

BUDGET FY 2023-2024



TRAVERSE CITY
LIGHT & POWER

PRESENTED BY:

EXECUTIVE DIRECTOR
BRANDIE EKREN

CHIEF FINANCIAL OFFICER
KARLA MYERS-BEMAN

ABOUT US



VISION

“To build the long-term value of Traverse City Light & Power for the benefit of the City and its residents and all Traverse City Light & Power customers.”

MISSION

“The Mission of Traverse City Light & Power is to provide the Public Power benefits of safety, lower rates, high reliability, local control and exceptional customer service to the City and its residents and all Traverse City Light & Power customers.”

GOVERNANCE



ROSS HAMMERSLEY
BOARD CHAIR



PAUL HEIBERGER
BOARD VICE- CHAIR



JOHN TAYLOR
BOARD MEMBER



ELYSHA DAVILA
BOARD MEMBER



MAURA BRENNAN
BOARD MEMBER



AMY SHAMROE
CITY COMMISSIONER



TIM WERNER
CITY COMMISSIONER

OUR TEAM

LEADERSHIP

BRANDIE EKREN

Executive Director

KARLA MYERS-BEMAN

Chief Financial Officer

DAREN DIXON

Operations Manager

TONY CHARTRAND

Engineering Manager

JACOB HARDY

*Sustainability & Key
Accounts Manager*

KELLI SCHROEDER

*Customer & Employee
Relations Manager*

SCOTT MENHART

*Chief Technology &
Information Officer*

ADMINISTRATION

ADAM LANSDELL

Business/Planning Analyst

ANDY BOTT

Line Superintendent

HANNAH DUELL

Communications Specialist

JENNIFER ST. AMOUR

Executive Assistant

KIMBERLY RITCHIE

Accountant

KRISTEN KIDA

Customer Service Representative

LAURA BARRETT

Utility Billing Specialist

MARK WATSON

Fiber Superintendent

STEPHANIE TVARDEK

Scheduling & Operations Coordinator

SHERI PILATE

Collections/Customer Service

TJ WAYBRANT

Engineer Technician

TOM SMITH

System Network Administrator

**Staff as of February 2023.*

LINE DEPARTMENT

BRANDEN WHEATON

JAKE HAMILTON

JAMES JOHNSON

JAY WEBER

JOE LAVANTURE

JOSH PATZER

KEVIN BOLZ

KYLE MASON

MCKENZIE DOMINE

NATHANIEL JENKINS

RANDY GUSLER

FIBER

COREY GRUEBER

GABE VASQUEZ

FACILITIES

JEFF CONRAD

METERING

ANDREW ELLIOTT

TOM CAIRNS

LOGISTICS

KEVIN BARTZ

TODD BROWN

COMBUSTION TURBINE OPERATIONS

JACOB LAMBLE

MIKE HELFERICH

ROB HIPPI

ELECTRIC SYSTEM OPERATORS

DAN HESS

JOSH TAYLOR

LINUS DARGA



TRAVERSE CITY LIGHT & POWER

EST. 1911



12,969

METERS

In use



111

YEARS

In operation



66.11

MEGA WATTS

Highest peak demand



43

EMPLOYEES

Total as of March 2023



451.50

MILES

Overhead/
underground lines

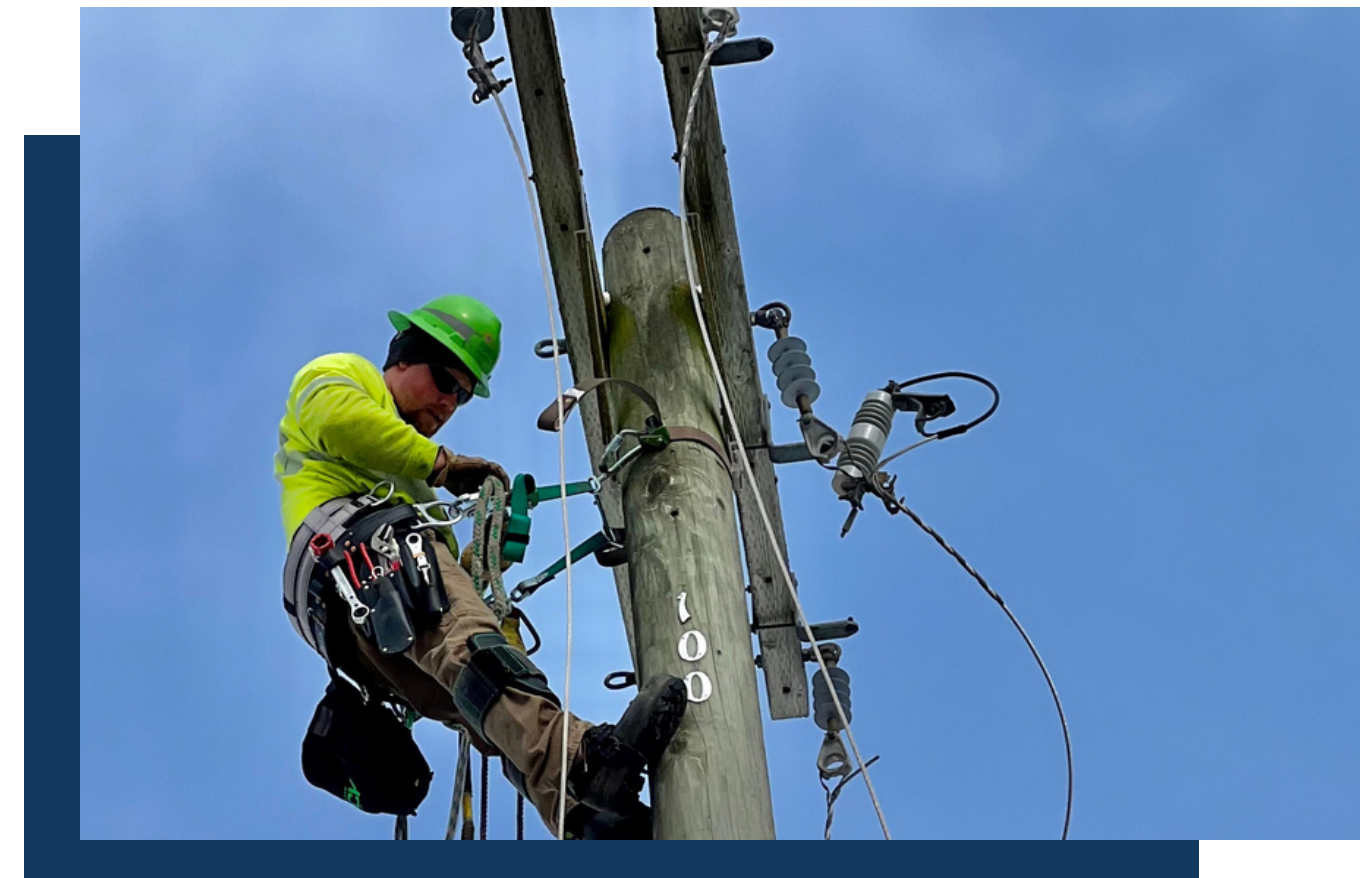
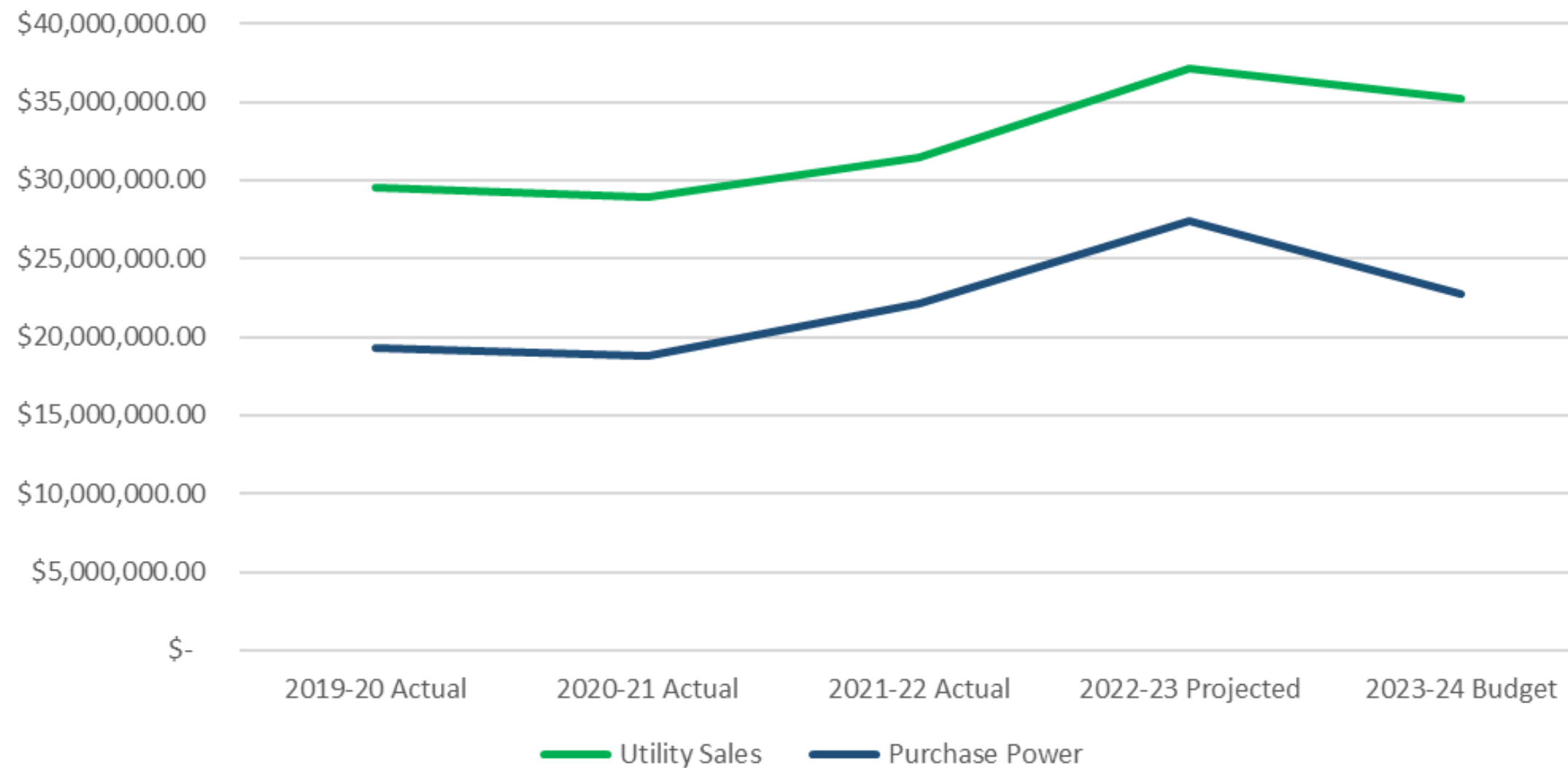
BUDGET CONTENTS

