



TRAVERSE CITY  
LIGHT & POWER

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# FY26/27 Operations & Maintenance Budget





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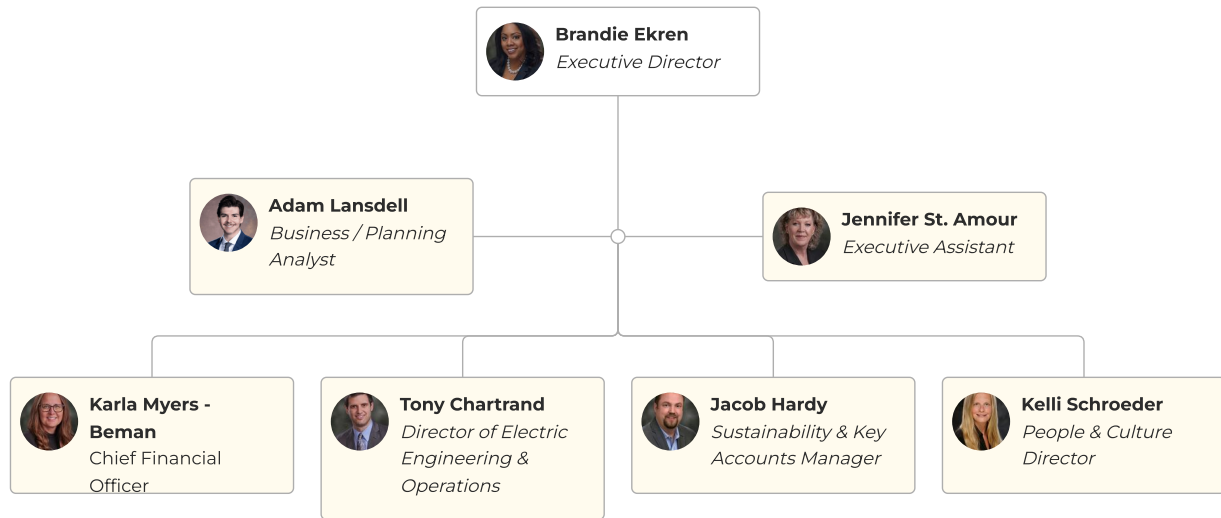
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# About Traverse City Light & Power

Traverse City Light & Power (TCLP) prides itself on being a responsive and community-powered utility with a level of programs and services that enhance our quality of life and make Traverse City a better place to live. Our residential, commercial and industrial customers enjoy reliable power at low rates because we're community-owned. In addition to contributing to Traverse City's financial stability, TCLP is also committed to investing in a wide variety of community-related projects that range from environmental programs to education.



# TCLP Executive Leadership Team



# Our Mission, Vision & Values

## Mission

*To serve as the trusted community partner for delivering innovative, affordable, reliable and environmentally sustainable energy and telecom solutions.*

## Vision

*Our vision is to lead with positivity, creating a brighter future for all. As an innovative electric and telecom utility, we harness the power of clean energy and fiber connectivity through sustainable partnerships, services, and programs. We enrich our communities by anticipating and exceeding evolving customer needs with operational excellence.*



## Values

Our values guide us in promoting sustainable solutions and innovative thinking while upholding integrity, collaboration, and optimism. Together, these principles enhance our commitment to reliable service and a connected community.

**Integrity:** Upholding the highest ethical standards of honesty and conduct to ensure the safety and reliability of our services as a testament to our commitment to the customers, community, and stakeholders we serve.

**Sustainability:** Embracing environmental stewardship, positive social impact, and economic stability to ensure a thriving planet and prosperous communities.

**Innovation:** Embracing change and pioneering forward-thinking solutions to meet the future head-on.

**Collaboration:** Fostering inclusive partnerships and teamwork, uniting diverse perspectives to achieve common goals, and build stronger, connected and energized communities.

**Optimism:** Fostering a positive outlook as we navigate challenges and seize opportunities.

# About the FY26/27 Operations & Maintenance Budget Process

The FY26/27 Operations & Maintenance (O&M) budget is structured to ensure reliable, safe, and cost-effective delivery of both electric and fiber services. This budget reflects TCLP’s commitment to operational excellence, system reliability, customer satisfaction, and sustainable growth.

Key priorities in this budget include ongoing infrastructure maintenance, upgrades to reliability technologies, workforce safety enhancements, and strategic investments in technology to optimize operations. Budget allocations are guided by anticipated revenue streams, projected costs, and the objective to maintain high service standards while controlling expenses.

This O&M plan supports TCLP’s duty to provide exceptional utility services while balancing fiscal responsibility and operational efficiency on behalf of our community of stakeholders.



# Purpose & Need

The purpose of the O&M budget is to provide a structured and transparent framework for managing the ongoing costs associated with operating and maintaining TCLP's systems. Consistent investment in operations and maintenance is necessary to sustain reliable service, support safe working conditions, and preserve the value of existing infrastructure.

Without this level of ongoing investment, system performance would gradually decline, increasing the likelihood of outages, safety risks, and higher long-term costs. The O&M budget therefore plays a critical role in ensuring that TCLP continues to deliver high-quality, dependable service to the community.

## Our Process

### 1. Brainstorming Session(s):

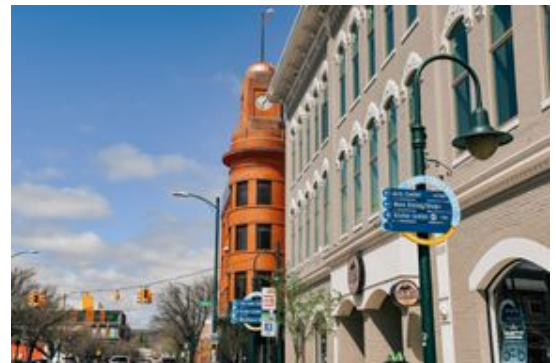
- Brainstorming sessions hosted amongst leadership team members and cross-functional work groups to seek out ideas for spending reduction, revenue generation or adjustments to operations / programming that may yield a healthier financial outlook.

### 2. Collection of Historical Data and New Spending Requests:

- Past-year data is gathered and validated to utilize as a comparison tool for relevant year-over-year spending for each area of the business.
- Upon review, the finance team then issues access to a digital web form which allows each department to formally submit and document key information about their projected budget items and needs.
- Submitted requests may undergo follow-up meetings with the submitter, known as "clarity sessions," to ensure finance has a full understanding of the costs and needs associated with the given request, prior to it moving forward in the process.

#### ***Data Collection & Request Milestones:***

- Professional Development Plan Request Collection & Clarity Meetings
- Departmental Expense Accounts & Related Revenue Collection
- Technology Request Collection & Clarity Meetings
- Equipment (Garage & Rental) Request Collection & Review Meetings



### 3. Review of Drafted Budget & Finalization

- A Budget Review session amongst TCLP's Leadership Team is hosted by the Chief Financial Officer.
- Final draft is provided for review and approval to the Executive Director.
- Upon review and sign-off, the final budget is constructed and presented to The Board for Approval.

# Executive Director's Message

**April 21, 2026**

It is my privilege to share Traverse City Light & Power's Fiscal Year 2026/2027 budget.

This budget reflects our responsibility as a public power utility—to provide reliable, affordable service while thoughtfully planning for the future. It is grounded in disciplined decision-making, strong financial stewardship, and a clear commitment to our Strategic Plan.

Developed over several months, this budget is intentional and measured. It supports our daily operations while advancing key priorities—managing a dynamic energy landscape, continuing progress toward a cleaner energy portfolio, investing in our workforce, and growing TCLPFiber as it moves toward long-term sustainability.

Even with these investments, our focus on affordability remains strong. Rates continue to be below industry averages, and our financial reserves position us to manage uncertainty without over-collecting from customers.

As we move forward, we will continue to monitor energy market conditions, broadband growth, and workforce needs with discipline and care.

At its core, this budget reflects who we are—an organization that is positively powered, focused on delivering value, building resilience, and serving our community with purpose and integrity.

I am grateful for the dedication of the TCLP team, whose commitment to safety and service makes this work possible, and for the leadership of the TCLP Board as we continue to serve our community together.

Positively Inspired,

**Brandie Ekren**

*Executive Director*

*Traverse City Light & Power*



**Brandie Ekren**

Executive Director Traverse City Light & Power

# How the O&M Budget Supports TCLP's Strategic Plan

Throughout the planning stages of our O&M Budget, TCLP has worked to ensure that committed projects were in alignment with our Strategic Plan. We feel it is important that in all the work we do, we are guided by the core pillars of that document.

These include our previously highlighted Mission, Vision and Value statements, as well as our Strategic Priorities & Objectives. This section serves as a reminder of the definition of these elements, as well as our evaluation of how each project drives a piece of our Strategic Plan forward.

Click [here](#) to read the **FY24/25-28/29 Strategic Plan**, published April 2024, in its entirety.

## Our Strategic Priorities



### TCLP's Strategic Plan Priorities:

- Community Enrichment
- Customer Experience
- Employee Excellence
- Operational and Financial Excellence
- Technology Transition
- Environmental Sustainability

## Strategic Priority #1: Community Enrichment



### **Education & Resource Guidance:**

3rd party engagements for education, training, and contractor list.

### **Community Collaboration & Partnership:**

City of Traverse City (Energy Storage Exploration & Fleet Consult) & Other Non-Profit and Community Customer partners

### **Communication & Marketing Manager - New FTE:**

This role supports all six strategic priorities by enhancing internal and external communications. It also serves a vital role in TCLP's transition to competitive sales to support successful TCLPfiber expansions.

## Strategic Priority #2: Customer Experience

### **Customer Satisfaction:**

Incorporating improvements based on feedback from our Customer Satisfaction Survey that are focused on opportunities such as digital customer engagement and program awareness.

### **Customer Service Operations:**

Implementing recommendations from a recent operational gap assessment focused on internal processes, taking into account feedback from Customer Satisfaction Surveying.

### **Utility Bill Financial Assistant Program:**

Program developments that aim to ensure that surcharge funds remain with TCLP customers, with an emphasis on promoting local economic benefits.

### **Community Financial Support:**

Program Development that establish a customer support initiative designed to empower customers to contribute and assist neighbors in need.



# Strategic Priority #3: Operational Excellence

## **Best In Class & Continuous Improvement:**

- Updating certifications and benchmarking
- Safety maturity journey
- Strategic Enterprise Risk Management

## **Community Financial Support:**

Establishment of a customer support initiative that empowers customers to contribute and assist their neighbors in need.

## **Financial Stability & Renewal:**

- Rate Structure evaluations to support strategic objectives
- Update financial policies
- **TCLP *Fiber* Expansion**
  - Increasing access of broadband internet and phone services to more TCLP electric customers through continued expansion.
  - Enhancing the benefits of smart grid investments as a result of stronger interconnection throughout our region and service territories as a result of TCLP *Fiber* Expansions
  - Ensuring an efficient and effective rollout, by closely monitoring and tracking key metrics such as monthly homes passed, drop completion times, and service availability delays.

## Strategic Priority #4: Employee Excellence

### Employee Satisfaction:

Implementing recommendations from a third-party that concentrate on four key areas:

- Leadership trust
- Interdepartmental collaboration
- Internal communications
- Tools and work environment modernization

### Skills, Knowledge & Abilities:

- Professional development centered on leadership, skills, capabilities, and industry insights.
- Business continuity and succession planning
- Established change management framework: PROSCI/ADKAR.
- Workforce Safety & HR Compliance Specialist - New FTE

### Compensation & Wages

Periodic evaluations of the scales are required in accordance with our compensation strategy.



# Strategic Priority #5: Technology Transition

## Operational Enhancements & Modernization:

- Updating certifications and benchmarking
- Advancement of core collaborative work applications and enhancements to training and support enabling employees to more strongly leverage tools available.
- Implementation of new processes, structures and work environments for improved accuracy and efficiency of inventory management.

## Systems & Connectivity Optimization:

- Continued focus on GIS improving mapping accuracy, and establishing processes to ensure continuous maintenance and identify optimization opportunities.
  - Our investment in GIS is a strategic decision aligned with a broader vision: building a utility intelligence platform that connects systems, data, and people to drive stronger decisions and outcomes.
- Planned improvements to Substation Networking infrastructure.
- Improved connections between various core systems and our customer information platform to improve customer experience and increase efficiencies related to serving their needs.

## Security & Resilience:

- Assessments of both security systems and protocols to mitigate potential risks in both physical and cyber environments for our staff and customers.
- Implementation of additional password and credential safeguards

## Culture and Awareness:

- Reinforcing technology effectiveness, training and engagement across TCLP.
- Re-evaluation of IT department's structure, roles and responsibilities to improve role and responsibility clarity.
- Enhancements to support mechanisms for addressing various employee technology needs, such as security and application training, ticketing system efficiencies and more.

## Data Analysis & Innovation — Enabling Smarter Decisions:

- Enhancing how TCLP leverages data to enable smarter decision-making based on operational and strategic insights

# Strategic Priority #6: Environmental Sustainability

## Advancing Operational Sustainability:

- Implementation and design of a functional framework for minimizing environmental impacts across a comprehensive range of functions, including procurement, supply chain management, fleet operations and general purchasing choices.

