

THE CITY MANAGER'S
ANNUAL BUDGET
RECOMMENDATION
FY 2023-2024



Prepared by the City Treasurer's Office



CITY OF
TRAVERSE CITY

City of Traverse City, Michigan – Budget Report

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SIX YEAR CAPITAL IMPROVEMENT PLAN - See:
<https://www.traversecitymi.gov/government/reports-and-resources/>
- Capital Improvement Plan 2023-2024



The City of Traverse City

Communication to the City Commission

FOR THE REGULAR CITY COMMISSION MEETING OF MAY 1, 2023

DATE: APRIL 24, 2023
FROM: PENNY HILL, INTERIM CITY MANAGER
SUBJECT: FYE 06/30/2024 DRAFT BUDGET

As required by Charter Section 76, the City Manager shall prepare a complete itemized budget proposal for the next fiscal year as provided for in this Charter, and shall submit it to the City Commission on or before the first regular meeting of the City Commission in the month of May (May 1 for 2023), and shall adopt a Budget not later than the first Monday in June (June 5 for 2023).

The attached Budget recommendation can be reviewed at regular meetings and study sessions as the City Commission desires and is recommended to be reviewed at the May 15, 2023 regular City Commission meeting. A Public Hearing on the Budget is recommended to be scheduled for a special meeting on May 22, 2023.

While the attached represents the City Manager's budget recommendations, the City Commission may make recommendations for changes, and makes final budget decisions.

I would like to take this opportunity to thank Brian Postma, the City Financial Analyst, for his untiring efforts, his expertise, and his dedication toward the completion of the FY 2023/24 Budget document. Brian has been instrumental in the development of this budget.

Attached please find the Draft Budget for the City of Traverse City for the 2023/24 fiscal year. In addition to the General Fund, the attached includes the various other funds for the City, including the component units, Traverse City Light and Power (TCLP) and the Downtown Development Authority (DDA).

OVERVIEW

The City of Traverse City is in financially stable condition. Entering the new fiscal year (2023/24), the City of Traverse City anticipates a General Operating Fund (beginning) Balance of \$7,945,300 on June 30, 2023, which represents 38.85% of General Operating Fund expenditures. This was due in large part because the City

received higher than anticipated State Shared Revenues, higher than anticipated property taxes, and had several positions that were vacant for extended periods of time or were authorized but not filled during the fiscal year. For a more detailed review, see Financial Analyst Brian Postma's memo.

The actual Fund Balance on June 30, 2022 was \$7,203,700, or 38.71% of General Operating Fund expenditures.

For Fiscal Year 2023/24, if the budget is adopted in its present form, the General Operating Fund ending balance as of June 30, 2024 is projected to be approximately \$7,028,600, which represents 29.57% of the projected General Operating Fund expenditures and transfers out.

The "target" General Operating Fund unassigned fund balance (which excludes unspendable items, such as inventory and prepaid items, and "assigned" items such as a projected use of fund balance in the subsequent budget year) is established by resolution of the City Commission. The current adopted resolution is for the General Operating Fund unassigned fund balance to be between 15% and 20% of General Fund expenditures.

FY 2023/24 General Operating Fund Budget:

Revenues:

FY 2023/24 General Fund revenue has been impacted by the following:

1. State Sales and Use Tax sharing (State Revenue Sharing) is projected to increase by approximately \$22,300 over the prior year, primarily due to the Governor's budget proposals regarding revenue sharing.
2. Real and Personal Property Tax is not anticipated to be impacted by the Headlee rollback, and the City Operating millage rate is recommended to remain the same as the prior fiscal year at 11.7688 mills. This millage rate is projected to generate \$13,891,700 for the General Fund. Per City Charter, "*...the City Commission shall, by resolution, adopt the budget for the next fiscal year and shall provide in such resolution for a levy of the amount necessary to be raised by taxation for municipal purpose, which shall not exceed one and one-half percent (1-1/2%) of the assessed valuation of all real and personal property subject to taxation in the City.*" For the 2023/24 Fiscal Year, 1.5% of the real and personal property taxable value would be \$30,040,813. The projected taxes generated are well within that limit.
3. With the approval of adult use marijuana facility licenses, it is anticipated that the marijuana excise tax will generate approximately \$828,800 in the General Fund.

4. The intragovernmental City fee (the 5% fee charged to all enterprise funds and Light and Power) is expected to have a slight increase of approximately \$64,500 from the estimates one year ago.

Overall, the FY 2023/24 General Fund Budget projected revenue is expected to increase from a projected \$ 21,194,400 for the current fiscal year to \$22,851,900, which represents an increase of \$1,657,500.

Expenditures:

FY 2023/24 Expenditures have been impacted by the following:

1. An inflationary factor of approximately 3% has been applied to supplies/materials throughout the budget.
2. Personnel (see memo from HR Director Kristine Bosley for additional information):
 - a. We continue try to fill seven vacant Firefighter positions, including the three positions that were previously authorized, and anticipate success in the upcoming months. The proposed budget does not take into consideration the provision of primary EMS transport by the Fire Department.
 - b. We continue to try to fill the vacant Treasurer/Finance Director position.
 - c. We have posted the position of Chief of Police, and will await a recommendation from the Interim City Manager as to filling this position.
 - d. We received several requests for new positions, and after evaluating the requests based on the goals and objectives of the City Commission and the evolving capacity requirements of the city staff, have included the following new positions within the proposed budget:
 - i. Clerk's Department: Licensing and Elections Generalist
 - ii. HR Department: Recruiter/HR Specialist
 - iii. Dept. of Public Services: Urban Forestry Specialist
 - iv. Planning Department: Deputy Planner
 - e. A 5% Cost of Living Adjustment for non-union staff has been included within the proposed budget. A compensation study for this group is underway, and is anticipated to be complete and presented to the City Commission in mid to late June 2023.
 - f. Note that for FY 2023/24, preliminary Health Insurance costs are expected to decrease slightly; approximately 3%.
3. Capital Improvements Projects: Transfers out of the General Operating Fund and into the Capital Projects Fund in the amount of \$1,832,600 have been included in the proposed budget. This amount reflects the General Fund's portion of recommended projects, including:

- a. Annual Street Millage
- b. Fire Station Improvements
- c. Grandview Parkway Project
- d. Hall Street Crosswalk
- e. Computer Hardware (Replacement)
- f. Government Center IT Network Upgrade and Redesign (5 year payments)
- g. Open Space Sidewalk Repair
- h. Meridian Barriers
- i. Union Street Dam Betterment & Monitoring
- j. West End Beach Parking Lot

Projected expenditures and transfers out for the General Fund in the 2023/24 fiscal year are \$23,768,600, which represents an increase of \$2,093,400 over the prior year's budget.

- 4. Other: There are a number of ongoing efforts that may have budgetary impacts during the upcoming fiscal year, which include:
 - a. An Ad Hoc Committee for the evaluation of the future of the two Fire Stations and the evaluation of the City Fire Department personnel to perform Primary EMS Transport will soon make recommendations to the City Commission regarding those evaluations.
 - b. FishPass: Uncertainty regarding the Union Street dam/FishPass is continuing, with a resolution expected in the upcoming fiscal year which will impact the direction that the City moves with respect to repairing/replacing the dam.
 - c. Funding for the Senior Center is ongoing, and there is currently a funding gap for this project.

Capital Improvement Projects

The Capital Improvement Projects funds are expected to continue to be active in the upcoming fiscal year. Please see the attached Budgeted Capital Outlay & Equipment Related Purchases Summary by Fund, which include:

1. General Fund	\$2,510,100
2. HazMat Fund	\$ 9,700
3. Tree Ordinance Fund	\$ 21,600
4. Brown Bridge Trust Parks	\$ 216,000
5. County Wide Road Millage Fund	\$2,000,000
6. Capital Projects Fund	\$5,636,600
7. Public, Education, Government TV (PEG) Fund	\$ 70,500
8. Senior Center Building Fund	\$7,850,500
9. Brown Bridge Maintenance Fund	\$ 25,000

10. Corona Virus Fiscal Recovery Fund	\$ 466,200
11. AutoParking Fund	\$ 175,000
12. Wastewater Fund	\$4,182,100
13. Water Fund	\$6,958,600
14. Garage Fund	\$3,638,600
15. Brown Bridge Trust Fund	\$ 750,000
16. Cemetery Trust Fund	\$ 150,000

The total projected investment into capital projects city wide is \$34,660,500. The DDA and TCLP budgets reflect considerable capital spending as well. See City Engineer Tim Lodge’s memo for additional information about planned capital projects.

Indebtedness of the City - Debt and Debt Service:

City primary government Governmental Funds have two outstanding debt issues that will be serviced during the June 30, 2024 budget year.

1. **The 2017 Downtown Development Refunding Bonds** (a refund issue for bonds used to finance the Hardy parking deck construction) has principal due in 2024 of \$860,000 and interest of \$93,440. Future years remaining principal and interest are \$3,215,000 and \$181,380 respectively. Both principal and interest payments are paid using contributions from the TIF 97 tax increment financing district.
2. **The 2018 Capital improvement – Boardman Lake Trail and Sidewalk Improvement Bonds** (used to finance the construction of the West Boardman Lake Trail Loop and the Sidewalk Preservation & Gap/Infill Projects) has principal due in 2024 of \$585,000 and interest of \$170,210. Future years remaining principal and interest are \$5,010,000 and \$697,370 respectively. The portion of the debt used to finance the West Boardman Lake Trail will be serviced by a combination of Brownfield Redevelop Funds, Local Contributions and State Grant Programs. The Sidewalk Preservation & Gap/Infill portion of the debt will be serviced by a portion of the commission approved 1 mill allocation from the General Operating Millage designated for Sidewalks and Streets.
3. **TCLP Fiber Network** Refer to the Traverse City Light & Power proposed Budget document for this information.

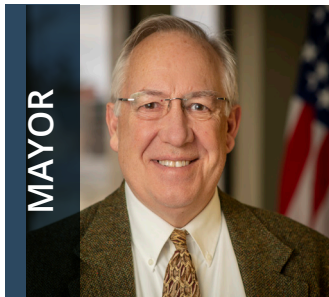
The City’s Wastewater and Water Enterprise Funds are participating in the Michigan Finance Authority’s Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs. The final loan amount for each of these programs is yet to be determined and will be based on the final eligible construction and related costs of ongoing projects.

1. **The CWSRF** funds are being used for the 100 block Front Street Sewer relocation and 200 block Front Street Boardman river wall stabilization. The maximum eligible amount is \$ 2,725,000 with a principal forgiveness of \$408,750 which would end in a loan amount be repaid of \$2,316,250. Annual principal and interest payments when determined will begin in April 2024 and extend through April 2043. Debt will be serviced by a combination of Wastewater Fund revenue and participation from Garfield and Elmwood Townships.
2. **The DWSRF** funds are being used to for the Water Fund's multi-year Galvanized Service Line Replacement Project. The total cost of the project is being financed by a \$1,654,000 Drinking Water Infrastructure Grant, \$149,500 of local (Water) funds and a maximum \$3,510,500 DWSRF loan. Principal and interest payments when determined will begin in October 2026 and extend through October 2045. Debt will be serviced with Water Fund revenue.

Public Act 345 of 1937:

Effective July 1, 1971, the City of Traverse City Charter adopted Public Act 345 of 1937, as amended. That Act establishes certain provisions regarding pensions for police and fire personnel including a provision that funds to support that obligation are a "special levy" outside of the general operating levy. The estimated Act 345 levy for the 2023/24 fiscal year is 2.32 mills. The actual levy necessary to support this obligation varies from year to year, depending on the number of members in the Act 345 Retirement system, the number of members receiving benefits, and the return on investments in the funds.

CITY COMMISSION



Richard I. Lewis



Amy Shamroe



Linda Koebert



Mi Stanley



Mitchell Treadwell



Tim Werner



Mark L. 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

CITY COMMISSION GOALS & OBJECTIVES



ECONOMIC DEVELOPMENT



WATER SYSTEMS



CLIMATE CHANGE



ACCESS & MOBILITY



CONNECTING PEOPLE WITH EACH OTHER AND NATURE



HOUSING & HOMELESSNESS

**INTERIM
CITY MANAGER**

PENNY HILL

**INTERIM
CITY TREASURER
FINANCE DIRECTOR**

Jahna Robinson

CITY CLERK

Benjamin Marentette

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

Kristine Bosley

ADDITIONAL CITY OFFICIALS

LIGHT & POWER EXECUTIVE DIRECTOR

Brandie Ekren

DDA CHIEF EXECUTIVE OFFICER

Jean Derenzy

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
FUNDS, DEPARTMENTS AND ACTIVITIES**

GENERAL OPERATING FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECT FUNDS	PERMANENT FUNDS	ENTERPRISE FUNDS	INTERNAL SERVICE FUND
City Commission City Manager Human Resources DPS Director and Asset Management G.I.S. City Assessor City Attorney City Clerk City Treasurer Police Department Fire Department City Engineering Parks and Recreation Oakwood Cemetery Street Administration Governmental Center & Facilities Appropriations Transfers to Other Funds	GASB 54 Funds Budget Stabilization Hazardous Materials Carnegie Building Coast Guard Committee Senior Center Operations/maintenance BrownBridge Maintenance Opera House Banner Program Economic Development Public Arts Commission Other Special Revenue Funds Major Streets Local Streets State Trunkline Coronavirus Fiscal Recovery Act 302 Police Training College Parking Act 345 Millage PEG Capital McCauley Estate County Road Commission Projects Brown Bridge Trust Parks Improvement Tree Ordinance	Parking Bond Debt Retirement Sidewalk & Trail Debt Retirement	Governmental Capital Projects Senior Center Building Boardman Lake Trail Special Assessments	Brown Bridge Trust Cemetery Trust Cemetery Perpetual Care	Wastewater Water Hickory Hills Marina Autoparking System	Municipal Garage

City of Traverse City
Fiscal Year End June 30, 2024
Budgeted Capital Outlay & Equipment Related Purchases Summary by Fund

Description	Amount
Fund 101 General Operating Fund:	
2nd Floor Governmental Center Window Shade Replacement	\$ 18,000
Police Body Worn Camera Replacement	32,000
Police Tasers	110,500
Fire Engine 02 Vehicle Stabilization System	17,000
Fire Station Design/Architect	500,000
Current Year Contributions to Capital Projects Fund:	
Network Upgrade/Redesign	27,600
Fire Station Improvements	300,000
Grandview Parkway	75,000
Hall Street Crosswalk	80,000
Annual Streets Millage Allocation	795,000
Computer Hardware	35,000
Open Space Seawall Sidewalk Repair	30,000
Traffic Control Meridian Barriers	150,000
West End Beach Parking Lot Repair	120,000
Union Street Dam Betterment/Monitoring	220,000
Total General Operating Fund	\$ 2,510,100
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	\$ 21,600
Fund 239 Brown Bridge Trust Parks Special Revenue Fund:	
Brown Bridge:	
Covered Benches	\$ 4,000
Fisherman's Bend Access Steps	12,000
Small Pavillion - Buck's Landing	20,000
Current Year Contributions to Capital Projects Fund:	
Ashton Park	30,000
Park Sign Fabrication and Install	150,000
Total Brown Bridge Trust Parks Fund	\$ 216,000
Fund 243 County Wide Road Millage Special Revenue Fund:	
2023/2024 Pavement Preservation Project	\$ 2,000,000

City of Traverse City
Fiscal Year End June 30, 2024
Budgeted Capital Outlay & Equipment Related Purchases Summary by Fund