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- PURCHASE POWER
- COST PER MWh BY PROJECT
- MWh COMPARISON BY PROJECT
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- CAPITAL PLAN
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- WHERE DOES THE MONEY GO?
- CLIMATE ACTION PLAN



UTILITY SALES COMPARED TO PURCHASE POWER

Utility Sales Compared to Purchase Power Cost
Fiscal Year 2019-20 through 2023-24



SMART GRID TCLP *fiber*

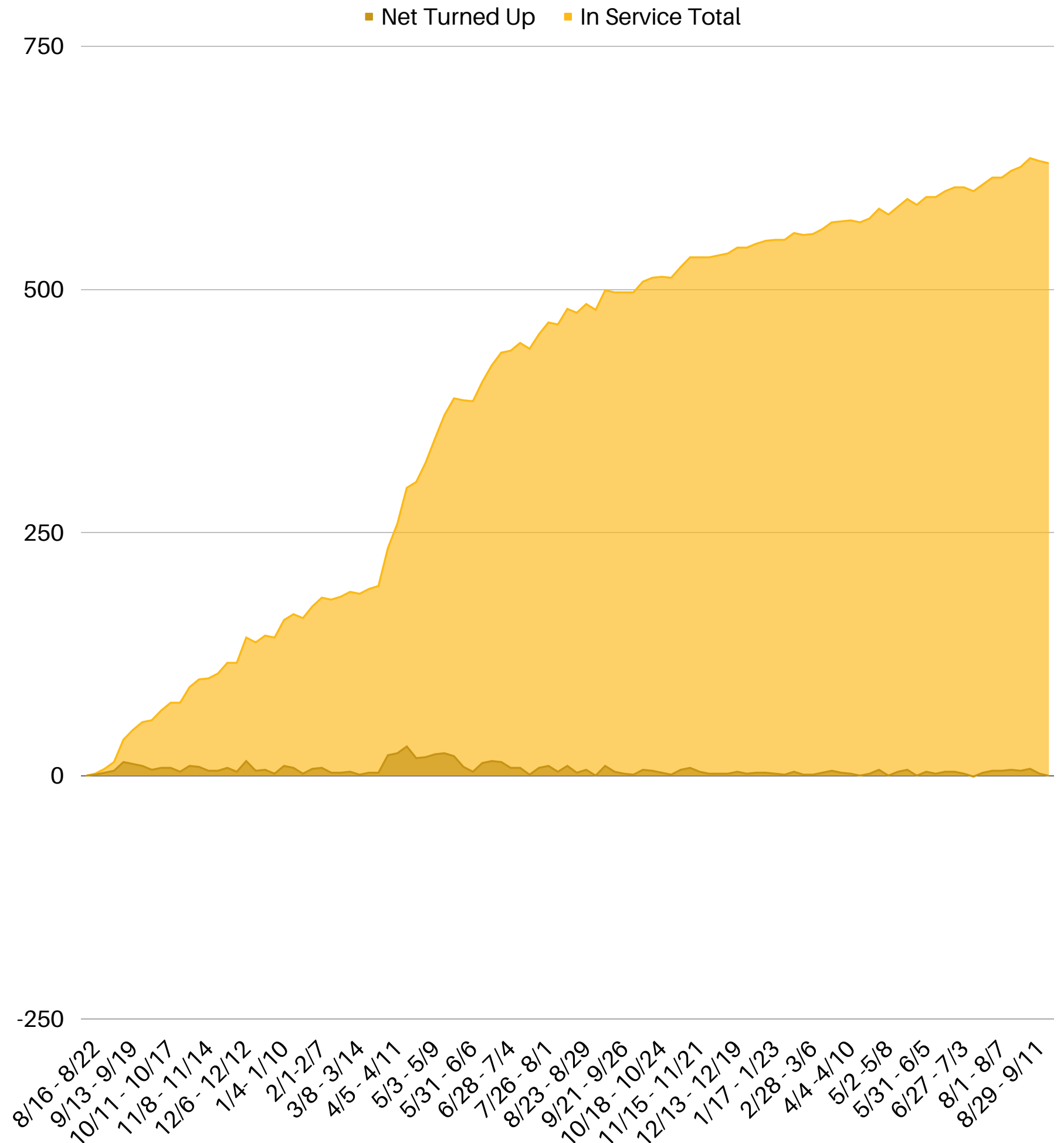
WHAT MAKES A GRID "SMART?"

In the same way that today's "smart phone" technology merged the power of computers with cellular phones, smart grid technology merges the power of computers with the electric grid.

- Smart switches isolate problems on the electric system and automatically reroute power so that electricity keeps flowing to as many people as possible.
- Smart substations detect potential problems and automatically notify TCLP to help prevent power outages.
- Smart meters can notify TCLP when an outage occurs to help restore power more quickly, and provide you access to more energy-usage information to help you save.

A SMART GRID PROVIDES THREE KEY BENEFITS

1. Improves reliability and security of supply.
2. Tools and services that can help you save money.
3. A cleaner, greener planet for future generations.



