traverse City, Michigan
Property Tax Millage Rates - All Overlapping Governments
2012-2021

| Tax Year | City | County | School | Other | Total |
|-----------------------------|----------------|---------------|----------------|---------------|----------------|
| 2012 - Homestead | 13.0567 | 4.9838 | 9.1000 | 8.9423 | 36.0828 |
| 2012 - Non-Homestead | 13.0567 | 4.9838 | 27.1000 | 8.9423 | 54.0828 |
| 2013 - Homestead | 13.4367 | 4.9838 | 9.1000 | 9.9505 | 37.4710 |
| 2013 - Non-Homestead | 13.4367 | 4.9838 | 27.1000 | 9.9505 | 55.4710 |
| 2014 - Homestead | 13.4367 | 4.9838 | 9.1000 | 8.4906 | 36.0111 |
| 2014 - Non-Homestead | 13.4367 | 4.9838 | 27.1000 | 8.4906 | 54.0111 |
| 2015 - Homestead | 13.4367 | 4.9838 | 9.1000 | 9.2164 | 36.7369 |
| 2015 - Non-Homestead | 13.4367 | 4.9838 | 27.1000 | 9.2164 | 54.7369 |
| 2016-Homestead | 13.4367 | 4.9823 | 9.1000 | 9.3296 | 36.8486 |
| 2016-Non-Homestead | 13.4367 | 4.9823 | 27.1000 | 9.3296 | 54.8486 |
| 2017-Homestead | 13.4367 | 4.9429 | 9.1000 | 9.3296 | 36.8092 |
| 2017-Non-Homestead | 13.4367 | 4.9429 | 27.1000 | 9.0881 | 54.5677 |
| 2018-Homestead | 14.4367 | 4.9246 | 9.1000 | 9.3389 | 37.8002 |
| 2018-Non-Homestead | 14.4367 | 4.9246 | 27.1000 | 9.3389 | 55.8002 |
| 2019-Homestead | 14.4367 | 4.9019 | 9.1000 | 9.2507 | 37.6893 |
| 2019-Non-Homestead | 14.4367 | 4.9019 | 27.1000 | 9.2507 | 55.6893 |
| 2020-Homestead | 14.4367 | 4.8858 | 9.1000 | 8.6918 | 37.1143 |
| 2020-Non-Homestead | 14.4367 | 4.8858 | 27.1000 | 8.6918 | 55.1143 |
| 2021-Homestead | 14.4154 | 4.8096 | 9.1000 | 8.6267 | 36.9517 |
| 2021-Non-Homestead | 14.4154 | 4.8096 | 27.1000 | 8.6267 | 54.9517 |

Other: Includes Commission on Aging, Northwestern Michigan College, BATA, District Library, Intermediate School District, Senior Center, Road Commission, Recreation Authority Operating and Debt Service, Veterans, Animal Control, and Conservation District millages.

The City's rate does not reflect a levy for the Downtown Development Authority established in 1979 (for 2021 the millage rate was 1.6371).