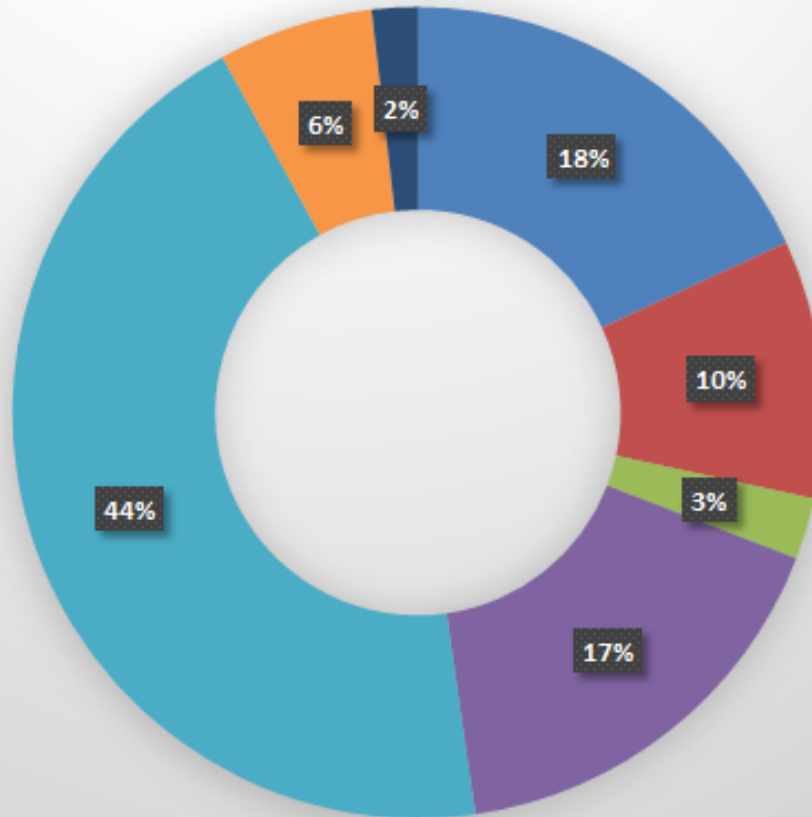
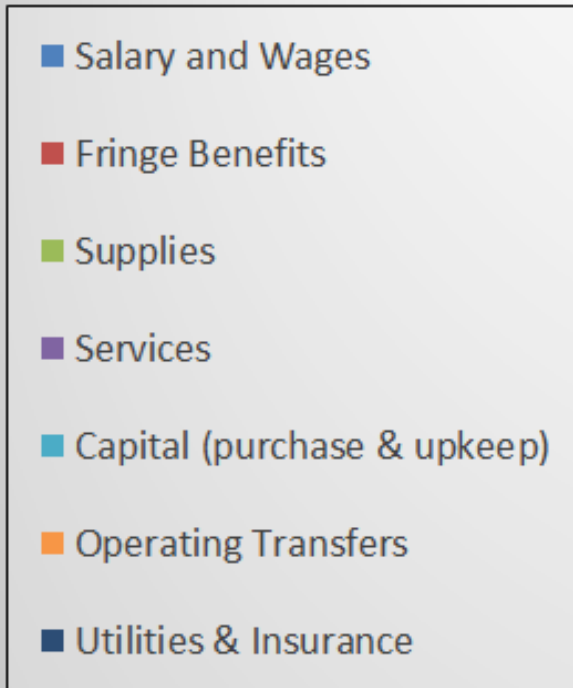
Description	Amount
Fund 245 Capital Projects Fund:	
Ashton Park	\$ 30,000
Boon Street Playground	55,000
City Document Management System	11,000
Fire Station Upgrades	592,200
Grandview Parkway - U.S. 31 City Share Fiscal 24	228,000
Grandview Parkway TART Design Project	300,000
Hall St Crosswalk	80,000
Hannah Park	395,100
Madison and Jefferson Reconstruction Fiscal 24 Estimate	863,500
Meridian Traffic Barriers	150,000
Mobility Action Plan	38,800
Network Upgrade and Redesign - City Share	27,400
Park Sign Fabrication and Replacement	150,000
Rose & Boyd Triangle Park	21,500
veterans Drive	89,600
West End Beach Bathhouse	401,000
West End Beach Parking Repair/Replace	120,000
Lower Boardman River Unified Plan	500,000
West Front Parking Structure Site Preparation	500,000
Union & Cass - Eighth Street Intersections	300,000
Hickory Hills Swede Homologation	70,000
Annual Sidewalks	277,700
Computer Hardware	35,000
Green Community Challenge	3,000
Traffic Signal Improvements	135,000
Traffic Signal Upgrades	215,600
Union Street Dam Monitoring	47,200
	<u>\$ 5,636,600</u>
Fund 264 PEG Special Revenue Fund:	
LIAA contribution	7,500
Commission Chamber Video Equipment	\$ 33,000
Training Room Video Equipment	30,000
	<u>\$ 70,500</u>
Fund 277 Senior Center Building Fund:	
Senior Center Building Construction Project	\$ 7,850,500
Fund 279 Brown Bridge Maintenance Fund:	
Siding and Flooring for Caretaker House	\$ 25,000
Fund 284 Corona Virus Fiscal Recovery Fund:	
Tree Program FYE 24 Estimate	66,200
Fire Station Improvements	150,000
Sanitary Sewer I & I	250,000
	<u>\$ 466,200</u>
Fund 585 Autoparking Enterprise Fund:	
Lot C Resurface	\$ 80,000
Lot B Reconstruction	80,000
Bike infrastructure and Meter Replacement	125,000
Hardy Pedestrian Stair Tower Repair/Upgrade	100,000
	<u>100,000</u>

City of Traverse City
Fiscal Year End June 30, 2024
Budgeted Capital Outlay & Equipment Related Purchases Summary by Fund

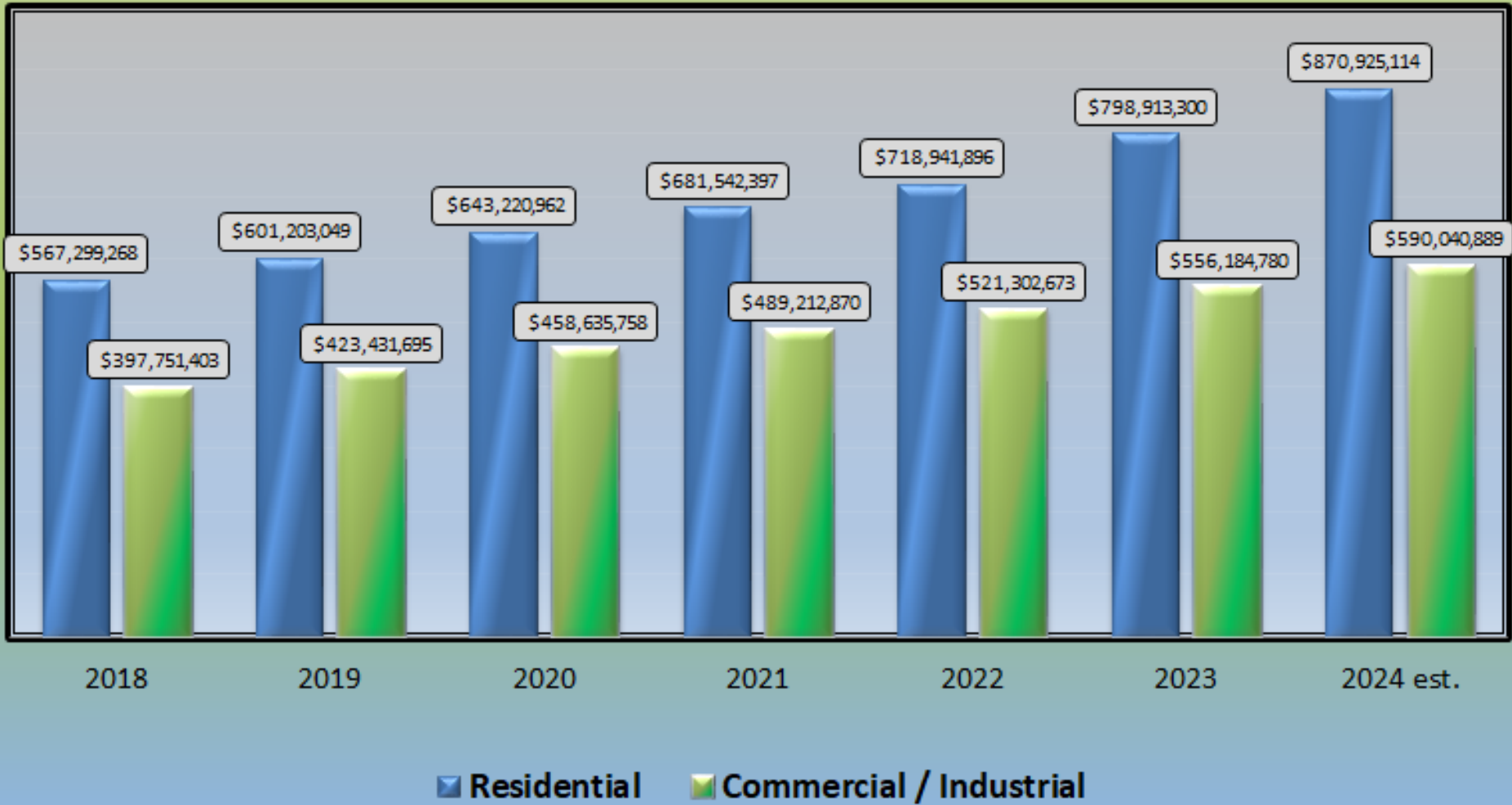
	Amount
	<u>\$ 175,000</u>
Fund 590 Waste Water Fund:	
Distribution	
AMI Project	\$ 180,600
Madison/Jefferson FYE 24 Estimate	875,200
East Bay Park Storm Sewer Outlet Repair	50,000
Ramsdell Storm Sewer Upgrade	50,000
West Side Sanitary Sewer Lining	1,000,000
Grandview Parkway US 31 Project FYE 24 Estimate	686,300
Plant	
digester 4&5 conditional assess	95,000
boiler control upgrades	380,000
SCADA and PLC updates	700,000
MBR Chemical Feed Upgrade	165,000
	<u>\$ 4,182,100</u>
Fund 591 Water Fund:	
Distribution	
AMI Project	\$ 180,600
Madison/Jefferson FYE 24 Estimate	1,155,500
Galvanized Water Services Replacement (State Revolving Loan Project)	2,200,000
Bloomfield Road Booster Demolition	100,000
Cass & 9th St Water/Stormwater Repair	100,000
Washington and Front St Water Main Valves	100,000
US 31 Reconstruction FYE 24 Estimate	2,122,500
Division St Watermain 14th St to City Limits	1,000,000
	<u>\$ 6,958,600</u>
Fund 661 Garage Internal Service Fund:	
5 Police Patrol Vehicles (Chevy Tahoe)	\$ 275,000
1 Police Patrol K-9 package (Chevy Tahoe)	57,000
Parks F350 Pickup w/ plow	78,000
Parks F350 Pickup W/Vee Plow	84,000
Streets F350 pickup	48,000
Cemetery EZ-GO utility vehicle	15,000
Fire KME Ladder Truck	1,800,000
Fire Dodge Ram pickup (Hybrid/Electric)	45,000
Parks Dodge Ram pickup (Hybrid/Electric)	45,000
Hickory Hills Polaris Ranger 900	23,000
TLCP Dodge/Altec one ton w/40' bucket	152,000
Parks 2 Mean Green 60" zero turn mowers (Electric)	62,000
Streets John Deere 664K (Hybrid)	310,000
Parks Cherrington Beach Cleaner	135,000
Streets Admin. Dodge Ram 1500 (Hybrid/Electric)	48,000
Cemetery 2 Grasshopper 725 DT6	36,000
Streets 2 Wacker Nueson Mini Loaders WL 32	181,600
Streets 2 Provonost snowblowers	24,000
Hoist Replacement	220,000
	<u>\$ 3,638,600</u>
Fund 710 Brown Bridge Trust:	
Land Purchase Grant Match	<u>\$ 750,000</u>
Fund 711 Cemetery Trust Fund:	
Main Loop Paving Project	<u>\$ 150,000</u>

Fiscal Year 2023-2024

City of Traverse City Primary Government Budgeted Use of Funds



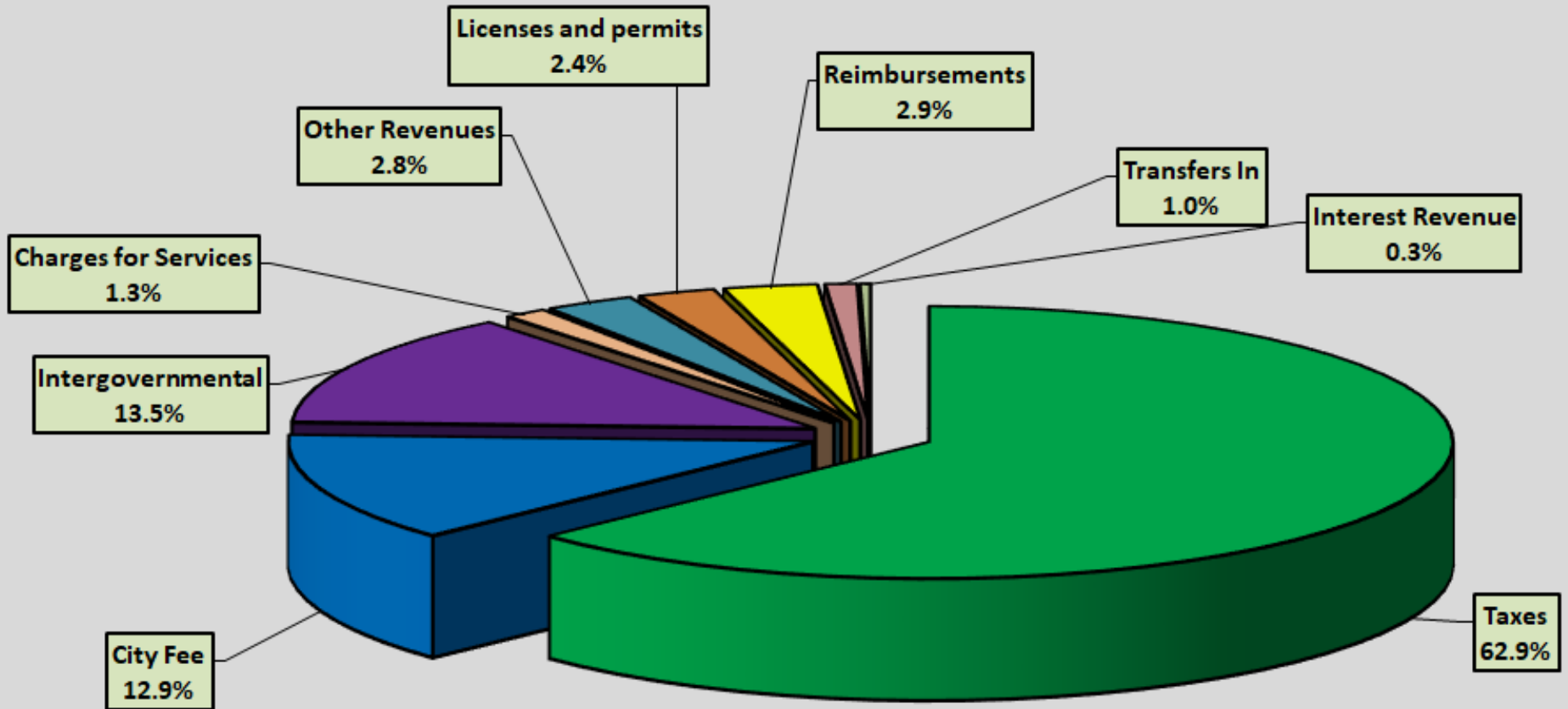
City of Traverse City Taxable Value History



City of Traverse City

**General Operating
Fund**

**City of Traverse City, Michigan
General Operating Fund
23-24 Budgeted Revenues**



City of Traverse City, Michigan
GENERAL OPERATING FUND
Budgeted Revenues

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
TAXES				
Real Estate / Personal Property	\$ 12,332,000	\$ 12,882,900	\$ 13,040,000	\$ 13,891,700
Collection Fees	297,600	298,000	310,000	325,000
Penalties and Interest on Taxes	160,800	185,000	142,000	150,000
Total Taxes	12,790,400	13,365,900	13,492,000	14,366,700
LICENSES AND PERMITS				
Business Licenses and Permits	195,600	157,500	266,600	237,400
Franchise Fees	238,000	242,000	230,000	225,000
Non-Business Permits	85,700	80,100	85,100	87,100
Total Licenses & Permits	519,300	479,600	581,700	549,500
INTERGOVERNMENTAL				
Federal Grants	500	70,500	141,400	105,600
State Revenues				
State Sales and Use Taxes	1,911,900	1,704,600	1,917,500	1,939,800
State local Community Stabilization	189,400	118,500	164,000	164,000
Marijuana Exise Tax	-	-	700	828,800
State Liquor Licenses	50,200	50,000	54,000	54,000
Total Intergovernmental	2,152,000	1,943,600	2,277,600	3,092,200
CHARGES FOR SERVICES				
General Fees and Services	55,000	66,700	49,200	49,300
Use and Admission Fees	236,400	132,000	176,000	211,000
Sale of Fixed Assets	-	-	-	-
Ordinance Fines and Costs	41,000	44,000	35,000	42,000
Total Charges for Services	332,400	242,700	260,200	302,300
FINES AND FORFEITURES				
Parking Violations	3,900	7,000	4,000	5,000
INTRAGOVERNMENTAL-City Fee	2,809,200	2,832,800	3,030,900	2,943,400
OTHER REVENUE				
Interest Revenue	23,300	27,000	75,000	75,000
Change in Fair Value of Investments	(269,300)	-	-	-
Rents and Royalties	55,500	55,000	55,000	55,000
Contributions-Public Sources	494,200	515,500	515,500	548,000
Contributions-Private Sources	27,300	45,000	59,000	10,000
Other Income	22,000	22,500	20,500	20,000
Total Other revenue	353,000	665,000	725,000	708,000
REIMBURSEMENTS	566,600	591,000	600,000	660,000
TRANSFERS IN				
Brown Bridge Trust Fund	167,800	200,000	190,000	191,800
Other Funds	53,500	32,000	33,000	33,000
Total Transfers In	221,300	232,000	223,000	224,800
TOTAL REVENUES	\$ 19,748,100	\$ 20,359,600	\$ 21,194,400	\$ 22,851,900

SUMMARY OF SIGNIFICANT BUDGET CHANGES

General Fund Revenue

Real Estate/Personal Property – Budgeted real estate/personal property revenue for 23/24 increased overall by nearly \$900,000 compared to the 22/23 projected amounts. City wide estimated real property taxable value increased by approximately \$120,000,000 for the 23/24 tax roll while personal property taxable value decreased by approximately \$2,600,000.

Intergovernmental (Federal and State Sources) – Federal Grants in 22/23 included the startup of the COSSAP opioid prevention program as well as a onetime recognition of Coronavirus fiscal recovery revenue related to employee appreciation payments made to General Fund employees. The COSSAP program will continue in 23/24.