## Home Energy Evaluations & Coaching Programs:

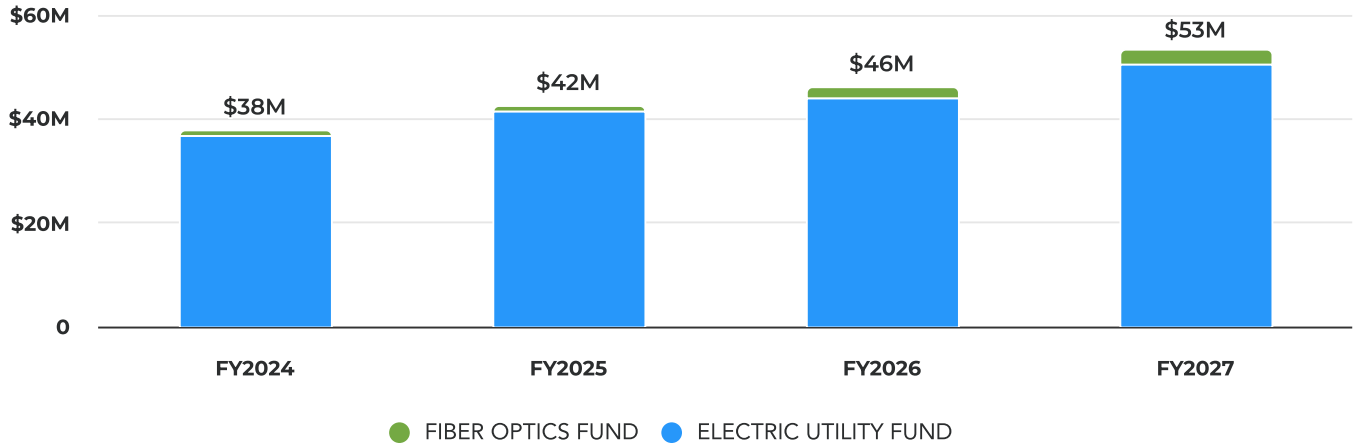
- Continued programming was introduced to provide customers with access to home energy evaluations and personalized recommendations for improving energy efficiency and minimizing energy waste reduction.
- Continued advancements of our Energy Coaching programming for both residential and commercial & industrial customers, seeking to support them on their journey toward more sustainable energy utilization. This includes identifying improvement recommendations that align with available rebate offerings and product offerings to approach these optimizations in a more affordable and cost-effective manner.



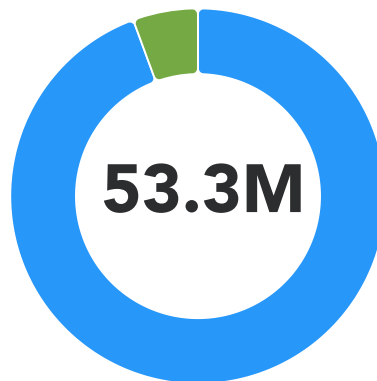
# O&M Financial Overview

## Expenditures by Fund

Historical Expenditures by Fund



FY27 Expenditures by Fund



<span style="color: blue;">●</span> ELECTRIC UTILITY FUND	<b>\$50,277,350</b>	94.39%
<span style="color: green;">●</span> FIBER OPTICS FUND	<b>\$2,986,500</b>	5.61%