PURCHASE POWER

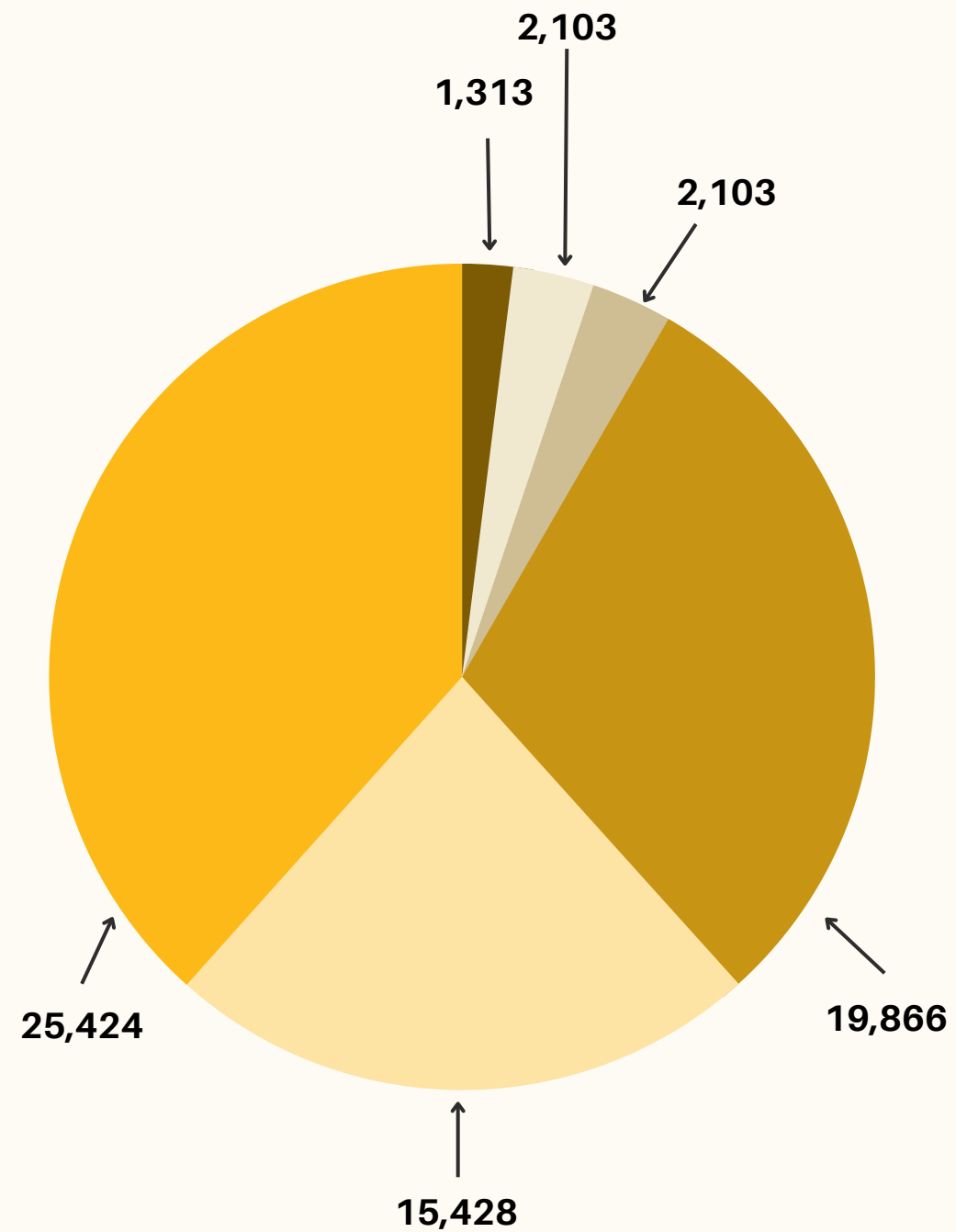
29.5%

OF OUR ENERGY IS SOLAR AND WIND RESOURCES

SOLAR ENERGY

By project MWh's

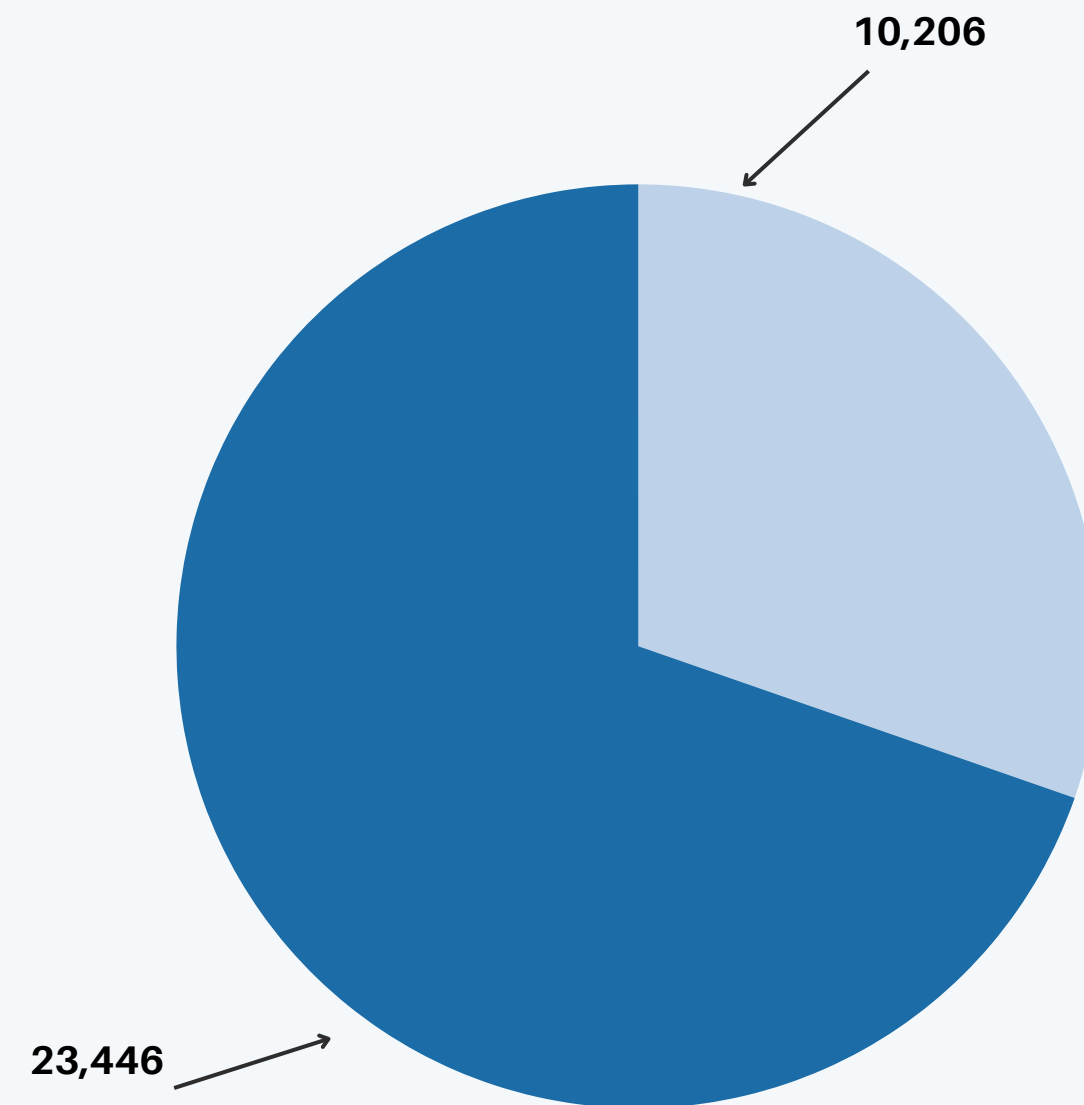
- Heritage Sustainable Energy, LLC - M-72 Solar 1
- Heritage Sustainable Energy, LLC - M-72 Solar II
- Heritage Sustainable Energy, LLC - M-72 Solar III
- MPPA - Assembly Solar I (Ranger)
- MPPA - Assembly Solar II (Ranger)
- MPPA - Calhoun Solar (Invenergy)



WIND ENERGY

By project MWh's

- MPPA - Pegasus Wind
- DTE - Stoney Corners Wind Farm



COST PER MWh BY PROJECT

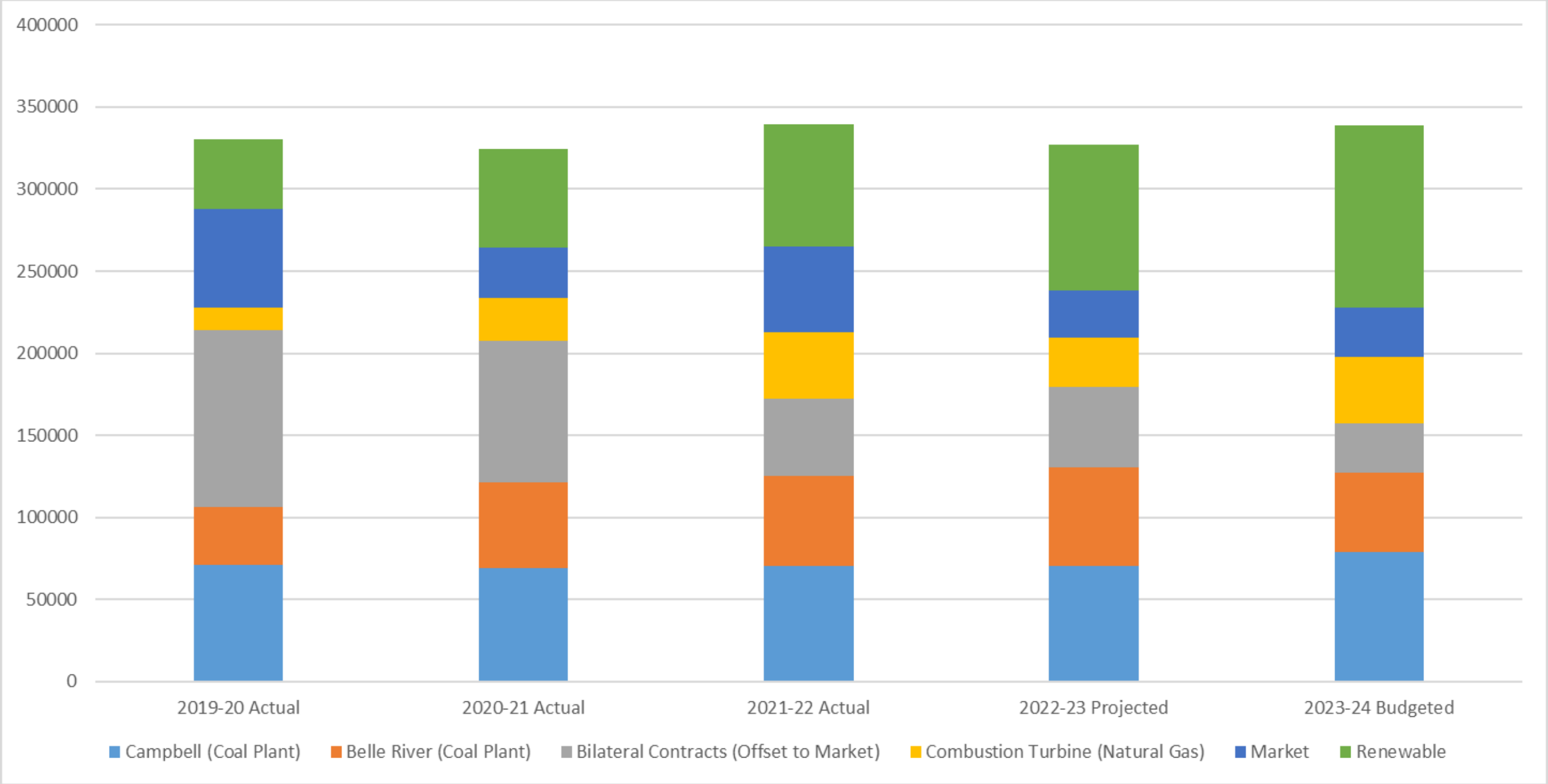
FISCAL YEARS 2019-2020 THROUGH 2023-2024

	2019-20 ACTUAL	2020-21 ACTUAL	2021-22 ACTUAL	2022-23 PROJECTED	2023-24 BUDGET
WHOLESOME COST OF POWER	\$59.60	\$58.00	\$65.00	\$81.69	\$67.61
COAL PLANT					
CAMPBELL	\$52.00	\$51.30	\$48.00	\$44.45	\$47.50
BELLE RIVER	\$46.90	\$45.80	\$58.00	\$67.85	\$80.27
NATURAL GAS-CT-PEAKING PLANT	\$293.60	\$181.40	\$147.00	\$249.99	\$199.68
MARKET					
BILATERAL CONTRACTS	\$36.50	\$33.60	\$33.00	\$91.29	\$59.03
MARKET	\$19.30	\$20.00	\$36.00	\$47.62	\$39.99
RENEWABLE					
LANDFILL GAS	\$96.50	\$93.80	\$102.00	\$97.17	\$107.87
STONE CORNER (WIND)	\$124.30	\$126.70	\$129.00	\$132.00	\$135.00
PEGASUS (WIND)	\$41.70	\$42.30	\$42.00	\$44.00	\$43.00
M-72 (WIND)	\$70.00	\$70.00	\$70.00	-	-
ASSEMBLY 1 (SOLAR)	-	\$46.40	\$44.00	\$46.00	\$46.00
ASSEMBLY 2 (SOLAR)	-	-	\$37.00	\$38.15	\$38.08
INVENERGY CALHOUN (SOLAR)	-	-	-	\$42.45	\$43.12
M-72 (SOLAR) 1	\$112.50	\$112.50	\$112.50	\$112.50	\$112.50
M-72 (SOLAR) 2	\$57.00	\$57.00	\$57.00	\$57.00	\$57.00
M-72 (SOLAR) 3				\$37.52	\$46.92