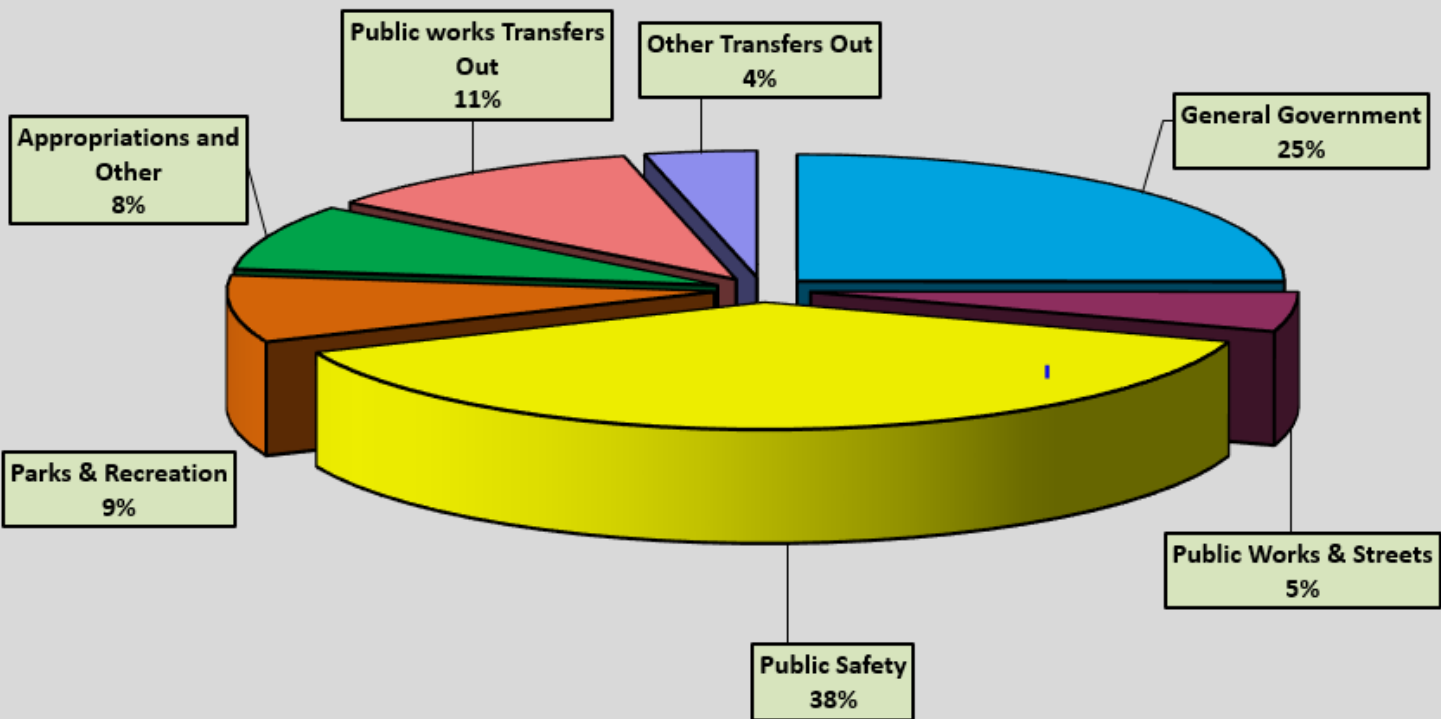
The City's state shared revenues fluctuate according to state formulas. Projected year end 22/23 sales and use tax shared revenue is approximately \$200,000 higher than the estimates provided by the State when the initial 22/23 budget was prepared. Budgeted 23/24 state shared revenues currently reflect an amount similar to the current 22/23 projected amounts.

Beginning in 23/24 the City will begin receiving shared marijuana excise tax revenue from the State. Based on the most recent per recreational license allocation, the City has budgeted to receive over \$800,000 in new marijuana excise tax revenue in 23/24.

Intragovernmental (City Fee) Revenue – Fees paid to the General Fund from the various City Enterprise Funds and Traverse City Light & Power for reimbursement of administrative services provided by departments within the General Fund make up approximately 12% of total General Fund revenue for 23/24 and are expected to remain consistent with prior years. These fees are based on a percentage of revenues for each enterprise fund and TCLP. A decrease is expected in Automobile parking Fund revenues which brings the overall estimate down slightly compared to the 22/23 projection.

Change in Fair Value of Investments – The 21/22 Actual revenues include a negative line item for the Change in Fair Value of Investments. This adjustment is required at the end of each year by generally accepted accounting principles. The adjustment recognizes the difference between the purchase price of investments and their current market value if sold on the last day of the fiscal year. Because the City will hold all of its investments to maturity, this adjustment is considered a “financial statement only” transaction and is not considered when preparing budgeted revenue amounts.

**City of Traverse City, Michigan
General Operating Fund
2023-24 Budgeted Expenditures**



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

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
Department				
City Commission	\$ 101,600	\$ 109,300	\$ 96,300	\$ 118,300
City Manager Department	441,100	610,600	571,700	520,800
Human Resources Department	245,900	254,600	288,900	423,900
DPS Director and Asset Management Department	329,900	371,900	375,300	411,600
GIS Department	165,800	174,300	160,600	186,100
City Assessor Department	489,900	505,600	487,300	531,900
City Attorney Department	388,900	393,600	406,400	447,400
City Clerk Department	617,000	708,400	691,100	837,400
City Treasurer Department	368,500	430,300	451,300	462,200
Police Department	4,375,300	4,754,600	4,559,600	4,833,500
Fire Department	3,355,000	3,531,500	3,730,000	4,181,400
Engineering Department	844,600	984,000	913,300	995,900
Planning and Zoning Department	429,600	675,300	582,800	785,100
Parks and Recreation Department	1,827,500	1,861,400	1,844,400	1,991,600
Oakwood Cemetery Division	357,100	539,300	459,900	382,700
Streets Administration Department	641,900	884,800	698,800	760,000
Government Owned Buildings	167,200	128,200	177,400	178,500
Appropriations	972,700	1,523,100	1,206,600	2,036,600
Contingencies	-	440,000	-	232,000
Total Departmental Expenditures	16,119,500	18,880,800	17,701,700	20,316,900
Operating Transfers Out				
Transfers Out - Capital Projects	1,115,600	1,279,100	1,279,100	1,832,600
Transfers Out - Other	1,374,200	1,515,300	1,472,100	1,619,100
Total Operating Transfers Out	2,489,800	2,794,400	2,751,200	3,451,700
Total General Fund Expenditures and Transfers Out	18,609,300	21,675,200	20,452,900	23,768,600
EXCESS OF REVENUES & TRANSFERS IN OVER/ (UNDER) EXPENDITURES & TRANSFERS OUT	1,138,800	(1,315,600)	741,500	(916,700)
Beginning Fund Balance	6,065,000	7,203,800	7,203,800	7,945,300
Ending Fund Balance	\$ 7,203,800	\$ 5,888,200	\$ 7,945,300	\$ 7,028,600

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

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
Salaries and Wages	\$ 8,538,200	\$ 9,332,000	\$ 9,321,300	\$ 10,235,400
Fringe Benefits	2,352,700	2,637,100	2,438,900	2,632,700
Office/Operating Supplies	535,400	498,700	456,700	618,500
Professional Services	895,300	1,261,000	1,042,800	1,268,700
County Records Contract	210,300	194,000	200,000	194,000
Communication	125,900	130,000	124,900	141,300
Transportation	235,500	278,800	301,500	312,200
Professional Development	140,900	207,700	152,500	267,600
Community Promotion	200	2,000	-	2,000
Printing and Publishing	53,100	71,200	54,700	77,900
Insurance and Bonds	109,300	128,400	113,500	117,800
Utilities	220,500	218,000	270,100	240,000
Repairs and Maintenance	208,400	228,200	175,800	247,400
Rentals	1,436,500	1,462,300	1,562,700	1,512,300
Miscellaneous	20,500	20,100	29,200	23,500
Police Reserves	400	4,500	4,500	4,500
Appropriations	972,700	1,523,100	1,206,600	2,036,600
Contingencies	-	440,000	-	232,000
Equipment/Capital Outlay	63,700	243,700	246,000	152,500
Transfers Out	2,489,800	2,794,400	2,751,200	3,451,700
Total	\$ 18,609,300	\$ 21,675,200	\$ 20,452,900	\$ 23,768,600

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.*



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
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
CITY COMMISSION				
Salaries and Wages	\$ 51,700	\$ 53,200	\$ 52,500	56,500
Fringe Benefits	4,100	4,200	4,200	4,400
Office Supplies	400	600	600	600
Professional Services	43,700	36,800	32,000	39,500
Communications	500	-	-	-
Professional Development	700	8,500	5,000	12,100
Community Promotion	200	2,000	-	2,000
Printing and Publishing	-	2,000	500	1,000
Insurance and Bonds	300	500	500	700
Miscellaneous	-	1,500	1,000	1,500
Total City Commission	\$ 101,600	\$ 109,300	\$ 96,300	\$ 118,300

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 & 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:

(Vacant), 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. Work with other Governmental Entities on the Construction of a new Senior Center
4. Work with other Governmental Entities to establish a new regional Metropolitan Planning Organization (MPO)
5. Develop and implement Economic Development strategies
6. Continue NAGPRA compliance activities with respect to the Con Foster Collection
7. Plan for future infrastructure improvements

SUMMARY OF BUDGET CHANGES

No significant changes from prior year.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
CITY MANAGER DEPARTMENT				
Salaries and Wages	\$ 325,100	\$ 430,000	\$ 430,000	371,800
Fringe Benefits	82,500	114,800	91,700	87,900
Office Supplies	4,200	4,500	2,200	2,500
Professional Services	12,700	35,200	28,000	34,500
Communications	2,700	3,100	2,700	2,800
Transportation	1,100	2,500	1,800	2,500
Professional Development	6,600	14,000	10,000	12,300
Printing and Publishing	4,300	3,500	2,600	3,500
Insurance and Bonds	1,500	2,000	1,900	2,000
Miscellaneous	400	1,000	800	1,000
Total City Manager Department	\$ 441,100	\$ 610,600	\$ 571,700	\$ 520,800

HUMAN RESOURCE 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 Resource Department 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
 - Employee Assistance Program
 - COBRA Administration
 - Educational Reimbursement Plan
 - Retirement Administration and Assistance
- Employee Relations
 - Equal Employment Opportunity Coordinator
 - Labor Relations
 - Labor Agreement Administration and Compliance
- 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 Department is staffed by:

Kristine Bosley, MSA, IPMA-CP- Human Resource Director
Allison Geisert - Human Resource Generalist

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
HUMAN RESOURCES DEPARTMENT				
Salaries and Wages	\$ 132,600	\$ 169,000	\$ 150,900	255,100
Fringe Benefits	39,100	46,800	43,500	80,400
Office Supplies	4,600	5,000	5,000	17,000
Professional Services	63,900	25,000	83,600	59,200
Communications	1,700	1,700	1,700	1,700
Transportation	500	700	500	3,000
Professional Development	1,900	4,000	2,200	4,700
Printing and Publishing	300	400	500	400
Insurance and Bonds	900	1,000	800	900
Miscellaneous	400	1,000	200	1,500
Total Human Resources Function	\$ 245,900	\$ 254,600	\$ 288,900	\$ 423,900

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.

SUMMARY OF SIGNIFICANT CHANGES

- Requested additional position to help with the updating of GIS layers from asbuilts.

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.



SUMMARY OF SIGNIFICANT CHANGES

- Requested additional position to help with the updating of GIS layers from asbuilts.

**City of Traverse City, Michigan
GENERAL FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
DIRECTOR OF PUBLIC SERVICES AND ASSET MANAGEMENT DEPARTMENT				
Salaries and Wages	\$ 252,400	\$ 277,600	\$ 278,800	302,500
Fringe Benefits	60,000	72,600	72,100	72,400
Office/Operation Supplies	400	2,000	1,700	4,600
Professional Services	10,800	6,400	13,200	16,300
Communications	2,000	2,500	2,800	2,600
Transportation	1,100	2,000	1,400	2,500
Professional Development	1,900	6,000	2,000	8,000
Printing and Publishing	100	500	100	500
Insurance and Bonds	1,100	1,300	1,100	1,200
Rentals	100	500	100	500
Miscellaneous	-	500	2,000	500
Total DPS Director	\$ 329,900	\$ 371,900	\$ 375,300	\$ 411,600

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
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
GIS DEPARTMENT				
Salaries and Wages	\$ 88,900	\$ 91,500	\$ 90,200	100,600
Fringe Benefits	16,100	15,300	16,400	16,800
Office/Operation Supplies	3,500	4,500	1,400	5,500
Professional Services	53,300	55,100	48,000	55,700
Communications	1,400	1,600	1,500	1,600
Transportation	700	300	300	300
Professional Development	900	3,000	2,000	3,000
Printing and Publishing	100	500	100	500
Insurance and Bonds	500	1,000	500	600
Repairs and Maintenance	-	500	-	500
Miscellaneous	400	1,000	200	1,000
Total GIS Department	\$ 165,800	\$ 174,300	\$ 160,600	\$ 186,100

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 Assessing 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), as held by the City Assessor.

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 2023 Assessment year, market data activity occurring from April 1, 2020, through March 31, 2022, is reviewed and utilized for the following year’s assessment valuations, with a property status as of tax day, December 31, 2022. The Assessing Department continually reviews sales and trends for all classes of property and adjusts accordingly, per State Tax Commission rules and guidelines.

2023 Assessment projections

Grand Traverse County - City of Traverse City		Leelanau County - City of Traverse City	
	<u>Ratios</u>		<u>Ratios</u>
Real Property		Real Property	
Commercial	46.38%	Commercial	46.91%
Industrial	44.07%	Industrial	N/A
Residential	44.70%	Residential	47.06%
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 utilized to establish 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. Assessors recalculate the values of property each year, as of tax day, 12/31. 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.

The CPI Data used to Calculate Inflation Rate Ratio for 2023 Property Taxes, resulted in a percent change of 7.9%, ratio of 1.079. This is higher than the percentage allowed per Proposal A, thus an inflation rate multiplier of 5% is applied.

Example:

- A property’s 2022 Assessed aka 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 2023.
- The inflation rate for the 2023 year is 5.0% with a ratio of 1.050.
Example - 2022 Taxable Value \$100,000 x 1.050 = \$105,000 for the resulting 2023 Taxable Value*
**All things being equal and no changes, additions, new construction, or removal of items*

$$2023 \text{ CAPPED VALUE} = (2022 \text{ Taxable Value} - \text{LOSSES}) \times 1.050 + \text{ADDITIONS}$$

- Since the implementation of Proposal A, the CPI aka Inflation Rate Multiplier has not reached 5% till 2023, 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.

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
2009	1.044

Year	IRM
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
2023	1.05 (Capped Value) 1.079 (Headlee)

Following are charts for the final 2022 Assessment year cycle for Grand Traverse & Leelanau County, listing the City of Traverse City and other assessing units.

The March 2022 Assessment Roll City resulted in an 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%

2022 City of Traverse City had a 13.24% change in Assessed Value, and an 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	8.88%	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%
OLON	1,377	1,388	0.80%	145,925,800	156,846,900	7.48%	109,575,835	117,169,919	6.93%
SUTTONS BAY	2,540	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%	\$196,224,582	\$210,857,496	7.40%

City Assessing Department maintains fair and equitable assessment practices, performing these services in an efficient and professional manner. Efficiency and compliance are measured annually.

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 Tribunals 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. The contract, updated in 2021, includes additional services and enhancements, sketch verification, and area tiles for Hickory Hills at a reduced annual cost from the original contract. In addition, sharing data with Grand Traverse County 911/Emergency Services, in continuation of our cooperative relationship.

GOALS

- Review & inspect 20% of property annually; updating record card information; photos, sketch, & misc. attachments
- 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 2023/2024 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
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
CITY ASSESSOR DEPARTMENT				
Salaries and Wages	\$ 316,700	\$ 319,700	\$ 323,900	340,800
Fringe Benefits	106,300	108,200	109,200	110,900
Office Supplies	3,300	3,000	1,200	3,500
Professional Services	44,300	55,000	35,500	55,000
Communications	6,200	5,000	5,500	7,500
Transportation	2,300	3,500	1,900	3,000
Professional Development	3,600	3,500	2,500	3,500
Printing and Publishing	5,600	6,000	6,100	6,100
Insurance and Bonds	1,600	1,700	1,500	1,600
Miscellaneous	-	-	-	-
Total City Assessor Department	\$ 489,900	\$ 505,600	\$ 487,300	\$ 531,900

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
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
CITY ATTORNEY DEPARTMENT				
Salaries and Wages	\$ 184,300	\$ 188,400	\$ 219,000	\$ 235,000
Fringe Benefits	42,700	43,400	47,400	46,800
Office Supplies	1,500	1,500	1,200	1,200
Professional Services	156,000	155,000	133,400	158,400
Communications	1,100	1,000	1,000	1,000
Transportation	400	1,000	500	500
Professional Development	1,400	1,200	2,200	2,200
Printing and Publishing	500	500	500	500
Insurance and Bonds	1,000	1,100	1,200	1,300
Miscellaneous	-	500	-	500
Total City Attorney Department	\$ 388,900	\$ 393,600	\$ 406,400	\$ 447,400

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 – reviewing and providing final authorization for all financial disbursements, including Traverse City Light and Power which totals approximately \$150 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 \$155M 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
- Providing professional communications services to the entire city organization in order to drive engagement, transparency and awareness, including managing the City's digital and social media platforms
- 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

Colleen Paveglio, Communications Specialist

Katie Miller, Administrative Specialist

Rebecca Adler, Licensing and Election Specialist

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
CITY CLERK DEPARTMENT				
Salaries and Wages	\$ 353,500	\$ 396,400	\$ 409,600	\$ 484,200
Fringe Benefits	112,700	118,000	128,700	155,300
Office Supplies	54,500	75,000	55,000	66,000
Professional Services	64,700	62,400	42,500	71,200
Communications	4,000	9,600	10,000	10,200
Transportation	300	2,000	500	2,000
Professional Development	3,400	6,800	20,000	10,900
Printing and Publishing	20,000	30,000	20,000	32,000
Insurance and Bonds	2,800	5,300	2,500	2,700
Repairs and Maintenance	-	-	200	-
Rentals	1,100	2,900	2,100	2,900
Total City Clerk Department	\$ 617,000	\$ 708,400	\$ 691,100	\$ 837,400

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 utility customers monthly.
- Billing and collection of tax parcel payments in both the summer and winter.
- Invoicing for miscellaneous services performed by City departments.
- Collection of assessments on parcels, which have special improvement districts.
- Payroll is processed and disbursed from the department on a bi-weekly basis.
- Payment of all City expenses.