## Expenditures by Fund

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
<b>FIBER OPTICS FUND</b>	\$1,091,797.24	\$1,260,958.62	\$2,351,450.00	\$2,076,800.00	\$2,675,400.00
<b>COMPONENT UNIT FUND</b>	\$1,091,797.24	\$1,260,958.62	\$2,351,450.00	\$2,076,800.00	\$2,675,400.00
<b>FIBER OPTICS OPERATIONS &amp; MAINT</b>	\$1,037,158.62	\$1,192,685.56	\$2,232,000.00	\$1,973,200.00	\$2,572,100.00
<b>SALARIES &amp; WAGES</b>	\$181,081.84	\$237,538.93	\$384,600.00	\$298,200.00	\$436,400.00
SALARIES AND WAGES	\$175,195.04	\$230,501.26	\$372,300.00	\$291,900.00	\$427,900.00
EMPLOYEE OVERTIME	\$5,886.80	\$7,037.67	\$12,300.00	\$6,300.00	\$8,500.00
<b>FRINGE BENEFITS</b>	\$141,955.05	\$127,554.44	\$223,200.00	\$133,400.00	\$197,500.00
FRINGE BENEFIT RECOVERY	-\$105,348.32	-\$111,544.44	-\$71,400.00	-\$79,400.00	-\$79,400.00
HEALTH SAVINGS ACCT EXPENSE	\$6,754.00	\$7,585.14	\$9,900.00	\$9,900.00	\$12,500.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
EMPLOYER'S SOCIAL SECURITY	\$21,646.05	\$25,643.11	\$34,700.00	\$28,800.00	\$39,400.00
EMPLOYEE HEALTH INSURANCE	\$30,270.93	\$45,060.40	\$57,900.00	\$52,900.00	\$74,500.00
EMPLOYEE LIFE/DISABILITY INS	\$2,571.80	\$2,720.00	\$3,800.00	\$3,300.00	\$4,400.00
RETIREMENT FUND CONTRIBUTION	\$190,119.40	\$162,047.88	\$165,400.00	\$102,300.00	\$127,000.00
RETIRES HOSPITALIZATION INS	-\$5,485.70	-\$7,603.44	\$15,300.00	\$9,200.00	\$11,000.00
UNEMPLOYMENT COMPENSATION	-	-	\$200.00	\$200.00	\$300.00
WORKERS COMPENSATION INS	\$1,426.89	\$3,645.79	\$7,400.00	\$6,200.00	\$7,800.00
<b>OFFICE/OPERATING SUPPLIES</b>	\$8,641.81	\$9,703.91	\$16,600.00	\$9,000.00	\$10,000.00
OFFICE SUPPLIES	\$773.90	\$570.51	\$5,000.00	\$500.00	\$1,000.00
OPERATION SUPPLIES	\$4,606.91	\$6,035.40	\$5,000.00	\$5,000.00	\$5,000.00
UNIFORMS	\$3,261.00	\$3,098.00	\$6,600.00	\$3,500.00	\$4,000.00
<b>COMMODITIES</b>	\$17,727.29	\$50,484.17	\$91,400.00	\$70,300.00	\$83,000.00
SOFTWARE	\$87.33	\$32,635.20	\$56,000.00	\$35,000.00	\$45,000.00
MEAL PAYMENTS	\$140.00	\$160.00	\$400.00	\$300.00	\$500.00
PLANT AND STRUCTURES	\$17,499.96	\$17,688.97	\$35,000.00	\$35,000.00	\$37,500.00
<b>OVERHEAD LINES</b>	\$22,442.09	\$15,525.84	\$35,600.00	\$15,500.00	\$35,600.00
OVERHEAD LINES	\$22,442.09	\$15,525.84	\$35,600.00	\$15,500.00	\$35,600.00
<b>UNDERGROUND LINES</b>	\$363.11	\$265.01	-	-	-
UNDERGROUND LINES	\$363.11	\$265.01	-	-	-
<b>PROFESSIONAL SERVICES</b>	\$166,575.08	\$269,038.61	\$373,000.00	\$325,000.00	\$352,000.00
PROFESSIONAL AND CONTRACTUAL	\$165,776.08	\$255,313.61	\$348,000.00	\$320,000.00	\$344,500.00
LEGAL SERVICES	\$799.00	\$13,725.00	\$25,000.00	\$5,000.00	\$7,500.00
<b>INSURANCE &amp; BONDS</b>	\$5,069.88	-	\$9,500.00	\$5,400.00	\$6,000.00
INSURANCE AND BONDS	\$5,069.88	-	\$9,500.00	\$5,400.00	\$6,000.00
<b>PROFESSIONAL DEVELOPMENT</b>	\$7,113.67	\$14,929.16	\$39,500.00	\$25,000.00	\$22,000.00
PROFESSIONAL DEVELOPMENT	\$7,113.67	\$14,929.16	\$39,500.00	\$25,000.00	\$22,000.00
<b>COMMUNICATION</b>	\$2,105.23	\$1,334.71	\$1,500.00	\$1,500.00	\$1,500.00
COMMUNICATIONS	\$2,105.23	\$1,334.71	\$1,500.00	\$1,500.00	\$1,500.00
<b>TRANSPORTATION</b>	\$3,538.46	\$2,680.76	\$3,300.00	\$1,800.00	\$2,500.00
TRANSPORTATION	\$3,538.46	\$2,680.76	\$3,300.00	\$1,800.00	\$2,500.00
<b>CONTRACTUAL SERVICES</b>	-	-	-	-	\$222,000.00
MARKETING & PUBLIC SERVICES	-	-	-	-	\$222,000.00
<b>PRINTING &amp; PUBLISHING</b>	-	\$2,658.98	\$80,000.00	\$80,000.00	\$90,000.00
PRINTING AND PUBLISHING	-	\$2,658.98	\$80,000.00	\$80,000.00	\$90,000.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
<b>REPAIRS &amp; MAINTENANCE</b>	\$39,708.13	\$3,697.31	\$48,000.00	\$9,000.00	\$3,000.00
WIFI OPERATIONS & MAINTENANCE	\$39,389.00	-	-	-	-
TOOLS	\$319.13	\$3,577.20	\$3,000.00	\$9,000.00	\$3,000.00
REPAIRS AND MAINTENANCE	-	\$120.11	\$45,000.00	-	-
<b>RENTALS</b>	-\$6,462.08	-\$2,958.31	\$15,200.00	\$1,800.00	-\$1,500.00
RENTAL EXPENSE	-\$6,462.08	-\$2,958.31	\$15,200.00	\$1,800.00	-\$1,500.00
<b>MISCELLANEOUS EXP</b>	\$318.99	\$264.62	\$5,000.00	\$1,500.00	\$2,000.00
MISCELLANEOUS	\$318.99	\$264.62	\$5,000.00	\$1,500.00	\$2,000.00
<b>TRANSFER OUT CITY FEE</b>	\$62,396.01	\$66,534.20	\$81,000.00	\$60,700.00	\$80,300.00
CITY FEE	\$62,396.01	\$66,534.20	\$81,000.00	\$60,700.00	\$80,300.00
<b>DEPRECIATION EXPENSE</b>	\$374,466.74	\$368,470.17	\$480,000.00	\$375,000.00	\$390,000.00
DEPRECIATION EXPENSE	\$374,466.74	\$368,470.17	\$480,000.00	\$375,000.00	\$390,000.00
<b>OTHER CHARGES</b>	-	\$16,291.05	-	-	-
INVENTORY ADJUSTMENTS	-	\$16,291.05	-	-	-
<b>INTEREST EXPENSE &amp; FEES</b>	\$10,117.32	\$8,672.00	\$344,600.00	\$560,100.00	\$639,800.00
INTEREST EXPENSE	\$10,117.32	\$8,672.00	\$344,600.00	\$560,100.00	\$639,800.00
<b>FIBER FUND CUSTOMER ACCOUNTING</b>	\$54,638.62	\$68,273.06	\$119,450.00	\$103,600.00	\$103,300.00
<b>SALARIES &amp; WAGES</b>	\$18,278.53	\$26,300.99	\$27,700.00	\$25,400.00	\$26,900.00
SALARIES AND WAGES	\$18,244.05	\$26,299.97	\$27,700.00	\$25,400.00	\$26,900.00
EMPLOYEE OVERTIME	\$34.48	\$1.02	-	-	-
<b>FRINGE BENEFITS</b>	\$9,898.86	\$9,956.08	\$9,300.00	\$8,400.00	\$8,900.00
HEALTH SAVINGS ACCT EXPENSE	\$230.04	\$955.86	\$700.00	\$700.00	\$700.00
EMPLOYER'S SOCIAL SECURITY	\$1,363.62	\$1,905.75	\$2,100.00	\$1,900.00	\$2,000.00
EMPLOYEE HEALTH INSURANCE	\$4,094.86	\$3,603.90	\$3,600.00	\$4,200.00	\$4,900.00
EMPLOYEE LIFE/DISABILITY INS	\$221.03	\$247.88	\$300.00	\$300.00	\$300.00
RETIREMENT FUND CONTRIBUTION	\$3,981.79	\$3,242.69	\$2,500.00	\$1,200.00	\$900.00
WORKERS COMPENSATION INS	\$7.52	-	\$100.00	\$100.00	\$100.00
<b>OFFICE/OPERATING SUPPLIES</b>	\$374.19	\$149.82	\$4,000.00	\$1,000.00	\$1,200.00
OFFICE SUPPLIES	\$374.19	\$149.82	\$4,000.00	\$1,000.00	\$1,200.00
<b>PROFESSIONAL SERVICES</b>	\$10,199.91	\$11,814.71	\$30,000.00	\$21,000.00	\$14,000.00
PROFESSIONAL AND CONTRACTUAL	\$10,199.91	\$10,830.33	\$20,000.00	\$20,000.00	\$12,500.00
UNCOLLECTABLE ACCOUNTS	-	\$984.38	\$10,000.00	\$1,000.00	\$1,500.00
<b>PROFESSIONAL DEVELOPMENT</b>	\$12.46	\$2,508.38	\$1,950.00	\$1,500.00	\$2,000.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
PROFESSIONAL DEVELOPMENT	\$12.46	\$2,508.38	\$1,950.00	\$1,500.00	\$2,000.00
<b>PRINTING &amp; PUBLISHING</b>	\$6.00	\$11.60	\$500.00	\$300.00	\$300.00
PRINTING AND PUBLISHING	\$6.00	\$11.60	\$500.00	\$300.00	\$300.00
<b>MISCELLANEOUS EXP</b>	\$15,868.67	\$17,531.48	\$46,000.00	\$46,000.00	\$50,000.00
MISCELLANEOUS	\$15,868.67	\$17,531.48	\$46,000.00	\$46,000.00	\$50,000.00
<b>ELECTRIC UTILITY FUND</b>	\$36,729,607.69	\$41,231,864.83	\$46,444,492.00	\$44,072,195.00	\$49,589,650.00
<b>COMPONENT UNIT FUND</b>	\$36,729,607.69	\$41,231,864.83	\$46,444,492.00	\$44,072,195.00	\$49,589,650.00
<b>INFORMATION SYSTEMS</b>	\$647,635.64	\$929,498.84	\$1,783,203.00	\$1,038,800.00	\$1,163,500.00
<b>SALARIES &amp; WAGES</b>	\$198,403.42	\$338,148.75	\$512,700.00	\$410,500.00	\$518,800.00
SALARIES AND WAGES	\$198,403.42	\$338,148.75	\$512,700.00	\$410,500.00	\$518,800.00
<b>FRINGE BENEFITS</b>	\$145,620.08	\$186,717.70	\$275,100.00	\$140,300.00	\$127,100.00
HEALTH SAVINGS ACCT EXPENSE	\$3,986.00	\$7,270.46	\$11,700.00	\$6,800.00	\$9,200.00
EMPLOYER'S SOCIAL SECURITY	\$16,567.49	\$26,993.32	\$41,600.00	\$32,200.00	\$40,800.00
EMPLOYEE HEALTH INSURANCE	\$26,772.51	\$40,460.80	\$78,100.00	\$44,300.00	\$63,300.00
EMPLOYEE LIFE/DISABILITY INS	\$2,058.84	\$2,876.07	\$4,900.00	\$3,800.00	\$4,900.00
RETIREMENT FUND CONTRIBUTION	\$100,200.43	\$114,046.52	\$114,400.00	\$37,800.00	-\$5,200.00
RETIRES HOSPITALIZATION INS	-\$5,074.28	-\$8,047.10	\$14,100.00	\$8,500.00	\$9,500.00
UNEMPLOYMENT COMPENSATION	-	-	\$300.00	\$200.00	\$300.00
WORKERS COMPENSATION INS	\$1,109.09	\$3,117.63	\$10,000.00	\$6,700.00	\$4,300.00
<b>OFFICE/OPERATING SUPPLIES</b>	\$12,754.83	\$7,973.67	\$7,500.00	\$7,500.00	\$10,500.00
OFFICE SUPPLIES	\$409.54	\$617.61	\$1,500.00	\$1,500.00	\$1,500.00
OPERATION SUPPLIES	\$12,358.34	\$7,356.06	\$5,000.00	\$5,000.00	\$8,000.00
UNIFORMS	-\$13.05	-	\$1,000.00	\$1,000.00	\$1,000.00
<b>COMMODITIES</b>	\$248,293.72	\$322,620.46	\$830,503.00	\$365,000.00	\$340,000.00
SOFTWARE	\$193,536.81	\$244,585.48	\$765,503.00	\$300,000.00	\$315,000.00
HARDWARE	\$54,756.91	\$78,034.98	\$65,000.00	\$65,000.00	\$25,000.00
<b>PROFESSIONAL SERVICES</b>	\$25,165.64	\$43,475.00	\$85,000.00	\$85,000.00	\$135,000.00
PROFESSIONAL AND CONTRACTUAL	\$25,165.64	\$43,475.00	\$85,000.00	\$85,000.00	\$135,000.00
<b>PROFESSIONAL DEVELOPMENT</b>	\$7,421.21	\$22,509.29	\$26,500.00	\$20,000.00	\$20,500.00
PROFESSIONAL DEVELOPMENT	\$7,421.21	\$22,509.29	\$26,500.00	\$20,000.00	\$20,500.00
<b>COMMUNICATION</b>	\$9,014.71	\$7,100.42	\$45,400.00	\$10,000.00	\$10,000.00
COMMUNICATIONS	\$9,014.71	\$7,100.42	\$45,400.00	\$10,000.00	\$10,000.00
<b>PRINTING &amp; PUBLISHING</b>	\$139.16	\$550.00	-	-	\$400.00
PRINTING AND PUBLISHING	\$139.16	\$550.00	-	-	\$400.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
<b>REPAIRS &amp; MAINTENANCE</b>	-	-	-	-	\$500.00
SAFETY	-	-	-	-	\$500.00
<b>MISCELLANEOUS EXP</b>	\$822.87	\$403.55	\$500.00	\$500.00	\$700.00
MISCELLANEOUS	\$822.87	\$403.55	\$500.00	\$500.00	\$700.00
<b>CONSERVATION &amp; PUBLIC SERVICES</b>	\$683,175.93	\$1,051,039.71	\$1,721,250.00	\$1,161,820.00	\$2,065,000.00
<b>SALARIES &amp; WAGES</b>	\$269,104.48	\$351,596.51	\$425,700.00	\$422,600.00	\$506,100.00
SALARIES AND WAGES	\$269,104.48	\$351,596.51	\$425,700.00	\$422,600.00	\$506,100.00
<b>FRINGE BENEFITS</b>	\$142,768.46	\$176,799.04	\$176,400.00	\$141,000.00	\$169,700.00
FRINGE BENEFIT RECOVERY	\$10,385.76	\$19,259.00	\$5,000.00	\$5,700.00	\$5,700.00
HEALTH SAVINGS ACCT EXPENSE	\$5,520.04	\$5,867.79	\$7,400.00	\$7,600.00	\$8,600.00
EMPLOYER'S SOCIAL SECURITY	\$18,437.94	\$23,646.24	\$31,400.00	\$31,400.00	\$37,800.00
EMPLOYEE HEALTH INSURANCE	\$29,855.30	\$31,291.18	\$50,900.00	\$46,900.00	\$59,000.00
EMPLOYEE LIFE/DISABILITY INS	\$2,373.69	\$2,681.27	\$3,800.00	\$3,800.00	\$4,400.00
RETIREMENT FUND CONTRIBUTION	\$79,572.42	\$99,108.89	\$66,400.00	\$37,100.00	\$44,000.00
RETIRES HOSPITALIZATION INS	-\$3,565.70	-\$5,654.68	\$9,900.00	\$6,900.00	\$8,200.00
UNEMPLOYMENT COMPENSATION	-	-	\$200.00	\$200.00	\$300.00
WORKERS COMPENSATION INS	\$189.01	\$599.35	\$1,400.00	\$1,400.00	\$1,700.00
<b>OFFICE/OPERATING SUPPLIES</b>	\$779.95	\$1,325.09	\$3,500.00	\$1,000.00	\$1,500.00
OFFICE SUPPLIES	\$779.95	\$996.56	\$3,500.00	\$1,000.00	\$1,000.00
OPERATION SUPPLIES	-	\$328.53	-	-	\$500.00
<b>PROFESSIONAL SERVICES</b>	\$50,253.29	\$124,537.95	\$117,900.00	\$88,000.00	\$144,000.00
PROFESSIONAL AND CONTRACTUAL	\$50,253.29	\$124,537.95	\$117,900.00	\$88,000.00	\$144,000.00
<b>PROFESSIONAL DEVELOPMENT</b>	\$6,681.67	\$17,068.19	\$18,250.00	\$18,300.00	\$63,300.00
PROFESSIONAL DEVELOPMENT	\$6,681.67	\$17,068.19	\$18,250.00	\$18,300.00	\$63,300.00
<b>COMMUNICATION</b>	\$129.17	\$480.00	\$1,500.00	\$720.00	\$1,100.00
COMMUNICATIONS	\$129.17	\$480.00	\$1,500.00	\$720.00	\$1,100.00
<b>TRANSPORTATION</b>	\$310.84	-	\$1,000.00	\$500.00	-
TRANSPORTATION	\$310.84	-	\$1,000.00	\$500.00	-
<b>CONTRACTUAL SERVICES</b>	\$208,188.69	\$373,555.69	\$967,700.00	\$478,700.00	\$1,173,300.00
PUBLIC SERVICES & COMMUNICATI	\$12,768.43	\$12,779.41	\$107,700.00	\$70,000.00	-
MARKETING & PUBLIC SERVICES	-	\$600.00	-	-	\$99,200.00
IN-KIND COMMUNITY SERVICES	\$17,226.09	\$14,521.76	\$40,000.00	\$31,200.00	\$45,100.00
COMMUNITY INVESTMENT FUND	\$51,100.00	\$148,866.00	\$100,000.00	\$62,500.00	\$137,500.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
DECARBONIZATION PLAN	\$127,094.17	\$196,788.52	\$720,000.00	\$315,000.00	\$891,500.00
<b>PRINTING &amp; PUBLISHING</b>	\$725.62	\$1,127.00	\$3,000.00	\$5,000.00	-
PRINTING AND PUBLISHING	\$725.62	\$1,127.00	\$3,000.00	\$5,000.00	-
<b>RENTALS</b>	\$1,815.11	\$3,021.00	\$3,300.00	\$3,000.00	\$3,000.00
RENTAL EXPENSE	\$1,815.11	\$3,021.00	\$3,300.00	\$3,000.00	\$3,000.00
<b>MISCELLANEOUS EXP</b>	\$2,418.65	\$1,529.24	\$3,000.00	\$3,000.00	\$3,000.00
MISCELLANEOUS	\$2,418.65	\$1,529.24	\$3,000.00	\$3,000.00	\$3,000.00
<b>ADMINISTRATION</b>	\$1,486,163.15	\$1,431,196.16	\$1,666,529.00	\$1,700,250.00	\$1,930,250.00
<b>SALARIES &amp; WAGES</b>	\$702,478.58	\$770,879.19	\$893,950.00	\$977,300.00	\$1,057,350.00
SALARIES AND WAGES	\$691,825.79	\$759,108.56	\$880,550.00	\$963,900.00	\$1,039,000.00
EMPLOYEE APPRECIATION	\$10,652.79	\$11,770.63	\$13,400.00	\$13,400.00	\$18,350.00
<b>FRINGE BENEFITS</b>	\$355,545.53	\$264,319.21	\$369,639.00	\$346,600.00	\$403,900.00
FRINGE BENEFIT RECOVERY	-\$3,048.00	-\$3,715.46	-	-	-
HEALTH SAVINGS ACCT EXPENSE	\$9,594.39	\$11,731.56	\$14,400.00	\$13,200.00	\$14,100.00
EMPLOYER'S SOCIAL SECURITY	\$45,542.35	\$50,536.39	\$60,600.00	\$65,000.00	\$69,400.00
EMPLOYEE HEALTH INSURANCE	\$66,599.98	\$61,310.20	\$90,100.00	\$87,400.00	\$100,000.00
EMPLOYEE LIFE/DISABILITY INS	\$5,734.56	\$5,073.40	\$6,700.00	\$7,000.00	\$7,400.00
RETIREMENT FUND CONTRIBUTION	\$236,810.12	\$146,294.92	\$175,139.00	\$158,700.00	\$195,200.00
RETIRES HOSPITALIZATION INS	-\$6,857.12	-\$10,874.46	\$19,100.00	\$11,500.00	\$13,700.00
UNEMPLOYMENT COMPENSATION	\$528.89	\$2,268.04	\$400.00	\$400.00	\$400.00
WORKERS COMPENSATION INS	\$640.36	\$1,694.62	\$3,200.00	\$3,400.00	\$3,700.00
<b>OFFICE/OPERATING SUPPLIES</b>	\$3,043.07	\$3,951.33	\$7,500.00	\$5,000.00	\$5,000.00
OFFICE SUPPLIES	\$3,043.07	\$3,951.33	\$7,500.00	\$5,000.00	\$5,000.00
<b>PROFESSIONAL SERVICES</b>	\$338,992.32	\$271,405.34	\$233,000.00	\$245,800.00	\$306,600.00
FEES AND PER DIEM	\$77,883.30	\$86,509.76	\$81,000.00	\$87,200.00	\$89,000.00
PROFESSIONAL AND CONTRACTUAL	\$219,310.13	\$144,742.39	\$90,000.00	\$88,300.00	\$134,600.00
MEMBERSHIP DUES AND SUBSCRIPTIONS	-	\$104.00	\$2,000.00	\$2,000.00	\$2,000.00
INFORMATION TECHNOLOGY SERVICES	\$12,950.00	-	-	-	-
LEGAL SERVICES	\$28,848.89	\$40,049.19	\$60,000.00	\$68,300.00	\$81,000.00
<b>INSURANCE &amp; BONDS</b>	-	\$500.14	-	-	-
INSURANCE AND BONDS	-	\$500.14	-	-	-
<b>PROFESSIONAL DEVELOPMENT</b>	\$60,697.13	\$87,682.99	\$97,890.00	\$85,000.00	\$111,500.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
PROFESSIONAL DEVELOPMENT	\$60,697.13	\$87,682.99	\$97,890.00	\$85,000.00	\$111,500.00
<b>COMMUNICATION</b>	\$4,893.99	\$3,170.45	\$8,000.00	\$4,050.00	\$4,500.00
COMMUNICATIONS	\$4,893.99	\$3,170.45	\$8,000.00	\$4,050.00	\$4,500.00
<b>TRANSPORTATION</b>	\$1,185.10	\$1,318.81	\$1,500.00	\$1,500.00	\$1,750.00
TRANSPORTATION	\$1,185.10	\$1,318.81	\$1,500.00	\$1,500.00	\$1,750.00
<b>CONTRACTUAL SERVICES</b>	\$4,602.39	\$4,024.98	\$20,200.00	\$6,000.00	\$10,000.00
GENERAL GOVERNMENT EXPENSE	\$4,602.39	\$4,024.98	\$20,200.00	\$6,000.00	\$10,000.00
<b>PRINTING &amp; PUBLISHING</b>	\$10,569.06	\$16,243.24	\$29,650.00	\$24,700.00	\$22,450.00
PRINTING AND PUBLISHING	\$10,569.06	\$16,243.24	\$29,650.00	\$24,700.00	\$22,450.00
<b>REPAIRS &amp; MAINTENANCE</b>	-	-	-	-	\$2,500.00
SAFETY	-	-	-	-	\$2,500.00
<b>MISCELLANEOUS EXP</b>	\$4,155.98	\$7,700.48	\$5,200.00	\$4,300.00	\$4,700.00
MISCELLANEOUS	\$4,155.98	\$7,700.48	\$5,200.00	\$4,300.00	\$4,700.00
<b>GENERATION OPERATIONS &amp; MAINT</b>	\$21,976,322.96	\$24,832,936.48	\$27,692,100.00	\$26,628,225.00	\$29,414,175.00
<b>SALARIES &amp; WAGES</b>	-\$7,357.35	\$8,918.73	\$155,500.00	\$224,200.00	\$249,300.00
SALARIES AND WAGES	-\$8,845.87	\$19,419.11	\$105,700.00	\$147,400.00	\$168,500.00
EMPLOYEE OVERTIME	\$1,488.52	-\$10,500.38	\$49,800.00	\$76,800.00	\$80,800.00
<b>FRINGE BENEFITS</b>	\$88,720.55	\$123,154.64	\$117,300.00	\$54,200.00	\$65,400.00
FRINGE BENEFIT RECOVERY	-\$170,705.49	-\$203,711.27	-\$256,900.00	-\$231,900.00	-\$231,900.00
HEALTH SAVINGS ACCT EXPENSE	\$7,300.00	\$7,680.12	\$7,200.00	\$7,900.00	\$7,900.00
EMPLOYER'S SOCIAL SECURITY	\$27,317.52	\$30,943.57	\$34,900.00	\$35,500.00	\$37,800.00
EMPLOYEE HEALTH INSURANCE	\$36,977.10	\$39,637.21	\$48,300.00	\$44,600.00	\$48,100.00
EMPLOYEE LIFE/DISABILITY INS	\$2,274.80	\$2,332.94	\$2,600.00	\$2,600.00	\$2,700.00
RETIREMENT FUND CONTRIBUTION	\$191,750.94	\$252,599.22	\$249,700.00	\$172,700.00	\$174,800.00
RETIRES HOSPITALIZATION INS	-\$8,228.54	-\$13,049.31	\$22,900.00	\$13,800.00	\$16,500.00
UNEMPLOYMENT COMPENSATION	-	\$1,900.80	\$200.00	\$200.00	\$200.00
WORKERS COMPENSATION INS	\$2,034.22	\$4,821.36	\$8,400.00	\$8,800.00	\$9,300.00
<b>OFFICE/OPERATING SUPPLIES</b>	\$4,580.24	\$11.21	\$5,600.00	-	-
OFFICE SUPPLIES	-	\$10.81	-	-	-
KALKASKA COMBUSTION TURBINE	-	\$0.40	-	-	-
UNIFORMS	\$4,580.24	-	\$5,600.00	-	-
<b>STONEY CORNERS WIND ENERGY</b>	\$3,180,837.82	\$3,359,856.59	\$3,224,900.00	\$3,157,800.00	\$3,289,500.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
STONE CORNERS - WIND ENERGY	\$3,180,837.82	\$3,359,856.59	\$3,224,900.00	\$3,157,800.00	\$3,289,500.00
<b>M72 WIND TURBINE</b>	\$432,989.40	\$484,362.80	\$468,000.00	\$457,800.00	\$475,000.00
PEGASUS WIND	\$432,989.40	\$484,362.80	\$468,000.00	\$457,800.00	\$475,000.00
<b>M72 SOLAR</b>	\$157,157.65	\$151,754.42	\$149,100.00	\$154,300.00	\$149,200.00
M-72 SOLAR	\$157,157.65	\$151,754.42	\$149,100.00	\$154,300.00	\$149,200.00
<b>M72 SOLAR II</b>	\$142,547.48	\$135,469.10	\$155,200.00	\$148,300.00	\$157,600.00
M-72 SOLAR II	\$142,547.48	\$135,469.10	\$155,200.00	\$148,300.00	\$157,600.00
<b>M72 SOLAR III</b>	\$105,727.40	\$98,887.52	\$106,000.00	\$127,900.00	\$157,000.00
M-72 SOLAR III	\$105,727.40	\$98,887.52	\$106,000.00	\$127,900.00	\$157,000.00
<b>COMMODITIES</b>	-\$505,147.12	-\$459,932.74	\$2,936,500.00	-\$3,361,200.00	\$476,150.00
CAPACITY COSTS	-\$58,299.71	\$44,018.24	\$476,600.00	\$28,700.00	\$1,366,800.00
PURCHASED POWER	-\$446,947.41	-\$503,950.98	\$2,459,900.00	-\$3,389,900.00	-\$890,650.00
MEAL PAYMENTS	\$100.00	-	-	-	-
<b>COMBUSTION TURBINE POWER COST</b>	\$6,356,777.97	\$7,814,008.54	\$6,276,400.00	\$8,693,500.00	\$8,070,200.00
COMBUSTION TURBINE #1	\$6,356,777.97	\$7,814,008.54	\$6,276,400.00	\$8,693,500.00	\$8,070,200.00
<b>CAMPBELL #3 POWER COST</b>	\$2,916,437.43	\$3,680,799.87	\$982,000.00	\$3,500,000.00	\$2,843,800.00
CAMPBELL #3 POWER	\$2,916,437.43	\$3,680,799.87	\$982,000.00	\$3,500,000.00	\$2,843,800.00
<b>BELLE RIVER #1 POWER COST</b>	\$2,926,234.48	\$3,403,220.09	\$2,835,500.00	\$2,833,500.00	\$1,598,100.00
BELLE RIVER #1	\$2,926,234.48	\$3,403,220.09	\$2,835,500.00	\$2,833,500.00	\$1,598,100.00
<b>LANDFILL GAS - NANR &amp; GRANGER PROJ</b>	\$1,103,478.54	\$1,240,864.22	\$1,088,900.00	\$1,083,700.00	\$922,500.00
LANDFILL GAS-GRANGER PROJECT	\$1,103,478.54	\$1,240,864.22	\$1,088,900.00	\$1,083,700.00	\$922,500.00
<b>BILATERAL CONTRACT OFFSET</b>	\$2,694,191.86	\$1,899,081.27	\$4,784,200.00	\$5,442,400.00	\$5,354,800.00
BILATERAL CONTRACT	\$2,694,191.86	\$1,899,081.27	\$4,784,200.00	\$5,442,400.00	\$5,354,800.00
<b>ASSEMBLY SOLAR I</b>	\$859,541.53	\$955,962.08	\$932,000.00	\$1,002,000.00	\$946,000.00
ASSEMBLY SOLAR	\$859,541.53	\$955,962.08	\$932,000.00	\$1,002,000.00	\$946,000.00
<b>ASSEMBLY SOLAR II</b>	\$548,908.62	\$618,557.52	\$601,000.00	\$628,600.00	\$610,000.00
ASSEMBLY SOLAR II	\$548,908.62	\$618,557.52	\$601,000.00	\$628,600.00	\$610,000.00
<b>INVENERGY CALHOUN</b>	\$863,816.11	\$914,959.26	\$1,125,900.00	\$1,061,700.00	\$1,145,000.00
INVENERGY CALHOUN SOLAR	\$863,816.11	\$914,959.26	\$1,125,900.00	\$1,061,700.00	\$1,145,000.00
<b>AES CALHOUN</b>	-	\$253,300.92	\$867,300.00	\$827,700.00	\$863,000.00
AES CALHOUN	-	\$253,300.92	\$867,300.00	\$827,700.00	\$863,000.00
<b>HART SOLAR</b>	-	-	-	-	\$997,000.00
HART SOLAR	-	-	-	-	\$997,000.00
<b>WHITETAIL SOLAR</b>	-	-	\$562,700.00	\$346,700.00	\$745,000.00
WHITETAIL SOLAR	-	-	\$562,700.00	\$346,700.00	\$745,000.00
<b>PROFESSIONAL SERVICES</b>	\$97,431.92	\$163,238.23	\$301,000.00	\$230,200.00	\$282,000.00
PROFESSIONAL AND CONTRACTUAL	\$97,431.92	\$163,238.23	\$301,000.00	\$230,200.00	\$282,000.00
<b>PROFESSIONAL DEVELOPMENT</b>	-	\$698.46	-	-	-
PROFESSIONAL DEVELOPMENT	-	\$698.46	-	-	-