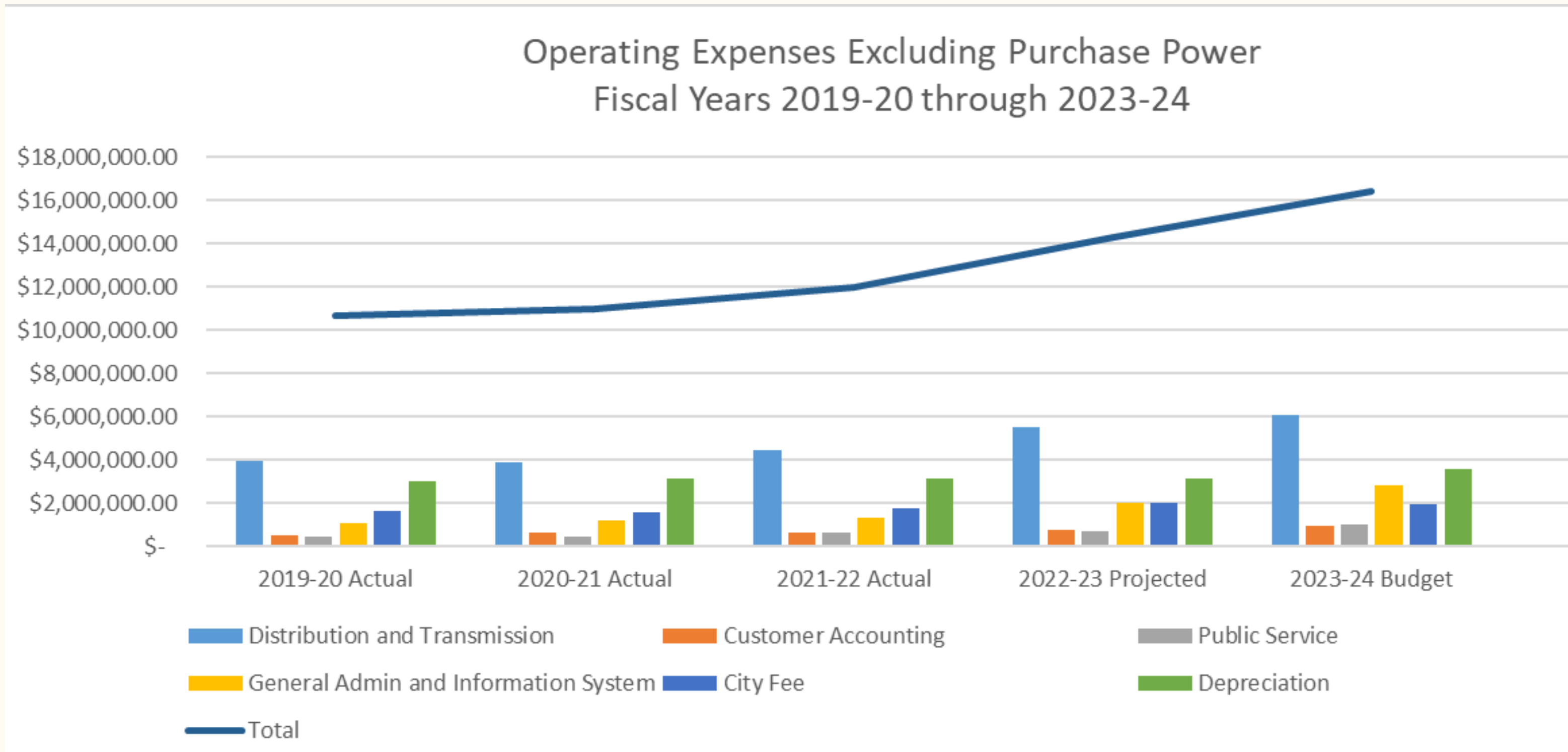
MWh COMPARISON BY PROJECT

RENEWABLE RESOURCES WILL ACCOUNT FOR 32.81% OF GENERATION



OPERATING EXPENSES

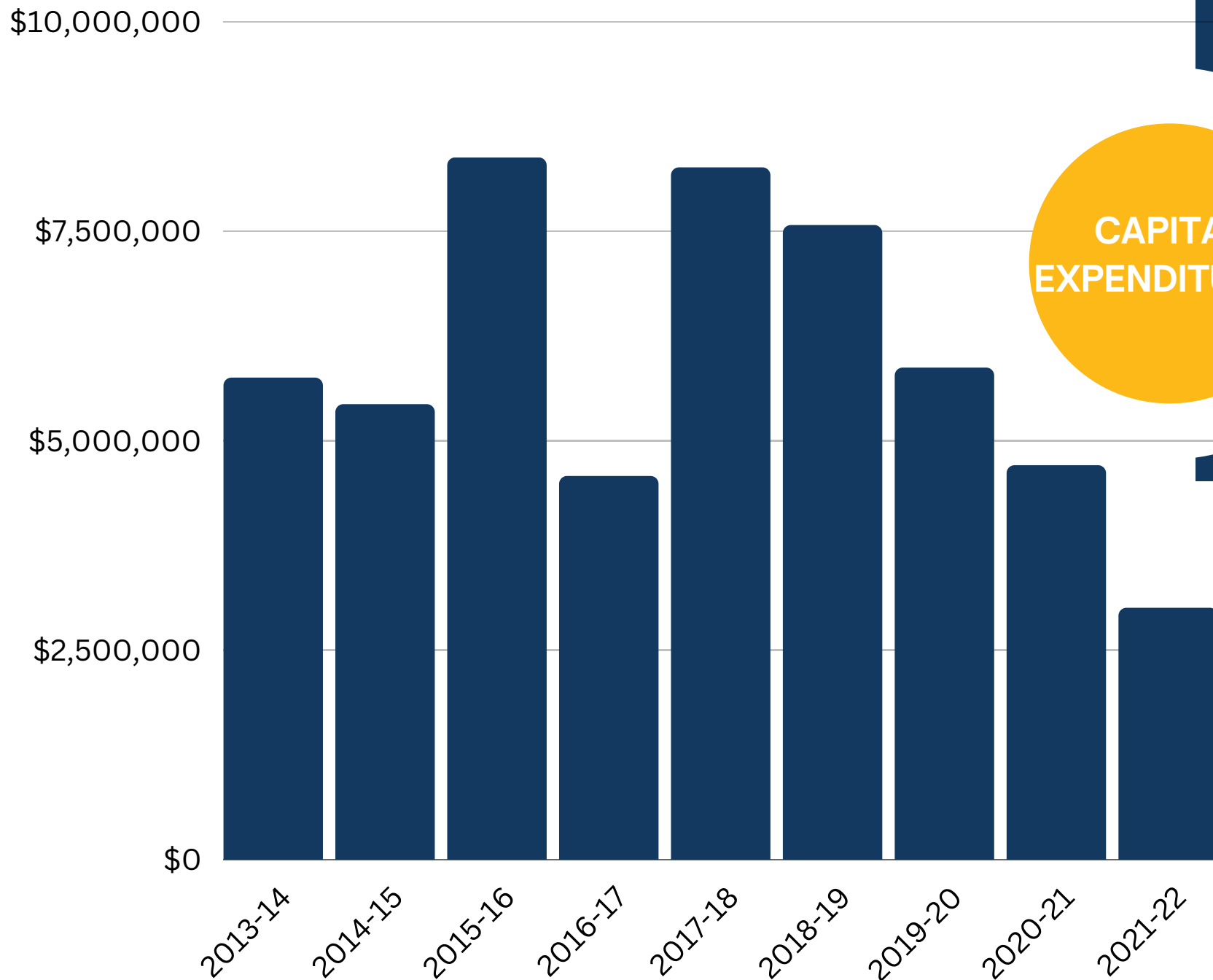
Increasing investment in employees by escalating the professional development budget by 61% over prior year budget