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 active members and 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
Utility Manager
Accounting Assistant
Utility Billing Clerk
Accounts Payable Clerk
Senior Customer Service Representative/Collections Clerk
Customer Service Representative (2)

ACCOMPLISHMENTS

Software Implementation – The department implemented BS&A software for utility billing and a new payment portal for City customers, Invoice Cloud.

Utilities Manager Implementation – Restructure to include a Utilities Manager (approved in prior year budget) to promote enhanced customer service and support.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
CITY TREASURER DEPARTMENT				
Salaries and Wages	\$ 220,200	\$ 280,700	\$ 279,900	\$ 304,300
Fringe Benefits	60,800	77,300	70,200	72,200
Office Supplies	11,000	12,000	13,000	12,000
Professional Services	63,500	49,700	74,000	59,000
Communications	3,400	4,000	3,800	4,000
Professional Development	1,000	1,500	4,300	4,300
Printing and Publishing	2,000	600	2,000	2,000
Insurance and Bonds	3,300	3,500	2,900	3,100
Repairs and Maintenance	400	-	300	400
Rentals	800	1,000	900	900
Miscellaneous	2,100	-	-	-
Total City Treasurer Department	\$ 368,500	\$ 430,300	\$ 451,300	\$ 462,200

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 community-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, (4) Road Patrol Sergeants, (4) Detectives, School Liaison Officer, Downtown Community Police Officer, North Boardman Community Police Officer, Traffic Officer, Crime Prevention Officer, Narcotics Officer, (12) Patrol Officers, a Police Social Worker and nine Reserve officers.

GOALS

1. Reduce the occurrence of crime.
2. Identify, arrest, and assist in the prosecution of people who commit crimes.
3. Facilitate diversion programs as determined by the Social Services Division of the Department.
4. Recover lost or stolen property, identify its owner, and ensure prompt return.
5. Facilitate the safe and orderly movement of people and vehicles throughout the City.
6. Assist and provide appropriate services for those that cannot care for themselves.
7. Ensure the taxpayers of the City receive the greatest benefit for their dollars.
8. Create and maintain a feeling of confidence and support for the Department from those organizations with which we come in contact, particularly those organizations that are part of the total criminal justice system.
9. Establish and maintain mutual trust through community partnerships.
10. Make appropriate decisions and to perform their duties in a professional, productive and efficient manner.
11. Mobilize the City resources needed to address citizen concerns and problems.
12. Encourage community involvement in identifying and resolving problems.
13. Maintain Michigan Law Enforcement Accreditation through the Michigan Law Enforcement Accreditation Commission (MLEAC) and the Michigan Association of Chiefs of Police.
14. Provide continuous training and education to provide our officers with the knowledge and tools necessary.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
POLICE DEPARTMENT				
Salaries and Wages	\$ 2,529,900	\$ 2,704,700	\$ 2,626,000	\$ 2,748,800
Fringe Benefits	908,900	980,100	931,300	938,700
Office/Operation Supplies	70,000	79,900	66,500	122,300
Professional Services	111,700	241,400	165,400	170,400
County Records Contract	210,300	194,000	200,000	194,000
Communications	46,000	44,800	44,800	44,800
Transportation	62,100	53,000	74,000	60,000
Professional Development	43,900	44,000	23,800	46,500
Printing and Publishing	5,200	8,000	6,300	8,000
Insurance and Bonds	43,200	44,000	46,000	47,000
Utilities	300	300	300	300
Repairs and Maintenance	1,200	6,200	1,200	6,200
Rentals	325,600	318,000	325,600	318,000
Miscellaneous	16,600	13,000	23,900	13,500
Equipment	-	18,700	20,000	110,500
Police Reserves	400	4,500	4,500	4,500
Total Police Department	\$ 4,375,300	\$ 4,754,600	\$ 4,559,600	\$ 4,833,500

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** – 21 of our 23 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 135 patients to Munson Medical Center during the 2022 calendar year.
- **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** - Public Education includes fire safety awareness classes for various organizations and businesses, tours of our fire stations, an annual "Fire Safety Open House," a Juvenile Fire Setter Counseling Program, fire extinguisher training 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 as well as hosted at the Fire Station.

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), and 13 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.
3. To replace our current Ladder 01 truck, a 2004 KME Aerial Cat 100' tower ladder; we have applied for the FEMA Assistance to Firefighters Grant in the amount of 1.9 million.
4. To replace our current Marine 01 boat, a 1984 Avon rigid hull inflatable; we will be applying for the USCG Port Security Grant in the month of April.

PERFORMANCE MEASUREMENTS

Output & Efficiency	Performance Indicators	2018	2019	2020	2021	2022
	Total fire related responses	50	54	53	73	54
	Fire code inspections (Construction, Code Compliance, Special Events, Short Term Rental Homes)	482	657	346	376	202
	Plan Reviews	306	306	272	174	115
	Public Education Events	27	27	4	5	25
	EMS calls for service	2431	2441	2147	2466	2361

SUMMARY OF BUDGET CHANGES

Salaries and Wages/Fringe Benefits – In the 2022/2023 budget year, two fire fighters left, and one was hired and is currently on probationary status. For further information, please see the 2022 Traverse City Fire Department Annual Report: <https://www.traverscitymi.gov/userfiles/filemanager/qo9gjcwpvhewjqd5sbs5/>

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
FIRE DEPARTMENT				
Salaries and Wages	\$ 1,953,100	\$ 2,067,700	\$ 2,278,000	\$ 2,524,900
Fringe Benefits	450,100	492,700	487,000	564,100
Office/Operation Supplies	217,200	166,500	183,000	220,300
Professional Services	79,400	121,900	72,000	92,700
Communications	26,500	23,700	21,000	25,700
Transportation	21,800	19,600	25,000	26,900
Professional Development	64,100	70,000	52,000	82,000
Printing and Publishing	100	2,300	800	2,300
Insurance and Bonds	14,900	21,400	14,400	14,700
Utilities	25,200	23,800	26,000	24,200
Repairs and Maintenance	32,300	66,700	33,000	78,800
Rentals-Equip and Hydrants	406,200	414,200	497,000	506,800
Miscellaneous	400	1,000	800	1,000
Equipment	63,700	40,000	40,000	17,000
Total Fire Department	\$ 3,355,000	\$ 3,531,500	\$ 3,730,000	\$ 4,181,400



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:

- Administration and inspection of right-of-way permits, stormwater runoff control permits, and soil erosion permits
 - Utility reviews in conjunction with land use permits, right-of-way permits, stormwater runoff control permits, and soil erosion permits
- Motorized and non-motorized traffic counts and studies
 - Stop warrants
 - Speed Studies
 - Effectiveness and usage of pedestrian safety
- 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
- Collaboration with numerous entities within the City limits
- Has representatives for numerous multi-jurisdictional committees
- Assists in several other aspects of the City, including:
 - Ordinance Compliance and Development
 - Economic Development Projects
 - Budgeted Capital Improvements
 - Grant Applications

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
2023-24 Departmental Budgets**

	FY 21/22 actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
ENGINEERING DEPARTMENT				
Salaries and Wages	\$ 584,600	\$ 648,400	\$ 636,400	\$ 680,000
Fringe Benefits	179,100	212,400	201,300	196,500
Office/Operating Supplies	6,700	27,000	9,000	25,800
Professional Services	26,500	38,900	28,000	40,900
Communications	9,200	9,500	9,000	9,500
Transportation	2,300	3,500	2,000	3,500
Professional Development	7,300	13,000	2,000	13,000
Printing and Publishing	3,700	4,600	4,600	4,600
Insurance and Bonds	3,000	7,000	3,700	3,900
Repairs and Maintenance	-	1,000	300	1,000
Rentals	22,200	18,700	17,000	16,200
Miscellaneous	-	-	-	1,000
Total Engineering Department	\$ 844,600	\$ 984,000	\$ 913,300	\$ 995,900

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.

Overview:

The Planning & Zoning Department is responsible preparing the City's Master Plan, which influences the regulations and standards in the zoning ordinance and any future changes to it, they are the responsible for zoning districts and appropriate enforced regulations, code enforcement, and approval of site plans. In addition, the Planning Department administers the Capital Improvement Program (CIP) by working with all City Departments on project submissions and coordinating reports.



(Source: TC Tourism)

Responsibilities:

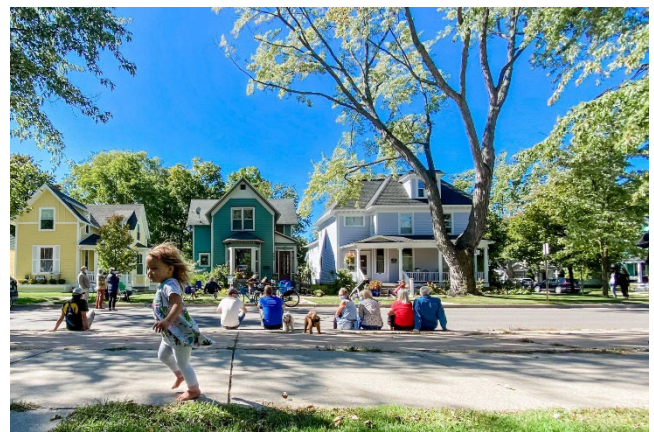
The annual department budget provides the financial support to advance the programs and operations of the department, such as:

- Helping 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.
- Providing administrative staff for the Planning Commission, Grand Traverse Commons Joint Planning Commission, Board of Zoning Appeals, City Commission and Historic Districts Commission.
- Coordinating and managing the Six-Year Capital Improvement Plan for the City.
- Playing a key role in advancement of community and economic development plans and participation on the Community Development Team.
- Providing community engagement on conceptual designs for street reconstruction.
- Providing research and reports on emerging issues to internal departments and to the community.
- Administering and enforcing the Zoning, Sign, and Historic Districts Ordinances and other land use regulations.

- Reviewing building site plans and preparing reports and recommendations to the Planning Commission for Zoning Map amendments, Zoning Ordinance amendments, special land use permits, and planned unit developments.
- Providing public support on zoning and land use questions, and interpreting land use principles, and planning and zoning regulations.
- Monitoring short term rental usage.
- Working with property owners and developers, other agencies and other City departments to ensure that building plans are consistent with the Master Plan and Zoning Ordinance regarding size and placement of buildings, signs, parking areas and landscaping requirements.
- Inspecting multi-family rental dwellings, rooming houses, proper anchoring of boats on the near shore of Grand Traverse Bay and property maintenance code violations.
- Managing of Redevelopment Ready Communities program through MEDC.
- Developing community education and engagement programs for planning efforts, zoning regulations, and conceptual street design.
- Providing representatives at speaking engagements to community organizations.



(Source: American Planning Association)



(Source: Creative Coast)



(Source: American Planning Association)



(Source: Midwest Living)

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
PLANNING AND ZONING DEPARTMENT				
Salaries and Wages	\$ 308,000	\$ 328,000	\$ 330,200	\$ 427,700
Fringe Benefits	77,400	90,900	89,200	111,200
Office/Operation Supplies	8,200	8,500	8,800	15,500
Professional Services	14,900	206,700	124,100	167,000
Communications	3,900	6,000	3,500	12,000
Transportation	400	1,700	600	7,500
Professional Development	2,100	16,200	14,000	20,000
Printing and Publishing	6,800	7,000	4,000	10,000
Insurance and Bonds	1,800	3,700	2,100	2,200
Rentals	5,900	6,000	6,000	10,000
Miscellaneous	200	600	300	2,000
Total Planning and Zoning Dept.	\$ 429,600	\$ 675,300	\$ 582,800	\$ 785,100

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.

The Parks and Recreation Division is staffed by: 1 Parks & Recreation Superintendent, 1 Parks Supervisor/Arborist, 1 Hickory Hills Manager; 9 maintenance employees, 1 Administrative Assistant shared among the 4 Department of Public Services Divisions, and 1 Cemetery Office Clerk. The seasonal staff includes 10 Parks Maintenance workers, 4 Cemetery Maintenance workers, 27 Hickory Hills works and 2 Recreation Program staff.



Parks staff is responsible for snow removal at the Water Treatment Plant, Carnegie Building, Fire Station # 1 and # 2, the Senior Center, and 26 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 administering an average of 140 Low Impact Park Usage Permits for 15 parks.

SUMMARY OF SIGNIFICANT CHANGES

- Requested additional position for Urban Forestry maintenance and improvements.
- Ashton Park New Playground
- Boon Street Park Improvements
- F&M and Arbutus Basketball Courts
- Hannah Park Stairs
- Park Signage Fabrication and Installation
- Splash Pad Upgrades
- Volleyball Court Expansion
- West End Bathrooms Replacement (grant awarded)
- West End Parking Lot
- Artificial turf for Wags West Dog Park
- New siding for the Hull Park bathrooms

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
PARKS AND RECREATION DIVISION				
Salaries and Wages	\$ 691,300	\$ 738,800	\$ 686,000	\$ 806,700
Fringe Benefits	222,600	223,100	210,900	246,000
Office/Operation Supplies	97,000	66,500	60,800	60,800
Professional Services	113,200	125,800	122,200	205,200
Communications	5,500	7,000	6,300	6,300
Transportation	33,600	35,000	39,000	39,000
Professional Development	2,100	8,000	6,000	8,000
Printing and Publishing	100	1,000	400	400
Insurance and Bonds	10,200	10,700	12,600	13,200
Utilities	108,300	120,000	150,000	120,000
Repairs and Maintenance	62,800	75,500	55,000	75,000
Rentals	480,800	425,000	468,000	411,000
Miscellaneous	-	-	-	-
Equipment/Capital Outlay	-	25,000	27,200	-
Total Parks and Recreation	\$ 1,827,500	\$ 1,861,400	\$ 1,844,400	\$ 1,991,600

OAKWOOD CEMETERY

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.

Oakwood Cemetery is staffed by:
1 Parks & Recreation
Superintendent, 1 Parks
Supervisor/Arborist, 1 Sexton, 1
Office Clerk, a full time laborer
split with Parks, and 4 seasonal
maintenance employees.



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 Diocesan-owned office building within the cemetery. In addition, the Cemetery staff assists with genealogy inquiries, installation of monument foundations, and performs grounds maintenance. A maintenance building within the cemetery houses all cemetery vehicles, equipment and supplies securely on site. Also periodically Parks & Recreation maintenance employees complete work onsite such as tree trimming or other specialty work as required.

SUMMARY OF SIGNIFICANT CHANGES

- Continue development of Block M for burials
- Construct a new niche wall with a garden in Block M
- Complete surface upgrade of the First Addition Loop road

City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
PARKS AND RECREATION DEPARTMENT				
OAKWOOD CEMETERY DIVISION				
Salaries and Wages	\$ 190,600	\$ 211,500	\$ 177,900	\$ 202,200
Fringe Benefits	40,000	63,500	37,500	45,600
Office/Operation Supplies	15,800	11,000	14,300	15,000
Professional Services	22,500	23,000	25,700	25,700
Communications	3,500	3,500	4,100	4,100
Transportation	3,600	4,000	4,000	4,000
Professional Development	-	2,000	1,000	500
Printing and Publishing	-	300	100	100
Insurance and Bonds	4,000	4,000	3,900	4,000
Utilities	11,700	18,000	18,000	18,000
Repairs and Maintenance	3,800	7,500	3,800	7,500
Rentals	61,600	56,000	56,000	56,000
Equipment/Capital Outlay	-	135,000	113,600	-
Total Oakwood Cemetery Division	\$ 357,100	\$ 539,300	\$ 459,900	\$ 382,700

STREETS ADMINISTRATION

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

The Streets Division is staffed by: 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)
- Maintenance and cleaning/repairing of 2,039 catch basins and 1,179 storm manholes including all connecting pipes.
- Maintenance and cleaning 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.
- Maintenance and repair/installation of 5,238 signs on City property and parking lots.