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
<b>TRANSPORTATION</b>	\$313.07	\$3,023.84	\$2,600.00	\$3,125.00	\$6,125.00
TRANSPORTATION	\$313.07	\$3,023.84	\$2,600.00	\$3,125.00	\$6,125.00
<b>REPAIRS &amp; MAINTENANCE</b>	\$3,403.85	\$4,878.85	\$4,000.00	\$4,000.00	\$6,500.00
SAFETY	\$3,403.85	\$4,878.85	\$4,000.00	\$4,000.00	\$6,500.00
<b>RENTALS</b>	\$5,731.51	-\$22,478.08	\$10,000.00	\$7,800.00	\$5,000.00
RENTAL EXPENSE	\$5,731.51	-\$22,478.08	\$10,000.00	\$7,800.00	\$5,000.00
<b>MISCELLANEOUS EXP</b>	-	\$339.14	\$500.00	-	-
MISCELLANEOUS	-	\$339.14	\$500.00	-	-
<b>DISTRIBUTION OPERATIONS &amp; MAINT</b>	\$4,995,255.29	\$5,306,248.89	\$5,429,710.00	\$5,038,100.00	\$5,789,500.00
<b>SALARIES &amp; WAGES</b>	\$2,062,126.48	\$2,478,501.83	\$2,543,400.00	\$2,515,200.00	\$3,120,500.00
SALARIES AND WAGES	\$1,929,432.17	\$2,255,367.58	\$2,446,400.00	\$2,332,400.00	\$2,943,700.00
EMPLOYEE OVERTIME	\$132,694.31	\$223,134.25	\$97,000.00	\$182,800.00	\$176,800.00
<b>FRINGE BENEFITS</b>	\$1,315,428.07	\$1,078,060.94	\$1,212,600.00	\$919,000.00	\$1,140,800.00
FRINGE BENEFIT RECOVERY	-\$339,629.66	-\$333,135.76	-\$366,200.00	-\$314,600.00	-\$282,000.00
HEALTH SAVINGS ACCT EXPENSE	\$47,595.57	\$53,651.12	\$54,300.00	\$57,600.00	\$65,300.00
EMPLOYER'S SOCIAL SECURITY	\$198,114.85	\$225,353.11	\$248,400.00	\$238,500.00	\$279,900.00
EMPLOYEE HEALTH INSURANCE	\$266,645.81	\$280,758.31	\$371,400.00	\$357,200.00	\$437,300.00
EMPLOYEE LIFE/DISABILITY INS	\$20,743.41	\$20,480.98	\$25,300.00	\$24,200.00	\$27,100.00
RETIREMENT FUND CONTRIBUTION	\$1,148,139.66	\$832,011.51	\$740,700.00	\$450,600.00	\$490,000.00
RETIREEES HOSPITALIZATION INS	-\$39,359.89	-\$34,607.20	\$78,200.00	\$46,800.00	\$55,700.00
UNEMPLOYMENT COMPENSATION	\$824.60	-	\$1,400.00	\$1,300.00	\$1,600.00
WORKERS COMPENSATION INS	\$12,353.72	\$33,548.87	\$59,100.00	\$57,400.00	\$65,900.00
<b>OFFICE/OPERATING SUPPLIES</b>	\$76,838.12	\$66,795.22	\$80,400.00	\$105,100.00	\$82,500.00
OFFICE SUPPLIES	\$3,543.69	\$3,793.01	\$4,500.00	\$2,500.00	\$3,000.00
OPERATION SUPPLIES	\$46,909.06	\$40,088.54	\$51,000.00	\$75,000.00	\$51,400.00
UNIFORMS	\$26,385.37	\$22,913.67	\$24,900.00	\$27,600.00	\$28,100.00
<b>COMMODITIES</b>	\$230,171.10	\$338,241.67	\$316,700.00	\$281,700.00	\$281,200.00
MEAL PAYMENTS	\$3,300.00	\$1,708.00	\$1,700.00	\$1,700.00	\$3,000.00
SUBSTATION	\$126,781.47	\$107,794.84	\$185,000.00	\$150,000.00	\$175,000.00
MUTUAL AID	-	\$14,035.10	-	-	-
PLANT AND STRUCTURES	\$100,089.63	\$214,703.73	\$130,000.00	\$130,000.00	\$103,200.00
<b>OVERHEAD LINES</b>	\$44,060.70	\$152,884.69	\$60,000.00	\$30,000.00	\$40,000.00
OVERHEAD LINES	\$44,060.70	\$152,884.69	\$60,000.00	\$30,000.00	\$40,000.00
<b>TREE TRIMMING</b>	\$384,596.06	\$365,436.70	\$270,000.00	\$332,000.00	\$265,000.00
TREE TRIMMING	\$384,596.06	\$365,436.70	\$270,000.00	\$332,000.00	\$265,000.00
<b>LOAD &amp; DISPATCHING</b>	\$33,855.00	\$33,750.00	\$37,400.00	\$34,000.00	\$37,400.00
LOAD AND DISPATCHING	\$33,855.00	\$33,750.00	\$37,400.00	\$34,000.00	\$37,400.00
<b>STORM DAMAGE CONTINGENCY</b>	\$4,988.97	\$2,203.04	\$10,000.00	\$14,000.00	\$10,000.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
STORM DAMAGE CONTINGENCY	\$4,988.97	\$2,203.04	\$10,000.00	\$14,000.00	\$10,000.00
<b>UNDERGROUND LINES</b>	\$56,017.52	\$47,119.23	\$41,700.00	\$50,000.00	\$35,000.00
UNDERGROUND LINES	\$56,017.52	\$47,119.23	\$41,700.00	\$50,000.00	\$35,000.00
<b>ELECTRIC METERS</b>	\$6,942.57	\$109,273.59	\$28,000.00	\$28,000.00	\$20,000.00
ELECTRIC METERS	\$6,942.57	\$109,273.59	\$28,000.00	\$28,000.00	\$20,000.00
<b>CUSTOMER INSTALLATIONS</b>	-	-	\$2,000.00	-	\$2,000.00
CUSTOMER INSTALLATIONS	-	-	\$2,000.00	-	\$2,000.00
<b>STREET LIGHTING</b>	\$250,945.36	\$17,471.19	\$20,000.00	\$16,000.00	\$20,000.00
STREET LIGHTING	\$250,945.36	\$17,471.19	\$20,000.00	\$16,000.00	\$20,000.00
<b>STREET LIGHTING UTILITIES</b>	-	\$225,856.67	\$227,600.00	\$223,900.00	\$228,000.00
STREET LIGHTING - UTILITIES	-	\$225,856.67	\$227,600.00	\$223,900.00	\$228,000.00
<b>RADIO EQUIPMENT</b>	\$8,578.48	-	-	-	-
RADIO EQUIPMENT	\$8,578.48	-	-	-	-
<b>ELECTRIC VEHICLE CHARGING STATIONS</b>	\$16,244.34	\$12,646.23	\$10,000.00	\$15,500.00	\$17,700.00
ELECTRIC VEHICLE CHARGING STATIONS	\$16,244.34	\$12,646.23	\$10,000.00	\$15,500.00	\$17,700.00
<b>PROFESSIONAL SERVICES</b>	\$34,041.26	\$10,870.06	\$95,000.00	\$28,000.00	\$28,000.00
PROFESSIONAL AND CONTRACTUAL	\$34,041.26	\$10,870.06	\$95,000.00	\$28,000.00	\$28,000.00
<b>PROFESSIONAL DEVELOPMENT</b>	\$70,489.20	\$35,142.48	\$92,600.00	\$70,000.00	\$65,700.00
PROFESSIONAL DEVELOPMENT	\$70,489.20	\$35,142.48	\$92,600.00	\$70,000.00	\$65,700.00
<b>COMMUNICATION</b>	\$60,400.33	\$55,844.96	\$70,000.00	\$60,000.00	\$60,000.00
COMMUNICATIONS	\$60,400.33	\$55,844.96	\$70,000.00	\$60,000.00	\$60,000.00
<b>TRANSPORTATION</b>	\$26,821.56	\$22,062.92	\$24,700.00	\$21,500.00	\$23,500.00
TRANSPORTATION	\$26,821.56	\$22,062.92	\$24,700.00	\$21,500.00	\$23,500.00
<b>PRINTING &amp; PUBLISHING</b>	\$4,520.77	\$3,142.71	\$5,000.00	\$2,500.00	\$3,000.00
PRINTING AND PUBLISHING	\$4,520.77	\$3,142.71	\$5,000.00	\$2,500.00	\$3,000.00
<b>UTILITIES</b>	\$59,534.63	\$78,579.56	\$65,000.00	\$73,000.00	\$77,000.00
UTILITIES	\$59,534.63	\$78,579.56	\$65,000.00	\$73,000.00	\$77,000.00
<b>REPAIRS &amp; MAINTENANCE</b>	\$49,922.18	\$79,653.78	\$77,000.00	\$79,000.00	\$63,300.00
SAFETY	\$27,841.15	\$28,249.53	\$38,000.00	\$38,000.00	\$21,800.00
TOOLS	\$22,081.03	\$51,404.25	\$39,000.00	\$41,000.00	\$41,500.00
<b>RENTALS</b>	\$186,273.66	\$226,563.73	\$125,610.00	\$138,200.00	\$163,900.00
RENTAL EXPENSE	\$184,509.42	\$224,509.95	\$123,400.00	\$136,000.00	\$161,600.00
RENT EXPENSE	\$1,764.24	\$2,053.78	\$2,210.00	\$2,200.00	\$2,300.00
<b>MISCELLANEOUS EXP</b>	\$3,987.00	\$2,338.82	\$5,000.00	\$1,500.00	\$5,000.00
MISCELLANEOUS	\$3,987.00	\$2,338.82	\$5,000.00	\$1,500.00	\$5,000.00
<b>OTHER CHARGES</b>	\$8,471.93	-\$136,191.13	\$10,000.00	-	-
INVENTORY ADJUSTMENTS	\$8,471.93	-\$136,191.13	\$10,000.00	-	-