CAPITAL PLAN

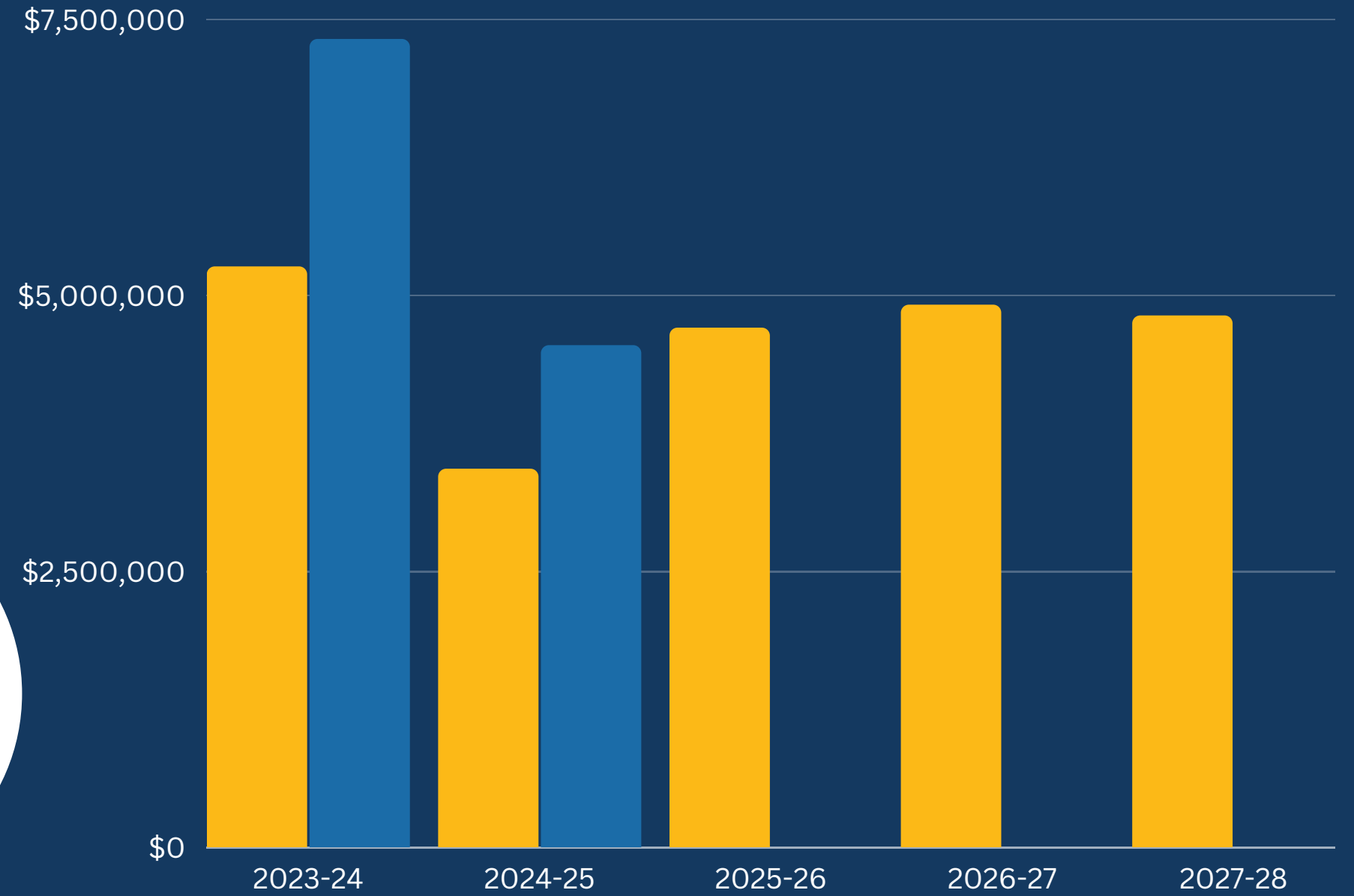
AS PRESENTED IN SIX-YEAR CAPITAL IMPROVEMENT PLAN

PAST 10 FISCAL YEARS



NEXT 5 FISCAL YEARS

Internal Financed

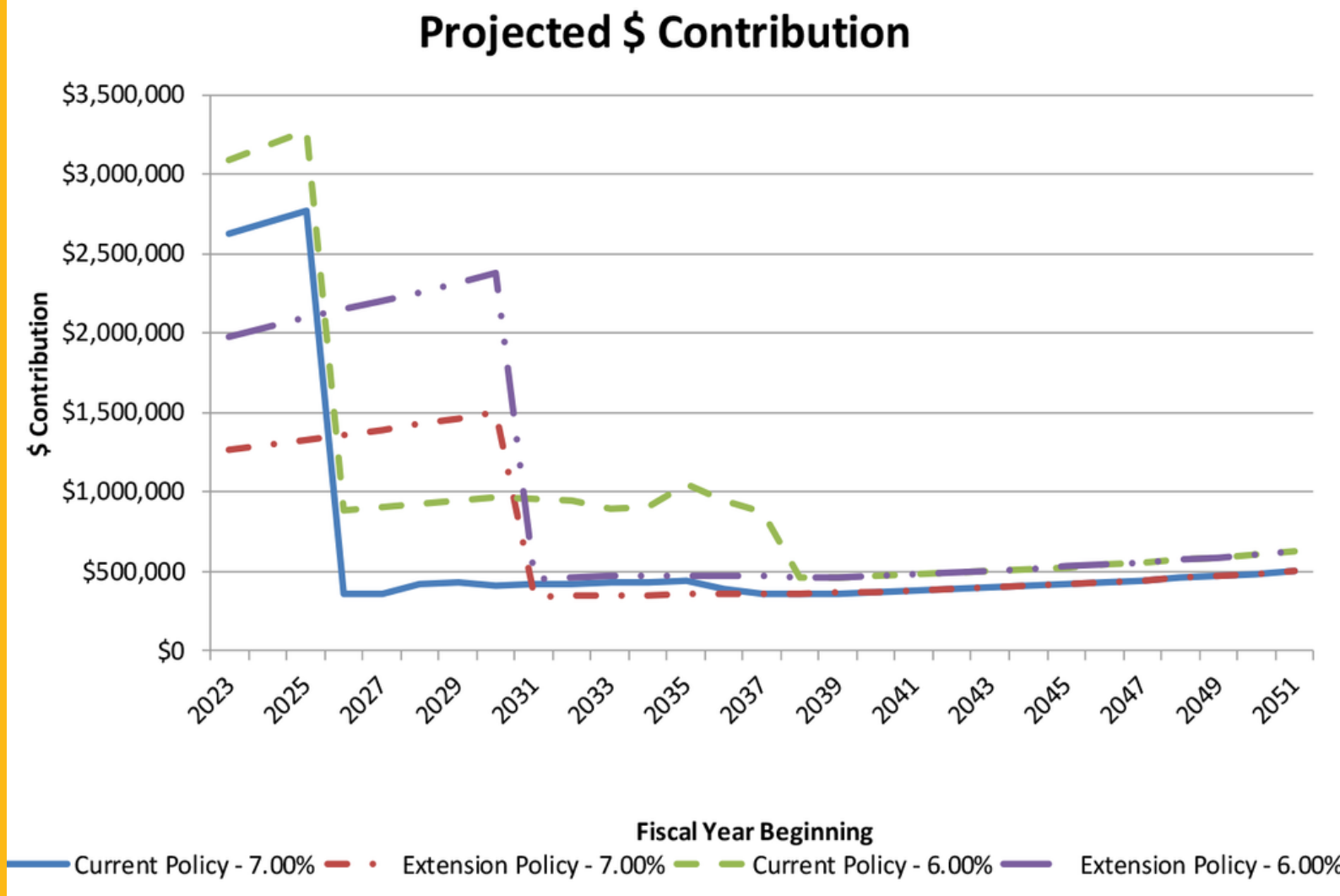




EMPLOYEES

LABOR COST SUMMARY

Beginning with the 2023-24 FY, the period for amortizing the Unfunded Accrued Liability (UAL) was extended an additional 5 years with the plan as a whole projected to be 100% funded by December 31, 2031.

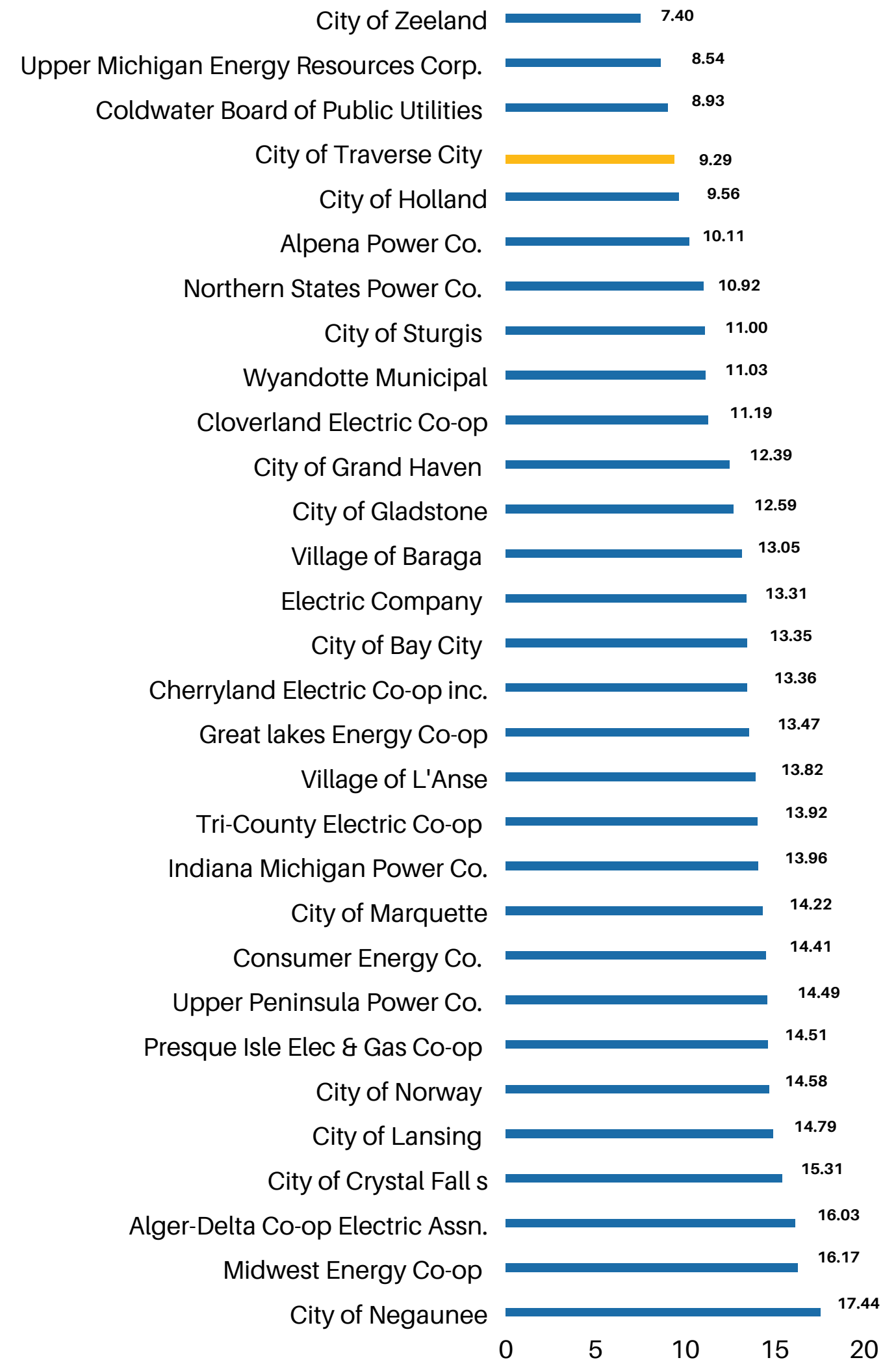


BY DEPARTMENT	2021 Position Actual	2022 Position Actual	2023 Position Projected	2024 Position Budgeted	2023-2024 SALARY	2023-2024 BENEFITS
GENERATION	3	3	3	3	\$336,873	\$324,366
LINE DEPARTMENT	11	12	11	11	\$1,210,799	\$722,791
METER DEPARTMENT	2	2	2	2	\$157,005	\$156,008
LOGISTIC/OTHER	3	3	3	3	\$208,402	\$242,166
ELECTRIC SYSTEM OPERATORS	3	3	3	4	\$333,871	\$368,572
CUSTOMER SERVICE/UTILITY BILLING	0	3	3	4	\$205,975	\$144,322
FIBER	1	1	2	2	\$153,888	\$124,084
ADMINISTRATION	12	13	17	19	\$1,698,051	\$1,328,927
TCLP TOTAL	35	40	44	48		

RATE COMPARISON

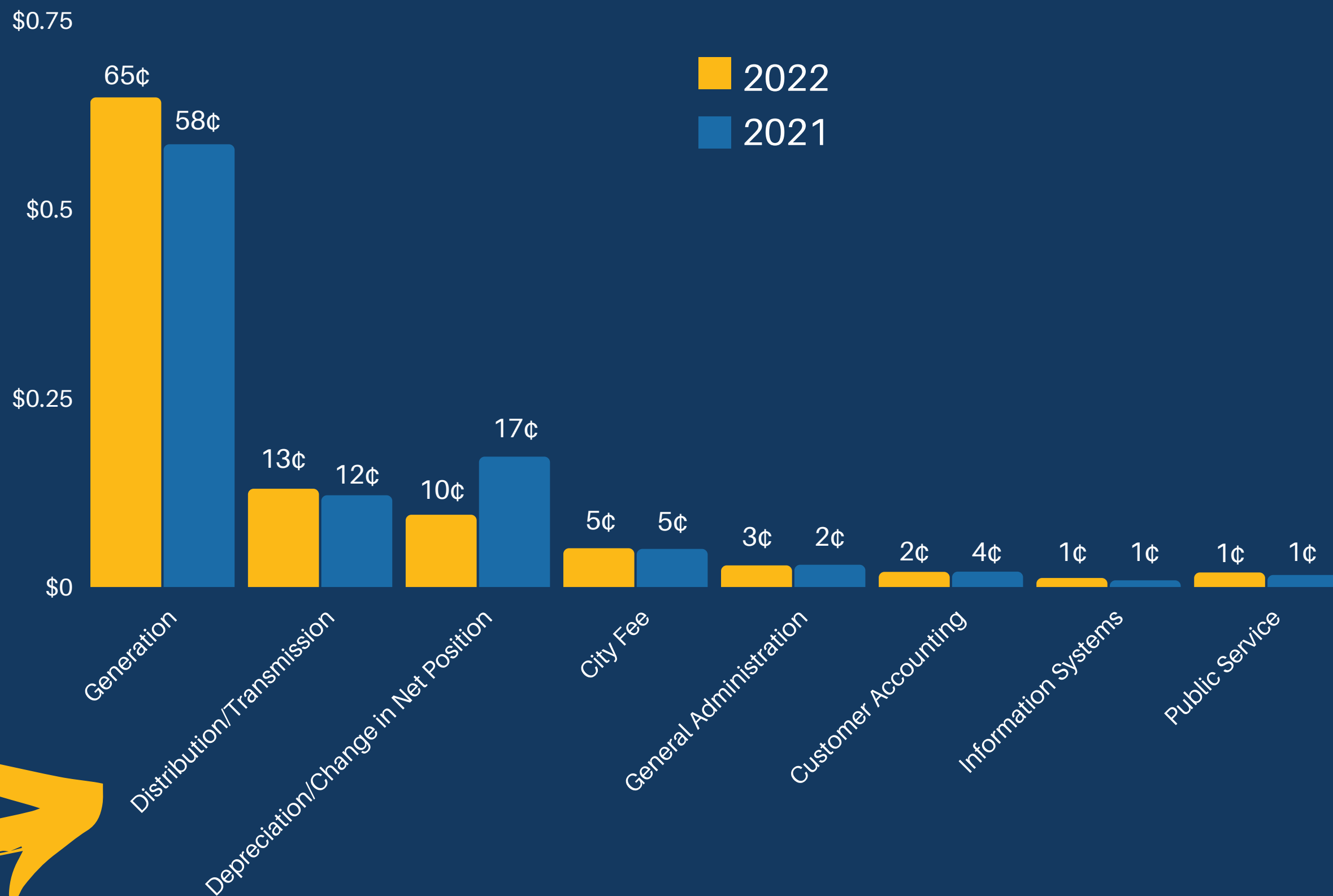
The biannual rate comparison analysis providing more detail information by rate classes will be completed by TCLP staff this year.