**City of Traverse City, Michigan
GENERAL OPERATING FUND
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
STREET ADMINISTRATION DEPARTMENT				
Salaries and Wages	\$ 355,300	\$ 426,400	\$ 352,000	\$ 394,300
Fringe Benefits	(49,700)	(26,200)	(101,700)	(116,500)
Office/Operation Supplies	37,100	31,200	33,000	45,900
Professional Services	14,200	22,700	15,200	18,000
Communications	8,300	7,000	7,200	7,500
Transportation	105,300	150,000	150,000	157,500
Professional Development	-	6,000	3,500	6,300
Printing and Publishing	4,300	4,000	6,100	6,000
Insurance and Bonds	19,000	20,000	17,700	18,500
Utilities	3,100	2,900	3,800	4,500
Repairs and Maintenance	12,800	20,800	22,000	28,000
Rentals	132,200	220,000	190,000	190,000
Total Street Administration Department	\$ 641,900	\$ 884,800	\$ 698,800	\$ 760,000

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
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
GOVERNMENT OWNED BUILDINGS				
Insurance and Bonds	\$ 200	\$ 200	\$ 200	\$ 200
Professional services	-	-	-	30,300
Utilities	71,900	53,000	72,000	73,000
Repairs and Maintenance	95,100	50,000	60,000	50,000
Equipment/Capital Outlay	-	25,000	45,200	25,000
Total Gvt. Owned Bldgs.	\$ 167,200	\$ 128,200	\$ 177,400	\$ 178,500

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	971,900	971,900	954,400
Green Rate Initiatives	-	20,000	-	150,000
Carbon Neutral Goal Achievement Plan				75,000
Street Improvement Plan	-	-	-	75,000
Stormwater Management Plan Update	-	-	-	75,000
Housing/Land Services & Uses	2,000	50,000	-	50,000
Facilities Evaluation (supplement to County Study)	-	150,000	-	75,000
Fire Station Design and EMS Organization Study	-	100,000	3,000	500,000
Human Rights Commission	1,800	4,000	4,500	5,000
Joint Planning Commission	-	-	-	-
Independence Day Fireworks	3,500	3,500	3,500	3,500
Grandview Parkway TART Trail Design	-	150,000	150,000	-
Land Information Access Association	73,700	73,700	73,700	73,700
Total Appropriations	\$ 972,700	\$ 1,523,100	\$ 1,206,600	\$ 2,036,600

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
2023-24 Departmental Budgets**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
CONTINGENCIES				
Contingencies	\$ -	\$ 440,000	\$ -	\$ 232,000
TRANSFERS OUT				
MVH - Streets Funds	\$ 548,900	\$ 706,200	\$ 663,000	\$ 778,000
Capital Projects Fund *	1,115,600	1,279,100	1,279,100	1,832,600
Sidewalk Debt Service Fund	375,400	377,200	377,200	378,700
Public Arts Commission	30,000	30,000	30,000	30,000
Coast Guard Committee Fund	10,000	-	-	-
Hickory Hills Fund	370,900	326,300	326,300	356,800
Opera House Fund	-	17,000	17,000	17,000
Carnegie Building Fund	39,000	58,600	58,600	58,600
Total Transfers Out	\$ 2,489,800	\$ 2,794,400	\$ 2,751,200	\$ 3,451,700

* 23/24 Capital Projects Fund Transfer Detail :

Annual Street Millage	\$ 795,000
Fire Station Improvements	300,000
Grandview Parkway Project	75,000
Hall Street Crosswalk	80,000
Computer Hardware	35,000
Network Upgrade and Redesign	27,600
Open Space Sidewalk Repair	30,000
Meridian Barriers	150,000
Union Street Dam Betterment & Monitoring	220,000
West End Beach Parking Lot	120,000
	<u>\$ 1,832,600</u>

City of Traverse City

Special Revenue Funds

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
BUDGET STABILIZATION FUND
For the Budget Year 2023-24**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Interest Revenue	\$ 17,800	\$ 17,800	\$ 17,800	\$ 17,800
Change in Fair Value of Investments	(46,100)	-	-	-
TOTAL REVENUES	(28,300)	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	(46,100)	-	-	-
Beginning Fund Balance	799,400	753,300	753,300	753,300
Ending Fund Balance	\$ 753,300	\$ 753,300	\$ 753,300	\$ 753,300

This fund was approved by City ordinance pursuant to Public Act 30 of 1978. The only revenues are transfer 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.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
HAZARDOUS MATERIAL RESPONSE TEAM FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Grants from Local Units	\$ 16,600	\$ 16,600	\$ 17,800	\$ 17,800
Charges for Services Rendered	400	4,000	500	500
Federal Grants	-	-	-	-
TOTAL REVENUES	17,000	20,600	18,300	18,300
EXPENDITURES				
Personnel Services	-	-	-	-
Operation Supplies	11,300	11,000	8,000	11,000
Professional Services	1,000	1,500	500	1,500
Communications	-	1,000	-	1,000
Transportation	-	200	-	200
Professional Development	1,100	4,000	1,700	4,000
Printing and Publishing	-	300	-	300
Insurance and Bonds	-	900	900	900
Repairs and Maintenance	3,600	3,800	2,500	3,500
Rental	-	-	-	-
Equipment/Capital Outlay	-	9,700	5,900	9,700
TOTAL EXPENDITURES	17,000	32,400	19,500	32,100
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	-	(11,800)	(1,200)	(13,800)
Beginning Fund Balance	92,600	92,600	92,600	91,400
Ending Fund Balance	\$ 92,600	\$ 80,800	\$ 91,400	\$ 77,600

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
CARNEGIE BUILDING FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Federal Grants	\$ -	\$ -	\$ -	\$ -
State Grants	-	-	-	-
Rental Revenue	53,600	46,800	47,900	51,200
Contributions-Public	-	-	-	-
Reimbursements	-	-	-	-
TOTAL REVENUE	53,600	46,800	47,900	51,200
EXPENDITURES				
Office Supplies	700	3,000	3,000	3,000
Professional Services	9,600	42,700	9,900	62,700
Communications	3,100	3,000	3,000	3,000
Insurance and Bonds	3,600	6,000	3,400	3,600
Public Utilities	29,100	30,900	30,900	32,800
Rental expense	2,100	2,700	2,700	2,700
Repairs and Maintenance	38,700	77,100	25,000	74,500
TOTAL EXPENDITURES	86,900	165,400	77,900	182,300
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(33,300)	(118,600)	(30,000)	(131,100)
OTHER FINANCING SOURCES				
Transfers In - McCauley Trust	-	115,000	50,000	94,000
Transfers In - General Fund	-	58,600	58,600	58,600
TOTAL OTHER FINANCING SOURCE	-	173,600	108,600	152,600
NET CHANGE IN FUND BALANCE	(33,300)	55,000	78,600	21,500
Beginning Fund Balance	9,900	(23,400)	(23,400)	55,200
Ending Fund Balance	\$ (23,400)	\$ 31,600	\$ 55,200	\$ 76,700

The objective of the Carnegie Building was to collect, preserve and present the cultural history of the Grand Traverse region. For 2023-24, 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
COAST GUARD COMMITTEE FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contributions-Private Sources	\$ -	\$ -	\$ -	\$ -
Contributions-Public Sources	-	-	-	-
Other income	-	-	300	300
TOTAL REVENUES	-	-	300	300
EXPENDITURES				
Operating Materials	2,700	500	1,500	1,500
Professional Services	-	-	-	-
TOTAL EXPENDITURES	2,700	500	1,500	1,500
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(2,700)	(500)	(1,200)	(1,200)
OTHER FINANCING SOURCES				
Transfers in - General Fund	10,000	-	-	-
Transfers out - General Fund	(20,000)	-	-	-
TOTAL OTHER FINANCING SOURCES	(10,000)	-	-	-
NET CHANGE IN FUND BALANCE	(12,700)	(500)	(1,200)	(1,200)
Beginning Fund Balance	23,800	11,100	11,100	9,900
Ending Fund Balance	\$ 11,100	\$ 10,600	\$ 9,900	\$ 8,700

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
COUNTY SENIOR CENTER FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contributions-Public Sources	\$ 47,000	\$ 20,000	\$ -	\$ 10,600
TOTAL REVENUES	47,000	20,000	-	10,600
EXPENDITURES				
Salaries and Wages	2,300	500	1,000	1,000
Fringe Benefits	-	-	-	-
Professional Services	5,700	18,400	5,700	6,000
Repairs and Maintenance	1,300	500	1,800	1,500
Insurance and Bonds	500	600	500	600
Rentals	1,500	-	1,500	1,500
TOTAL EXPENDITURES	11,300	20,000	10,500	10,600
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	35,700	-	(10,500)	-
OTHER FINANCING SOURCES				
Transfers in - General Fund	\$ -	\$ -	\$ -	\$ -
NET CHANGE IN FUND BALANCE	35,700	-	(10,500)	-
Beginning Fund Balance	40,400	76,100	76,100	65,600
Ending Fund Balance	\$ 76,100	\$ 76,100	\$ 65,600	\$ 65,600

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. Prior to year end 6/30/2021 the Senior Center Director was a City employee whose wages and fringes were reported in this fund. Currently salary and wages are based on time spent on Senior Center maintenance by parks and streets division employees.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
BROWN BRIDGE MAINTENANCE FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Rental Income	\$ 124,000	\$ 144,500	\$ 101,000	\$ 101,100
Interest Income	500	200	700	700
Change in Fair Value of Investments	(7,300)	-	-	-
Reimbursements	-	-	-	-
TOTAL REVENUES	117,200	144,700	101,700	101,800
EXPENDITURES				
Professional and Contractual	42,500	42,500	42,500	42,500
Transportation	-	-	-	2,000
Public Utilities	600	1,000	1,000	800
Repairs and Maintenance	21,000	21,000	15,000	25,000
Rentals	5,200	5,100	3,300	3,900
TOTAL EXPENDITURES	69,300	69,600	61,800	74,200
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	47,900	75,100	39,900	27,600
Beginning Fund Balance (Deficit)	211,100	259,000	259,000	298,900
Ending Fund Balance	\$ 259,000	\$ 334,100	\$ 298,900	\$ 326,500

This fund is used to account for the repairs and maintenance cost at the Brown Bridge Quiet Area. It is funded by cell tower leases.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
CITY OPERA HOUSE FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Rental Income	\$ 116,600	\$ 112,600	\$ 116,600	\$ 116,600
Contributions	-	-	-	-
Reimbursements	4,200	4,000	4,200	4,200
TOTAL REVENUES	120,800	116,600	120,800	120,800
EXPENDITURES				
Professional/Contractual	4,600	20,800	15,000	20,800
Insurance and Bonds	6,900	8,000	6,600	6,900
Public Utilities	53,500	49,500	49,500	49,500
Repairs and Maintenance	10,700	38,400	30,000	38,500
Miscellaneous	15,500	16,800	16,800	16,800
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	91,200	133,500	117,900	132,500
EXCESS OF REVENUES OVER/ (UNDER) EXPENSES	29,600	(16,900)	2,900	(11,700)
OTHER FINANCING SOURCES				
Transfers in - General Fund	-	17,000	17,000	17,000
NET CHANGE IN FUND BALANCE	29,600	100	19,900	5,300
Beginning Fund Balance	114,800	144,400	144,400	164,300
Ending Fund Balance	\$ 144,400	\$ 144,500	\$ 164,300	\$ 169,600

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 2023-24**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contributions-Private	\$ 2,200	\$ 2,500	\$ 1,700	\$ 1,700
EXPENDITURES				
Repairs and Maintenance	-	2,500	-	1,700
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	2,200	-	1,700	-
Beginning Fund Balance	4,600	6,800	6,800	8,500
Ending Fund Balance	\$ 6,800	\$ 6,800	\$ 8,500	\$ 8,500

City of Traverse City, Michigan
SPECIAL REVENUE FUND
ECONOMIC DEVELOPMENT FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Other Revenue	\$ -	\$ -	\$ -	-
Interest Revenue	44,700	37,700	37,700	30,600
Sale of Fixed Assets	-	-	319,700	-
TOTAL REVENUE	44,700	37,700	357,400	30,600
EXPENDITURES				
Professional Services	52,000	62,000	52,000	52,000
Utilities	1,500	1,500	1,500	1,500
Miscellaneous	-	-	-	-
TOTAL EXPENDITURES	53,500	63,500	53,500	53,500
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(8,800)	(25,800)	303,900	(22,900)
OTHER FINANCING SOURCES (USES)				
Transfer out	-	-	-	-
NET CHANGE IN FUND BALANCE	(8,800)	(25,800)	303,900	(22,900)
Beginning Fund Balance	1,598,800	1,590,000	1,590,000	1,893,900
Ending Fund Balance	\$ 1,590,000	\$ 1,564,200	\$ 1,893,900	\$ 1,871,000

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 \$561,970 to the Marina fund and \$480,000 to Traverse City Light and Power - Fiber Fund.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
PUBLIC ARTS COMMISSION FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contributions-Public	\$ 15,000	\$ 5,000	\$ 5,000	\$ 15,000
Contributions-Private	1,500	-	-	-
TOTAL REVENUES	16,500	5,000	5,000	15,000
EXPENDITURES				
Office Supplies	-	-	-	-
Professional and Contractual	23,700	35,000	18,400	33,000
Repair and Maintenance	-	-	2,000	2,000
Capital Outlay	11,600	-	-	-
TOTAL EXPENDITURES	35,300	35,000	20,400	35,000
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(18,800)	(30,000)	(15,400)	(20,000)
OTHER FINANCING SOURCES				
Transfer In - General Fund	30,000	30,000	30,000	30,000
NET CHANGE IN FUND BALANCE	11,200	-	14,600	10,000
Beginning Fund Balance	120,600	131,800	131,800	146,400
Ending Fund Balance	\$ 131,800	\$ 131,800	\$ 146,400	\$ 156,400

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
SUMMARY OF GENERAL FUND STREET DEPARTMENT AND SPECIAL REVENUE STREET FUNDS
For the Budget Year 2023-24

	<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	\$ 2,481,900	\$1,627,100	\$ 570,800	\$ 284,000	\$ -	\$ 2,274,900
Metro Authority Reimbursement	68,000	-	68,000	-	-	63,000
Interest & Dividend	100	100	-	-	-	100
General Fund Direct Support	760,000	-	-	-	760,000	884,800
Transfer from General Fund	778,000	-	778,000	-	-	706,200
TOTAL REVENUES	\$ 4,088,000	\$1,627,200	\$1,416,800	\$ 284,000	\$ 760,000	\$ 3,929,000
EXPENDITURES						
Salaries & Wages	\$ 1,100,600	\$ 310,900	\$ 334,100	\$ 61,300	\$ 394,300	\$ 1,013,800
Fringe Benefits	317,300	191,500	211,700	30,600	(116,500)	407,600
Office/Operation Supplies	280,000	107,100	100,000	27,000	45,900	247,700
Professional Services	687,900	382,900	260,000	27,000	18,000	646,000
Communications	7,500	-	-	-	7,500	7,000
Transportation	157,500	-	-	-	157,500	150,000
Professional Development	6,300	-	-	-	6,300	6,000
Printing & Publishing	6,000	-	-	-	6,000	4,000
Insurance & Bonds	18,500	-	-	-	18,500	20,000
Utilities	23,800	17,600	-	1,700	4,500	19,000
Repairs & Maintenance	28,000	-	-	-	28,000	20,800
Rentals	1,346,000	525,000	511,000	120,000	190,000	1,314,000
Transfers Out	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 3,979,400	\$1,535,000	\$1,416,800	\$ 267,600	\$ 760,000	\$ 3,855,900

City of Traverse City, Michigan
SPECIAL REVENUE FUND
MOTOR VEHICLE HIGHWAY - MAJOR STREETS FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
State Sources	\$ 1,559,100	\$ 1,534,300	\$ 1,594,000	\$ 1,627,100
Interest Revenue	-	100	100	100
Reimbursements	67,500	-	-	-
TOTAL REVENUES	1,626,600	1,534,400	1,594,100	1,627,200
EXPENDITURES				
Personnel Services	470,900	458,100	498,200	502,400
Operating Materials	138,500	102,000	102,000	107,100
Professional Services	271,700	356,600	256,000	382,900
Utilities	10,800	14,600	14,600	17,600
Rentals	543,800	530,000	520,000	525,000
	1,435,700	1,461,300	1,390,800	1,535,000
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	190,900	73,100	203,300	92,200
OTHER FINANCING SOURCES				
Transfers In - General Fund	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCE	-	-	-	-
NET CHANGE IN FUND BALANCE	190,900	73,100	203,300	92,200
Beginning Fund Balance	877,500	1,068,400	1,068,400	1,271,700
Ending Fund Balance	\$ 1,068,400	\$ 1,141,500	\$ 1,271,700	\$ 1,363,900

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 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Metro Authority Fee	\$ 67,300	\$ 63,000	\$ 68,000	\$ 68,000
State Sources	531,900	537,700	543,400	570,800
Reimbursements	-	-	300	-
TOTAL REVENUES	599,200	600,700	611,700	638,800
EXPENDITURES				
Personnel Services	467,800	495,700	543,700	545,800
Operating Materials	98,700	89,500	95,000	100,000
Professional Services	91,800	246,700	125,000	260,000
Rentals	489,800	475,000	511,000	511,000
TOTAL EXPENDITURES	1,148,100	1,306,900	1,274,700	1,416,800
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(548,900)	(706,200)	(663,000)	(778,000)
OTHER FINANCING SOURCES				
Transfers In - General Fund	548,900	706,200	663,000	778,000
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 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
State Sources	\$ 227,400	\$ 202,900	\$ 284,000	\$ 284,000
Interest Revenue	-	-	-	-
Reimbursements	-	-	-	-
TOTAL REVENUES	227,400	202,900	284,000	284,000
EXPENDITURES				
Personnel Services	79,100	67,400	94,600	91,900
Operating Materials	17,700	25,000	21,000	27,000
Professional Services	19,600	20,000	21,000	27,000
Utilities	1,000	1,500	1,400	1,700
Rentals	106,900	89,000	130,000	120,000
TOTAL EXPENDITURES	224,300	202,900	268,000	267,600
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	3,100	-	16,000	16,400
OTHER FINANCING USES				
Transfers Out - Major Street Fund	-	-	-	-
NET CHANGE IN FUND BALANCE	3,100	-	16,000	16,400
Beginning Fund Balance	71,400	74,500	74,500	90,500
Ending Fund Balance	\$ 74,500	\$ 74,500	\$ 90,500	\$ 106,900

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
CORONAVIRUS FISCAL RECOVERY FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Federal Award	\$ -	\$ 1,653,900	\$ 530,000	\$ 551,200
Interest revenue	500	-	10,800	-
TOTAL REVENUES	500	1,653,900	540,800	551,200
EXPENDITURES				
Professional and Contractual	-	1,653,900	10,000	551,200
TOTAL EXPENDITURES	-	1,653,900	10,000	551,200
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	500	-	530,800	-
OTHER FINANCING USES (USES)				
Transfers to other funds	-	-	(520,000)	-
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	500	-	10,800	-
Beginning Fund Balance	-	500	500	11,300
Ending Fund Balance	\$ 500	\$ 500	\$ 11,300	\$ 11,300