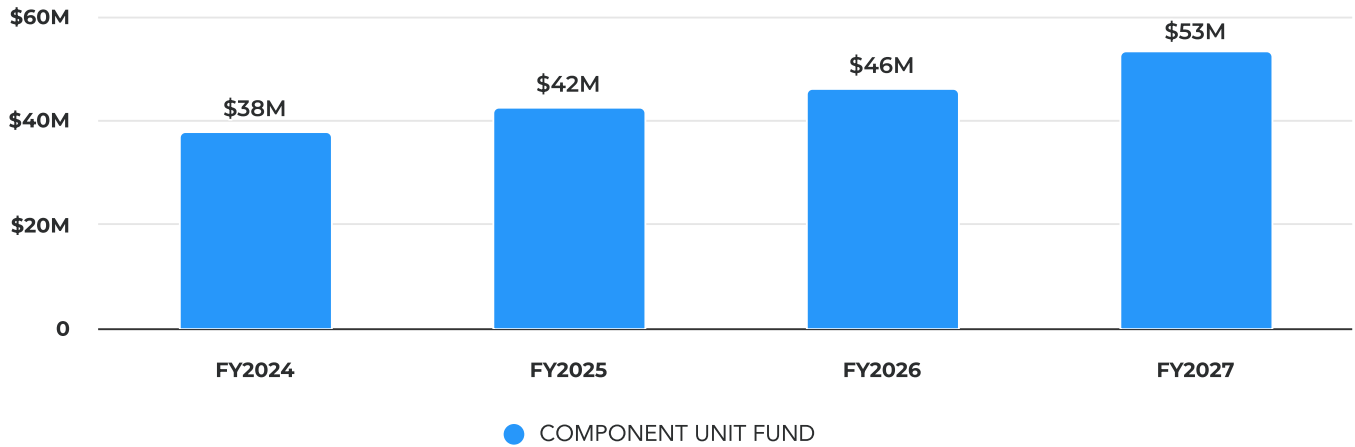
Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
<b>TRANSMISSION OPERATIONS &amp; MAINT</b>	\$501,522.06	\$547,901.53	\$522,600.00	\$496,600.00	\$562,400.00
<b>SALARIES &amp; WAGES</b>	\$233,401.33	\$239,444.16	\$246,900.00	\$219,000.00	\$212,200.00
SALARIES AND WAGES	\$233,401.33	\$239,444.16	\$246,900.00	\$219,000.00	\$212,200.00
<b>FRINGE BENEFITS</b>	\$2,187.63	\$7,642.02	\$4,100.00	\$11,200.00	\$11,200.00
FRINGE BENEFIT RECOVERY	\$2,187.63	\$7,642.02	\$4,100.00	\$11,200.00	\$11,200.00
<b>COMMODITIES</b>	\$45,224.67	\$81,330.81	\$50,000.00	\$46,000.00	\$50,000.00
SUBSTATION	\$45,224.67	\$81,330.81	\$50,000.00	\$46,000.00	\$50,000.00
<b>OVERHEAD LINES</b>	\$39,639.01	\$20,818.70	\$40,500.00	\$25,100.00	\$35,000.00
OVERHEAD LINES	\$39,639.01	\$20,818.70	\$40,500.00	\$25,100.00	\$35,000.00
<b>TREE TRIMMING</b>	-	\$54,464.97	\$25,000.00	\$25,000.00	\$25,000.00
TREE TRIMMING	-	\$54,464.97	\$25,000.00	\$25,000.00	\$25,000.00
<b>LOAD &amp; DISPATCHING</b>	\$11,145.00	\$11,250.00	\$11,100.00	\$11,300.00	\$12,000.00
LOAD AND DISPATCHING	\$11,145.00	\$11,250.00	\$11,100.00	\$11,300.00	\$12,000.00
<b>PURCHASED POWER MISO MARKET</b>	\$25,742.46	\$25,104.84	\$25,000.00	\$32,000.00	\$40,000.00
MISO TRANSMISSION	\$25,742.46	\$25,104.84	\$25,000.00	\$32,000.00	\$40,000.00
<b>PROFESSIONAL SERVICES</b>	\$52,912.50	\$52,589.62	\$25,000.00	\$15,000.00	\$25,000.00
PROFESSIONAL AND CONTRACTUAL	\$52,912.50	\$52,589.62	\$25,000.00	\$15,000.00	\$25,000.00
<b>RENTALS</b>	\$976.54	\$2,800.01	\$2,000.00	\$2,000.00	\$2,000.00
RENTAL EXPENSE	\$976.54	\$2,800.01	\$2,000.00	\$2,000.00	\$2,000.00
<b>MISCELLANEOUS EXP</b>	\$90,292.92	\$77,267.93	\$93,000.00	\$110,000.00	\$150,000.00
MISCELLANEOUS	\$90,292.92	\$77,267.93	\$93,000.00	\$110,000.00	\$150,000.00
<b>OTHER CHARGES</b>	-	-\$24,811.53	-	-	-
INVENTORY ADJUSTMENTS	-	-\$24,811.53	-	-	-
<b>METERING &amp; CUSTOMER ACCOUNTING</b>	\$673,171.86	\$1,021,223.98	\$1,236,500.00	\$1,166,100.00	\$1,166,100.00
<b>SALARIES &amp; WAGES</b>	\$266,812.93	\$486,539.29	\$532,000.00	\$493,400.00	\$520,000.00
SALARIES AND WAGES	\$266,123.44	\$486,434.30	\$532,000.00	\$493,300.00	\$520,000.00
METER READING WAGES	-	-	-	\$100.00	-
EMPLOYEE OVERTIME	\$689.49	\$104.99	-	-	-
<b>FRINGE BENEFITS</b>	\$126,049.25	\$178,272.12	\$176,100.00	\$162,000.00	\$172,600.00
FRINGE BENEFIT RECOVERY	\$0.02	-	-	-	-
HEALTH SAVINGS ACCT EXPENSE	\$6,590.25	\$12,119.21	\$12,400.00	\$12,400.00	\$13,300.00
EMPLOYER'S SOCIAL SECURITY	\$19,809.94	\$35,292.69	\$40,200.00	\$37,200.00	\$39,300.00
EMPLOYEE HEALTH INSURANCE	\$51,531.00	\$61,740.39	\$65,700.00	\$78,900.00	\$92,800.00
EMPLOYEE LIFE/DISABILITY INS	\$2,911.40	\$4,510.07	\$5,200.00	\$4,900.00	\$5,100.00
RETIREMENT FUND CONTRIBUTION	\$44,457.91	\$63,971.60	\$50,300.00	\$26,500.00	\$19,900.00
UNEMPLOYMENT COMPENSATION	-	-	\$400.00	\$400.00	\$400.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
WORKERS COMPENSATION INS	\$748.73	\$638.16	\$1,900.00	\$1,700.00	\$1,800.00
<b>OFFICE/OPERATING SUPPLIES</b>	\$78,577.17	\$97,989.39	\$103,100.00	\$102,100.00	\$107,200.00
OFFICE SUPPLIES	\$4,183.52	\$4,021.95	\$10,500.00	\$7,500.00	\$7,500.00
OPERATION SUPPLIES	-	-	\$1,600.00	\$1,600.00	\$3,700.00
UNIFORMS	\$242.00	-	\$4,000.00	\$4,000.00	\$4,000.00
POSTAGE	\$74,151.65	\$93,967.44	\$87,000.00	\$89,000.00	\$92,000.00
<b>PROFESSIONAL SERVICES</b>	\$57,541.51	\$67,920.67	\$158,000.00	\$156,000.00	\$105,000.00
PROFESSIONAL AND CONTRACTUAL	\$80,253.36	\$81,438.26	\$148,000.00	\$151,000.00	\$100,000.00
UNCOLLECTABLE ACCOUNTS	-\$22,711.85	-\$13,517.59	\$10,000.00	\$5,000.00	\$5,000.00
<b>COLLECTION COST</b>	\$232.50	\$303.30	\$10,000.00	\$10,000.00	\$10,000.00
COLLECTION COSTS	\$232.50	\$303.30	\$10,000.00	\$10,000.00	\$10,000.00
<b>PROFESSIONAL DEVELOPMENT</b>	\$8,114.44	\$10,587.94	\$24,700.00	\$15,000.00	\$9,500.00
PROFESSIONAL DEVELOPMENT	\$8,114.44	\$10,587.94	\$24,700.00	\$15,000.00	\$9,500.00
<b>COMMUNICATION</b>	\$23,100.00	\$23,100.00	\$25,600.00	\$23,100.00	\$23,100.00
COMMUNICATIONS	\$23,100.00	\$23,100.00	\$25,600.00	\$23,100.00	\$23,100.00
<b>TRANSPORTATION</b>	\$177.27	-	\$2,000.00	\$500.00	\$2,000.00
TRANSPORTATION	\$177.27	-	\$2,000.00	\$500.00	\$2,000.00
<b>PRINTING &amp; PUBLISHING</b>	\$1,147.68	\$2,613.55	\$5,000.00	\$4,000.00	\$4,700.00
PRINTING AND PUBLISHING	\$1,147.68	\$2,613.55	\$5,000.00	\$4,000.00	\$4,700.00
<b>REPAIRS &amp; MAINTENANCE</b>	-	-	-	-	\$4,000.00
SAFETY	-	-	-	-	\$4,000.00
<b>RENTALS</b>	\$1,082.44	-	-	-	-
RENTAL EXPENSE	\$1,082.44	-	-	-	-
<b>MISCELLANEOUS EXP</b>	\$110,336.67	\$153,897.72	\$200,000.00	\$200,000.00	\$208,000.00
MISCELLANEOUS	\$110,336.67	\$153,897.72	\$200,000.00	\$200,000.00	\$208,000.00
<b>OTHER</b>	\$5,766,360.80	\$6,111,819.24	\$6,392,600.00	\$6,842,300.00	\$7,498,725.00
<b>INSURANCE &amp; BONDS</b>	\$90,063.31	\$125,856.00	\$126,000.00	\$148,600.00	\$165,700.00
INSURANCE AND BONDS	\$90,063.31	\$125,856.00	\$126,000.00	\$148,600.00	\$165,700.00
<b>TRANSFER OUT CITY FEE</b>	\$1,949,720.55	\$2,103,311.01	\$2,338,000.00	\$2,169,000.00	\$2,417,000.00
CITY FEE	\$1,949,720.55	\$2,103,311.01	\$2,338,000.00	\$2,169,000.00	\$2,417,000.00
<b>DEPRECIATION EXPENSE</b>	\$3,593,722.81	\$3,653,667.13	\$4,111,000.00	\$3,821,700.00	\$4,134,200.00
DEPRECIATION EXPENSE	\$3,449,829.56	\$3,509,773.89	\$3,961,000.00	\$3,647,800.00	\$3,961,300.00
AMORTIZATION EXPENSE	\$143,893.25	\$143,893.24	\$150,000.00	\$173,900.00	\$172,900.00
<b>OTHER CHARGES</b>	\$48,399.00	\$167,461.18	-\$580,000.00	\$75,000.00	\$75,000.00
LOSS ON SALE FIXED ASSET	\$48,399.00	\$167,461.18	-\$580,000.00	\$75,000.00	\$75,000.00
<b>INTEREST EXPENSE &amp; FEES</b>	\$84,455.13	\$61,523.92	\$397,600.00	\$628,000.00	\$706,825.00