Data presented is from the Energy Information Administration website.



WHERE DOES THE MONEY GO?

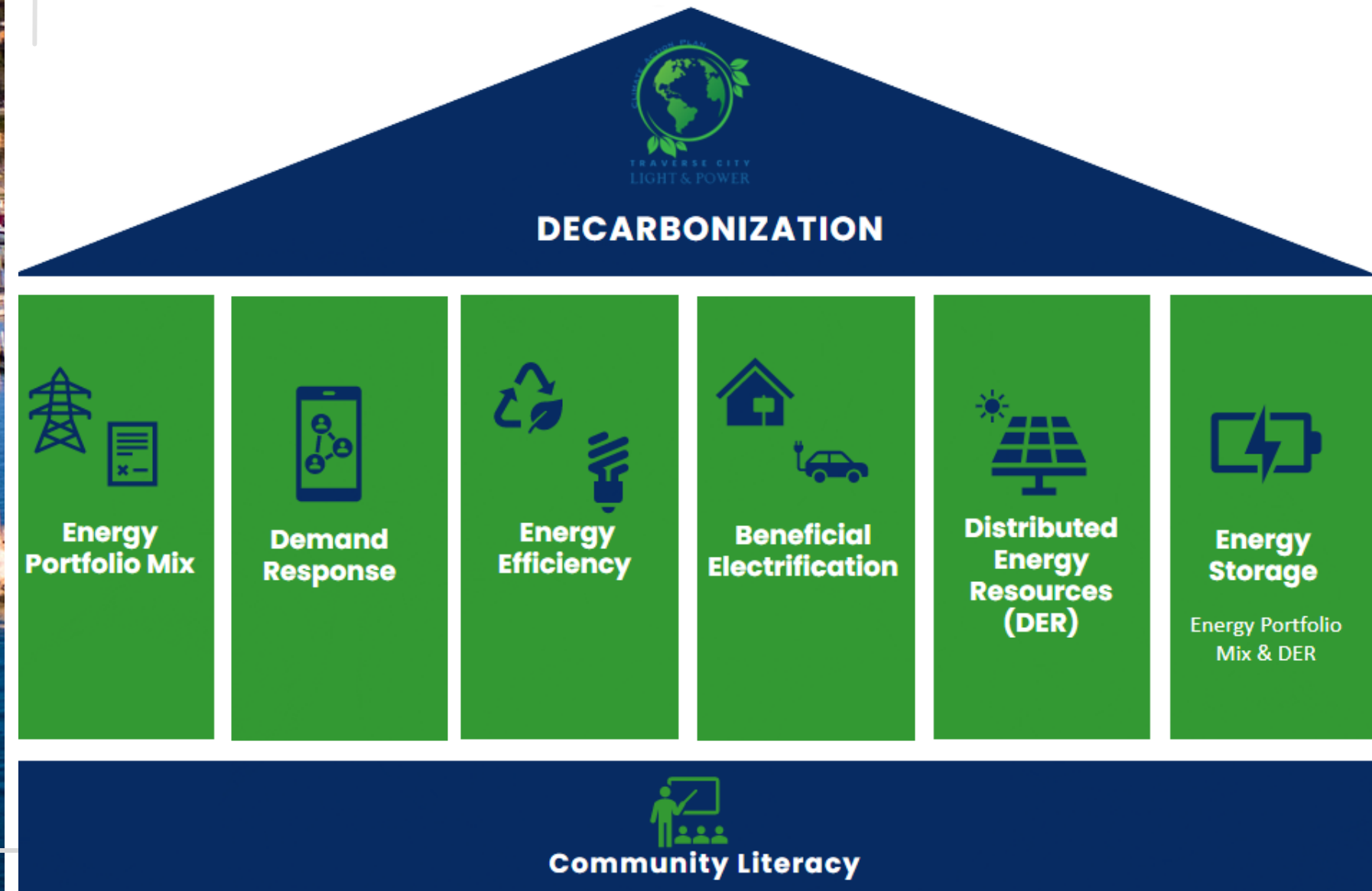
For every dollar paid to the utility, 58¢ was spent on purchased power and related transmission costs. The remainder went to these categories.



AVERAGE PRICE (CENTS/kWh)

INFORMATION OBTAINED FROM EIA - 2021 DATA

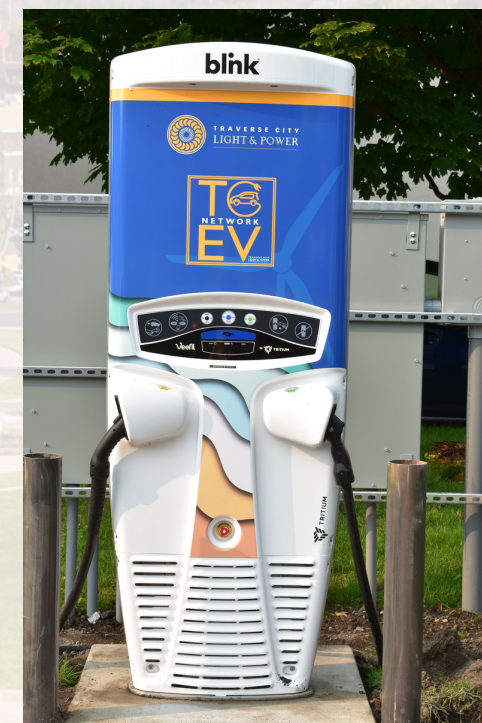
CLIMATE ACTION PLAN



100%

RENEWABLE ENERGY ON OR BEFORE 2040

The launch of TCLP's Climate Action Plan development will outline a road map for strategically accomplishing that 100% renewable energy goal, while integrating the proven strategies of beneficial electrification, energy efficiency, demand response, decarbonization and distributed energy resources into TCLP's future strategic planning.



ELECTRIC VEHICLES (EV) NETWORK & FLEET

- Addition of EV chargers to public parking
- Acquired 2 electric trucks for the fleet with 4 more ordered and expected in 2023.

- ✓ Smart energy information
- ✓ Energy efficiency and distribution energy resources
- ✓ Environmental and sustainability programs/initiatives
- ✓ Communication/ education and customer experience





Decarbonization

Strategy & Prioritization

TCLP Energy Investments

TCLP Operations

- Facilities & Fleet

Influence & Encourage Strategy Development

TCLP community partners (City & County)

Customers

- Commercial & Industrial
- Residential

Future Opportunities

Customer Energy Optimization

Building Envelope

**Energy
Efficiency/EWR**

**District Heating &
Cooling**

Demand Response

**BTM Solar &
Storage**



Future Opportunities

Ease to Engage

Rebates

Energy Coach

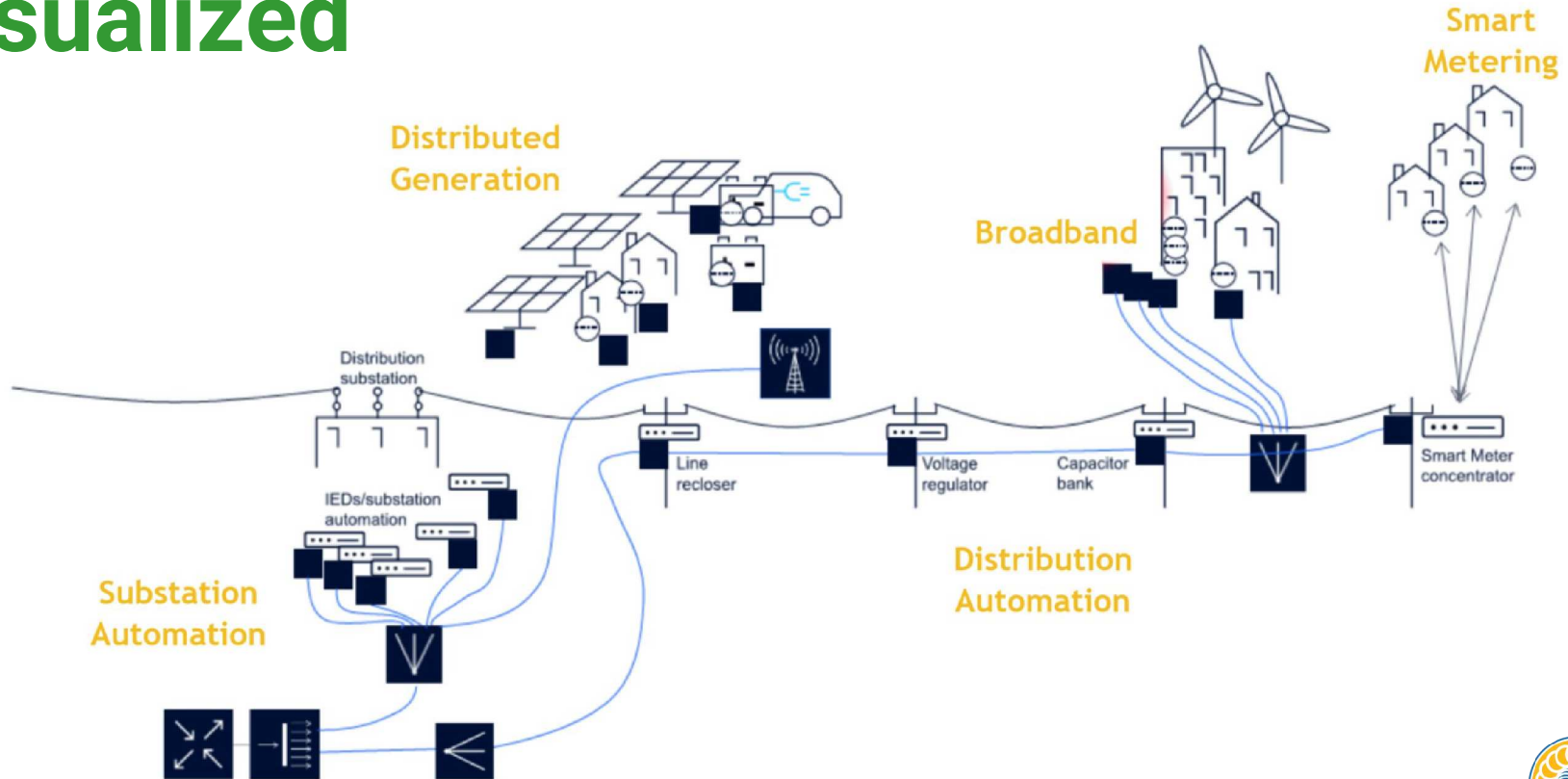
Key Accounts

Commercial
Kitchen

Contactor Engagement
& Programs



Smart Grid Visualized



WHAT MAKES A GRID "SMART?"