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
SPECIAL REVENUE FUND
ACT 302 POLICE TRAINING FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
State Grants	\$ 3,600	\$ 3,800	\$ 6,700	\$ 3,800
EXPENDITURES				
Professional Development	9,700	3,800	3,700	3,800
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(6,100)	-	3,000	-
Beginning Fund Balance	7,800	1,700	1,700	4,700
Ending Fund Balance	\$ 1,700	\$ 1,700	\$ 4,700	\$ 4,700

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

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
COLLEGE PARKING FUND
For the Budget Year 2023-24**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Parking Fees-Coin	\$ 4,600	\$ 1,700	\$ 1,800	\$ 2,000
Parking Fines	5,000	5,200	5,000	5,200
TOTAL REVENUES	9,600	6,900	6,800	7,200
EXPENDITURES				
Professional Services	6,800	6,900	9,500	7,200
TOTAL EXPENDITURES	6,800	6,900	9,500	7,200
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	2,800	-	(2,700)	-
Beginning Fund Balance	-	2,800	2,800	100
Ending Fund Balance	\$ 2,800	\$ 2,800	\$ 100	\$ 100

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
ACT 345 MILLAGE FUND
For the Budget Year 2023-24**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Property Taxes	\$ 2,370,000	\$ 2,552,300	\$ 2,557,100	\$ 2,748,000
State Source - Local Community Stabilization	21,900	21,900	30,900	30,900
Interest Income	9,600	9,200	6,900	7,800
Change in Fair Value of Investments	(29,100)	-	-	-
TOTAL REVENUES	2,372,400	2,583,400	2,594,900	2,786,700
EXPENDITURES				
Retirement Costs	2,507,600	2,340,800	2,340,800	2,340,800
TOTAL EXPENDITURES	2,507,600	2,340,800	2,340,800	2,340,800
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(135,200)	242,600	254,100	445,900
OTHER FINANCING SOURCES				
Transfer In - General Fund	-	-	-	-
NET CHANGE IN FUND BALANCE	(135,200)	242,600	254,100	445,900
Beginning Fund Balance	479,200	344,000	344,000	598,100
Ending Fund Balance	\$ 344,000	\$ 586,600	\$ 598,100	\$ 1,044,000

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

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
TRAVERSE CITY / GARFIELD JOINT PLANNING FUND
For the Budget Year 2023-24**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contribution-Public Sources	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Professional Services	-	-	-	1,500
Printing and Publishing	-	-	-	-
TOTAL EXPENDITURES	-	-	-	1,500
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	-	-	-	(1,500)
Beginning Fund Balance	20,100	20,100	20,100	20,100
Ending Fund Balance	\$ 20,100	\$ 20,100	\$ 20,100	\$ 18,600

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
PEG CAPITAL FUND
For the Budget Year 2023-24**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contribution-Private Sources	\$ 17,200	\$ 23,000	\$ 22,200	\$ 21,500
Contribution-Public Sources	-	-	1,800	-
TOTAL REVENUE	17,200	23,000	24,000	21,500
EXPENDITURES				
Equipment/Capital Outlay	7,100	48,000	54,800	70,500
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	10,100	(25,000)	(30,800)	(49,000)
Beginning Fund Balance	100,800	110,900	110,900	80,100
Ending Fund Balance	\$ 110,900	\$ 85,900	\$ 80,100	\$ 31,100

This fund was created to account for the franchise fees received from the local cable provider related to providing the public education and government channel. Proceeds are used to upgrade equipment used to provide programming for the channel.

City of Traverse City, Michigan
SPECIAL REVENUE FUND
McCAULEY ESTATE TRUST FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Interest Revenue	\$ 2,600	\$ 2,600	\$ 2,600	\$ 2,600
Contributions-private	88,200	-	-	-
TOTAL REVENUES	90,800	2,600	2,600	2,600
OTHER FINANCING USES				
Transfers Out - Carnegie Building Fund	(43,000)	(115,000)	(50,000)	(96,600)
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES AND USES	47,800	(112,400)	(47,400)	(94,000)
Beginning Fund Balance	99,000	146,800	146,800	99,400
Ending Fund Balance	\$ 146,800	\$ 34,400	\$ 99,400	\$ 5,400

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
COUNTY WIDE ROAD MILLAGE FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contributions From Other Governments	\$ 1,074,000	\$ 1,140,000	\$ 1,239,200	\$ 1,162,800
Interest Revenue	3,000	2,800	3,600	2,800
Change in Fair Value of Investments	(36,400)	-	-	-
	<u>1,040,600</u>	<u>1,142,800</u>	<u>1,242,800</u>	<u>1,165,600</u>
EXPENDITURES				
Capital Outlay	<u>1,221,100</u>	<u>1,650,000</u>	<u>222,100</u>	<u>2,000,000</u>
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(180,500)	(507,200)	1,020,700	(834,400)
OTHER FINANCING SOURCES				
Transfer out - capital projects fund	<u>(312,000)</u>	-	<u>(356,500)</u>	-
NET CHANGE IN FUND BALANCE	(492,500)	(507,200)	664,200	(834,400)
Beginning Fund Balance	<u>2,144,200</u>	<u>1,651,700</u>	<u>1,651,700</u>	<u>2,315,900</u>
Ending Fund Balance	<u>\$ 1,651,700</u>	<u>\$ 1,144,500</u>	<u>\$ 2,315,900</u>	<u>\$ 1,481,500</u>

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

City of Traverse City, Michigan
SPECIAL REVENUE FUND
BROWN BRIDGE TRUST PARKS IMPROVEMENT FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contributions-Private	\$ 79,300	\$ -	\$ -	\$ -
Interest Revenue	1,500	1,400	1,500	1,500
Change in Fair Value of Investments	(18,200)	-	-	-
Rents and Royalties	192,600	230,000	206,000	206,000
Total Revenues	255,200	231,400	207,500	207,500
EXPENDITURES				
Equipment/Capital Outlay	196,600	30,000	13,900	36,000
Total Expenditures	196,600	30,000	13,900	36,000
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	58,600	201,400	193,600	171,500
OTHER FINANCING SOURCES (USES)				
Transfer Out - Capital Projects Fund	(102,000)	(128,000)	(147,000)	(180,000)
TOTAL OTHER FINANCING SOURCES (USES)	(102,000)	(128,000)	(147,000)	(180,000)
NET CHANGE IN FUND BALANCE	(43,400)	73,400	46,600	(8,500)
Beginning Fund Balance	552,000	508,600	508,600	555,200
Ending Fund Balance	\$ 508,600	\$ 582,000	\$ 555,200	\$ 546,700

As of March 31, 2023 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
TREE ORDINANCE FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
State Grants	\$ -	\$ 17,000	\$ -	\$ -
Contributions from Private Sources	-	-	15,700	5,800
Ordinance Fines and Costs	6,600	6,000	8,400	8,000
TOTAL REVENUES	6,600	23,000	24,100	13,800
EXPENDITURES				
Capital Outlay	900	30,000	80,000	21,600
TOTAL EXPENDITURES	900	30,000	80,000	21,600
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	5,700	(7,000)	(55,900)	(7,800)
OTHER FINANCING SOURCES (USES)				
Transfer In - Garage Fund Contribution	66,800	-	7,200	7,800
Transfer Out - Capital Projects Fund	-	-	-	-
TOTAL OTHER FINANCING SOURCES	66,800	-	7,200	7,800
NET CHANGE IN FUND BALANCE	72,500	(7,000)	(48,700)	-
Beginning Fund Balance	-	72,500	72,500	23,800
Ending Fund Balance	\$ 72,500	\$ 65,500	\$ 23,800	\$ 23,800

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

Debt Service Funds

City of Traverse City, Michigan
DEBT SERVICE FUND
PARKING BOND DEBT RETIREMENT FUND - TAX EXEMPT
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Contribution - TIF 97	\$ 930,700	\$ 973,200	\$ 973,000	\$ 953,400
TOTAL REVENUES	930,700	973,200	973,000	953,400
EXPENDITURES				
Principal	800,000	860,000	860,000	860,000
Interest Expense and Fees	130,700	113,200	113,200	93,400
TOTAL EXPENDITURES	930,700	973,200	973,200	953,400
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	-	-	(200)	-
Beginning Fund Balance	3,600	3,600	3,600	3,400
Ending Fund Balance	\$ 3,600	\$ 3,600	\$ 3,400	\$ 3,400

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 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Reimbursements	\$ -	\$ -	\$ -	\$ -
Contributions	81,100	71,500	71,500	61,600
TOTAL REVENUES	81,100	71,500	71,500	61,600
EXPENDITURES				
Principal	545,000	565,000	565,000	585,000
Interest Expense and Fees	206,100	188,700	188,700	170,300
TOTAL EXPENDITURES	751,100	753,700	753,700	755,300
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(670,000)	(682,200)	(682,200)	(693,700)
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	670,400	682,200	682,200	693,700
NET CHANGE IN FUND BALANCE	400	-	-	-
Beginning Fund Balance	1,000	1,400	1,400	1,400
Ending Fund Balance	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400

City of Traverse City

**Capital Project
Funds**

City of Traverse City, Michigan
CAPITAL PROJECTS FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Federal Grants	\$ 973,300	\$ -	\$ 142,900	\$ -
State Grants	-	300,500	210,000	223,000
Interest Revenue	200	500	3,200	2,500
Contributions - Public Entities	937,600	186,000	1,275,900	1,636,000
Contributions - Private Sources	304,600	-	195,300	55,000
Other Revenue	-	-	-	-
TOTAL REVENUES	2,215,700	487,000	1,827,300	1,916,500
EXPENDITURES				
Professional Services	355,100	2,000	2,000	2,000
Capital Outlay	2,902,700	2,362,300	3,259,400	5,636,600
TOTAL EXPENDITURES	3,257,800	2,364,300	3,261,400	5,638,600
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(1,042,100)	(1,877,300)	(1,434,100)	(3,722,100)
OTHER FINANCING SOURCES				
Transfer In - Brown Bridge Trust Parks	65,000	112,000	112,000	180,000
Transfer In - General Fund	1,484,600	1,292,800	1,440,600	1,832,600
Transfers Out	(105,100)	-	(1,300)	-
TOTAL OTHER FINANCING SOURCES	1,444,500	1,404,800	1,551,300	2,012,600
NET CHANGE IN FUND BALANCE	402,400	(472,500)	117,200	(1,709,500)
Beginning Fund Balance	2,560,400	2,962,800	2,962,800	3,080,000
Ending Fund Balance	\$ 2,962,800	\$ 2,490,300	\$ 3,080,000	\$ 1,370,500

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.

**City of Traverse City, Michigan
SPECIAL REVENUE FUND
SENIOR CENTER BUILDING FUND
For the Budget Year 2023-24**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
State Grants	\$ -	\$ -	\$ -	\$ 7,000,000
Contributions-Private Sources	-	-	1,300	-
Interest Revenue	1,900	1,800	2,200	2,200
Change in Fair Value of Investments	(21,800)	-	-	-
TOTAL REVENUES	(19,900)	1,800	3,500	7,002,200
EXPENDITURES				
Capital Outlay	-	-	-	7,850,500
TOTAL EXPENDITURES	-	-	-	7,850,500
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(19,900)	1,800	3,500	(848,300)
OTHER FINANCING SOURCES				
Transfers in	-	-	501,300	-
NET CHANGE IN FUND BALANCE	(19,900)	1,800	504,800	(848,300)
Beginning Fund Balance	363,500	343,600	343,600	848,400
Ending Fund Balance	\$ 343,600	\$ 345,400	\$ 848,400	\$ 100

This fund was created in 2007 to account for contributions related to the eventual renovation or replacement of the Senior Center Building.

City of Traverse City, Michigan
CAPITAL PROJECT FUND
BOARDMAN LAKE TRAIL CONSTRUCTION
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
State Grants	\$ 600,000	\$ -	\$ 150,000	\$ -
Contributions - private	900	-	-	-
Contributions - public	3,602,400	-	894,500	-
Interest Revenue	-	-	-	-
TOTAL REVENUES	4,203,300	-	1,044,500	-
EXPENDITURES				
Capital Outlay	3,894,100	-	942,400	-
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	309,200	-	102,100	-
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	-	-	-	-
Operating Transfer out	(295,000)	(305,000)	(305,000)	(315,000)
TOTAL OTHER FINANCING SOURCES	(295,000)	(305,000)	(305,000)	(315,000)
NET CHANGE IN FUND BALANCE	14,200	(305,000)	(202,900)	(315,000)
Beginning Fund Balance	2,331,200	2,345,400	2,345,400	2,142,500
Ending Fund Balance	\$ 2,345,400	\$ 2,040,400	\$ 2,142,500	\$ 1,827,500

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. After completion of the trail annual transfers to the debt service fund will be made from available fund balance.

**City of Traverse City, Michigan
CAPITAL PROJECT FUND
SPECIAL ASSESSMENT FUND
For the Budget Year 2023-24**

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Interest Revenue	\$ 10,200	\$ 3,000	\$ 7,000	\$ 4,600
Change in Fair Value of Investments	(36,400)	-	-	-
Contributions - Public Entities	-	-	-	-
Special Assessment	55,800	22,000	24,000	22,000
TOTAL REVENUES	29,600	25,000	31,000	26,600
EXPENDITURES				
Capital Outlay	11,500	60,000	86,000	26,600
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	18,100	(35,000)	(55,000)	-
OTHER FINANCING SOURCES (USES)				
Transfer Out-Capital Projects Fund	-	-	-	-
NET CHANGE IN FUND BALANCE	18,100	(35,000)	(55,000)	-
Beginning Fund Balance	728,600	746,700	746,700	691,700
Ending Fund Balance	\$ 746,700	\$ 711,700	\$ 691,700	\$ 691,700

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

Permanent Funds

City of Traverse City, Michigan
PERMANENT FUND
BROWN BRIDGE TRUST FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Interest Revenue	\$ 87,400	\$ 200,700	\$ 192,000	\$ 192,000
Change in Fair Value of Investments	(636,700)	-	-	-
Rents and Royalties	-	-	-	-
TOTAL REVENUES	(549,300)	200,700	192,000	192,000
EXPENDITURES				
Capital Outlay	\$ -	\$ -	\$ -	\$ 750,000
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(549,300)	200,700	192,000	(558,000)
OTHER FINANCING (USES)				
Transfers Out-General Fund	(167,800)	(200,700)	(192,000)	(192,000)
NET CHANGE IN FUND BALANCE	(717,100)	-	-	(750,000)
Beginning Fund Balance	12,315,400	11,598,300	11,598,300	11,598,300
Ending Fund Balance	\$ 11,598,300	\$ 11,598,300	\$ 11,598,300	\$ 10,848,300

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 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Charges for Services-Sales	\$ 31,900	\$ 17,000	\$ 17,000	\$ 17,000
Interest Revenue	7,400	7,400	7,400	7,400
Change in Fair Value of Investments	(29,400)	-	-	-
TOTAL REVENUES	9,900	24,400	24,400	24,400
EXPENDITURES				
Capital Outlay	-	-	-	150,000
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	9,900	24,400	24,400	(125,600)
OTHER FINANCING SOURCES (USES)				
Transfers Out - General Fund	(7,400)	(7,400)	(7,400)	(7,400)
NET CHANGE IN FUND BALANCE	2,500	17,000	17,000	(133,000)
Beginning Fund Balance	320,900	323,400	323,400	340,400
Ending Fund Balance	\$ 323,400	\$ 340,400	\$ 340,400	\$ 207,400

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 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
REVENUES				
Charges for Services-Fees	\$ 14,200	\$ 8,000	\$ 8,000	\$ 8,000
Interest Revenue	8,300	8,300	8,200	8,200
Change in Fair Value of Investments	(19,400)	-	-	-
TOTAL REVENUES	3,100	16,300	16,200	16,200
OTHER FINANCING SOURCES (USES)				
Transfers Out - General Fund	(8,300)	(8,300)	(8,200)	(8,200)
NET CHANGE IN FUND BALANCE	(5,200)	8,000	8,000	8,000
Beginning Fund Balance	450,600	445,400	445,400	453,400
Ending Fund Balance	\$ 445,400	\$ 453,400	\$ 453,400	\$ 461,400

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

Enterprise Funds

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 2023-24 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 fourth 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 returned to pre-pandemic levels. We have scaled back planned maintenance projects in order to reduce the amount of surplus funds needed to make the budget whole in this time of loss.

In 2022-2023, the DDA continued its initiative to move forward with the West End Parking Structure as identified in the TIF plan. The use of parking funds to purchase five properties in the 100 block of West State Street included an inter-departmental loan using TIF funds in order to complete the purchase. Most of the TIF funds will be repaid when parking lot V is purchased in July 2023, and the parking fund will make its first of three loan payments.

Continuing to make systemwide changes using the Managed Parking Systems (MPS) Approach based on the Revised Transportation Demand Management Report will increase efficient utilization of existing parking spaces in order to maintain net zero parking. Planned changes will emphasize park once initiatives, and 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 by providing a free transportation option for employees. 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.

The MPS 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 at this time. All rates will be considered once traffic increases downtown and the availability decreases.

Hardy and Old Town Garage fund expenses include CIP projects for the pedestrian stair towers. The cosmetic fixes to repaint all pedestrian stair towers, handrails and reseal all floors will provide a renewed appearance.