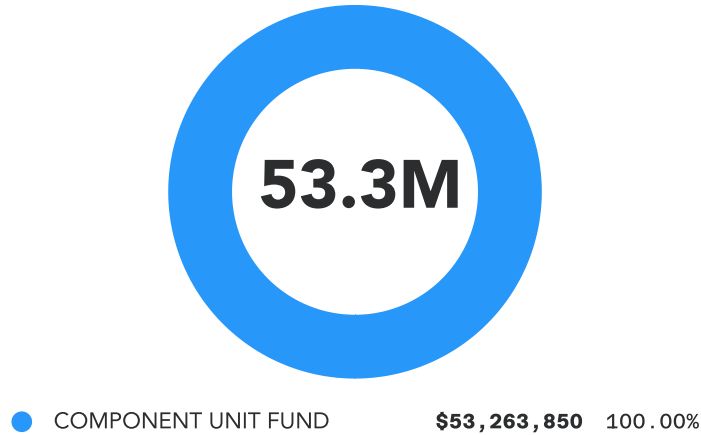
Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
DEBT ISSUANCE COSTS	\$18,200.00	-	-	-	-
INTEREST EXPENSE	\$66,255.13	\$61,523.92	\$397,600.00	\$628,000.00	\$706,825.00
<b>Total Expenditures</b>	<b>\$37,821,404.93</b>	<b>\$42,492,823.45</b>	<b>\$48,795,942.00</b>	<b>\$46,148,995.00</b>	<b>\$52,265,050.00</b>

## Expenditures by Fund Summary

Historical Expenditures by Fund Summary



FY27 Expenditures by Fund Summary



## Expenditures by Fund Summary

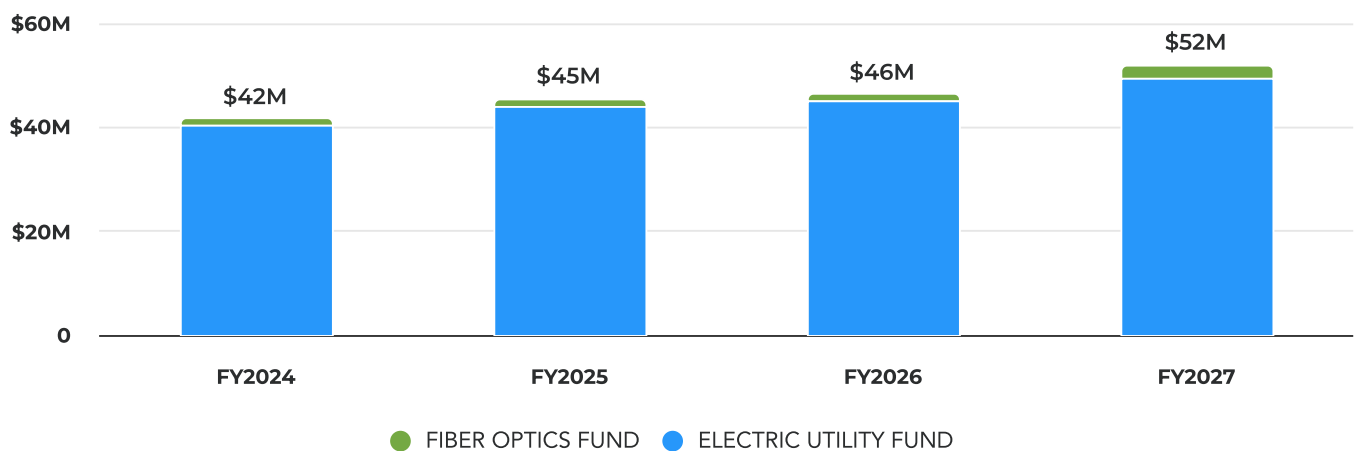
Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
<b>COMPONENT UNIT FUND</b>	\$37,821,404.93	\$42,492,823.45	\$48,795,942.00	\$46,148,995.00	\$52,265,050.00
<b>FIBER OPTICS FUND</b>	\$1,091,797.24	\$1,260,958.62	\$2,351,450.00	\$2,076,800.00	\$2,675,400.00
FIBER OPTICS OPERATIONS & MAINT	\$1,037,158.62	\$1,192,685.56	\$2,232,000.00	\$1,973,200.00	\$2,572,100.00
FIBER FUND CUSTOMER ACCOUNTING	\$54,638.62	\$68,273.06	\$119,450.00	\$103,600.00	\$103,300.00

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
<b>ELECTRIC UTILITY FUND</b>	\$36,729,607.69	\$41,231,864.83	\$46,444,492.00	\$44,072,195.00	\$49,589,650.00
INFORMATION SYSTEMS	\$647,635.64	\$929,498.84	\$1,783,203.00	\$1,038,800.00	\$1,163,500.00
CONSERVATION & PUBLIC SERVICES	\$683,175.93	\$1,051,039.71	\$1,721,250.00	\$1,161,820.00	\$2,065,000.00
ADMINISTRATIO N	\$1,486,163.15	\$1,431,196.16	\$1,666,529.00	\$1,700,250.00	\$1,930,250.00
GENERATION OPERATIONS & MAINT	\$21,976,322.96	\$24,832,936.48	\$27,692,100.00	\$26,628,225.00	\$29,414,175.00
DISTRIBUTION OPERATIONS & MAINT	\$4,995,255.29	\$5,306,248.89	\$5,429,710.00	\$5,038,100.00	\$5,789,500.00
TRANSMISSION OPERATIONS & MAINT	\$501,522.06	\$547,901.53	\$522,600.00	\$496,600.00	\$562,400.00
METERING & CUSTOMER ACCOUNTING	\$673,171.86	\$1,021,223.98	\$1,236,500.00	\$1,166,100.00	\$1,166,100.00
OTHER	\$5,766,360.80	\$6,111,819.24	\$6,392,600.00	\$6,842,300.00	\$7,498,725.00
<b>Total Expenditures</b>	<b>\$37,821,404.93</b>	<b>\$42,492,823.45</b>	<b>\$48,795,942.00</b>	<b>\$46,148,995.00</b>	<b>\$52,265,050.00</b>

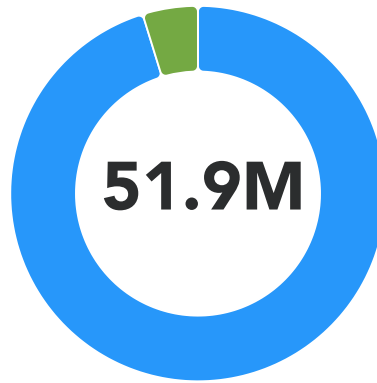
## Revenue Summary

### Revenues by Fund

Historical Revenues by Fund



### FY27 Revenues by Fund



<span style="color: blue;">●</span> ELECTRIC UTILITY FUND	<b>\$49,437,800</b>	95.24%
<span style="color: green;">●</span> FIBER OPTICS FUND	<b>\$2,472,200</b>	4.76%

### Revenues by Fund

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
<b>FIBER OPTICS FUND</b>	\$1,360,100.94	\$1,437,743.80	\$1,705,600.00	\$1,532,600.00	\$2,472,200.00
OTHER FEDERAL GRANTS	-	-	-	\$22,000.00	-
RESIDENTIAL SALES	\$509,685.61	\$567,809.74	\$773,200.00	\$609,700.00	\$1,368,000.00
RESIDENTIAL BUNDLE DISCOUNTS	-\$3,673.37	-\$2,766.41	-	-\$2,800.00	-
COMMERCIAL SALES	\$236,360.25	\$266,488.27	\$285,300.00	\$291,200.00	\$476,800.00
COMMERCIAL BUNDLE DISCOUNTS	-\$3,031.01	-\$3,144.69	-	-\$3,600.00	-
ENTERPRISE SALES	-	-	\$37,000.00	-	\$56,100.00
FOREITED DISCOUNTS	\$623.92	\$956.93	\$2,000.00	\$1,000.00	\$3,000.00
VOIP SALES	\$26,836.91	\$28,890.13	\$35,100.00	\$28,800.00	\$43,000.00
FIBER OPTIC SALES	\$474,766.46	\$457,480.68	\$472,000.00	\$473,800.00	\$473,800.00
MERCHANDISE AND JOBBING	\$925.85	\$14,604.79	\$10,000.00	\$500.00	\$1,000.00
MERCHANDISING AND JOBBING DISCOUNTS	-	-\$4,999.39	-	-	-
INTEREST & DIVIDEND EARNINGS	-	\$4,551.92	-	-	-
REIMBURSEMENTS	\$52,149.16	\$107,059.82	\$91,000.00	\$111,500.00	\$50,000.00
MISCELLANEOUS INCOME	\$65,457.16	\$812.01	-	\$500.00	\$500.00
<b>ELECTRIC UTILITY FUND</b>	\$40,353,278.00	\$43,994,918.65	\$46,885,075.00	\$44,839,153.00	\$49,440,800.00
FEDERAL GRANTS	-	\$32,198.67	\$73,500.00	-	\$99,200.00
OTHER FEDERAL GRANTS	\$472,148.70	\$358,799.27	-	-	-

5.0 O&M Financial Overview: Expenses & Revenues

Category	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Projected	2026-27 Requested
STATE GRANTS - OTHER	\$104,628.45	\$211,447.29	-	-	-
RESIDENTIAL SALES	\$7,368,665.81	\$8,235,271.76	\$8,648,000.00	\$8,543,182.00	\$8,200,000.00
REGULAR SERVICE SALES	\$14,681.73	\$14,639.57	\$19,000.00	\$24,121.00	\$30,100.00
COMMERCIAL SALES	\$4,777,045.30	\$5,337,875.73	\$5,609,000.00	\$5,494,000.00	\$6,450,000.00
COMMERCIAL DEMAND SALES	\$12,116,157.68	\$12,700,862.52	\$13,816,000.00	\$13,017,600.00	\$14,834,000.00
INDUSTRIAL SALES	\$10,421,030.61	\$11,010,876.54	\$12,538,000.00	\$11,711,900.00	\$13,440,000.00
PUBLIC AUTHORITY SALES	\$322,427.40	\$366,797.65	\$415,000.00	\$193,500.00	-
GREEN RATE SALES	\$14,462.98	\$14,703.33	\$15,000.00	\$16,000.00	\$18,000.00
STREET LIGHTING SALES	\$234,673.94	\$234,218.43	\$250,000.00	\$235,000.00	\$245,000.00
YARD LIGHT SALES	\$116,359.33	\$107,945.56	\$116,000.00	\$92,700.00	\$100,000.00
FOREITED DISCOUNTS	\$30,070.92	\$46,896.59	\$42,000.00	\$46,000.00	\$46,000.00
CHARGES FOR SERVICES RENDERED	-	-	\$446,000.00	\$315,000.00	\$892,150.00
MERCHANDISE AND JOBBING	\$150,182.67	\$273,810.62	\$140,000.00	\$226,000.00	\$150,000.00
INTEREST & DIVIDEND EARNINGS	\$117,210.61	\$125,681.68	\$181,000.00	\$125,000.00	\$125,000.00
CHANGE IN FAIR VALUE OF INVESTMENTS	\$265,640.00	\$546,950.00	-	-	-
RENTS AND ROYALTIES	\$29,730.50	\$3,630.84	\$14,775.00	\$15,000.00	\$15,000.00
POLE RENTALS	\$22,343.10	\$24,916.45	\$24,000.00	\$24,450.00	\$24,450.00
MISO REVENUE	\$3,274,904.22	\$3,657,777.49	\$3,717,000.00	\$3,800,000.00	\$3,813,000.00
SALE OF FIXED ASSETS	\$1,127.00	-	-	-	-
REIMBURSEMENTS	\$278,614.70	\$480,048.52	\$123,800.00	\$221,000.00	\$173,500.00
OTHER INCOME	\$71,897.48	\$65,541.58	\$406,500.00	\$619,200.00	\$706,900.00
SALES OF SCRAP	\$24,567.17	\$31,282.80	\$25,000.00	\$25,000.00	\$25,000.00
RECOVERY OF BAD DEBTS	\$30.00	-	-	-	-
MISCELLANEOUS INCOME	\$112,365.95	\$109,861.78	\$65,000.00	\$94,000.00	\$53,000.00
REFUNDS AND REBATES	\$12,311.75	\$2,883.98	\$500.00	\$500.00	\$500.00
LOCAL REVENUE	-	-	\$200,000.00	-	-
<b>Total Revenues</b>	<b>\$41,713,378.94</b>	<b>\$45,432,662.45</b>	<b>\$48,590,675.00</b>	<b>\$46,371,753.00</b>	<b>\$51,913,000.00</b>



# Strategic Workforce Investments

Investment in staff and workforce support remains a foundational component of the O&M budget. These resources ensure that employees have the training, tools, and operational support necessary to perform their work safely and effectively while maintaining the high level of service expected by the community. TCLP has worked to identify critical organizational gaps to identify which areas require these investments.