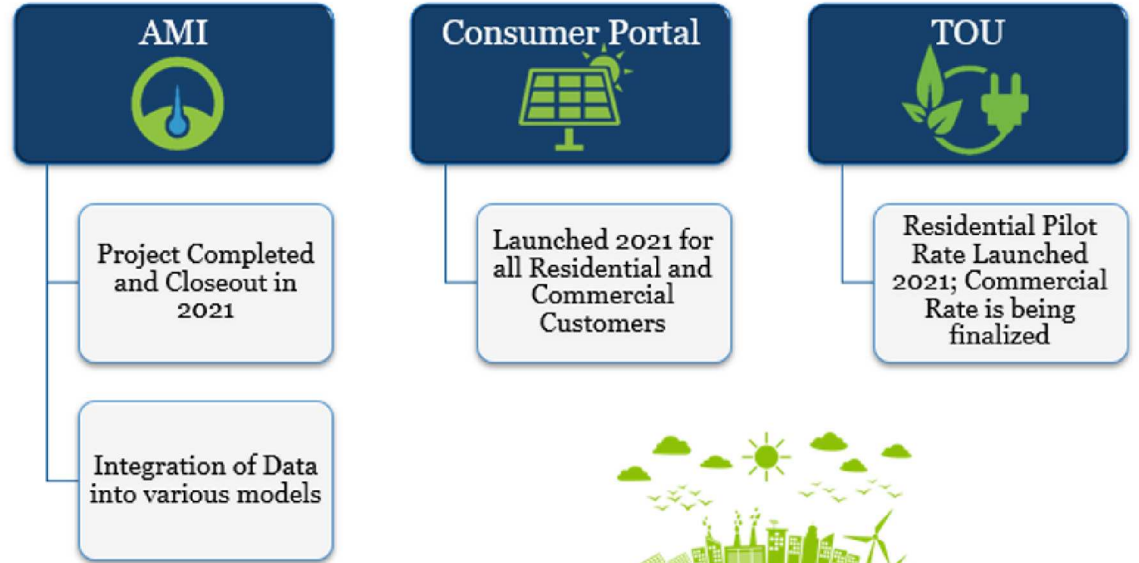
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THE THREE KEY BENEFITS:

- Improves reliability and security of supply.
- Tools and services that can help you save money.
- A cleaner, greener planet for future generations.

Smart Grid



STUDIES & PLANS

COST OF SERVICE STUDY



- Determine electric utility's revenue requirements for fiscal year 2024.
- Identify cross-subsidies that may exist between rate classes.
- Recommend rate adjustments needed to meet targeted revenue requirements.
- Identify the appropriate monthly customer charge for each customer class.

CUSTOMER EXPERIENCE

With the onset of a new customer service department at the end of 2022, the utility will be investing in an analysis of the Customer Service Department



Active listening



Use of positive language



Empathizing with customers



Upgraded technology



New customer service office



Transparency through social media

TCLP TOMORROW



- Workforce Composition - assessment of roles, departmental functions, skills and perceived needs for long-term success and growth.
- Skill Gap Analysis - outlining skills needed to ensure we can tackle the challenges, goals and objectives that will arise from our strategic planning efforts.
- Business Model Feasibility - Reviewing where the industry is headed and the types of business models we can pivot toward, as well as the feasibility of undertaking a transition.
- Foundations for Change Management - outlining the steps we might take to become a utility that is prepared to adapt, and the steps required to transition as recommended.

MARKETING EFFORTS FOR TCLPfiber.



1. Drive customer acquisition
2. Engage and grow support from community stakeholders
3. protect the project and successful deployment against misinformation and attacks
4. Gain the trust of the marketplace
5. Differentiate the TCLPfiber product from competing services

Communication efforts:



1. Communications best practices
2. Communication method
3. Community outreach and engagement
4. Messaging
5. Graphic Design

THANK YOU



1131 Hastings Street



231-922-4940, option 1



tclp.org



City of Traverse City, Michigan
TRAVERSE CITY LIGHT & POWER
2023-24 Budgeted Revenues and Expenses

	FY 20/21 Actual	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Recommended
OPERATING REVENUES					
Residential Sales	\$ 6,280,942	\$ 6,725,915	\$ 6,916,000	\$ 7,713,000	\$ 7,292,000
Electric Vehicle Charging Station	-	5,038	7,500	7,500	10,000
Commercial Sales	13,174,132	14,940,030	15,148,000	17,376,000	16,183,000
Industrial Sales	8,700,704	9,099,951	9,693,000	11,354,000	10,978,000
Public Authority Sales	300,625	298,504	308,000	333,000	332,000
Voluntary Green Rate	91,464	79,183	28,000	28,000	28,000
Street Lighting Sales	238,959	222,302	235,000	235,000	240,000
Yard Light Sales	112,246	131,313	110,000	110,000	110,000
Total Utility Sales	28,899,072	31,502,236	32,445,500	37,156,500	35,173,000
Forfeited Discounts	40,703	30,583	55,000	40,000	55,000
Merchandise and Jobbing	252,661	166,854	140,000	106,000	192,000
Sale of Scrap	23,548	39,689	20,000	20,000	20,000
Miscellaneous Income	152,868	90,012	37,000	75,000	50,000
Refunds and Rebates	9,843	377	2,500	500	500
MISO Revenue	2,987,027	3,184,244	3,400,000	3,400,000	3,250,000
TOTAL OPERATING REVENUES	32,365,722	35,013,995	36,100,000	40,798,000	38,740,500
OPERATING EXPENSES					
PURCHASE POWER					
Salaries and Wages	17,964	(5,192)	34,300	49,700	66,000
Fringe Benefits	99,888	132,324	(80,500)	82,200	79,500
Capacity Purchases	292,870	294,223	201,500	(313,300)	(409,100)
Purchased Power - MISO Market	(457,153)	1,840,443	1,687,000	1,906,200	(1,616,500)
Bilateral Contracts (offsetting MISO Market)	2,908,794	1,530,976	330,700	4,462,100	1,792,300
Combustion Turbine Power Cost	4,672,133	6,015,750	5,547,000	7,419,300	8,109,100
Campbell #3 Power Cost	3,533,250	3,372,713	2,968,600	3,112,900	3,265,500
Belle River #1 Power Cost	2,399,694	3,190,496	3,280,600	4,118,300	3,869,200
Landfill Gas - NANR & Granger Project	1,230,281	1,104,988	1,145,200	1,050,800	1,226,800
Stoney Corners - Wind Energy	2,978,543	2,889,573	3,217,800	3,243,100	3,154,800
Pegasus Wind	444,494	455,347	463,000	466,000	440,100
M72 Wind Turbine	18,288	2,208	-	-	-
M72 Solar	163,077	143,804	210,300	142,500	147,800
M72 Solar II	123,862	125,584	140,600	121,000	119,900
M-72 Solar III	-	-	-	30,000	99,000
Assembly Solar I	482,781	850,956	824,000	937,000	913,600
Assembly Solar II	-	299,828	545,000	598,000	587,500
Invenergy Calhoun	-	-	535,000	133,600	1,081,900
Total Purchase Power	18,790,914	22,116,889	21,096,300	27,427,500	22,781,900
Purchased Power Cost as % of Sales	65.02%	70.21%	65.02%	73.82%	64.77%
Communications	156	57	200	-	-
Meal Payments	3,543	-	-	-	-
Safety Training and Supplies	3,076	3,076	3,600	4,000	4,000
Professional and Contractual	101,331	97,648	277,000	364,000	187,500
Transportation	6,155	2,789	4,000	2,900	3,200
Professional Development	-	-	3,000	4,600	-
Uniforms	2,861	3,389	4,800	4,800	4,800
Vehicle Rentals	7,081	7,869	3,000	7,400	(1,200)
Miscellaneous	188	217	500	500	500
Total Purchase Power	19,033,157	22,359,066	21,346,200	27,947,600	23,126,200
DISTRIBUTION OPERATION & MAINTENANCE					
Salaries and Wages	1,426,512	1,682,484	1,803,800	2,018,200	2,272,500
Fringe Benefits	928,463	1,153,066	728,600	1,838,300	1,754,900
Office Supplies	478	1,419	2,500	2,500	2,500
Operation Supplies	54,795	58,917	63,000	63,000	60,000
Utilities	51,964	63,021	61,000	61,000	66,000
Contract Meal Allowance	3,477	2,346	2,500	2,500	2,500
Communications	65,064	58,224	63,500	63,500	66,600
Substation	105,434	156,444	143,000	133,000	143,100
Overhead Lines	19,275	61,735	43,000	33,900	40,500
Tree Trimming	197,797	136,619	220,000	215,000	345,000
Load and Dispatching	32,265	32,265	36,000	36,000	37,400
Storm Damage Contingency	605	8,401	50,000	20,000	50,000
Underground Lines	25,775	38,434	38,000	45,600	41,700
Customer Installations	24,741	3,646	5,000	-	-

City of Traverse City, Michigan
TRAVERSE CITY LIGHT & POWER
2023-24 Budgeted Revenues and Expenses