The DDA managed Traverse City Parking Services consists of the following positions:

Transportation Mobility Director (1 FT)
Facilities Supervisor (1 FT)
Parking Operations Supervisor (1 FT)
Parking Support Specialist (3 FT)
Parking Specialist (5 FT, 1 PT and 1 FT Seasonal)
Parking Ambassadors (2 FT, 1 FT Seasonal)
Maintenance Technicians (2 FT, 1 FT Seasonal)

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/spaces utilized
 - 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 and increase 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.
 - e. Make efficient use of resources by partnering with other agencies

SUMMARY OF BUDGET CHANGES

REVENUE

Parking Garage Hourly Proceeds – Revenues are expected to increase due to decreased use of permit holders' utilization allowing for increased available short-term transient parking.

Parking Fees-Coin – Revenues are expected to increase as we anticipate increased tourism in the area.

Permits – Surface Lots – Revenues are expected to decrease with the sale and closure of parking lot V. Existing surface permits may be renewed, but no new requests will be issued.

Permits – Parking Garages – Revenue is expected to remain the same until employees return to downtown offices and increase the employee use of the parking structures. We do expect to see utilization similar to the prior year as office employees have not returned to downtown.

Parking Fines – Revenues are expected to remain the same.

EXPENSES

Salaries, Wages and Fringe Benefits – Salaries, wages and fringe benefits remain relatively flat with an estimated 2% annual wage increase. This expense is for interdepartmental City staff charges only.

Professional Services – Most of the budgeted amount is the Parking Management contract agreement with the DDA. The Traverse City Parking Services Department dedicates nearly 100% of their time as part of this agreement in all areas of operations including Administration, Office Operations, Field Operations, and Maintenance Operations. The DDA contract fee is budgeted at \$816,000. The contract includes annual cost of living increases and health insurance costs for existing employees.

Information Technology – The increased expenses include the renewal of the Parking Management software, additional smart meters and the Parking Access and Revenue Control Systems software contracts

Public Utilities – This expense is expected to remain similar to the previous year.

Repair and Maintenance – With the exception of the scheduled CIP projects identified above expect repairs and maintenance to remain steady with no change.

Rentals – Rentals overall increased to reflect required rental rates for the Garage Fund to finance future equipment purchases of the Parking System.

Equipment – Expenditures includes the five year capital improvement project for Phase 3 of the smart meter purchase, and additional cameras to supplement the traffic circulation changes at Hardy.

NONOPERATING REVENUES (EXPENSES)

Transfer Out – City Fee – The City fee will decrease this year from 10% of the total Parking Fund revenues to 5% of the General (585) parking revenues. There are two reasons for this change 1) 5% is in alignment with other enterprise fund fees, and 2) the aging parking structures will rely more on the revenue to cover maintenance in the coming years.

City of Traverse City, Michigan
ENTERPRISE FUND
PARKING SYSTEM FUND
For the Budget Year 2023-24

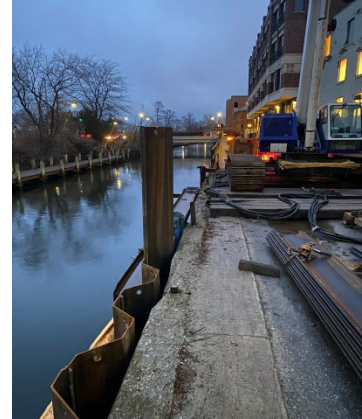
	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
OPERATING REVENUES				
Parking Deck Proceeds	\$ 384,900	\$ 320,000	\$ 411,800	\$ 320,000
Parking Fees-Meters	2,002,000	1,700,000	2,030,000	1,800,000
Permits - Surface Lots	242,800	200,000	260,200	202,200
Permits - Parking Deck	349,200	280,000	348,000	250,000
Parking Fines	285,200	200,000	335,000	225,000
Rents and Royalties	7,300	-	-	30,000
Reimbursements	16,700	4,700	9,100	6,000
Miscellaneous Income	7,500	-	2,900	1,700
TOTAL OPERATING REVENUES	3,295,600	2,704,700	3,397,000	2,834,900
OPERATING EXPENSES				
Salaries and Wages	13,000	11,700	11,400	12,900
Fringe Benefits	1,000	1,000	1,100	1,000
Office/Operation Supplies	50,400	55,000	56,000	61,000
Professional Services	1,234,100	1,492,100	1,548,800	1,376,100
Communications	32,000	36,100	29,200	29,200
Transportation	3,200	5,000	4,600	5,000
Professional Development	-	4,000	2,200	3,000
Printing and Publishing	2,500	14,000	2,000	14,000
Insurance and Bonds	25,800	21,900	27,500	28,900
Utilities	90,900	120,000	112,000	120,000
Repairs and Maintenance	188,100	1,156,800	404,500	608,600
Rentals	131,000	118,900	113,200	85,500
Miscellaneous	11,900	13,800	22,500	50,000
Equipment	2,200	175,000	128,700	130,000
Depreciation Expense	468,000	525,300	470,300	538,100
TOTAL OPERATING EXPENSES	2,254,100	3,750,600	2,934,000	3,063,300
OPERATING INCOME (LOSS)	1,041,500	(1,045,900)	463,000	(228,400)
NON-OPERATING REVENUES				
Interest Revenue	63,900	66,000	66,000	66,000
Change in Fair Value of Investments	(812,800)	-	-	-
TOTAL NON-OPERATING REVENUES	(748,900)	66,000	66,000	66,000
INCOME BEFORE TRANSFERS	292,600	(979,900)	529,000	(162,400)
Transfer Out - City Fee	(329,500)	(278,100)	(169,700)	(141,700)
TOTAL TRANSFERS OUT	(329,500)	(278,100)	(169,700)	(141,700)
CHANGE IN NET POSITION	(36,900)	(1,258,000)	359,300	(304,100)
Net Position, Beginning of year	24,272,800	24,235,900	24,235,900	24,595,200
Net Position, End of year **	\$ 24,235,900	\$ 22,977,900	\$ 24,595,200	\$ 24,291,100

** Ending net position represents the difference between total assets (including long-term fixed assets) and total liabilities
The cash and investment balance at 6/30/22 was \$8,600,900

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 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 establishing project priorities, estimating project costs, exploring grant and project funding sources and assisting with construction project administration.



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.

GOALS – WWTP and Pump Stations

1. **Complete or assist in completing the approved Capital Improvement Projects identified for the current fiscal year.**
2. **Perform an analysis of the biological treatment process(s) to determine inhibiting factors related to biological phosphorus removal.**
3. **Complete a digester gas reuse study per Jacobs contract with the City.**
4. **Potential rooftop solar panel installation, estimated to reduce the plants annual power consumption by 10 %. Dependent on grant award.**
5. **Bid chemical supply services to obtain lowest cost supplier.**

PERFORMANCE MEASUREMENTS – WWTP AND PUMP STATIONS

Performance Measurements-WWTP and Pump Stations						
	Performance Indicator	2018	2019	2020	2021	2022
Output	Billions of gallons treated	1.86	2.05	2.16	1.77	1.66
	Millions of pounds of BOD treated	3.07	3.05	2.53	3.06	3.28
	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	1.69	1.93	2.12	1.61	1.53
	Kilowatt hours used/gallon of sewage treated	0.0028	0.0028	0.0025	0.0028	0.0029
	Total recordable rates	0.00%	0.00%	5.80%	0.00%	0.00%
	Days away or on restricted duty	0	0	8	0	0
As shown above, the influent flow at the facility (Billions of gallons treated) decreased in 2022.. 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 2022. The decrease from 2021 - 2022 in kilowatt hours used / pound of BOD treated was due to a decrease in kwhr usage that occurred in 2022.						

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.

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	2018-19	2019-20	2020-21	2021-22	2022-23 to date
Output	Sewer maintenance calls	75	71	80	120	80
	Footage of Sewers CCTV's	15,840	12,320	13,830	16,000	2,500
	Footage of sewers cleaned	63,360	61,275	65,860	60,000	80,000
Efficiency	Percentage of maintenance calls responded to within one hour	100%	100%	100%	100%	100%
	Percentage of sewer backups that were homeowner responsibility	76%	71%	72%	76%	75%
	Percentage of annual sewers cleaned	15%	15%	16%	14%	17%

City of Traverse City, Michigan
ENTERPRISE FUND
WASTEWATER FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
OPERATING REVENUES				
Federal Grant	\$ 645,600	\$ 778,400	\$ 966,500	\$ 419,800
State Grant	-	428,000	408,700	-
Sewer Service Charges	6,049,800	6,042,000	6,474,900	6,719,000
Public Authority	1,775,700	1,987,000	1,829,600	2,306,700
Industrial Pretreatment	20,900	15,000	20,000	20,000
Septage Treatment	16,500	23,000	20,700	26,100
Forfeited Discounts	7,100	11,000	6,000	-
Miscellaneous	221,100	200	800	400
TOTAL OPERATING REVENUES	8,736,700	9,284,600	9,727,200	9,492,000
OPERATING EXPENSES				
WWTP AND PUMP STATIONS				
Salaries and Wages	27,700	64,200	28,300	30,800
Fringe Benefits	5,300	19,200	5,800	5,500
Professional Services	4,641,000	5,256,400	4,222,600	5,104,000
Industrial Pretreatment Costs	10,600	12,000	12,000	12,000
Insurance and Bonds	66,400	70,000	75,600	79,300
Total WWTP and Pump Stations	4,751,000	5,421,800	4,344,300	5,231,600
MAINTENANCE AND REPAIRS				
Salaries and Wages	447,800	449,500	434,900	480,500
Fringe Benefits	206,100	205,500	199,700	205,600
Office/Operation Supplies	32,500	50,000	29,900	50,400
Professional Services	100,300	213,500	148,100	121,000
Communications	3,700	2,000	1,600	2,000
Transportation	5,600	6,500	6,500	6,500
Professional Development	4,800	6,500	4,800	6,500
Public Utilities	10,400	10,000	8,000	10,000
Insurance and Bonds	-	-	700	800
Repairs and Maintenance	38,500	30,000	35,000	35,000
Rentals	125,200	123,600	140,000	140,000
Total Maintenance and Repairs	974,900	1,097,100	1,009,200	1,058,300

City of Traverse City, Michigan
ENTERPRISE FUND
WASTEWATER FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
ADMINISTRATIVE AND GENERAL				
Salaries and Wages	84,300	86,300	105,600	164,600
Fringe Benefits	33,700	37,700	40,200	63,100
Office/Operation Supplies	15,600	14,000	8,000	8,000
Professional Services	57,300	29,000	49,800	39,800
Communication	23,200	23,100	23,100	24,000
Professional Development	-	-	-	-
Printing and Publishing	800	200	7,000	800
Rentals	-	6,200	200	200
Collection Costs	4,500	500	200	200
Transportation	-	700	-	-
Miscellaneous	300	100	200	200
Depreciation & Amortization	673,600	633,700	675,100	675,100
Total Administrative and General	893,300	831,500	909,400	976,000
TOTAL OPERATING EXPENSES	6,619,200	7,350,400	6,262,900	7,265,900
OPERATING INCOME	2,117,500	1,934,200	3,464,300	2,226,100
NON OPERATING REVENUES (EXPENSES)				
Reimbursements	-	70,000	50,000	40,000
Interest Revenue	500	-	-	-
Interest/Finance Charges	(21,200)	(73,200)	-	-
Total Non-Operating Revenues (Expenses)	(20,700)	(3,200)	50,000	40,000
Income Before Transfers	2,096,800	1,931,000	3,514,300	2,266,100
Transfers Out - City Fee	(393,500)	(389,300)	(406,200)	(429,200)
CHANGE IN NET POSITION	1,703,300	1,541,700	3,108,100	1,836,900
Net position, beginning of year	21,874,400	23,577,700	23,577,700	26,685,800
Net position, end of year **	\$ 23,577,700	\$ 18,688,226	\$ 26,685,800	\$ 28,522,700

** Ending net position represents the difference between total assets (including long-term fixed assets) and total liabilities the cash balance at 6/30/22 was \$ 1,400.

Note: For Budgeting purposes certain plant costs that are shared with townships that may be classified as capital assets for annual financial statement reporting are reported as professional services in this budget. Adjustments will be made at year end based on the City's capitalization policies.

Note: Bond proceeds and capital purchases other than as described above, are not reported as revenue or expenditures for enterprise financial reporting and are not included in this budget.

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 1.9 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
- 1 Seasonal Operator



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 2021 Drinking Water State Revolving Fund (DWSRF) Project Plan including construction of new East-West 24-inch water transmission mains (phased plan) and the Wayne Hill Booster Station Upgrade. In 2022, the WTP Filters 1, 2 and 3 and Flocculation Tanks repairs project was completed. Other planned maintenance and equipment upgrades include repair of one high service and low service pump annually, install a VFD control on a high and low service pump.

PERFORMANCE MEASUREMENTS – PLANT, STORAGE TANKS AND BOOSTER STATIONS

	Performance Indicators	2019	2020	2021	2022
Output	Million gallons of water pumped	1,975.10	1,774.36	1,959.56	1,883.00
	Chemical costs	\$59,924	\$48,148	\$52,851	\$60,798
	Electrical demand - kWh (kiloWatt-hours)	2,406,876	2,092,204	2,377,040	2,219,229
Efficiency	Chemical cost per million gallons water pumped	\$30.34	\$27.14	\$26.97	\$32.29
	Gallons / kWh	820.61	848.08	824.37	848.49

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

Treatment chemical costs have increased significantly in the past year and water demand is expected to increase from our bulk water customers (mainly Garfield Township), so this budget line item was adjusted to accommodate this. There are no other 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 of water mains
- Maintaining, repairing and exercising main line water valves
- Installing and maintaining water services/meters
- Flushing, repairing and draining of 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 | |

SUMMARY OF SIGNIFICANT BUDGET CHANGES – DISTRIBUTION

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

GOALS -

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 to improve water billing accuracy.
4. Exercise 20% of water system valves.
5. Work with GIS department to improve utility locations and locating abilities.

City of Traverse City, Michigan
ENTERPRISE FUND
WATER FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
OPERATING REVENUES				
Federal Grant	\$ -	\$ -	\$ 7,000	\$ -
State Grant	-	282,900	492,200	1,012,300
Water Sales	4,024,700	3,628,400	4,339,700	4,400,000
Water Hydrant Fees	3,100	3,300	3,000	3,000
Public Authority	917,900	1,174,100	1,104,700	1,159,900
Merchandise and Jobbing	23,700	10,000	45,000	45,000
Taps, Meters and Pits	13,200	12,000	12,000	13,000
Contributions	-	-	-	-
Miscellaneous	74,400	69,600	174,000	76,000
TOTAL OPERATING REVENUES	5,057,000	5,180,300	6,177,600	6,709,200
OPERATING EXPENSES				
PLANT, STORAGE TANKS AND BOOSTER STATIONS				
Salaries and Wages	435,000	479,700	444,200	472,500
Fringe Benefits	340,000	357,300	334,400	343,500
Office/Operation Supplies	104,600	106,300	128,200	143,800
Professional Services	85,000	212,900	144,200	212,900
Communications	15,900	12,700	12,700	12,300
Transportation	1,300	2,000	1,300	2,000
Professional Development	14,600	10,000	10,000	10,000
Insurance and Bonds	51,200	53,700	48,000	50,400
Utilities	271,000	336,100	279,000	336,100
Repairs and Maintenance	59,600	100,000	60,000	120,000
Rentals	9,200	9,700	8,000	8,000
Total Plant, Storage Tanks and Booster Stations	1,387,400	1,680,400	1,470,000	1,711,500
DISTRIBUTION				
Salaries and Wages	328,900	336,000	333,500	347,900
Fringe Benefits	229,700	229,000	215,500	211,600
Office/Operation Supplies	105,300	125,000	150,400	150,400
Communications	1,600	2,000	1,600	2,000
Professional Services	163,600	253,500	240,700	239,500
Transportation	7,900	8,000	8,800	8,000
Professional Development	6,100	6,500	8,000	6,500
Insurance and Bonds	-	1,300	1,300	1,400
Utilities	11,700	20,000	12,000	15,000
Repairs and Maintenance	4,900	20,000	25,000	25,000
Rentals	101,400	108,200	82,800	98,000
Total Distribution	961,100	1,109,500	1,079,600	1,105,300

City of Traverse City, Michigan
ENTERPRISE FUND
WATER FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
ADMINISTRATIVE AND GENERAL				
Salaries and Wages	86,400	88,500	108,300	166,000
Fringe Benefits	40,500	45,000	46,500	70,100
Office Supplies	15,600	12,000	12,000	15,000
Communications	23,200	24,000	23,200	24,000
Professional Services	56,800	35,000	50,000	25,000
Professional Development	-	2,800	-	-
Printing and Publishing	800	1,000	3,000	3,000
Rentals	-	-	200	200
Collection Costs	2,500	1,200	1,200	1,200
Transportation	-	200	-	-
Miscellaneous	300	400	200	200
Depreciation Expense	496,900	574,700	496,900	500,200
Total Administrative and General	723,000	784,800	741,500	804,900
TOTAL OPERATING EXPENSES	3,071,500	3,574,700	3,291,100	3,621,700
OPERATING INCOME	1,985,500	1,605,600	2,886,500	3,087,500
NON OPERATING REVENUES (EXPENSES)				
Reimbursements	1,200	40,000	40,000	-
Interest Revenue	30,000	30,000	30,000	30,000
Change in Fair Value of Investments	(292,700)	-	-	-
Interest/Finance Charges	-	(19,900)	-	-
Total Non-Operating Revenues (Expenses)	(261,500)	50,100	70,000	30,000
Income Before Transfers	1,724,000	1,655,700	2,956,500	3,117,500
Transfers out - City Fee	(252,900)	(250,000)	(287,400)	(286,300)
CHANGE IN NET POSITION	1,471,100	1,405,700	2,669,100	2,831,200
Net position, beginning of year	18,107,200	19,578,300	19,578,300	22,247,400
Net position, end of year **	\$ 19,578,300	\$ 20,984,000	\$ 22,247,400	\$ 25,078,600

** 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 6/30/22 was \$ 3,511,500.

Note: Bond proceeds and capital purchases are not reported as revenue or expenditures for enterprise financial reporting and are not included in this budget.