## Continued Growth and Identified Organizational Needs

Continued system growth, increasing operational complexity, and evolving technology requirements have created the need for additional capacity in select areas. In FY27, TCLP plans to add several new full-time equivalent positions. These additions are intended to address identified gaps in capacity, reduce reliance on single points of failure, and support continuity of operations.



As part of the FY27 budget, TCLP is continuing to make measured investments in staffing to strengthen organizational capacity. The organization has historically operated with a lean staffing structure relative to comparable utilities.

- TCLP maintained **56** positions in FY2025/26
- TCLP plans to increase staffing to **63** full-time employees in FY2026/27 to support operational needs and anticipated retirements.

## Risk Management, Continuity, & Operational Stability

Workforce planning also reflects the need to manage risk associated with retirements, knowledge transfer, and increasing system demands. These risks are elevated in environments where staffing levels are optimized for efficiency, leaving limited redundancy in key roles.

The approach to staffing growth remains deliberate and balanced. New positions are evaluated based on demonstrated operational need, risk mitigation, and alignment with long-term organizational priorities. This ensures that workforce expansion supports reliability and performance while maintaining affordability for customers.

## Professional Development

In addition to staffing levels, the O&M budget continues to support investments in training, safety programs, and workforce development. In FY27, TCLP will continue to invest in the futures of our employees and the utility by allocating a portion of our budget to professional development activities, including training, certifications, safety initiatives, and leadership development programs.

These efforts are essential to maintaining a skilled and prepared workforce capable of adapting to changing system demands while upholding and raising TCLP's standards for safety and operational excellence.

### **Budget Approach:**

- Reduce Operational and Safety Risks
- Support compliance with evolving regulations
- Improves service reliability for customers
- Enhances operational efficiency
- Strengthens leadership development as the utility evolves
- Strengthens succession planning
- Improves organizational resilience and ensures consistent stewardship of public resources.

# Measuring Performance & Service Quality

Each year, our O&M budget is closely tied to performance outcomes that reflect the reliability, safety, and effectiveness of TCLP’s operations. Key performance indicators (KPIs) are used to monitor system performance, evaluate operational efficiency, and inform future planning efforts.

Results are tracked and reviewed on a monthly basis to ensure that operational investments are delivering the intended value and maintenance of high-quality standards TCLP’s commitment to providing its customers. In addition, TCLP’s portfolio of KPIs is re-evaluated annually to ensure the information captured enables stronger decision-making and sustained performance that is relevant to our organizational goals.

## Key Metrics Monitored

While TCLP maintains and monitors all areas of our business with a set portfolio of KPIs, we strongly rely on a foundation core of proven measurements to ensure performance continuity:

### Financial Performance

**Operating Expenses vs. Budget (Electric & Fiber):**

Measures actual operating expenditures against approved budget targets to evaluate cost control, spending efficiency, and financial discipline across utility operations.

**Operating Revenue vs. Budget (Electric & Fiber):**

Measures actual revenue generation against forecasted budget expectations to assess financial performance, service demand trends, and revenue stability.

**Cash Reserve Balances:**

Tracks available cash reserves and liquidity levels to ensure financial stability, emergency preparedness, and adequate funding capacity for operational and capital needs.

**Purchase Power Expense:**

Monitors the cost of purchased power required to meet customer demand, providing insight into market exposure, supply strategy effectiveness, and operational cost pressures.

**TCLP Fiber Take Rate:**

Measures the percentage of serviceable customers actively subscribed to TCLP Fiber services, indicating market penetration, customer adoption, and growth performance.

### Reliability & Safety Performance

**SAIDI (System Average Interruption Duration Index):**

Measures the average total outage duration experienced by customers over a reporting period, serving as a key indicator of system reliability and service continuity.

**SAIFI (System Average Interruption Frequency Index):**

Measures the average number of service interruptions experienced by customers, helping evaluate outage frequency and overall electric system performance.

**CAIDI (Customer Average Interruption Duration Index):**

Measures the average restoration time per outage event, reflecting operational response effectiveness and outage recovery efficiency.

**OSHA Recordable Incident Rate:**

Tracks the frequency of workplace safety incidents requiring OSHA recordability, serving as a key indicator of employee safety performance and operational risk management.

## Energy Portfolio/Sustainability

### **% of Renewable Energy:**

Tracks the total percentage of our energy portfolio that is obtained from renewable energy generation sources; supporting sustainability goals and ensuring a decarbonized energy mix.

### **Decarbonization/Co2 Reduction):**

Measures greenhouse gas reductions as a result of renewable energy and efficiency projects by analyzing the metric tons of Co2 reduced.

### **Energy Waste Reduction (EWR) Savings:**

Estimates the annual energy savings (kWh) created from EWR programs and monitors their effectiveness.

### **EWR Rebate Distribution:**

Captures the total dollar amount of rebates given for energy efficiency improvements; reflecting investments in community energy savings and program participation by both residential and commercial customers.

## TCLP *Fiber* Performance

### **Network Uptime**

Measures the availability and reliability of the fiber network, tracked as the percentage of total time core network infrastructure and customer services remain operational without unplanned interruption.

### **Speed / Latency**

Measures network performance through delivered internet speeds (download/upload throughput) and response time (latency), used to assess service quality, consistency, and customer experience against service standards.

### **Average Issue Response Time**

Measures the average time between customer-reported service issues or system-generated alerts and the initiation of TCLP's response/action, used to evaluate service responsiveness and operational efficiency.

# TCLP's Annual Financial Schedule

- **July 2026**

July – September: • Prepare for the audit and draft audited financial statements in accordance with the Governmental Accounting Standards Board. • Kick-off of Six-Year Capital Improvement Plan development

- **January 2027**

January – March: • Submit the Six-Year Capital Improvement Plan to the City and Planning Commission • Submit O&M Budget numbers by Executive Administration • Review of the O&M Budget final draft by TCLP's Executive Administration • Preparation of O&M Budget presentation, report, and financial forecast

- **April 2027**

April – June: • Submit the O&M Budget for approval by the TCLP Board • Submit the O&M Budget for approval by the City Commission

- **October 2027**

October – December: • Conduct annual audit fieldwork with external auditors • Complete and submit the audit to the State of Michigan • Submit Capital Improvement Plan materials by Executive Administration • Review and approve Capital Improvement Plan submissions • Complete the Six-Year Capital Improvement Plan report and request Board approval • Kick-off the following year's O&M Budget process • Hold brainstorming sessions for O&M Budget development

## Ongoing Oversight

- Budget vs. Actual Performance (O&M Budget)
- Capital Spending vs. Capital Improvement Plan
- Minimum Cash Reserves monitoring
- Power Cost adjustment calculations
- Grant Opportunity Tracking & Awarded Grant Facilitation
- Debt Service Coverage Ratio monitoring

## Traverse City Light & Power - Electric Fund

### Income Statement/Cash Flow Forecast

Fiscal Year:	Actual 2024/25	Projected 2025/26	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/2030	Estimate 2030/31	Estimate 2031/32
<b>INCOME STATEMENT</b>								
<b>Operating Revenues</b>								
Charges for Services	\$ 38,023,193	\$ 39,191,625	\$ 44,209,250	\$ 44,318,286	\$ 45,145,035	\$ 46,674,210	\$ 47,803,436	\$ 48,520,488
Other Operating Revenues	4,122,514	4,191,500	4,087,500	4,087,500	4,087,500	4,087,500	4,087,500	4,087,500
<b>Total Operating Revenues</b>	<b>42,145,707</b>	<b>43,383,125</b>	<b>48,296,750</b>	<b>48,405,786</b>	<b>49,232,535</b>	<b>50,761,710</b>	<b>51,890,936</b>	<b>52,607,988</b>
<b>Operating Expenses</b>								
Purchase Power Expense	24,832,937	26,628,225	29,414,175	28,149,454	28,979,594	29,833,158	29,262,778	30,140,661
Distribution Expense	5,306,252	5,038,100	5,789,500	5,946,885	6,125,292	6,309,050	6,498,322	6,693,271
Transmission Expense	547,902	496,600	562,400	579,272	596,650	614,550	632,986	651,976
Customer Accounting	1,021,223	1,166,000	1,166,100	1,201,083	1,237,115	1,274,229	1,312,456	1,351,829
Conservation & Public Service	1,051,040	1,161,820	2,065,000	2,126,950	2,190,759	2,256,481	2,324,176	2,393,901
Information Systems	929,499	1,038,800	1,163,500	1,476,405	1,520,697	1,566,318	1,613,308	1,661,707
Administrative & General	1,430,696	1,700,250	1,930,250	2,043,158	2,049,452	2,110,936	2,174,264	2,239,492
Insurance	126,356	148,600	165,700	170,671	175,791	181,065	186,497	192,092
City Fee	2,103,311	2,169,000	2,417,000	2,420,289	2,461,627	2,538,086	2,594,547	2,630,399
Depreciation and Amortization	3,653,667	3,821,700	4,134,200	4,258,226	4,385,973	4,517,552	4,653,079	4,792,671
<b>Total Operating Expenses</b>	<b>41,002,883</b>	<b>43,369,095</b>	<b>48,807,825</b>	<b>48,372,393</b>	<b>49,722,950</b>	<b>51,201,424</b>	<b>51,252,411</b>	<b>52,748,000</b>
<b>Total Operating Income (Loss)</b>	<b>1,142,824</b>	<b>14,030</b>	<b>(511,075)</b>	<b>33,393</b>	<b>(490,415)</b>	<b>(439,714)</b>	<b>638,525</b>	<b>(140,012)</b>
<b>Nonoperating Revenue (Expense)</b>								
Federal revenue	390,998	-	99,200	-	-	-	-	-
State revenue	211,447	-	-	-	-	-	-	-
Local revenue	-	-	-	-	-	-	-	-
Rental income	28,547	39,450	39,450	39,450	39,450	39,450	39,450	39,450
Reimbursements	480,049	221,000	173,500	173,500	173,500	173,500	173,500	173,500
Lease revenue								
Smart Grid Lease	-	555,100	639,800	679,551	1,002,596	999,846	981,346	980,596
Other	65,542	64,100	67,100	35,775	31,800	32,100	32,100	32,100
Interest income	125,594	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Change in fair value of investments	546,950	-	-	-	-	-	-	-
Gain/Loss on sale of assets	(167,461)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Interest expense								
Lease - General Obligation Bond	-	(555,100)	(614,800)	(614,800)	(597,844)	(580,094)	(541,594)	(520,844)
Leases - Pole attachment, land and tower	(3,954)	(2,400)	(1,500)	(1,415)	(472)	-	-	-
Lease - Subscription liability	(57,570)	(54,600)	(51,030)	(47,242)	(43,300)	(39,198)	(39,198)	(34,928)
Interfund Loan - Economic Development Fund	-	-	(25,000)	(23,012)	(20,925)	(18,734)	(16,433)	(14,017)
Leases - Equipment	-	(15,901)	(14,495)	(50,575)	(53,190)	(55,940)	(43,224)	(29,492)
<b>Total nonoperating revenue</b>	<b>1,620,142</b>	<b>301,649</b>	<b>362,225</b>	<b>241,232</b>	<b>581,615</b>	<b>600,930</b>	<b>635,947</b>	<b>676,365</b>
<b>Change in net position</b>	<b>2,762,966</b>	<b>315,679</b>	<b>(148,850)</b>	<b>274,625</b>	<b>91,200</b>	<b>161,216</b>	<b>1,274,472</b>	<b>536,353</b>
<b>CASH FLOW</b>								
Change in net position	2,762,966	315,679	(148,850)	274,625	91,200	161,216	1,274,472	536,353

## Traverse City Light & Power - Electric Fund

### Income Statement/Cash Flow Forecast

Fiscal Year:	Actual 2024/25	Projected 2025/26	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/2030	Estimate 2030/31	Estimate 2031/32
Add - Depreciation Expense	3,653,667	3,821,700	4,134,200	4,258,226	4,385,973	4,517,552	4,653,079	4,792,671
Add - Loss on sale of assets	167,461	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Add/Less - Reconciliation of GASB 68 (Pension)	154,377	627,086	764,552	637,489	487,489	327,489	257,489	187,489
Add/Less - Reconciliation of GASB 75 (OPEB)	347,325	86,288	107,997	111,237	114,574	118,011	121,552	125,198
Less: Change in fair value of investments	(546,950)	-	-	-	-	-	-	-
Timing of Receivables and Payables	(1,375,963)	-	-	-	-	-	-	-
<b>Cash flow from Operations</b>	<b>5,162,883</b>	<b>4,925,753</b>	<b>4,932,899</b>	<b>5,356,577</b>	<b>5,154,236</b>	<b>5,199,267</b>	<b>6,381,591</b>	<b>5,716,711</b>
Less - Capital Investments	(5,339,705)	(4,125,000)	(3,260,000)	(3,995,000)	(4,048,400)	(4,133,200)	(4,028,200)	(3,497,500)
Less - Capital Investments - Smart Grid	-	(12,643,293)	-	-	-	-	-	-
Add - Bond Proceeds - Smart Grid	-	12,643,293	-	-	-	-	-	-
Principal payments								
Less - General Obligation Bond - Smart Grid	-	-	-	-	(340,000)	(355,000)	(375,000)	(395,000)
Less - Pole attachment, land and tower leases	(28,386)	(29,340)	(28,564)	(17,951)	-	-	-	-
Less - Subscription Liability	(85,833)	(89,331)	(92,970)	(96,758)	(100,699)	(104,802)	(109,072)	(113,516)
Less - Interfund Loan	-	-	(40,000)	(41,739)	(43,827)	(46,018)	(48,319)	(50,735)
Less - Leases - Equipment	-	-	-	-	-	-	-	-
<b>Cash flow from Capital/Financing Activities</b>	<b>(5,453,924)</b>	<b>(4,243,671)</b>	<b>(3,421,534)</b>	<b>(4,151,448)</b>	<b>(4,532,926)</b>	<b>(4,639,020)</b>	<b>(4,560,591)</b>	<b>(4,056,751)</b>
<b>Net increase/decrease in cash flow</b>	<b>(291,041)</b>	<b>682,082</b>	<b>1,511,365</b>	<b>1,205,129</b>	<b>621,310</b>	<b>560,247</b>	<b>1,821,000</b>	<b>1,659,960</b>
<b>Beginning Cash Balance</b>	<b>10,865,138</b>	<b>10,574,097</b>	<b>11,256,179</b>	<b>12,767,544</b>	<b>13,972,673</b>	<b>14,593,983</b>	<b>15,154,230</b>	<b>16,975,230</b>
<b>Ending Cash Balance</b>	<b>\$ 10,574,097</b>	<b>\$ 11,256,179</b>	<b>\$ 12,767,544</b>	<b>\$ 13,972,673</b>	<b>\$ 14,593,983</b>	<b>\$ 15,154,230</b>	<b>\$ 16,975,230</b>	<b>\$ 18,635,189</b>
<b>Reserved Minimum Cash - Electric</b>	<b>\$ 9,828,075</b>	<b>\$ 10,303,175</b>	<b>\$ 10,914,533</b>	<b>\$ 11,238,482</b>	<b>\$ 11,418,967</b>	<b>\$ 11,598,456</b>	<b>\$ 11,647,589</b>	<b>\$ 11,839,184</b>
<b>Difference</b>	<b>\$ 746,022</b>	<b>\$ 953,005</b>	<b>\$ 1,853,011</b>	<b>\$ 2,734,191</b>	<b>\$ 3,175,016</b>	<b>\$ 3,555,774</b>	<b>\$ 5,327,641</b>	<b>\$ 6,796,006</b>

#### Assumptions:

##### Revenues

FY 2026-27 includes a 5% rate increase and a 1.5% load growth assumption, based on EIA short term outlook of growth being between 1 - 3%.