	FY 20/21 Actual	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Recommended
Electric Meters	8,194	21,660	30,000	20,300	21,500
Street Lighting	253,768	257,233	250,000	250,000	275,000
Electric Vehicle Charging Stations	-	3,880	6,000	6,000	7,500
Radio Equipment	2,563	1,808	2,000	2,000	2,000
Plant & Structures	61,314	78,337	83,000	77,200	116,300
Safety Training and Supplies	27,259	26,986	32,000	30,000	32,000
Tools	18,929	18,801	30,000	30,000	35,000
Uniforms	19,504	21,632	24,400	26,000	24,900
Professional and Contractual	7,428	66,027	34,000	32,600	94,800
Rent Expense	1,764	-	2,000	2,000	2,000
Professional Development	9,377	25,461	72,000	40,000	79,200
Printing and Publishing	2,496	7,316	5,500	4,000	5,000
Transportation	27,763	33,394	35,000	39,700	42,000
Vehicle Rentals	(98,557)	43,798	(1,400)	(9,700)	(69,000)
Miscellaneous	4,392	17,022	5,000	2,500	5,000
Inventory Adjustments	43,080	(52,425)	10,000	55,000	10,000
Total Distribution O & M	3,325,919	4,027,951	3,879,400	5,140,100	5,565,900
<u>TRANSMISSION OPERATIONS & MAINTENANCE</u>					
Salaries and Wages	201,371	207,631	206,000	201,000	210,900
Fringe Benefits	7,442	4,727	3,900	4,100	4,100
Substation	42,799	49,880	55,000	48,300	51,500
Overhead Lines	19,509	83,048	63,000	33,900	40,500
Tree Trimming	-	-	-	-	85,800
Load and Dispatching	12,735	12,735	12,500	10,600	11,100
MISO Transmission	25,868	24,853	25,300	25,300	25,300
Vehicle Rentals	3,360	2,910	1,800	3,100	3,100
Miscellaneous-MPPA Transmission Project	254,392	70,349	95,000	75,000	80,000
Inventory Adjustments	32,514	(16,046)	-	-	-
Total Transmission O & M	599,990	440,087	462,500	401,300	512,300
<u>METERING & CUSTOMER ACCOUNTING</u>					
Salaries and Wages	328,383	328,669	290,800	296,400	288,100
Fringe Benefits	162,873	223,038	132,200	118,100	161,400
Office Supplies	1,561	1,807	5,500	5,500	5,500
Operations Supplies	183	787	500	-	-
Communications	123	174	300	2,400	2,600
Contract Meal Allowance	40	80	100	-	-
Safety Training and Supplies	3,002	3,002	-	-	-
Uniforms	2,645	3,343	-	-	-
Professional and Contractual	58,092	22,297	48,000	61,000	92,000
Postage	30,083	29,520	69,000	40,000	77,000
Uncollectable Accounts	(3,906)	(3,639)	10,000	5,000	5,000
Collection Costs	615	115	2,500	2,500	2,500
Data Processing	14,160	15,142	14,333	80,100	-
AMI Fiber Connection	23,414	23,813	24,300	23,100	24,300
Transportation	1,500	2,602	3,250	2,000	2,500
Professional Development	-	561	8,000	5,000	15,000
Printing and Publishing	911	268	2,000	2,000	2,500
Vehicle Rentals	12,347	13,132	5,000	15,500	15,500
Miscellaneous	959	570	31,500	150,000	280,000
Total Customer Accounting	636,985	665,281	647,283	808,600	973,900
<u>CONSERVATION & PUBLIC SERVICES</u>					
Salaries and Wages	75,665	100,707	90,100	169,600	234,100
Fringe Benefits	37,847	51,569	126,800	108,800	138,400
Office Supplies	181	208	500	1,000	1,000
Communications	816	533	700	10,200	10,800
Professional and Contractual	81,487	38,992	64,000	97,700	65,900
Public Service & Communications	7,764	9,890	17,000	22,600	33,000
Community Services	21,476	1,891	33,100	15,600	25,600
Community Investment Fund	23,682	48,465	100,000	100,000	100,000
Transportation	-	277	500	500	500
Professional Development	652	163	3,600	1,250	8,100
Vehicle Rentals	1,493	4,069	3,800	2,800	2,800
Energy Waste Reduction Program	211,123	380,721	306,800	100,000	-
Additional Energy Waste Reduction	-	-	82,000	-	-

City of Traverse City, Michigan
TRAVERSE CITY LIGHT & POWER
2023-24 Budgeted Revenues and Expenses

	FY 20/21 Actual	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Recommended
Decarbonization Plan	-	-	-	-	300,000
Voluntary Green Program	33,318	-	100,000	80,000	80,000
Printing and Publishing	951	-	1,500	1,500	1,500
Miscellaneous	328	679	1,000	1,500	1,500
Total Conservation & Public Services	496,783	638,164	931,400	713,050	1,003,200
<u>INFORMATION SYSTEMS</u>					
Salaries and Wages	120,782	140,355	141,000	160,900	197,600
Fringe Benefits	48,785	71,949	72,900	133,300	181,000
Office Supplies	104	-	1,000	1,000	1,000
Operation Supplies	4,036	7,347	5,000	8,000	9,000
Communications	7,430	6,019	7,400	12,500	35,000
Software	68,912	143,221	243,600	245,000	484,500
Hardware	7,981	6,467	35,000	35,000	105,000
Uniforms	43	235	1,000	1,000	1,000
Professional and Contractual	7,561	6,919	35,000	15,000	85,000
Professional Development	3,059	4,232	5,000	10,100	16,500
Printing and Publishing	106	90	250	-	-
Miscellaneous	-	187	500	500	500
Total Information Systems	268,799	387,021	547,650	622,300	1,116,100
<u>ADMINISTRATIVE AND GENERAL</u>					
Salaries and Wages	381,801	354,542	574,600	623,700	682,400
Fringe Benefits	248,763	233,682	151,800	357,300	412,400
Office Supplies	3,939	6,068	4,500	6,000	6,500
Communications	4,444	4,162	4,900	7,600	7,900
Fees and Per Diem	65,687	66,845	70,000	79,000	85,000
Board Related Expenses	199	3,468	5,000	2,500	5,000
Professional & Contractual	98,273	134,942	157,700	181,700	273,800
Legal Services	43,793	34,328	55,000	25,000	40,000
Employee Recognition	2,426	3,327	7,000	7,800	9,900
Transportation	-	1,246	2,500	3,600	3,600
Professional Development	3,548	19,735	20,000	25,000	61,000
Printing & Publishing	3,379	3,475	5,500	6,500	7,500
Miscellaneous	431	8,692	3,000	2,500	2,500
Insurance and Bonds	74,571	89,050	95,000	95,000	115,000
City Fee	1,614,472	1,747,792	1,815,000	2,051,000	1,946,000
Depreciation Expense	3,139,265	3,127,891	3,381,501	3,150,000	3,560,000
Amortization Expense	-	23,708	-	23,800	23,800
Total Administrative and General	5,684,991	5,862,953	6,353,001	6,648,000	7,242,300
Total Operating Expenses	30,046,624	34,380,523	34,167,434	42,280,950	39,539,900
Operating Income	2,319,098	633,472	1,932,566	(1,482,950)	(799,400)
<u>NON OPERATING REVENUES/(EXPENSES)</u>					
Federal Grant	-	20,775	-	-	200,000
State Grant	17,710	136,897	-	-	-
Rents and Royalties	58,288	52,772	54,500	67,500	28,800
Pole Rentals	85,084	21,289	66,700	67,500	67,500
Lease Revenue	-	42,850	-	-	-
Reimbursements	221,276	208,245	88,900	375,000	114,000
Interest & Dividend Earnings	(103,841)	98,642	110,000	110,000	110,000
Change in Fair Value	-	(985,620)	-	-	-
Gain/(Loss) on Sale of Fixed Assets	(150,267)	(91,231)	(75,000)	(75,000)	(75,000)
Total Non Operating Revenue/(Expenses)	128,250	(495,381)	245,100	545,000	445,300
Income before special items	2,447,348	138,091	2,177,666	(937,950)	(354,100)
<u>SPECIAL ITEM</u>	1,358,904	-	-	-	-
Change in Net Position	\$ 3,806,252	\$ 138,091	\$ 2,177,666	\$ (937,950)	\$ (354,100)

Traverse City Light & Power
Fiber Optics Fund
2023-24 Budgeted Revenues and Expenses

	FY 20/21 Actual	FY 21/22 Actual	FY 22/23 Budgeted	FY 22/23 Projected	FY 23/24 Recommended
OPERATING REVENUES					
Dark Fiber System					
Charges for services	\$ 405,258	\$ 407,733	\$ 405,400	\$ 405,500	\$ 415,100
Merchandising and Jobbing	28,963	9,074	-	-	-
Lit Fiber System					
Residential	105,435	377,698	516,000	463,000	875,000
Commercial	26,392	116,058	137,000	167,000	319,000
Enterprise	-	-	-	5,700	6,000
VoIP	4,025	19,488	26,000	26,000	49,000
Forfeited Discounts	833	2,203	2,800	3,300	7,100
Miscellaneous Revenues	-	-	-	50,000	-
Subtotal Lit Fiber System	136,685	515,447	681,800	715,000	1,256,100
WIFI Operations and Maintenance					
Charges for Services	42,600	42,600	42,600	44,500	44,500
Total Operating Revenues	613,506	974,854	1,129,800	1,165,000	1,715,700
OPERATING EXPENSES					
Dark and Lit Fiber System					
Salaries and wages	48,619	148,411	227,400	264,600	179,500
Fringe benefits	20,827	147,839	139,200	116,300	88,800
Office Supplies	72	207	500	3,000	3,500
Operation Supplies	1,363	3,425	1,600	7,000	5,000
Communications	324	545	2,000	2,000	2,500
Hardware and software	73	-	100	100	100
Meal payments	460	20	240	300	300
Tools	-	190	-	-	-
Uniforms	357	2,624	3,800	3,800	3,800
Professional services	547,390	310,670	405,000	293,200	279,000
VOIP Services	41,343	36,165	43,000	43,200	43,200
Fujitsu Services	504,053	258,734	258,125	233,000	133,800
Marketing	657	15,023	100,000	15,000	100,000
Other	1,336	746	1,500	2,000	2,000
Legal services	3,944	4,177	5,000	5,000	6,000
Transportation	-	97	-	2,000	1,000
Professional development	-	5,031	10,000	10,000	17,500
Repair and maintenance	-	-	5,000	-	-
Printing and publishing	2,227	270	-	500	800
Vehicle rental	251	12,403	18,010	17,000	13,000
Building rental costs	-	21,000	21,800	17,500	17,500
Pole attachment fees	15,525	15,526	15,500	15,600	30,200
Miscellaneous	3,736	13,158	1,000	1,000	1,500
Subtotal Dark and Lit Fiber System	645,167	685,591	853,775	758,900	650,000

**Traverse City Light & Power
Fiber Optics Fund
2023-24 Budgeted Revenues and Expenses**

	FY 20/21 Actual	FY 21/22 Actual	FY 22/23 Budgeted	FY 22/23 Projected	FY 23/24 Recommended
WIFI Operations and Maintenance					
Salaries and fringe benefits	3,000	3,000	2,900	-	-
WIFI operations and maintenance	30,237	33,040	34,700	37,000	40,000
Subtotal WIFI Operations and Maintenance	33,237	36,040	37,600	37,000	40,000
Customer Accounting					
Salaries and wages	-	-	8,100	7,300	20,000
Fringe benefits	-	-	3,700	3,300	10,500
Operation supplies	-	-	4,000	4,000	4,000
Professional services	-	-	15,000	8,000	20,000
Uncollectable accounts	-	-	5,000	5,000	10,000
Miscellaneous (bank fees and credit card fees)	-	-	22,500	22,300	44,300
Subtotal Customer Accounting	-	-	58,300	49,900	108,800
Other Expenses					
Insurance	1,822	1,773	5,000	5,000	7,500
City fee	30,675	48,743	56,000	58,000	86,000
Depreciation expense	232,101	348,297	350,000	375,000	400,000
Contribution for principal and interest	-	-	-	-	1,021,000
Subtotal Other Expenses	264,598	398,813	411,000	438,000	1,514,500
Total operating expenses	943,002	1,120,444	1,360,675	1,283,800	2,313,300
Operating (loss)	(329,496)	(145,590)	(230,875)	(118,800)	(597,600)
<u>Non-operating revenues (expenses)</u>					
Reimbursements	20,444	8,942	26,800	33,000	33,000
Interest expense	(14,453)	(18,789)	(8,700)	(10,000)	(6,800)
Total non operating revenues (expense)	5,991	(9,847)	18,100	23,000	26,200
Income before special item	(323,505)	(155,437)	(212,775)	(95,800)	(571,400)
Special item	-	-	-	-	690,000
Change in net position	\$ (323,505)	\$ (155,437)	\$ (212,775)	\$ (95,800)	\$ 118,600