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.*

The Marina is staffed by: 1 Seasonal Dockmaster, 1 Seasonal Assistant Dockmaster, 8 Seasonal Dock Attendants, 3 Seasonal Night Security, and 2 Seasonal Maintenance Staff.

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.



SUMMARY OF SIGNIFICANT CHANGES

- Seek and apply for grant funds for Marina Master Plan
- Dock repairs

City of Traverse City, Michigan
ENTERPRISE FUND
DUNCAN L. CLINCH MARINA FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
OPERATING REVENUES				
Launch Permits	\$ 400	\$ 800	\$ 200	\$ 400
Boat Wells	478,300	469,000	480,000	480,000
Computerized Reservations	163,500	200,000	163,500	163,500
Gasoline and Oil (Net of Cost)	75,600	90,000	75,000	60,000
Miscellaneous Revenues	26,400	29,400	29,500	29,500
TOTAL OPERATING REVENUES	744,200	789,200	748,200	733,400
OPERATING EXPENSES				
Salaries and Wages	153,200	179,800	166,000	177,400
Fringe Benefits	18,000	20,400	18,400	44,100
Office/Operation Supplies	12,100	11,100	10,500	12,300
Professional Services	84,200	142,400	111,700	95,000
Communications	10,800	14,000	14,000	14,000
Transportation	-	800	500	900
Professional Development	200	1,000	200	1,000
Printing & Publishing	500	2,500	500	2,500
Insurance & Bonds	2,800	5,200	5,000	5,200
Utilities	41,800	44,000	40,000	46,200
Repairs and Maintenance	7,400	282,000	282,000	8,200
Rentals	8,900	3,300	8,000	5,900
Depreciation Expense	110,400	109,200	110,400	110,400
TOTAL OPERATING EXPENSES	450,300	815,700	767,200	523,100
OPERATING INCOME (LOSS)	293,900	(26,500)	(19,000)	210,300
NON OPERATING REVENUES (EXPENSES)				
Interest Revenue	-	-	-	-
Change in Fair Value of Investments	(18,200)	-	-	-
Interest Expense	(23,100)	(20,300)	(20,300)	(17,700)
Total Non-Operating Revenues (Expenses)	(41,300)	(20,300)	(20,300)	(17,700)
Income Before Transfers	252,600	(46,800)	(39,300)	192,600
OPERATING TRANSFERS IN (OUT)				
Transfers In	-	-	-	-
Transfers Out - City Fee	(36,700)	(44,500)	(59,000)	(54,200)
TOTAL OPERATING TRANSFERS	(36,700)	(44,500)	(59,000)	(54,200)
CHANGE IN NET POSITION	215,900	(91,300)	(98,300)	138,400
Net position, beginning of year	8,671,900	8,887,800	8,887,800	8,789,500
Net position, end of year **	\$ 8,887,800	\$ 8,796,500	\$ 8,789,500	\$ 8,927,900

** Ending net position represents the difference between total assets (including long-term fixed assets) and total liabilities.
The cash balance at 6/30/22 was \$ 801,806.

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 the City. The major projects for the upcoming year include design/install wayfinding signage through the Hills and Meadows property.

Hickory Hills is staffed by: 1 Parks & Recreation Superintendent, 1 full time Manager, 2 full time seasonal groomers, and 27 seasonal staff for snow making, tow rope, office and equipment rental operations.

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.

Hickory Hills Stats for the 2022–2023 season:

- 354 Alpine City Resident Season Passes Sold
- 230 Alpine Non City Resident Season Passes Sold
- 43 Nordic City Resident Season Passes
- 38 Nordic Non City Resident Season Passes Sold
- 2,766 Alpine Daily Passes
- 114 Nordic Daily Passes
- 1,870 Equipment Rentals
- 20,156 “Slope Snack” Café Transactions

SUMMARY OF SIGNIFICANT CHANGES

- New contracts for marketing for event rentals.
- New Ski Map at front entrance.
- New fleet of radios

City of Traverse City, Michigan
ENTERPRISE FUND
HICKORY HILLS
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
OPERATING REVENUES				
Federal Grant	\$ -	\$ -	\$ 500	\$ -
Food Concessions	29,100	30,000	55,800	56,000
Ski Passes	209,100	215,000	214,000	214,000
Rents and Royalties	41,000	49,000	31,900	42,000
Private Contributions	28,800	-	1,900	-
Miscellaneous Revenues	2,400	-	5,200	5,200
TOTAL OPERATING REVENUES	310,400	294,000	309,300	317,200
OPERATING EXPENSES				
Salaries and Wages	203,400	220,600	230,500	235,500
Fringe Benefits	13,900	19,600	21,400	19,900
Office/Operation Supplies	62,300	72,000	73,000	82,000
Professional Services	87,100	85,000	90,000	90,000
Communications	8,400	7,000	4,500	7,000
Transportation	2,100	4,500	200	500
Professional Development	3,600	3,000	2,500	3,000
Printing & Publishing	2,900	2,500	-	-
Insurance & Bonds	5,300	5,600	3,900	2,100
Utilities	58,000	50,000	75,000	75,000
Repairs and Maintenance	28,500	40,000	35,000	50,000
Rentals	108,000	120,000	135,000	109,000
Depreciation Expense	134,200	132,000	132,000	132,000
TOTAL OPERATING EXPENSES	717,700	761,800	803,000	806,000
OPERATING INCOME (LOSS)	(407,300)	(467,800)	(493,700)	(488,800)
OPERATING TRANSFER IN - General Fund	370,900	326,300	326,300	356,800
OPERATING TRANSFER OUT - Capital Projects	(20,000)	-	-	-
CHANGE IN NET POSITION	(56,400)	(141,500)	(167,400)	(132,000)
Net position, beginning of year	5,745,000	5,688,600	5,688,600	5,521,200
Net position, end of year	\$ 5,688,600	\$ 5,547,100	\$ 5,521,200	\$ 5,389,200

** Ending net position represents the difference between total assets (including long-term fixed assets) and total liabilities.
The cash balance at 6/30/22 was \$ 208,717.

City of Traverse City

Internal Service Fund

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 is staffed by: 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, Parks, Police, Sewer/Water, Fire, Clerk, Treasurer and Engineering Departments, as well as a 24/7 fueling depot providing fuel to all City Vehicles.

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.

SUMMARY OF SIGNIFICANT CHANGES

- Continue to acquire fully electric vehicles and develop their related infrastructure where appropriate.

City of Traverse City, Michigan
INTERNAL SERVICE FUND
GARAGE FUND
For the Budget Year 2023-24

	FY 21/22 Actual	FY 22/23 Budget	FY 22/23 Projected	FY 23/24 Requested
OPERATING REVENUES				
Federal Grant	\$ -	\$ -	\$ 5,100	\$ -
Rental-Motor Pool	3,048,600	3,118,700	3,255,000	3,283,800
Interdepartmental Sales	348,300	354,600	400,000	425,000
Rentals	289,100	294,000	294,600	300,600
TOTAL OPERATING REVENUES	3,686,000	3,767,300	3,954,700	4,009,400
OPERATING EXPENSES				
Salaries and Wages	583,600	604,700	597,000	627,900
Fringe Benefits	307,600	300,300	289,000	301,000
Office/Operation Supplies	507,000	356,700	539,000	427,300
Professional Services	191,100	200,000	203,300	213,500
Communications	11,200	8,000	13,000	14,000
Transportation	3,400	3,000	2,700	3,000
Professional Development	2,600	6,000	2,500	7,500
Printing & Publishing	100	200	100	100
Insurance and Bonds	91,400	100,000	69,000	72,500
Utilities	50,900	48,000	45,000	48,000
Repairs and Maintenance	57,900	120,000	88,000	1,120,000
Rentals	12,700	12,000	13,800	14,000
Depreciation Expense	1,461,900	1,720,000	1,500,000	1,550,000
TOTAL OPERATING EXPENSES	3,281,400	3,478,900	3,362,400	4,398,800
OPERATING INCOME (LOSS)	404,600	288,400	592,300	(389,400)
NON OPERATING REVENUES				
Interest Revenue	-	400	400	400
Other Revenue	75,600	28,500	27,000	28,000
Gain on Sale of Fixed Assets	25,600	75,000	75,000	75,000
TOTAL NON-OPERATING REVENUES	101,200	103,900	102,400	103,400
CHANGE IN NET POSITION	505,800	392,300	694,700	(286,000)
Net position, beginning of year	9,970,800	10,476,600	10,476,600	11,171,300
Net position, end of year	\$ 10,476,600	\$ 10,868,900	\$ 11,171,300	\$ 10,885,300

City of Traverse City

Component Units

BUDGET FY 2023-2024



TRAVERSE CITY
LIGHT & POWER

PRESENTED BY:

EXECUTIVE DIRECTOR
BRANDIE EKREN

CHIEF FINANCIAL OFFICER
KARLA MYERS-BEMAN

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

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 2023/2024 budget on Friday, May 19, 2023 at 9:00a.m. The DDA Board is scheduled to approve the budget on June 16, 2023.

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
- Business support
- Marketing
- Events

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 2023/2024 will be \$825,000. This contract solely covers the cost of the employees assigned to parking. No management fee is provided to the DDA.

City of Traverse City, Michigan
DDA COMPONENT UNIT
DDA GENERAL FUND
For the Budget Year 2023-24

	FY 21/22 <u>Audited</u>	FY 22/23 <u>Budgeted</u>	FY 22/23 <u>Projected</u>	FY 23/24 <u>Requested</u>
REVENUES				
Taxes	\$ 129,683	\$ 129,000	\$ 129,000	\$ 130,000
Grants and Reimbursements	1,947,124	1,200,000	1,200,000	\$ 100,000
Reimbursements	1,465,333	1,236,600	1,236,600	1,585,359
Rental Income	0	90,000	90,000	115,000
Interest Income	915	600	600	1,000
Miscellaneous	0	0	0	0
TOTAL REVENUES	<u>3,543,055</u>	<u>2,656,200</u>	<u>2,656,200</u>	<u>1,931,359</u>
EXPENDITURES				
Salaries and Wages	874,456	955,400	998,709	1,450,516
Fringe Benefits	273,587	320,000	296,151	390,382
Office Supplies and Utilities	104,960	64,000	45,800	63,000
Professional Services	677,286	306,800	325,000	265,000
Travel and Conferences	13,415	25,000	25,000	30,000
Repairs and Maintenance	0	0	0	0
Grants	1,672	96,000	96,000	45,000
Civic Square	1,758,802	1,050,000	1,050,000	50,000
TOTAL EXPENDITURES	<u>3,704,178</u>	<u>2,817,200</u>	<u>2,836,660</u>	<u>1,903,516</u>
EXCESS OF REVENUES OVER/UNDER EXPENDITURES	(161,123)	(161,000)	(180,460)	27,843
Beginning Fund Balance	897,307	736,184	736,184	555,724
Ending Fund Balance	<u>\$ 736,184</u>	<u>\$ 575,184</u>	<u>\$ 555,724</u>	<u>\$ 583,567</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.

Tax Increment Financing: A regional financing tool to protect, maintain and improve critical public infrastructure in support of business, economic and community development within 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 2023/2024 on Friday, May 19, 2023 at 9:00a.m. The Board is scheduled to approve the budget at their regular board meeting on June 16, 2023.

New Initiatives or Budget Changes:

- **Service Agreement.** The DDA has worked over the last two years with City Administration to identify a service agreement, which identifies services that the City provides to the Downtown as well as compensation for these services. For this fiscal year, based on the information received from Departments, the DDA will pay the City \$677,743.
- **Contract for trash services.** Separate from the service agreement, this is a direct contract with GFL for trash and recycling services for Downtown. This is a significant change and assistance to the Parks and Recreation Department, moving responsibility from in-house to contract services.
- **Retail Incubator.** Space has been identified at 116 Cass for this new operation.
- **Community Police Officer:** This fiscal year the DDA will move from a part-time to full-time Community Police Office (CPO). This change is consistent with the Agreement between the City/DDA to begin the first 3 years to fund part-time of a CPO and if successful move to full-time costs.

Public Infrastructure Projects Include:

- **Design and Engineering:** Moving forward with final design and engineering services for the Lower Boardman/Ottaway Downtown Riverwalk and the West End Parking Structure.
- **Two-Way Pilot Project (State Street):** The two-way pilot project, including State Street, Boardman Avenue and Pine Street will remain a line-item in the budget for the duration of the pilot project.

- **Plan Implementation for Mobility and TART Trail Extension:** With both Plans being funded in partnership with the City (Mobility) and City and TART (Extension). Once both Plans are completed, we will work on implementation occurring over the next several years.
- **Composting:** Create a composting program specifically for downtown that features unmanned containers for the general public as well as targeted receptacles for downtown restaurants and other food venues. This would require exploring options for hauling the compost waste to another location. A specific downtown program could also be created simultaneously and in coordination with the city's project as well.

City of Traverse City, Michigan
DDA COMPONENT UNIT
97 FINANCING FUND
For the Budget Year 2023-24

	FY 21/22 Audited	FY 22/23 Budgeted	FY 23/24 Requested
REVENUES			
Property Taxes	\$ 3,154,318	\$ 3,778,000	\$ 4,180,861
Grant and Reimbursements	0	0	40,000
Reimbursements	433,721	200,000	130,000
Interest Income	4,690	2,000	4,500
TOTAL REVENUES	<u>3,592,729</u>	<u>3,980,000</u>	<u>4,355,361</u>
EXPENDITURES			
Professional Services	1,121,094	732,000	1,672,563
Printing and Publishing	66,035	200	20,000
Repair & Maintenance	0	250,000	250,000
Contribution to District Construction Project	515,888	2,271,500	2,125,000
Contribution to City - Debt Service	930,697	973,200	953,440
	<u>\$ 13,206.00</u>	<u>\$ -</u>	
TOTAL EXPENDITURES	<u>2,646,920</u>	<u>4,226,900</u>	<u>5,021,003</u>
EXCESS OF REVENUES OVER/UNDER EXPENDITURES	945,809	(246,900)	(665,643)
OTHER FINANCING SOURCES (USES)			
Operating Transfer	0	0	0
NET CHANGE IN FUND BALANCE	945,809	(246,900)	(665,643)
Beginning Fund Balance	<u>3,866,612</u>	<u>4,812,421</u>	<u>9,403,165</u>
Ending Fund Balance	<u>\$4,812,421</u>	<u>\$4,565,521</u>	<u>\$8,737,523</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.

Tax Increment Financing: A regional financing tool to protect, maintain and improve the Downtown where all people, not just the residents, utilize infrastructure for place of business, entertainment and commerce.

The Downtown Development Authority (DDA) Board of Directors will hold a public hearing on the 2023/2024 Old Town TIF budget on Friday, May 19, 2023 at 9:00a.m. The DDA Board is scheduled to approve the budget on at the regular meeting on June 16, 2023.

New Initiatives or Budget Changes:

Professional Services:

- **Service Agreement.** The DDA has worked over the last two years with City Administration to identify a service agreement, which identifies and recognizes services that the City provides to the Downtown and compensate for these services. For this fiscal year, based on the information received from Departments, the DDA will pay the City \$122,311.
- **Maintenance and Operation:** The DDA will be working on the new services that will now be the responsibility of the DDA under the Service Agreement and will be purchasing a truck and sidewalk cleaning in order to properly maintain and clean the downtown infrastructure.

Public Infrastructure

- **Midtown Riverwalk,** which was put in over 20 years ago, is due for replacement. Replacement of the Midtown Riverwalk will take two years. Our design and aesthetic (e.g., materials) template will be consistent with the themes outlined in the Lower Boardman Unified Plan and the Conceptual Plan for the 100/200 Block Riverwalk.
- **Hannah Park Improvement:** Project will enhance the pedestrian overlook of the river and Hannah Park as well as improvements to the staircase leading from the overlook to the riverbank.
- **Eighth Street Intersection Improvements at Cass and Union:** Working with streets and engineering departments to replace both intersections.
- **Mobility Implementation:** Plan completed, with implementation occurring over the next several years.

City of Traverse City, Michigan
DDA COMPONENT UNIT
OLD TOWN FINANCING

For the Budget Year 2023-24

	FY 21/22 <u>Actual</u>	FY 22/23 <u>Budgeted</u>	FY 22/23 <u>Projected</u>	FY 23/24 <u>Requestd</u>
REVENUES				
Property Taxes	\$593,951	\$702,800	\$ 717,791	\$ 841,481
Reimbursements	-	-	-	-
Interest Income	113	200	200	100
TOTAL REVENUES	<u>594,064</u>	<u>703,000</u>	<u>717,991</u>	<u>841,581</u>
EXPENDITURES				
Professional Services	210,587	118,800	118,810	303,350
Printing and Publishing	0	100	100	100
Contribution to District Construction Project	191,558	917,000	245,000	805,000
TOTAL EXPENDITURES	<u>402,145</u>	<u>1,035,900</u>	<u>363,910</u>	<u>1,108,450</u>
EXCESS OF REVENUES OVER/UNDER EXPENDITURES	191,919	(332,900)	354,081	(266,869)
OTHER FINANCING SOURCES (USES)				
Operating Transfer	-	-	-	-
NET CHANGE IN FUND BALANCE	191,919	(332,900)	354,081	(266,869)
Beginning Fund Balance	<u>522,468</u>	<u>714,387</u>	<u>714,387</u>	<u>1,068,468</u>
Ending Fund Balance	<u>\$714,387</u>	<u>\$381,487</u>	<u>\$1,068,468</u>	<u>\$ 801,599</u>