FY 2027-28 assumes 1.5% load growth increase.

FY 2028-29 through 2031/32 includes a projected 2.5% rate increase

No load increase beyond 2027-28 as short term outlook per EIA states 1-3% annually. This is conservative approach as load will increase due to transportation and building electrification along with expanded digital infrastructure.

##### Expenses

FY 2027-28 reflects cost of Integrated Resource Plan and Cost of Service Study.

A 3% inflation factor has been applied unless substantiated by a different method.

Purchase power projections are based on data provided by MPPA.

##### Other

The forecast does not include the Sustainable Innovation Campus, as the financing strategy is still under development.

The forecast excludes the potential of dark fiber assets transferred to the Electric Fund.

The Smart Grid is treated as dual-purpose asset and is leased to the Fiber Fund for lit fiber operations. The Fiber Fund is responsible for the associated principal and interest payments.

# Traverse City Light & Power - Fiber Fund

## Income Statement/Cash Flow Forecast

Fiscal Year:	Actual 2024/25	Projected 2025/26	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30	Estimate 2030/31	Estimate 2031/32
<b>Operating Revenues</b>								
<b>Charges for Services</b>								
Dark Fiber	\$ 457,481	\$ 473,800	\$ 473,800	\$ 473,800	\$ 497,490	\$ 497,490	\$ 497,490	\$ 497,490
<b>Charges for Services</b>	857,277	923,300	1,943,900	3,653,700	3,822,200	3,854,100	3,890,500	3,931,700
Lit Fiber - Phase 1 and Phase 1.1								
<i>Residential</i>	565,044	606,900	627,100	647,200	658,100	658,100	658,100	658,100
<i>Business</i>	263,343	287,600	222,000	230,800	250,000	280,900	316,500	356,600
<i>Enterprise</i>	-	-	56,100	56,100	56,100	56,100	56,100	56,100
<i>VOIP</i>	28,890	28,800	23,000	24,000	24,800	25,800	26,600	27,700
<b>Subtotal Phase 1 and Phase 1.1</b>	857,277	923,300	928,200	958,100	989,000	1,020,900	1,057,300	1,098,500
Lit Fiber - Phase 2								
<i>Residential</i>	-	-	740,700	1,966,200	2,066,400	2,066,400	2,066,400	2,066,400
<i>Business</i>	-	-	255,000	676,300	711,000	711,000	711,000	711,000
<i>VOIP</i>	-	-	20,000	53,100	55,800	55,800	55,800	55,800
<b>Subtotal Phase 2</b>	-	-	1,015,700	2,695,600	2,833,200	2,833,200	2,833,200	2,833,200
<b>Merchandising and Jobbing</b>	9,606	500	1,000	5,000	5,000	5,000	5,000	5,000
<b>Forfeited Discounts</b>	957	1,000	3,000	5,000	6,000	6,000	6,000	6,000
<b>Miscellaneous Revenues</b>	812	500	500	500	500	500	500	500
<b>Total Operating Revenues</b>	<b>1,326,133</b>	<b>1,399,100</b>	<b>2,422,200</b>	<b>4,138,000</b>	<b>4,331,190</b>	<b>4,363,090</b>	<b>4,399,490</b>	<b>4,440,690</b>
<b>Dark and Lit Fiber</b>								
Payroll and wages	365,094	431,600	633,900	726,656	994,856	1,195,199	1,254,959	1,317,707
Office supplies	-	500	1,000	2,000	3,000	3,500	4,000	4,500
Operations supplies	6,606	5,000	5,000	5,500	6,000	6,500	7,000	7,500
Communications	1,335	1,500	1,500	2,000	2,500	3,000	3,500	3,605
Software/Hardware	32,635	35,000	45,000	45,017	46,855	48,780	51,219	53,780
Meal payments	-	300	500	600	700	800	900	1,000
Tools	-	9,000	3,000	28,090	4,000	29,120	4,994	4,994
Uniforms	-	3,500	4,000	7,600	7,828	8,063	8,305	8,305
Professional services	269,035	320,000	566,500	206,950	110,159	113,463	116,867	121,758
Marketing	-	80,000	90,000	90,000	92,700	95,481	98,345	98,345
Internet backhaul	-	-	-	33,600	35,280	37,044	38,896	40,841
VOIP Service	-	-	-	42,230	43,497	44,802	46,146	46,146
Legal services	-	5,000	7,500	7,725	7,957	8,195	8,441	8,441
Transportation	(277)	1,800	2,500	5,400	5,562	5,729	5,901	6,078
Fleet vehicle expenses	-	1,800	(1,500)	24,281	25,609	26,978	28,387	29,839
Building rental costs	17,689	35,000	37,500	38,625	39,784	40,977	42,207	42,207
Pole attachments	15,526	15,500	35,600	36,668	37,768	38,901	40,068	41,270
Repairs and Maintenance	385	-	-	-	-	-	-	-

# Traverse City Light & Power - Fiber Fund

## Income Statement/Cash Flow Forecast

Fiscal Year:	Actual 2024/25	Projected 2025/26	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30	Estimate 2030/31	Estimate 2031/32
Professional Development	14,929	25,000	22,000	32,660	33,640	34,649	35,688	35,688
Miscellaneous	26,050	1,500	2,000	2,060	2,122	2,185	2,251	2,251
<b>Total Dark and Lit Fiber</b>	<b>749,007</b>	<b>972,000</b>	<b>1,456,000</b>	<b>1,337,661</b>	<b>1,499,816</b>	<b>1,743,367</b>	<b>1,798,074</b>	<b>1,874,254</b>
<b>Network Contracted Costs</b>								
Network Operations Center				67,980	112,278	150,822	156,212	161,952
Network Infrastructure Maintenance	-	-	-	14,004	56,139	75,411	78,106	80,976
<b>Total Network Contracted Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81,984</b>	<b>168,417</b>	<b>226,233</b>	<b>234,318</b>	<b>242,928</b>
<b>Customer accounting</b>								
Payroll and wages	36,258	33,800	35,800	44,377	154,098	189,394	189,147	189,051
Operation supplies	150	1,000	1,200	1,236	1,273	1,311	1,351	1,351
Professional and contractual	10,830	20,000	12,500	12,875	13,261	13,659	14,069	14,069
Software and hardware	-	-	-	7,880	26,883	34,032	35,007	36,039
Uncollectable accounts	984	1,000	1,500	36,537	38,222	38,541	38,905	39,317
Professional development	2,508	1,500	2,000	2,060	2,122	2,185	2,251	2,251
Printing and publishing	12	300	300	309	318	328	338	338
Credit card charges	17,531	46,000	50,000	120,572	126,133	127,185	128,387	129,746
<b>Total Customer Accounting</b>	<b>68,273</b>	<b>103,600</b>	<b>103,300</b>	<b>225,846</b>	<b>362,310</b>	<b>406,636</b>	<b>409,454</b>	<b>412,161</b>
<b>Other</b>								
Insurance and bonds	-	5,400	6,000	31,180	32,115	33,079	34,071	34,071
City Fee	66,534	60,700	80,300	206,900	216,560	218,155	219,975	222,035
Depreciation/Amortization	368,470	375,000	390,000	640,000	659,200	678,976	699,345	699,345
<b>Total Other</b>	<b>435,004</b>	<b>441,100</b>	<b>476,300</b>	<b>878,080</b>	<b>907,875</b>	<b>930,209</b>	<b>953,391</b>	<b>955,451</b>
<b>Total Operating Expenses</b>	<b>1,252,284</b>	<b>1,516,700</b>	<b>2,035,600</b>	<b>2,523,571</b>	<b>2,938,418</b>	<b>3,306,445</b>	<b>3,395,237</b>	<b>3,484,794</b>
<b>Total Operating Income</b>	<b>73,849</b>	<b>(117,600)</b>	<b>386,600</b>	<b>1,614,429</b>	<b>1,392,772</b>	<b>1,056,645</b>	<b>1,004,253</b>	<b>955,896</b>
<b>Nonoperating Revenue (Expense)</b>								
Federal revenue	-	22,000	-	-	-	-	-	-
Reimbursements	107,060	111,500	50,000	58,000	59,740	61,532	63,378	65,280
Interest revenue	4,552	-	-	23,000	60,000	60,000	60,000	60,000
Interest expense								
Lease - Smart Grid - Economic Development Interfund Loan	(8,672)	(5,000)	(25,000)	(23,012)	(20,925)	(18,734)	(16,433)	(14,017)
Lease - Smart Grid - General Obligation Bond	-	(555,100)	(614,800)	(614,800)	(597,844)	(580,094)	(541,594)	(520,844)
<b>Total Nonoperating Revenue (Expense)</b>	<b>102,940</b>	<b>(426,600)</b>	<b>(589,800)</b>	<b>(556,812)</b>	<b>(499,029)</b>	<b>(477,296)</b>	<b>(434,649)</b>	<b>(409,581)</b>
<b>Change in net position</b>	<b>176,789</b>	<b>(544,200)</b>	<b>(203,200)</b>	<b>1,057,617</b>	<b>893,743</b>	<b>579,350</b>	<b>569,604</b>	<b>546,314</b>

## Traverse City Light & Power - Fiber Fund

### Income Statement/Cash Flow Forecast

Fiscal Year:	Actual 2024/25	Projected 2025/26	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30	Estimate 2030/31	Estimate 2031/32
<b>Cash Flow</b>								
Change in net position	176,789	(544,200)	(203,200)	1,057,617	893,743	579,350	569,604	546,314
Add: Depreciation/Amortization Expense	368,470	375,000	390,000	640,000	659,200	678,976	699,345	699,345
Less: Timing of Receivables and Payables	(13,676)	-	-	-	-	-	-	-
Purchase of capital assests	(349,415)	(300,000)	(1,210,000)	(376,000)	(353,000)	(338,000)	(326,000)	(310,000)
Bond proceeds	-	176,330	960,000	126,000	103,000	88,000	76,000	60,000
Inventory	-	(40,000)	(50,000)	(75,000)	(100,000)	(125,000)	(135,000)	(140,000)
Principal payment	-	-	-	-	-	-	-	-
Lease - Smart Grid - Economic Development Interfund Loan	(168,629)	-	(40,000)	(41,739)	(43,827)	(46,018)	(48,319)	(50,735)
Lease - Smart Grid - General Obligation Bond	-	-	-	-	(340,000)	(355,000)	(375,000)	(395,000)
<b>Net increase/decrease in cash equivalents</b>	<b>13,539</b>	<b>(332,870)</b>	<b>(153,200)</b>	<b>1,330,878</b>	<b>819,116</b>	<b>482,308</b>	<b>460,630</b>	<b>409,925</b>
<b>Beginning Cash Balance</b>	<b>\$ 138,990</b>	<b>\$ 152,529</b>	<b>\$ (180,341)</b>	<b>\$ (333,541)</b>	<b>\$ 997,337</b>	<b>\$ 997,337</b>	<b>\$ 1,816,453</b>	<b>\$ 1,816,453</b>
<b>Ending Cash Balance</b>	<b>\$ 152,529</b>	<b>\$ (180,341)</b>	<b>\$ (333,541)</b>	<b>\$ 997,337</b>	<b>\$ 1,816,453</b>	<b>\$ 1,479,645</b>	<b>\$ 2,277,083</b>	<b>\$ 2,226,377</b>

#### Assumptions:

##### Revenues

No rate increase

Assuming no churn rate

Historical trends were used for Phase 1 and 1.2 revenue projections with minimal increase due to increased marketing efforts until marketing efforts push forward with Phase 2.

Phase 2 split into 3 main sections assumed a max install of 44 per week with installations occuring through December 2027. Drops start July 2026.

##### Expense

Assuming 3% inflation factor increase unless there was a direct factor/support to line item.

##### Other

Forecast does not include special item of transferring the dark fiber assets to the Electric Fund.

The Smart Grid is a dual purpose asset and leased to the Fiber Fund for lit fiber. The Fiber Fund is paying the principal and interest payments for the dual purpose asset.